

**Saigon General Service Corporation
and its subsidiaries**

Consolidated financial statements for the year
ended 31 December 2013

Saigon General Service Corporation Corporate information

| | | |
|---------------------|------------|-------------|
| Decision No. | 3448/QD-UB | 9 July 2004 |
| | 3449/QD-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 25 January 2014. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

| | | |
|----------------------------|----------------------|----------------------------------------|
| Board of Management | Mr. Nguyen Vinh Tho | Chairman |
| | Mr. Nguyen Binh Minh | Vice Chairman (from 8 January 2014) |
| | Mr. Nguyen Binh Minh | Member (until 8 January 2014) |
| | Mr. Ta Phuoc Dat | Member |
| | Mr. Vo Hien | Member |
| | Mr. Te Tri Dung | Member |
| | Mr. Luong Quang Hien | Member |
| Mr. Le Hung | Member | |

| | | |
|---------------------------|----------------------|---------------------------------------------------|
| Board of Directors | Mr. Nguyen Binh Minh | General Director (from 8 January 2014) |
| | Mr. Nguyen Vinh Tho | General Director (until 8 January 2014) |
| | Mr. Nguyen Binh Minh | Deputy General Director (until 8 January 2014) |
| | Mr. Doan Van Quang | Deputy General Director (from 8 January 2014) |
| | Ms. Nguyen Thu Nga | Deputy General Director (from 8 January 2014) |
| | Mr. Ta Phuoc Dat | Deputy General Director |
| | Mr. Vo Hien | Deputy General Director |
| | Mr. Phan Tuan Dung | Deputy General Director |
| | Mr. Mai Viet Ha | Deputy General Director |

Saigon General Service Corporation
Corporate information

| | | |
|--------------------------|-------------------------------------------------------------------|---------------------------------------|
| Supervisory board | Mr. Le Xuan Duc Ms. Nguyen Phuong Loan Mr. Nguyen Cong Binh | Head of the Board Member Member |
|--------------------------|-------------------------------------------------------------------|---------------------------------------|

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

| | |
|-----------------|-------------------------|
| Auditors | KPMG Limited Vietnam |
|-----------------|-------------------------|

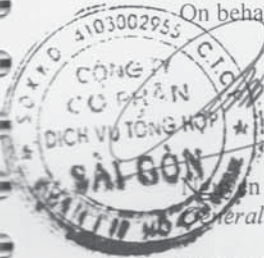
**Saigon General Service Corporation
Statement of the Board of Directors**

The Board of Directors is responsible for the preparation and presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System 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 60 give a true and fair view of the consolidated financial position of Saigon General Service Corporation and its subsidiaries (together referred to as "the Group") as at 31 December 2013, 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 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 these consolidated financial statements for issue.

On behalf of the Board of Directors



Phan Binh Minh
General Director

Ho Chi Minh City, 18 March 2014

INDEPENDENT AUDITORS' 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 2013, 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 18 March 2014, as set out on pages 6 to 60.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the statutory requirements relevant 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.

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 entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



Audit 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 subsidiaries as at 31 December 2013 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Operating registration certificate No.: 4114000230

Audit Report No.: 13-01-307




Nguyễn Văn Nghị
Practicing Auditor Registration Certificate
No. 0863-2013-007-1
Deputy General Director



Chang Hung Chun
Practicing Auditor Registration Certificate
No. 0863-2013-007-1

Ho Chi Minh City, 18 March 2014

Saigon General Service Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2013

Form B 01 – DN/HN

| | Code | Note | 31/12/2013 VND | 31/12/2012 VND |
|-----------------------------------------------------------------|------------|----------|------------------------|------------------------|
| ASSETS | | | | |
| Current assets (100 = 110 + 120 + 130 + 140 + 150) | 100 | | 904,383,830,530 | 747,081,796,641 |
| Cash and cash equivalents | 110 | 5 | 187,157,793,659 | 222,128,381,716 |
| Cash | 111 | | 160,727,048,497 | 102,304,749,716 |
| Cash equivalents | 112 | | 26,430,745,162 | 119,823,632,000 |
| Short-term investments | 120 | 6 | 42,675,353,904 | 12,882,052,543 |
| Short-term investments | 121 | | 61,956,188,543 | 54,802,052,543 |
| Allowance for diminution in the value of short-term investments | 129 | | (19,280,834,639) | (41,920,000,000) |
| Accounts receivable | 130 | 7 | 322,176,581,309 | 229,518,139,126 |
| Accounts receivable – trade | 131 | | 182,247,915,338 | 129,633,958,381 |
| Prepayments to suppliers | 132 | | 110,790,187,857 | 33,607,945,565 |
| Other receivables | 135 | | 29,167,537,174 | 66,817,856,373 |
| Allowance for doubtful debts | 139 | | (29,059,060) | (541,621,193) |
| Inventories | 140 | 8 | 327,294,943,521 | 250,708,828,148 |
| Inventories | 141 | | 329,859,439,689 | 254,292,384,761 |
| Allowance for inventories | 149 | | (2,564,496,168) | (3,583,556,613) |
| Other current assets | 150 | | 25,079,158,137 | 31,844,395,108 |
| Short-term prepayments | 151 | | 5,110,255,889 | 5,490,505,593 |
| Deductible value added tax | 152 | | 3,879,275,692 | 7,738,213,381 |
| Taxes receivable from State Treasury | 154 | | 714,911,865 | 146,198,012 |
| Assets held for disposals | | 9 | 780,166,147 | - |
| Other current assets | 158 | | 14,594,548,544 | 18,469,478,122 |

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2013 (continued)

Form B 01 – DN/HN

| | Code | Note | 31/12/2013 VND | 31/12/2012 VND |
|-----------------------------------------------------------------------|------------|-----------|--------------------------|--------------------------|
| Long-term assets (200 = 210 + 220 + 240 + 250 + 260) | 200 | | 1,901,432,002,573 | 1,967,497,112,755 |
| Accounts receivable – long-term | 210 | 7 | 4,345,621,247 | 10,243,477,357 |
| Other long-term receivables | 218 | | 4,345,621,247 | 10,243,477,357 |
| Fixed assets | 220 | | 783,651,895,915 | 678,150,706,078 |
| Tangible fixed assets | 221 | 10 | 120,457,119,269 | 136,942,499,397 |
| <i>Cost</i> | 222 | | 190,038,973,990 | 197,565,257,446 |
| <i>Accumulated depreciation</i> | 223 | | (69,581,854,721) | (60,622,758,049) |
| Finance lease tangible fixed assets | 224 | 11 | 1,974,158,868 | 2,843,865,888 |
| <i>Cost</i> | 225 | | 5,280,483,547 | 5,280,483,547 |
| <i>Accumulated depreciation</i> | 226 | | (3,306,324,679) | (2,436,617,659) |
| Intangible fixed assets | 227 | 12 | 44,434,270,003 | 45,755,313,252 |
| <i>Cost</i> | 228 | | 53,263,288,840 | 53,234,671,840 |
| <i>Accumulated amortisation</i> | 229 | | (8,829,018,837) | (7,479,358,588) |
| Construction in progress | 230 | 13 | 616,786,347,775 | 492,609,027,541 |
| Investment property | 240 | 14 | 765,790,945,029 | 789,761,318,322 |
| <i>Cost</i> | 241 | | 854,040,766,295 | 852,876,235,162 |
| <i>Accumulated depreciation</i> | 242 | | (88,249,821,266) | (63,114,916,840) |
| Long-term investments | 250 | 15 | 273,950,703,616 | 392,762,709,744 |
| Investments in associates | 252 | | 87,569,378,997 | 92,508,120,585 |
| Other long-term investments | 258 | | 189,320,158,630 | 313,846,191,920 |
| Allowance for diminution in the value of long-term investments | 259 | | (2,938,834,011) | (13,591,602,761) |
| Other long-term assets | 260 | | 73,692,836,766 | 96,578,901,254 |
| Long-term prepayments | 261 | 16 | 45,257,021,973 | 58,368,910,916 |
| Deferred tax assets | 262 | 35 | 2,669,442,312 | 4,435,223,646 |
| Other long-term assets | 268 | | 25,766,372,481 | 33,600,828,731 |
| Goodwill | 269 | | - | 173,937,961 |
| TOTAL ASSETS (270 = 100 + 200) | 270 | | 2,805,815,833,103 | 2,714,578,909,396 |

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
Consolidated balance sheet as at 31 December 2013 (continued)

Form B 01 – DN/HN

| | Code | Note | 31/12/2013 VND | 31/12/2012 VND |
|----------------------------------------------------------|------------|-----------|--------------------------|--------------------------|
| RESOURCES | | | | |
| LIABILITIES (300 = 310 + 330) | 300 | | 1,888,334,348,278 | 1,812,117,315,097 |
| Current liabilities | 310 | | 1,080,265,978,973 | 908,774,572,171 |
| Short-term borrowings | 311 | 17 | 478,290,058,679 | 443,331,700,741 |
| Accounts payable – trade | 312 | | 109,602,109,423 | 123,557,324,741 |
| Advances from customers | 313 | 18 | 228,420,211,506 | 111,015,570,172 |
| Taxes payable to State Treasury | 314 | 19 | 28,913,488,080 | 38,022,554,914 |
| Payables to employees | 315 | | 67,918,393,954 | 52,890,709,012 |
| Accrued expenses | 316 | 20 | 23,708,971,886 | 33,272,350,669 |
| Other payables | 319 | 21 | 136,887,652,266 | 100,034,371,577 |
| Bonus and welfare fund | 323 | 22 | 6,525,093,179 | 6,649,990,345 |
| Long-term liabilities | 330 | | 808,068,369,305 | 903,342,742,926 |
| Other long-term liabilities | 333 | 23 | 185,196,226,578 | 218,497,259,192 |
| Long-term borrowings | 334 | 24 | 502,209,827,703 | 560,910,473,936 |
| Unearned revenue | 338 | 25 | 120,662,315,024 | 123,935,009,798 |
| EQUITY (400 = 410) | 400 | | 741,609,750,122 | 733,037,908,229 |
| Owners' equity | 410 | 26 | 741,609,750,122 | 733,037,908,229 |
| Share capital | 411 | 27 | 249,955,730,000 | 249,955,730,000 |
| Capital surplus | 412 | | 317,064,858,303 | 317,064,858,303 |
| Treasury shares | 414 | 27 | (690,474,358) | (690,474,358) |
| Foreign exchange differences | 416 | | 5,093,483,305 | 5,093,483,305 |
| Investment and development fund | 417 | | 19,172,474,946 | 18,718,976,700 |
| Financial reserve | 418 | | 18,472,324,897 | 17,802,254,521 |
| Retained profits | 420 | | 132,541,353,029 | 125,093,079,758 |
| MINORITY INTEREST | 439 | 28 | 175,871,734,703 | 169,423,686,070 |
| TOTAL RESOURCES (440 = 300 + 400 + 439) | 440 | | 2,805,815,833,103 | 2,714,578,909,396 |

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
 Consolidated balance sheet as at 31 December 2013 (continued)

Form B 01 – DN/HN

OFF BALANCE SHEET ITEMS

| | 31/12/2013 | 31/12/2012 |
|---------------------------------------------------|----------------|----------------|
| Foreign currency included in cash: | | |
| USD | 871 | 1,284 |
| Goods held for third parties – denominated in VND | 90,571,650,672 | 24,950,826,466 |

18 March 2014

Prepared by:



Ngo Van Danh
 Chief Accountant



Approved by:



Nguyen Binh Minh
 General Director

Saigon General Service Corporation and its subsidiaries
Consolidated statement of income for the year ended 31 December 2013

Form B 02 – DN/HN

| | Code | Note | 2013 VND | 2012 VND |
|----------------------------------------------------------------------|-----------|-----------|----------------------------|----------------------------|
| Total revenue | 01 | 29 | 6,595,628,151,519 | 5,433,311,343,732 |
| Less revenue deductions | 02 | 29 | (13,262,568,762) | (19,236,013,145) |
| Net revenue (10 = 01 + 02) | 10 | 29 | 6,582,365,582,757 | 5,414,075,330,587 |
| Cost of sales | 11 | 30 | (6,186,678,221,044) | (5,029,510,240,979) |
| Gross profit (20 = 10 + 11) | 20 | | 395,687,361,713 | 384,565,089,608 |
| Financial income | 21 | 31 | 44,459,960,054 | 28,000,371,572 |
| Financial expenses | 22 | 32 | (84,771,832,677) | (183,126,681,603) |
| <i>In which: Interest expense</i> | 23 | | (88,158,375,350) | (150,237,362,999) |
| Selling expenses | 24 | | (169,500,322,431) | (171,735,808,169) |
| General and administration expenses | 25 | | (147,305,933,640) | (150,001,408,988) |
| Net operating profit/(loss) (30 = 20 + 21 + 22 + 24 + 25) | 30 | | 38,569,233,019 | (92,298,437,580) |
| Other income | 31 | 33 | 50,189,951,018 | 157,672,850,479 |
| Other expenses | 32 | 34 | (8,007,359,940) | (10,070,265,819) |
| Results of other activities (40 = 31 + 32) | 40 | | 42,182,591,078 | 147,602,584,660 |
| Share of profit in associates | 41 | 15 | 3,959,616,144 | 6,191,891,525 |
| Profit before tax (50 = 30 + 40 + 41) | 50 | | 84,711,440,241 | 61,496,038,605 |
| Income tax expense – current | 51 | 35 | (21,825,335,773) | (13,587,740,292) |
| Income tax expense – deferred | 52 | 35 | (1,765,781,334) | (1,147,074,135) |
| Net profit after tax (60 = 50 + 51 + 52) | 60 | | 61,120,323,134 | 46,761,224,178 |

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
 Consolidated statement of income for the year ended 31 December 2013 (continued)

Form B 02 – DN/HN

| | Code | Note | 2013 VND | 2012 VND |
|---------------------------------------------|------|------|----------------|----------------|
| Net profit after tax (60 = 50 + 51 + 52) | 60 | | 61,120,323,134 | 46,761,224,178 |
| Attributable to: | | | | |
| Minority interest | 61 | 28 | 19,948,253,386 | 1,916,041,556 |
| Equity holders of the Company | 62 | | 41,172,069,748 | 44,845,182,622 |
| Basic earnings per share | 70 | 36 | 1,648 | 1,796 |

18 March 2014

Prepared by:



Ngo Van Danh
 Chief Accountant

Approved by:



Nguyen Binh Minh
 General Director

Saigon General Service Corporation and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2013
(Indirect method)

Form B 03 – DN/HN

| | Code | Note | 2013 VND | 2012 VND |
|-----------------------------------------------------------|-------------|-------------|------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before tax | 01 | | 84,711,440,241 | 61,496,038,605 |
| Adjustments for | | | | |
| Depreciation and amortisation | 02 | | 46,681,441,190 | 47,141,651,297 |
| Allowances and provisions | 03 | | (7,957,655,999) | (2,190,922,172) |
| Gains on disposals of fixed assets | 05 | | (673,454,534) | (1,323,371,059) |
| Gains on disposals of investment properties | 05 | | - | (4,162,663,573) |
| Gains on disposal of other long-term investments | 05 | | (464,673,782) | - |
| Losses on trading securities | 05 | | - | 13,116,458,898 |
| Dividends and interest income | 05 | | (14,651,666,633) | (14,795,042,917) |
| Income from associates | | | (3,959,616,144) | (6,191,891,525) |
| Interest expense | 06 | | 88,158,375,350 | 150,237,362,999 |
| Write off of construction in progress | | | 286,527,273 | - |
| Operating profit before changes in working capital | 08 | | 192,130,716,962 | 243,327,620,553 |
| Change in receivables and other current assets | 09 | | 23,844,777,067 | (7,415,902,926) |
| Change in inventories | 10 | | (77,503,255,618) | 67,030,587,263 |
| Change in payables and other liabilities | 11 | | 70,995,158,019 | (80,422,727,271) |
| Change in prepayments | 12 | | 17,426,059,760 | 11,572,763,081 |
| | | | 226,893,456,190 | 234,092,340,700 |
| Interest paid | 13 | | (88,771,700,134) | (151,153,530,579) |
| Corporate income tax paid | 14 | | (32,133,924,605) | (12,033,294,739) |
| Other receipts from operating activities | 15 | | 9,460,449,421 | - |
| Other payments for operating activities | 16 | | (8,537,138,424) | (18,238,499,584) |
| Net cash flow from operating activities | 20 | | 106,911,142,448 | 52,667,015,798 |

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
 Consolidated statement of cash flows for the year ended 31 December 2013
 (Indirect method – continued)

Form B 03 – DN/HN

| | Code | Note | 2013 VND | 2012 VND |
|------------------------------------------------------------------------|-----------|----------|-------------------------|------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Payments for additions to fixed assets and other long-term assets | 21 | | (128,913,651,064) | (152,226,753,485) |
| Proceeds from disposals of fixed assets | 22 | | 5,564,609,094 | 5,662,687,299 |
| Proceeds from disposals of investment properties | 22 | | - | 11,346,006,102 |
| Proceeds from disposals of investments in securities | | | 6,570,300,000 | 152,339,211,000 |
| Proceeds from disposals of other long-term investments | | | 6,582,481,592 | - |
| Payments for investments in other entities | 25 | | (2,740,795,979) | - |
| Collection of investments in other entities | | | 1,960,000,000 | - |
| Receipts of dividends and interest | 27 | | 14,774,724,908 | 14,795,042,917 |
| Receipts/(payments) in other non-current assets | | | 13,906,250,321 | (5,954,323,279) |
| Net cash flow from investing activities | 30 | | (82,296,081,128) | 25,961,870,554 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Proceeds from short-term and long-term borrowings | 33 | | 2,980,813,258,415 | 3,209,332,127,206 |
| Payments to settle loan principals | 34 | | (3,003,651,529,110) | (3,150,967,875,720) |
| Proceeds from equity issued by subsidiaries to minority interest | | | 3,200,000,000 | 23,402,800,000 |
| Payments for financial lease liabilities | 35 | | (904,017,600) | (2,260,533,501) |
| Payments of dividends to equity holders of the Company | 36 | | (24,655,691,150) | (37,463,260,500) |
| Payments of dividends by subsidiaries to minority interest | | | (14,387,669,932) | (10,717,100,095) |
| Net cash flow from financing activities | 40 | | (59,585,649,377) | 31,326,157,390 |
| Net cash flows during the year (50 = 20 + 30 + 40) | 50 | | (34,970,588,057) | 109,955,043,742 |
| Cash and cash equivalents at the beginning of the year | 60 | | 222,128,381,716 | 112,173,337,974 |
| Cash and cash equivalents at the end of the year (70 = 50 + 60) | 70 | 5 | 187,157,793,659 | 222,128,381,716 |

18 March 2014

Prepared by:



Ngo Van Danh
Chief Accountant

Approved by:



Nguyen Binh Minh
General Director

The accompanying notes are an part of these consolidated financial statements

Saigon General Service Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2013

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

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

- Services and trading: trading, distribution, repair and maintenance of cars, motorbikes and spare parts of Toyota, Ford, GM, Suzuki, Hyundai, SYM, Yamaha; providing diversified services with international standards; providing taxi service;
- Investment property services: investment, development of real estate projects such as office buildings, trading centres, apartments, villas and high-class resorts;
- Financial services: investing in subsidiaries, associates and in shares of other entities operating in trading and services, real estates, infrastructures and finance.

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

The consolidated financial statements of the Group for the year ended 31 December 2013 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

As at 31 December 2013, the Group had 1,791 employees (31 December 2012: 1,568 employees).

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 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 currency

The financial statements are prepared and presented in Vietnam Dong (“VND”).

Saigon General Service Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2013
(continued)

Form B 09 – DN/HN

3. Summary of significant accounting policies

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

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Associates

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. The consolidated financial statements include the Group's share of the income and expenses of 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.

(iii) 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 associate are eliminated against the investment to the extent of the Group's interest in the investee.

(b) Foreign currency transactions

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates of exchange ruling at the transaction dates.

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.

Saigon General Service Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2013
(continued)

Form B 09 – DN/HN

(d) Trading securities, short-term and long-term investments

(i) Classification

The Group classifies its investments in shares listed or non-listed, as short-term investments or long-term investments depending on the Group's intention and investment strategy in respect of relevant investees.

(ii) Recognition

The Group recognises trading securities, short-term and long-term investments on the date it becomes a party to the contractual provisions of the investments (trade date accounting).

(iii) Measurement

Trading securities, short-term and long-term investments are stated at cost less allowance for diminution in value.

Cost of trading securities, short-term and long-term investments are determined on a weighted average basis.

(iv) Impairment

The allowance for diminution of listed securities is made in accordance with the current regulations as issued by the Ministry of Finance. The allowance is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the allowance was recognised. 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.

(v) Derecognition

Trading securities, short-term and long-term investments are derecognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership.

(e) Accounts receivable

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

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis for merchandise inventories and weighted average basis for other items 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.

The Group applies the perpetual method of accounting for inventories.

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(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 year 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 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) Financial lease tangible fixed assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

Depreciation on leased assets is computed on a straight-line basis over the estimated useful lives of items of the leased assets. The estimated useful lives of leased assets are consistent with the useful lives of tangible fixed assets as described in accounting policy 3(g).

(i) Intangible fixed assets

(i) Land use rights

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.

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(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.

(j) Construction in progress

Construction in progress represents the cost of construction which has not been fully completed. No depreciation is provided for construction in progress during the period of construction.

(k) Investment property

(i) Cost

Investment property is stated at cost less accumulated depreciation. The initial cost of an investment property 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 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, the expenditure is capitalised as an additional cost of the investment property.

(ii) 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

(l) Long-term prepayments

(i) Pre-operating expenses

Pre-operating expenses are recorded in the consolidated statement of income, except for establishment costs and expenditure on training, advertising and promotional activities incurred from the incorporation date to the commercial operation date. These expenses are recognised as long-term prepayments, initially stated at cost, and are amortised on a straight line basis over 3 years starting from the date of commercial operation.

(ii) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals 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.

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(iii) 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 Circular 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets (“Circular 45”). Cost of tools and supplies are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(m) Goodwill

Goodwill arises on the acquisition of subsidiary. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in the statement of income. Goodwill is amortised on a straight-line basis over 5 years.

(n) Trade and other payables

Trade and other payables are stated at their cost.

(o) 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.

(p) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Group’s consolidated financial position and consolidated results of operations and the nature and extent of risk arising from financial instruments, the Group classifies its financial instruments as follows:

(i) Financial assets

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Group as at fair value through profit or loss.

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Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Group has the positive intention and ability to hold to maturity, other than:

- those that the Group upon initial recognition designates as at fair value through profit or loss;
- those that the Group designates as available-for-sale; and
- those that meet the definition of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Group intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;
- that the Group upon initial recognition designates as available-for-sale; or
- for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

Short-term and long-term investments are under the category of available-for-sale financial assets. All other financial assets on the consolidated balance sheet are under the category of loans and receivables.

(ii) *Financial liabilities*

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Group as at fair value through profit or loss.

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Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

All financial liabilities on the consolidated balance sheet are under the category of financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(q) 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 year, 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.

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.

(r) 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.

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(s) Revenue

(i) Goods sold

Revenue from the sale of 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.

(ii) Services rendered

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.

(iii) 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.

(t) 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.

(u) 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.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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(v) 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.

(w) 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 year. The Group does not have any potentially dilutive ordinary shares.

(x) 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.

(y) Related parties

Related companies include the investors 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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Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

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4. Segment reporting

For the year ended:

| | Services and trading | | Investment property services | | Financial services | | Total | |
|----------------------------------------------|----------------------|---------------------|------------------------------|-------------------|--------------------|-------------------|---------------------|---------------------|
| | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND |
| Segment revenue | 6,442,820,038,130 | 5,121,421,334,803 | 211,596,879,959 | 451,417,333,405 | 3,314,959,315 | 17,147,987,958 | 6,657,731,877,404 | 5,589,986,656,166 |
| Direct and attributable expenses to segments | (6,398,105,977,776) | (5,129,203,717,009) | (186,352,494,452) | (367,604,521,828) | (3,797,837,564) | (37,565,900,902) | (6,588,256,309,792) | (5,534,374,139,739) |
| Segment profit during the year | 44,714,060,354 | (7,782,382,206) | 25,244,385,507 | 83,812,811,577 | (482,878,249) | (20,417,912,944) | 69,475,567,612 | 55,612,516,427 |
| Un-allocated income | | | | | | | 23,243,232,569 | 15,953,787,997 |
| Un-allocated expense | | | | | | | (8,007,359,940) | (10,070,265,819) |
| | | | | | | | 84,711,440,241 | 61,496,038,605 |

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| | Services and trading | | Investment property services | | Financial services | | Total | |
|-------------------------|----------------------|-------------------|------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | | |
| Assets | | | | | | | | |
| Current assets | 728,051,797,995 | 434,412,960,475 | 133,055,165,453 | 296,504,746,093 | 43,276,867,082 | 16,164,090,073 | 904,383,830,530 | 747,081,796,641 |
| Non-current assets | 277,956,477,420 | 782,940,024,149 | 1,619,548,268,841 | 1,145,872,526,787 | 1,257,814,000 | 34,249,338,173 | 1,898,762,560,261 | 1,963,061,889,109 |
| Un-allocated assets | - | - | - | - | - | - | 2,669,442,312 | 4,435,223,646 |
| | 1,006,008,275,415 | 1,217,352,984,624 | 1,752,603,434,294 | 1,442,377,272,880 | 44,534,681,082 | 50,413,428,246 | 2,805,815,833,103 | 2,714,578,909,396 |
| Liabilities | | | | | | | | |
| Current liabilities | 599,095,088,451 | 823,482,927,952 | 453,339,548,291 | 81,295,998,524 | 27,831,342,231 | 12,097,744,768 | 1,080,265,978,973 | 916,876,671,244 |
| Non-current liabilities | 69,768,437,880 | 48,994,250,102 | 738,299,931,425 | 846,246,393,751 | - | - | 808,068,369,305 | 895,240,643,853 |
| | 668,863,526,331 | 872,477,178,054 | 1,191,639,479,716 | 927,542,392,275 | 27,831,342,231 | 12,097,744,768 | 1,888,334,348,278 | 1,812,117,315,097 |

For the year ended :

| | Services and trading | | Investment property services | | Financial services | | Total | |
|-------------------------------|----------------------|-------------------|------------------------------|-------------------|--------------------|-------------------|-----------------|-----------------|
| | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | 31/12/2013 VND | 31/12/2012 VND | | |
| Depreciation and amortisation | 21,546,536,764 | 28,225,207,471 | 25,134,904,426 | 18,916,443,826 | - | - | 46,681,441,190 | 47,141,651,297 |
| Allowances and provisions | 404,578,112 | (163,467,743) | - | - | (8,362,234,111) | (2,027,454,429) | (7,957,655,999) | (2,190,922,172) |
| Capital expenditure | 10,941,505,450 | 21,375,974,756 | 117,972,145,614 | 130,850,778,729 | - | - | 128,913,651,064 | 152,226,753,485 |

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Notes to the consolidated financial statements for the year ended 31 December 2013
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5. Cash and cash equivalents

| | 31/12/2013 | 31/12/2012 |
|------------------|-------------------|-------------------|
| | VND | VND |
| Cash on hand | 7,572,387,045 | 8,469,381,004 |
| Cash in banks | 152,619,955,702 | 93,043,379,985 |
| Cash in transits | 534,705,750 | 791,988,727 |
| Cash equivalents | 26,430,745,162 | 119,823,632,000 |
| | <hr/> | <hr/> |
| | 187,157,793,659 | 222,128,381,716 |
| | <hr/> | <hr/> |

Cash equivalents at 31 December 2013 included VND26,281 million (31 December 2012: Nil) pledged with banks as security for loans granted to the Group.

6. Short-term investments

| | 31/12/2013 | 31/12/2012 |
|-------------------------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Short-term investments in: | | |
| ▪ Listed shares | 4,338,960,000 | 31,500,000,000 |
| ▪ Non-listed shares | 57,617,228,543 | 23,302,052,543 |
| | <hr/> | <hr/> |
| | 61,956,188,543 | 54,802,052,543 |
| Allowance for diminution in value of short-term investments | (19,280,834,639) | (41,920,000,000) |
| | <hr/> | <hr/> |
| | 42,675,353,904 | 12,882,052,543 |
| | <hr/> | <hr/> |

Saigon General Service Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2013
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Short-term investments represented investments in the following shares:

| | 31/12/2013 | |
|-------------------------------------------------------------------|-------------------|----------------|
| | Quantity | VND |
| Equity instruments – short-term investments in shares of: | | |
| - Vietnam Investment Construction and Trading Joint Stock Company | 500,000 | 14,000,000,000 |
| - Ho Chi Minh City Electric Power Trading Investment Corporation | 1,350,000 | 13,500,000,000 |
| - Viet Thai Joint Stock Company | 650,760 | 8,042,676,000 |
| - Ben Thanh Long Hai Joint Stock Company | 691,126 | 6,772,500,000 |
| - Toan Cau Insurance Company | 180,000 | 6,300,000,000 |
| - Ben Thanh Non Nuoc Joint Stock Company | 60,000 | 6,000,000,000 |
| - Ben Thanh Trading and Service Joint Stock Company | 182,129 | 3,289,960,000 |
| - Merufa Joint Stock Company | 110,000 | 3,000,000,000 |
| - Song Da 6 Joint Stock Company | 50,000 | 732,000,000 |
| - Saigon – Hanoi Commercial Joint Stock Bank | 30,000 | 204,000,000 |
| - Song Da 7.04 Joint Stock Company | 10,000 | 113,000,000 |
| - Hai Phong Securities Joint Stock Company | 812 | 2,052,543 |
| | 3,814,827 | 61,956,188,543 |

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

| | 2013 | 2012 |
|------------------------------------------------------------------------------------------------|------------------|----------------|
| | VND | VND |
| Opening balance | 41,920,000,000 | 34,555,840,308 |
| Increase in allowance during the year | - | 7,364,159,692 |
| Reclassification from allowance for diminution in value of long-term investments (Note 15) (*) | 3,262,766,551 | - |
| Allowance utilised during the year | (24,929,700,000) | - |
| Written back | (972,231,912) | - |
| | 19,280,834,639 | 41,920,000,000 |

(*) This is the allowance for diminution in value of the long-term investments in shares which have been reclassified from long-term investments to short-term investments according to the short-term trading purpose intended by management.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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7. Accounts receivable – short-term and long-term

Prepayments to suppliers as of 31 December 2013 included amounts prepaid for acquisition of buildings and construction services of VND96,773 million (31 December 2012: VND7,710 million).

Other receivables – short-term and long-term as of 31 December 2013 included VND1,833 million (31 December 2012: VND123 million) due from related parties.

8. Inventories

| | 31/12/2013 | 31/12/2012 |
|---------------------------|-------------------|-------------------|
| | VND | VND |
| Goods in transit | 9,475,902,732 | 1,673,255,245 |
| Materials and spare parts | 5,675,989,846 | 27,344,587,718 |
| Work in progress | 2,293,214,671 | 1,666,882,916 |
| Finished goods | 8,202,267 | 331,611,805 |
| Merchandise inventories | 312,210,430,040 | 223,080,346,944 |
| Goods on consignment | 195,700,133 | 195,700,133 |
| | <hr/> | <hr/> |
| | 329,859,439,689 | 254,292,384,761 |
| Allowance for inventories | (2,564,496,168) | (3,583,556,613) |
| | <hr/> | <hr/> |
| | 327,294,943,521 | 250,708,828,148 |
| | <hr/> <hr/> | <hr/> <hr/> |

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

| | 2013 | 2012 |
|------------------------------------|---------------|---------------|
| | VND | VND |
| Opening balance | 3,583,556,613 | 4,711,852,771 |
| Allowance utilised during the year | (101,920,200) | (354,214,900) |
| Written back | (917,140,245) | (774,081,258) |
| | <hr/> | <hr/> |
| Closing balance | 2,564,496,168 | 3,583,556,613 |
| | <hr/> <hr/> | <hr/> <hr/> |

At 31 December 2013 inventories with carrying value of VND169,770 million (31 December 2012: VND151,684 million) were pledged with banks as security for loans granted to the Group.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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9. Assets held for disposals

| | 31/12/2013 VND |
|--------------------------------------------------|---------------------------------|
| Transfers from tangible fixed assets (Note 10) | 778,312,277 |
| Transfers from intangible fixed assets (Note 12) | 1,853,870 |
| | <hr/> |
| | 780,166,147 |
| | <hr/> |

Saigon General Service Corporation and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2013 (continued)

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10. Tangible fixed assets

| Cost | Buildings VND | Machinery and equipment VND | Office equipment VND | Motor vehicles VND | Others VND | Total VND |
|-----------------------------------------------------------------|------------------|-----------------------------------|----------------------------|--------------------------|---------------|------------------|
| Opening balance | 120,700,805,907 | 37,383,993,355 | 9,971,119,167 | 23,726,059,050 | 5,783,279,967 | 197,565,257,446 |
| Additions | 2,202,293,050 | 1,382,309,173 | 478,965,635 | 8,155,080,329 | 117,000,000 | 12,335,648,187 |
| Disposals | - | (284,917,918) | - | (7,729,873,314) | - | (8,014,791,232) |
| Written off | - | (174,529,251) | (22,907,272) | - | - | (197,436,523) |
| Reclassification to short-term and long-term prepayments (*) | (194,722,674) | (4,420,388,578) | (5,039,996,527) | (444,639,655) | (40,943,872) | (10,140,691,306) |
| Reclassification to assets held for disposals (Note 9) | - | (915,004,400) | (32,000,000) | (562,008,182) | - | (1,509,012,582) |
| Closing balance | 122,708,376,283 | 32,971,462,381 | 5,355,181,003 | 23,144,618,228 | 5,859,336,095 | 190,038,973,990 |
| Accumulated depreciation | | | | | | |
| Opening balance | 26,942,546,942 | 17,591,519,020 | 6,278,793,181 | 7,754,946,267 | 2,054,952,639 | 60,622,758,049 |
| Charge for the year | 8,126,092,413 | 5,587,985,919 | 1,303,745,100 | 3,413,938,647 | 811,423,186 | 19,243,185,265 |
| Disposals | - | (284,917,918) | - | (2,838,718,754) | - | (3,123,636,672) |
| Written off | - | (174,529,251) | (22,907,272) | - | - | (197,436,523) |
| Reclassification to short-term and long-term prepayments (*) | (120,346,575) | (2,545,655,892) | (3,369,416,269) | (166,343,602) | (30,552,755) | (6,232,315,093) |
| Reclassification to assets held for disposals (Note 9) | - | (487,309,490) | (16,876,714) | (226,514,101) | - | (730,700,305) |
| Closing balance | 34,948,292,780 | 19,687,092,388 | 4,173,338,026 | 7,937,308,457 | 2,835,823,070 | 69,581,854,721 |
| Net book value | | | | | | |
| Opening balance | 93,758,258,965 | 19,792,474,335 | 3,692,325,986 | 15,971,112,783 | 3,728,327,328 | 136,942,499,397 |
| Closing balance | 87,760,083,503 | 13,284,369,993 | 1,158,935,705 | 15,230,217,043 | 3,023,513,025 | 120,457,119,269 |

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Notes to the consolidated interim financial statements for the six-month period ended 31 December 2013 (continued)

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(*) The reclassification represented net book value of existing fixed assets which do not meet one of the criteria for recognition as fixed assets as regulated in Article 3 of Circular 45, i.e. costing VND30 million or more. These assets are reclassified to short-term and long-term prepayments.

Included in the cost of tangible fixed assets were assets costing VND20,311 million which were fully depreciated as of 31 December 2013 (31 December 2012: VND15,432 million), but which are still in active use.

At 31 December 2013 tangible fixed assets with carrying value of VND3,463 million (31 December 2012: VND3,064 million) were pledged with banks as security for loans granted to the Group.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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11. Finance lease tangible fixed assets

| | Office equipment VND |
|---------------------------------|-------------------------------------|
| Cost | |
| Opening and closing balance | 5,280,483,547 |
| | <hr/> |
| Accumulated depreciation | |
| Opening balance | 2,436,617,659 |
| Charge for the year | 869,707,020 |
| | <hr/> |
| Closing balance | 3,306,324,679 |
| | <hr/> |
| Net book value | |
| Opening balance | 2,843,865,888 |
| Closing balance | 1,974,158,868 |
| | <hr/> |

At the end of each of the leases the Group has the option to purchase the equipment at a beneficial price. The leased equipment secures the lease obligations.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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12. Intangible fixed assets

| | Indefinite land use rights VND | Definite land use rights VND | Software VND | Total VND |
|--------------------------------------------------------|-----------------------------------------------|---------------------------------------------|-------------------------|----------------------|
| Cost | | | | |
| Opening balance | 14,634,054,300 | 36,486,639,190 | 2,113,978,350 | 53,234,671,840 |
| Additions | - | - | 140,000,000 | 140,000,000 |
| Reclassification to short-term prepayments (*) | - | - | (40,000,000) | (40,000,000) |
| Reclassification to assets held for disposals (Note 9) | - | - | (71,383,000) | (71,383,000) |
| Closing balance | 14,634,054,300 | 36,486,639,190 | 2,142,595,350 | 53,263,288,840 |
| Accumulated amortisation | | | | |
| Opening balance | - | 6,069,061,516 | 1,410,297,072 | 7,479,358,588 |
| Charge for the year | - | 876,700,512 | 556,943,967 | 1,433,644,479 |
| Reclassification to long-term prepayments (*) | - | - | (14,455,100) | (14,455,100) |
| Reclassification to assets held for disposals (Note 9) | - | - | (69,529,130) | (69,529,130) |
| Closing balance | - | 6,945,762,028 | 1,883,256,809 | 8,829,018,837 |
| Net book value | | | | |
| Opening balance | 14,634,054,300 | 30,417,577,674 | 703,681,278 | 45,755,313,252 |
| Closing balance | 14,634,054,300 | 29,540,877,162 | 259,338,541 | 44,434,270,003 |

(*) The reclassification represented net book value of existing fixed assets which do not meet one of the criteria for recognition as fixed assets as regulated in Article 3 of Circular 45, i.e. costing VND30 million or more. These assets are reclassified to short-term prepayments.

At 31 December 2013 intangible fixed assets with carrying value of VND28,540 million (31 December 2012: VND29,182 million) were pledged with banks as security for loans granted to the Group.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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13. Construction in progress

| | 2013 VND | 2012 VND |
|------------------------------------|---------------------------|---------------------------|
| Opening balance | 492,609,027,541 | 442,779,830,553 |
| Additions during the year | 125,997,990,244 | 130,850,778,729 |
| Transfers to investment property | (1,534,142,737) | (76,883,870,875) |
| Transfers to tangible fixed assets | - | (3,081,796,293) |
| Transfers to long-term prepayments | - | (1,055,914,573) |
| Written off | (286,527,273) | - |
| | <hr/> | <hr/> |
| Closing balance | 616,786,347,775 | 492,609,027,541 |
| | <hr/> <hr/> | <hr/> <hr/> |

At 31 December 2013 construction in progress with carrying value of VND42,864 million (31 December 2012: VND81,978 million) was pledged with banks as security for loans granted to the Group.

At 31 December 2013 construction in progress with carrying value of VND87,749 million related to the land use rights of Lot 10 and Lot 19 of Tam Binh – Hiep Binh Phuoc Residential Project in Thu Duc District, Ho Chi Minh City (31 December 2012: Nil) was pledged with banks as security for loans granted to the Group but not yet drawn down and of which the legal ownership documents retained by the bank.

During the year, borrowings costs capitalised into construction in progress amounted to VND18,500 million (2012: VND20,870 million).

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Notes to the consolidated financial statements for the year ended 31 December 2013
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14. Investment property

| | Land use rights VND | Buildings VND | Total VND |
|-------------------------------------------|--------------------------------|--------------------------|----------------------|
| Cost | | | |
| Opening balance | 132,036,608,908 | 720,839,626,254 | 852,876,235,162 |
| Additions | 10,474,134,364 | - | 10,474,134,364 |
| Adjustment for subsequent revaluation (*) | (9,309,603,231) | - | (9,309,603,231) |
| Transfers from construction in progress | 1,534,142,737 | - | 1,534,142,737 |
| Disposals | (1,534,142,737) | - | (1,534,142,737) |
| | <hr/> | | |
| Closing balance | 133,201,140,041 | 720,839,626,254 | 854,040,766,295 |
| | <hr/> | | |
| Accumulated depreciation | | | |
| Opening balance | 10,026,386,925 | 53,088,529,915 | 63,114,916,840 |
| Charge for the year | 4,237,389,780 | 20,897,514,646 | 25,134,904,426 |
| | <hr/> | | |
| Closing balance | 14,263,776,705 | 73,986,044,561 | 88,249,821,266 |
| | <hr/> | | |
| Net book value | | | |
| Opening balance | 122,010,221,983 | 667,751,096,339 | 789,761,318,322 |
| Closing balance | 118,937,363,336 | 646,853,581,693 | 765,790,945,029 |
| | <hr/> | | |

(*) The adjustment represented the decrease in the historical cost of HMTC-Savico Office Building located at 91 Pasteur Street, District 1, Ho Chi Minh City, Vietnam, pursuant to the contributed capital revaluation minute on 20 December 2013 for the business cooperation project between the Group and Ho Chi Minh City's House Management and Trading One Member Company Limited.

The Group's investment properties represented buildings held for earning rental income.

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

Included in the cost of investment properties were assets costing VND11,702 million which were fully depreciated as of 31 December 2013 (31 December 2012: VND10,345 million), but which are still in active use.

At 31 December 2013 investment properties with carrying value of VND691,559 million (31 December 2012: VND712,721 million) were pledged with banks as security for loans granted to the Group.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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15. Long-term investments

| | 31/12/2013 | 31/12/2012 |
|------------------------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Long-term equity investments in associates | 87,569,378,997 | 92,508,120,585 |
| Other long-term investments | 189,320,158,630 | 313,846,191,920 |
| | <hr/> | <hr/> |
| | 276,889,537,627 | 406,354,312,505 |
| Allowance for diminution in value of long-term investments | (2,938,834,011) | (13,591,602,761) |
| | <hr/> | <hr/> |
| | 273,950,703,616 | 392,762,709,744 |
| | <hr/> <hr/> | <hr/> <hr/> |

Other long-term investments represented the Group's investments in real-estate business cooperation contracts.

Movements of investments in associates were as follows:

| | 2013 | 2012 |
|-------------------------------------------------------|-----------------|------------------|
| | VND | VND |
| Balance at the beginning of the year | 92,508,120,585 | 169,375,402,896 |
| New investments | 83,050,436 | - |
| Share of net profit in associates (net of income tax) | 3,959,616,144 | 6,191,891,525 |
| Dividends from associates | (7,021,408,168) | (6,449,899,934) |
| Partial disposal of associate | (1,960,000,000) | - |
| Reclassification to other long-term investments | - | (76,603,904,624) |
| Others | - | (5,369,278) |
| | <hr/> | <hr/> |
| | 87,569,378,997 | 92,508,120,585 |
| | <hr/> <hr/> | <hr/> <hr/> |

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

| | 2013 VND | 2012 VND |
|------------------------------------------------------------------------------------------|---------------------|---------------------|
| Opening balance | 13,591,602,761 | 14,136,258,934 |
| Reclassification to allowance for diminution in value of short-term investments (Note 6) | (3,262,766,551) | - |
| Written back | (7,390,002,199) | (544,656,173) |
| | <hr/> | <hr/> |
| Closing balance | 2,938,834,011 | 13,591,602,761 |
| | <hr/> | <hr/> |

During the year, the Group liquidated a subsidiary – Saigon Services Co., Ltd. (SSC) as at 31 October 2013. There was a loss incurred amounting to VND1,314,607 as a result of this liquidation.

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Details of the investments in associates were as follows:

| Name | Principal activity | Investment licence | % of ownership | 31/12/2013 VND | 31/12/2012 VND |
|-------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| ComfortDelgro Savico Taxi Company | Providing taxi transportation and related services in Vietnam. | Business Licence No. 824/GP-HCM issued by the People’s Committee of Ho Chi Minh City on 28 March 2005. | 40.03% | 31,869,886,914 | 33,812,944,178 |
| Dana Joint Stock Company (DANA FORD) | Trading FORD cars and spare parts, providing maintenance services. | Business Licence No. 044937 issued by the Planning and Investment Department of Da Nang City on 16 June 1998 and amended on 25 June 2007. | 40.27% | 6,602,937,626 | 7,878,707,936 |
| Toyota East Saigon Joint Stock Company (TESC) | Trading TOYOTA cars and spare parts, providing maintenance services. | Business Licence No. 4103001903 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2003 and amended on 14 July 2005 and 14 November 2007. | 35.16% | 45,223,981,109 | 44,506,124,407 |
| Khanh Hoi Saigon General Service Co., Ltd. | Trading, providing consultancy and tender real estate services, advertising. | Business Licence No. 0309535441 issued by Ho Chi Minh Planning and Investment Department on 4 January 2010. | 49% | 1,189,007,367 | 3,143,929,045 |
| Ben Thanh Savico General Trading & Services Co., Ltd. | Trading SYM motorbikes and spare parts, providing maintenance services. | Business Licence No. 4102036521 issued by Ho Chi Minh City Planning and Investment Department on 25 January 2006. | 37.33% | 1,566,141,297 | 2,132,040,771 |
| Super Car Joint Stock Company | Trading cars’ spare parts and interior decorative materials. | Business Licence No. 4103008825 issued by Ho Chi Minh City Planning and Investment Department on 21 December 2007 and amended on 6 March 2008. | 37.5% | 1,117,424,684 | 1,034,374,248 |
| | | | | 87,569,378,997 | 92,508,120,585 |

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Notes to the consolidated financial statements for the year ended 31 December 2013
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16. Long-term prepayments

| | 31/12/2013 | 31/12/2012 |
|-------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Expenses prepaid for Phan Van Tri Project | 21,625,947,843 | 22,898,062,419 |
| Tools and supplies | 8,509,899,125 | 11,744,389,040 |
| Prepaid land costs | 7,129,577,909 | 12,286,994,105 |
| Renovation expenses | 4,713,180,364 | 5,487,530,361 |
| Others | 3,278,416,732 | 5,951,934,991 |
| | <hr/> | <hr/> |
| | 45,257,021,973 | 58,368,910,916 |
| | <hr/> | <hr/> |

17. Short-term borrowings

| | 31/12/2013 | 31/12/2012 |
|---------------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Short-term borrowings denominated in VND | 427,896,227,651 | 404,166,092,017 |
| Current portion of long-term borrowings (Note 24) | 50,393,831,028 | 39,165,608,724 |
| | <hr/> | <hr/> |
| | 478,290,058,679 | 443,331,700,741 |
| | <hr/> | <hr/> |

Included in short-term borrowings were VND179,208 million (31 December 2012: VND148,193 million) unsecured and VND248,688 million (31 December 2012: VND255,973 million) secured by assets with carrying amounts of VND231,824 million (31 December 2012: VND194,862 million).

These loans bore interest at rates ranging from 1.8% to 14% (2012: from 3.7% to 19.9%) per annum.

18. Advances from customers

Advances from customer as of 31 December 2013 included the advances of VND145,031 million from Dat Xanh Real Estate Construction and Service Corporation to acquire land use rights in Tam Binh-Hiep Binh Phuoc Residential Project, Thu Duc District, Ho Chi Minh City and VND23,650 million from Landmark Real Estate Development Co., Ltd. to acquire land use rights in Sai Gon South Project, District 7, Ho Chi Minh City (31 December 2012: Nil).

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19. Taxes payable to State Treasury

| | 31/12/2013 | 31/12/2012 |
|----------------------|-------------------|-------------------|
| | VND | VND |
| Value added tax | 4,695,785,030 | 8,471,654,276 |
| Corporate income tax | 7,459,386,156 | 17,767,974,988 |
| Personal income tax | 3,440,776,366 | 3,833,231,140 |
| Other obligations | 13,317,540,528 | 7,949,694,510 |
| | <hr/> | <hr/> |
| | 28,913,488,080 | 38,022,554,914 |
| | <hr/> | <hr/> |

20. Accrued expenses

| | 31/12/2013 | 31/12/2012 |
|---------------------------------|-------------------|-------------------|
| | VND | VND |
| Interest on borrowings | 4,109,865,760 | 4,723,190,544 |
| Rental fees | 360,965,451 | 2,504,281,507 |
| Salary and related expenses | 2,720,000,000 | 1,863,000,000 |
| Professional service fees | 9,515,595,775 | 9,936,965,875 |
| Accruals for operating expenses | 1,572,108,775 | 8,796,711,153 |
| Others | 5,430,436,125 | 5,448,201,590 |
| | <hr/> | <hr/> |
| | 23,708,971,886 | 33,272,350,669 |
| | <hr/> | <hr/> |

21. Other payables

Included in other payables were borrowings from related parties of VND5,044 million (31 December 2012: VND27,000 million), which bore interest at 12% (2012: 12.5%) per annum.

22. Bonus and welfare fund

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

| | 2013 | 2012 |
|-------------------------------------|-----------------|------------------|
| | VND | VND |
| Opening balance | 6,649,990,345 | 7,853,501,673 |
| Appropriation from retained profits | 6,821,011,046 | 9,708,914,906 |
| Utilisation during the year | (6,945,908,212) | (10,912,426,234) |
| | <hr/> | <hr/> |
| Closing balance | 6,525,093,179 | 6,649,990,345 |
| | <hr/> | <hr/> |

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Notes to the consolidated financial statements for the year ended 31 December 2013
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23. Other long-term liabilities

| | 31/12/2013 | 31/12/2012 |
|-----------------------------|-------------------|-------------------|
| | VND | VND |
| Long-term deposits received | 61,400,248,429 | 62,558,014,976 |
| Other long-term payables | 123,795,978,149 | 155,939,244,216 |
| | <hr/> | <hr/> |
| | 185,196,226,578 | 218,497,259,192 |
| | <hr/> <hr/> | <hr/> <hr/> |

Other long-term payables represented amounts contributed by partners for participation in the Group's property projects and were interest free.

24. Long-term borrowings

| | 31/12/2013 | 31/12/2012 |
|------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Long-term borrowings denominated in VND | 451,277,611,467 | 497,846,017,796 |
| Long-term bonds issued | 100,000,000,000 | 100,000,000,000 |
| | <hr/> | <hr/> |
| | 551,277,611,467 | 597,846,017,796 |
| Finance lease liabilities (*) | 1,326,047,264 | 2,230,064,864 |
| | <hr/> | <hr/> |
| | 552,603,658,731 | 600,076,082,660 |
| Repayable within twelve months (Note 17) | (50,393,831,028) | (39,165,608,724) |
| | <hr/> | <hr/> |
| Repayable after twelve months | 502,209,827,703 | 560,910,473,936 |
| | <hr/> <hr/> | <hr/> <hr/> |

Included in long-term borrowings were VND20,963 million of unsecured borrowings (31 December 2012: VND29,702 million) and VND430,315 million of borrowings (31 December 2012: VND468,173 million) secured by assets with carrying amounts of VND656,505 million (31 December 2012: VND751,845 million). These borrowings bore interest at rates ranging from 3% to 18% (2012: from 5.95% to 22.75%) per annum.

The long-term bonds were issued in July 2010 at its nominal value. The bonds will mature in July 2015 and are redeemable at its nominal value. The bonds are secured by assets with carrying amounts of VND74,148 million (31 December 2012: VND75,100 million), and bore interest at 12.3% (2012: 15%) per annum.

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Notes to the consolidated financial statements for the year ended 31 December 2013
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(*) The future minimum lease payments under non-cancellable finance leases were:

| | 31/12/2013 | | | 31/12/2012 | | |
|------------------------|----------------------|--------------------|----------------------|----------------------|--------------------|----------------------|
| | VND | | | VND | | |
| | Payments | Interest | Principal | Payments | Interest | Principal |
| Within one year | 1,032,498,125 | 128,480,525 | 904,017,600 | 1,271,773,364 | 367,755,764 | 904,017,600 |
| From two to five years | 435,250,591 | 13,220,927 | 422,029,664 | 1,538,986,463 | 212,939,199 | 1,326,047,264 |
| | 1,467,748,716 | 141,701,452 | 1,326,047,264 | 2,810,759,827 | 580,694,963 | 2,230,064,864 |

25. Unearned revenue

| | 31/12/2013 | 31/12/2012 |
|-------------------------------------|------------------------|------------------------|
| | VND | VND |
| Building rental income | 109,727,200,000 | 115,832,910,725 |
| Warranty and customer care services | 10,508,238,412 | 8,102,099,073 |
| Others | 426,876,612 | - |
| | 120,662,315,024 | 123,935,009,798 |

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26. Changes in owners' equity

| | Share capital VND | Capital surplus VND | Treasury shares VND | Foreign exchange differences VND | Investment and development fund VND | Financial reserve VND | Retained profits VND | Total VND |
|--------------------------------------------|----------------------|---------------------------|---------------------------|-------------------------------------------|----------------------------------------------|-----------------------------|----------------------------|------------------|
| Balance at 1 January 2012 | 249,955,730,000 | 317,064,858,303 | (690,474,358) | 5,093,483,305 | 18,684,019,711 | 17,685,506,194 | 133,184,818,876 | 740,977,942,031 |
| Net profit for the year | - | - | - | - | - | - | 44,845,182,622 | 44,845,182,622 |
| Appropriation to equity funds | - | - | - | - | 1,139,119,795 | 942,924,449 | (2,082,044,244) | - |
| Appropriation to bonus and welfare fund | - | - | - | - | - | - | (9,708,914,906) | (9,708,914,906) |
| Utilisation of equity funds | - | - | - | - | (1,104,162,806) | (826,176,122) | - | (1,930,338,928) |
| Dividends | - | - | - | - | - | - | (37,463,260,500) | (37,463,260,500) |
| Board of Management fee and bonus | - | - | - | - | - | - | (3,682,702,090) | (3,682,702,090) |
| Balance at 1 January 2013 | 249,955,730,000 | 317,064,858,303 | (690,474,358) | 5,093,483,305 | 18,718,976,700 | 17,802,254,521 | 125,093,079,758 | 733,037,908,229 |
| Net profit for the year | - | - | - | - | - | - | 41,172,069,748 | 41,172,069,748 |
| Appropriation to equity funds | - | - | - | - | 453,498,246 | 670,070,376 | (1,123,568,622) | - |
| Appropriation to bonus and welfare fund | - | - | - | - | - | - | (5,703,797,466) | (5,703,797,466) |
| Dividends (Note 39) | - | - | - | - | - | - | (24,975,507,000) | (24,975,507,000) |
| Board of Management fee and bonus | - | - | - | - | - | - | (1,591,230,212) | (1,591,230,212) |
| Other decreases | - | - | - | - | - | - | (329,693,177) | (329,693,177) |
| Balance at 31 December 2013 | 249,955,730,000 | 317,064,858,303 | (690,474,358) | 5,093,483,305 | 19,172,474,946 | 18,472,324,897 | 132,541,353,029 | 741,609,750,122 |

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27. Share capital

| | 31/12/2013 | | 31/12/2012 | |
|------------------------------------------|------------------|-----------------|------------------|-----------------|
| | 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.

28. Minority interest

| | 2013 VND | 2012 VND |
|------------------------------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 169,423,686,070 | 155,568,784,473 |
| Earnings attributable to minority interest during the year | 19,948,253,386 | 1,916,041,556 |
| Capital contribution during the year | 3,200,000,000 | 23,402,800,000 |
| Dividends | (14,387,669,932) | (10,717,100,095) |
| Share of bonus and welfare fund | (1,117,213,580) | (619,423,545) |
| Others | (1,195,321,241) | (127,416,319) |
| Balance at the end of the year | 175,871,734,703 | 169,423,686,070 |

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29. Total revenue

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

Net revenue comprised of:

| | 2013 | 2012 |
|--------------------------------|-------------------|-------------------|
| | VND | VND |
| Total revenue | | |
| ▪ Sales | 6,004,020,446,119 | 4,841,493,025,869 |
| ▪ Services | 500,894,137,768 | 450,896,921,630 |
| ▪ Investment property services | 89,627,092,870 | 129,575,390,131 |
| ▪ Sales of real estate | 1,086,474,762 | 11,346,006,102 |
| | <hr/> | <hr/> |
| | 6,595,628,151,519 | 5,433,311,343,732 |
| Less revenue deductions | (13,262,568,762) | (19,236,013,145) |
| | <hr/> | <hr/> |
| Net revenue | 6,582,365,582,757 | 5,414,075,330,587 |
| | <hr/> <hr/> | <hr/> <hr/> |

30. Cost of sales

| | 2013 | 2012 |
|--------------------------------------------|-------------------|-------------------|
| | VND | VND |
| Merchandise goods sold | 5,812,963,217,119 | 4,683,151,369,313 |
| Services provided | 347,963,097,007 | 327,649,181,274 |
| Depreciation charge of investment property | 25,134,904,426 | 12,300,429,121 |
| Real estate sold | 1,534,142,737 | 7,183,342,529 |
| Allowance for inventories | (917,140,245) | (774,081,258) |
| | <hr/> | <hr/> |
| | 6,186,678,221,044 | 5,029,510,240,979 |
| | <hr/> <hr/> | <hr/> <hr/> |

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31. Financial income

| | 2013 VND | 2012 VND |
|-------------------------------|---------------------|---------------------|
| Interest income from deposits | 11,664,362,233 | 6,345,634,017 |
| Income from security trading | 44,623,519 | 6,890,172,740 |
| Dividends | 2,987,304,400 | 8,449,408,900 |
| Foreign exchange gains | 1,116,361,849 | 2,160,968,786 |
| Other financial income | 28,647,308,053 | 4,154,187,129 |
| | <hr/> | <hr/> |
| | 44,459,960,054 | 28,000,371,572 |
| | <hr/> | <hr/> |

32. Financial expenses

| | 2013 VND | 2012 VND |
|----------------------------------------------------------------------------|---------------------|---------------------|
| Interest expense | 88,158,375,350 | 150,237,362,999 |
| Losses from security trading | 188,345,937 | 20,006,631,638 |
| Security trading expenses | 37,734,791 | 2,690,831,840 |
| Foreign exchange losses | 2,069,559,119 | 1,024,013,983 |
| (Reversal of allowance)/allowance for short-term and long-term investments | (8,362,234,111) | 6,819,503,519 |
| Other financial expenses | 2,680,051,591 | 2,348,337,624 |
| | <hr/> | <hr/> |
| | 84,771,832,677 | 183,126,681,603 |
| | <hr/> | <hr/> |

33. Other income

| | 2013 VND | 2012 VND |
|--------------------------------------------------------------------|---------------------|---------------------|
| Proceeds from disposals of tangible fixed assets | 5,564,609,094 | 5,662,687,299 |
| Commission received from other parties | 15,449,997,759 | 10,446,547,476 |
| Deduction in payables granted by suppliers | 11,496,720,690 | 16,160,452,272 |
| Income from Savico-Vinaland Project | - | 47,046,852,000 |
| Gains on partial disposal of investment in Savico-Vinaland | 10,400,000,000 | 36,930,300,000 |
| Compensation received from a customer for cancellation of contract | - | 30,000,000,000 |
| Compensation received from breach of contract | 1,132,170,000 | 1,134,910,734 |
| Others | 6,146,453,475 | 10,291,100,698 |
| | <hr/> | <hr/> |
| | 50,189,951,018 | 157,672,850,479 |
| | <hr/> | <hr/> |

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34. Other expenses

| | 2013 VND | 2012 VND |
|--------------------------------------------------|---------------------|----------------------|
| Carrying value of tangible fixed assets disposed | 4,891,154,560 | 4,339,316,240 |
| Others | 3,116,205,380 | 5,730,949,579 |
| | <hr/> 8,007,359,940 | <hr/> 10,070,265,819 |

35. Income tax

(a) Recognised in the balance sheet

| | 31/12/2013 VND | 31/12/2012 VND |
|----------------------------|---------------------------|---------------------------|
| Deferred tax assets | | |
| Allowances and provisions | 27,282,888 | - |
| Accrued expenses | 2,642,159,424 | 4,435,223,646 |
| | <hr/> 2,669,442,312 | <hr/> 4,435,223,646 |

(b) Recognised in the statement of income

| | 2013 VND | 2012 VND |
|---------------------------------------|----------------------|----------------------|
| Current tax expense | | |
| Current year | 21,621,412,008 | 15,906,101,750 |
| Under/(over) provision in prior years | 203,923,765 | (2,318,361,458) |
| | <hr/> 21,825,335,773 | <hr/> 13,587,740,292 |
| Deferred tax expense | | |
| Origination of temporary differences | (2,493,705,148) | (4,280,378,541) |
| Reversal of temporary differences | 4,259,486,482 | 377,008,202 |
| Benefits of tax losses utilised | - | 3,476,940,507 |
| Write down of deferred tax assets | - | 1,573,503,967 |
| | <hr/> 1,765,781,334 | <hr/> 1,147,074,135 |
| Income tax expense | <hr/> 23,591,117,107 | <hr/> 14,734,814,427 |

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(c) Reconciliation of effective tax rate

| | 2013 VND | 2012 VND |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Profit before tax | 84,711,440,241 | 61,496,038,605 |
| Tax at income rate applicable to the Company | 21,177,860,059 | 15,374,009,651 |
| Tax incentives | - | (280,199,583) |
| Non-deductible expenses | 1,413,222,555 | 2,479,884,432 |
| Non-taxable income | (2,830,029,716) | (2,112,352,225) |
| Deferred tax assets not recognised | 1,926,461,145 | 18,329,643 |
| Write down of deferred tax assets | - | 1,573,503,967 |
| Deferred tax liabilities not recognised on allowance for diminution in the value of investments in subsidiaries and associates | (2,161,863,172) | - |
| Effect of change in tax rates | 3,861,542,471 | - |
| Under/(over) provision in prior years | 203,923,765 | (2,318,361,458) |
| Income tax expense | 23,591,117,107 | 14,734,814,427 |

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.

(d) Applicable tax rate

The Company and its subsidiaries have an obligation to pay the government income tax at the rate that is generally applied for companies in Vietnam, which is currently at 25%. 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 2014 and 2015, and to 20% from 2016.

36. Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2013 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

(i) Net profit attributable to ordinary shareholders

| | 2013 VND | 2012 VND |
|---------------------------------------------------------------------------|---------------------|---------------------|
| Net profit to ordinary shareholders of Saigon General Service Corporation | 41,172,069,748 | 44,845,182,622 |

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(ii) Weighted average number of ordinary shares

| | 2013 | 2012 |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
| | Number of shares | Number of shares |
| Weighted average number of ordinary shares at the beginning and the end of the year | 24,975,507 | 24,975,507 |

As of 31 December 2013, the Group did not have potentially dilutive ordinary shares.

37. Financial instruments

(a) Financial risk management

(i) Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks.

The Company's Board of Management oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

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(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(i) Exposure to credit risk

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

| | Note | 31/12/2013 VND | 31/12/2012 VND |
|--------------------------------------------------------|-------|-------------------|-------------------|
| Cash in banks and cash equivalents | (ii) | 179,585,406,614 | 213,659,000,712 |
| Trade and other receivables – short-term and long-term | (iii) | 215,732,014,699 | 206,153,670,918 |
| | | 395,317,421,313 | 419,812,671,630 |
| | | 395,317,421,313 | 419,812,671,630 |

(ii) Cash in banks and cash equivalents

The cash and cash equivalents in banks of the Group are mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

(iii) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables are due within 30 days from the date of billing. Debtors with balances that are more than 30 days outstanding are requested to settle the balances before further credit is granted. No collateral is collected from the customers.

Trade and other receivables – short-term and long-term – that are neither past due nor impaired are mostly companies with good collection track records with the Group. Management believes that those receivables are of high credit quality.

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The aging of trade and other receivables – short-term and long-term – at the balance sheet date was as follows:

| | Gross 31/12/2013 VND | Allowance for doubtful debts 31/12/2013 VND | Gross 31/12/2012 VND | Allowance for doubtful debts 31/12/2012 VND |
|------------------------|-------------------------------------|----------------------------------------------------------------|-------------------------------------|----------------------------------------------------------------|
| Not past due | 205,782,930,152 | - | 130,165,030,290 | - |
| Past due 0 – 30 days | 3,482,247,187 | - | 56,079,659,957 | - |
| Past due 31 – 180 days | 6,321,104,019 | 13,927,195 | 15,833,149,524 | - |
| Past due over 180 days | 174,792,401 | 15,131,865 | 4,617,452,340 | 541,621,193 |
| | <hr/> 215,761,073,759 | 29,059,060 | 206,695,292,111 | 541,621,193 <hr/> |

Movements in the allowance for doubtful debts during the year were as follows:

| | 2013 VND | 2012 VND |
|------------------------------------|---------------------|---------------------|
| Opening balance | 541,621,193 | 681,934,439 |
| Allowance utilised during the year | (78,424,778) | (140,313,246) |
| Written back | (434,137,355) | - |
| | <hr/> 29,059,060 | 541,621,193 <hr/> |
| Closing balance | 29,059,060 | 541,621,193 |

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

31 December 2013

| | Carrying amount VND | Contractual cash flows VND | Within 1 year VND | 1 – 2 years VND | 2 – 5 years VND | Over 5 years VND |
|----------------------------------------------------|---------------------------|----------------------------------|-------------------------|--------------------|--------------------|------------------------|
| Short-term borrowings | 478,290,058,679 | 419,496,407,629 | 419,496,407,629 | - | - | - |
| Trade and other payables | 246,489,761,689 | 339,478,087,247 | 339,478,087,247 | - | - | - |
| Payables to employees | 67,918,393,954 | 67,918,393,954 | 67,918,393,954 | - | - | - |
| Accrued expenses | 23,708,971,886 | 23,708,971,886 | 23,708,971,886 | - | - | - |
| Long-term bonds issued | 100,000,000,000 | 119,133,333,333 | 12,470,833,333 | 106,662,500,000 | - | - |
| Long-term borrowings and finance lease liabilities | 402,209,827,703 | 580,523,861,908 | 68,815,820,665 | 110,515,945,439 | 283,787,434,532 | 117,404,661,272 |
| Other long-term liabilities | 185,196,226,578 | 185,196,226,578 | 123,277,170,713 | 11,648,913,120 | - | 50,270,142,745 |
| | 1,503,813,240,489 | 1,735,455,282,535 | 1,055,165,685,427 | 228,827,358,559 | 283,787,434,532 | 167,674,804,017 |

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31 December 2012

| | Carrying amount VND | Contractual cash flows VND | Within 1 year VND | 1 – 2 years VND | 2 – 5 years VND | Over 5 years VND |
|----------------------------------------------------|---------------------------|----------------------------------|-------------------------|--------------------|--------------------|------------------------|
| Short-term borrowings | 443,331,700,741 | 457,057,332,877 | 457,057,332,877 | - | - | - |
| Trade and other payables | 223,591,696,318 | 223,591,696,318 | 223,591,696,318 | - | - | - |
| Payables to employees | 52,890,709,012 | 52,890,709,012 | 52,890,709,012 | - | - | - |
| Accrued expenses | 33,272,350,669 | 33,272,350,669 | 33,272,350,669 | - | - | - |
| Long-term bonds issued | 100,000,000,000 | 138,541,666,666 | 15,208,333,333 | 15,208,333,333 | 108,125,000,000 | - |
| Long-term borrowings and finance lease liabilities | 460,910,473,936 | 765,825,868,927 | 53,966,680,460 | 124,439,796,417 | 364,257,604,437 | 223,161,787,613 |
| Other long-term liabilities | 218,497,259,192 | 218,497,259,192 | 80,389,547,152 | 90,795,607,856 | - | 47,312,104,184 |
| | 1,532,494,189,868 | 1,889,676,883,661 | 916,376,649,821 | 230,443,737,606 | 472,382,604,437 | 270,473,891,797 |

The Group manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments.

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(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Group is exposed to currency risk on investments that are denominated in a currency other than the accounting currency of Group, the VND. The currency in which these transactions primarily are denominated is USD.

The Group's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

Exposure to currency risk

The Group had the following net monetary (liability)/asset position exposed to currency risk:

| | 31/12/2013 | 31/12/2012 |
|-----------------------------|-------------------|-------------------|
| | USD | USD |
| Cash | 871 | 1,284 |
| Other receivables | - | 1,767,000 |
| Other long-term liabilities | (341,300) | (353,300) |
| | <hr/> | <hr/> |
| | (340,429) | 1,414,984 |
| | <hr/> <hr/> | <hr/> <hr/> |

The following was the significant exchange rate applied by the Group:

| | Exchange rate as at | |
|-------|----------------------------|-------------------|
| | 31/12/2013 | 31/12/2012 |
| | VND | VND |
| USD 1 | 21,085 | 20,815 |
| | <hr/> <hr/> | <hr/> <hr/> |

The possible impact on the net profit of the Group, after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at 31 December 2013, is not significant.

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(ii) Interest rate risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

| | Carrying amount | |
|---------------------------|------------------------|-------------------|
| | 31/12/2013 | 31/12/2012 |
| | VND | VND |
| Fixed rate instruments | | |
| Cash equivalents | 26,430,745,162 | 119,823,632,000 |
| Short-term borrowings | (104,845,278,076) | (77,837,412,168) |
| Other payables | (5,000,000,000) | (27,000,000,000) |
| Long-term borrowings | (402,209,827,703) | (460,910,473,936) |
| | <hr/> | <hr/> |
| | (485,624,360,617) | (445,924,254,104) |
| | <hr/> <hr/> | <hr/> <hr/> |
| Variable rate instruments | | |
| Cash in banks | 152,619,955,702 | 93,043,379,985 |
| Short-term borrowings | (373,444,780,603) | (365,494,288,573) |
| Other payables | (3,000,000,000) | (10,321,750,000) |
| Long-term bonds issued | (100,000,000,000) | (100,000,000,000) |
| | <hr/> | <hr/> |
| | (323,824,824,901) | (382,772,658,588) |
| | <hr/> <hr/> | <hr/> <hr/> |

No policy in place pertaining to the mitigation of any potential volatility of the interest rate.

An increase of 100 basis points in interest rates would have decreased the net profit of the Group by VND2,429 million (2012: VND2,871 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(e) Fair values

As at 31 December 2013, the fair values of short-term investments – categorised as available-for-sale financial assets; cash and cash equivalents, trade and other receivables – categorised as loans and receivables; short-term borrowings, trade and other payables, payables to employees, accrued expenses – categorised as liabilities at amortised cost were not significantly different to their carrying values.

The Group has not determined fair values of long-term investments, long-term deposits, other long-term liabilities and long-term borrowings for disclosure in accordance with Article 28 of Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance because (i) quoted prices in active market is not available for these financial assets and liabilities; and (ii) Vietnamese Accounting Standards and the Vietnamese Accounting System do not provide guidance on measurement of fair values in the case where quoted prices in active market is not available. Fair values of these financial instruments may be different from their carrying values.

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38. Non-cash investing activities

| | 2013 VND | 2012 VND |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|
| Dividends reinvested into subsidiary (SAIGON FORD) | - | 8,328,000,000 |
| Proceeds from disposals of other long-term investment (56 Van Don Landing Stage Project) in form of offsetting against other payables | 5,492,492,766 | - |
| Proceeds from disposals of investments in other long-term investment (56 Van Don Landing Stage Project) in form of offsetting against prepayments to suppliers | 78,677,314,301 | - |

39. Dividends

The General Meeting of Shareholders of the Company on 5 April 2013 resolved to distribute dividends of 2012 amounting to VND24,976 million, which is equal to 10% of par value of shares in circulation at that time.

40. 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. The Group has the following subsidiaries:

| Subsidiary name | Principal activity | Investment licence | % of ownership |
|-----------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Saigon Ford Co., Ltd. (SAIGON FORD) | Trading FORD cars and spare parts, providing maintenance services. | Business Registration Certificate No. 4102001544 issued by Ho Chi Minh City Planning and Investment Department on 30 June 2000, amended on 5 March 2003, 22 October 2003, 26 April 2005 and 9 October 2010. | 52.05% |
| Toyota Giai Phong Joint Venture Company (TGP) | Trading TOYOTA cars and spare parts, providing maintenance services. | Business Licence No. 14/GP-HN issued by the People's Committee of Hanoi City on 22 January 1998. | 51% |
| East City Co., Ltd. | Trading GM cars and spare parts, providing maintenance services. | Business Registration Certificate No. 4102014294 issued by Ho Chi Minh City Planning and Investment Department on 5 March 2003 and amended on 22 October 2003 and 5 December 2011 and 2 August 2012. | 55% |

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| Subsidiary name | Principal activity | Investment licence | % of ownership |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| City Automobile Corporation | Trading HYUNDAI cars and spare parts, providing maintenance services. | Business Registration Certificate No. 0309553786 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2009 and amended on 2 February 2010 and 24 September 2012. | 51% |
| Saigon Service Trading Limited Company (YAMAHA Can Tho) | Trading YAMAHA motorbikes and spare parts, providing maintenance services. | Business Registration Certificate No. 5702001169 issued by Can Tho City Planning and Investment Department on 11 August 2006 and amended on 23 June 2011. | 63.64% |
| Saigon Star Corporation | Trading SUZUKI, HONDA and YAMAHA automobile and motorbikes and spare parts, providing maintenance services. | Business Licence No. 4103007242 issued by the Ho Chi Minh City Planning and Investment Department on 9 July 2007 and amended on 28 May 2008. | 55% |
| 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. | Business Registration Certificate No. 0103018056 issued by Hanoi City Planning and Investment Department on 19 June 2007 and amended on 28 October 2009 and 6 October 2010. | 70% |
| Toyota Can Tho Company Limited | Trading TOYOTA cars and spare parts, providing maintenance services. | Investment Licence No. 571022000005 issued by the People's Committee of Can Tho City on 18 April 2007 and amended on 9 September 2009 and 4 May 2012. | 51% |
| Han River Automobile Corporation | Trading and maintaining automobiles, spare parts; trading electrical engines, building materials; agents and consignment; providing automobile rental, transportation services. | Business Registration Certificate No. 401337755 issued by Da Nang City Planning and Investment Department on 8 February 2010 and 10 December 2012. | 51% |

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| Subsidiary name | Principal activity | Investment licence | % of ownership |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Savico Vinh Long Company Limited | Trading automobile, motorbikes and spare parts; providing maintenance and repairing services. | Business Registration Certificate No. 1500764333 issued by Vinh Long Province Planning and Investment Department on 30 June 2011 and amended on 28 December 2011 and 6 December 2012. | 51% |
| Savico-Mekong General Trade Service Limited Company | Trading automobile, motorbikes and spare parts; providing maintenance and repairing services. | Business Registration Certificate No. 1801231071 issued by Can Tho City Planning and Investment Department on 31 December 2011 and amended on 13 January 2012. | 51% |

Transactions with key management personnel

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

| | 2013 VND | 2012 VND |
|---------------------|----------------------|----------------------|
| Board of Management | 2,626,500,000 | 2,526,000,000 |
| Board of Directors | 790,000,000 | 828,000,000 |
| Supervisory Board | 112,500,000 | 120,000,000 |
| | <hr/> | <hr/> |
| | 3,529,000,000 | 3,474,000,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

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Other related party transactions

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

| Related party | Relationship | Nature of transaction | 2013 VND | 2012 VND |
|-------------------------------------------------------------|---------------------|--------------------------------------------------------------|---------------------|---------------------|
| Toyota East Saigon Joint Stock Company (TESC) | Associate | Dividends | 4,114,170,000 | 5,142,150,000 |
| | | Loan received from associate | 17,300,000,000 | 121,500,000,000 |
| | | Other financial expenses | 664,686,111 | 669,690,757 |
| ConfortDelgro Taxi Savico Company | Associate | Rental and other related expenses charged to associate | 3,056,355,441 | 2,143,804,600 |
| Ben Thanh Savico General Trading & Services Co., Ltd. | Associate | Commission received from associate | 1,390,763,000 | 1,070,045,499 |
| | | Dividends | 168,000,000 | - |
| | | Loan granted to associate | 500,000,000 | - |
| | | Other financial income | 14,431,944 | - |
| Dana Joint Stock Company | Associate | Dividends | 2,739,238,168 | 906,075,000 |
| Khanh Hoi Saigon General Service Co., Ltd. | Associate | Dividends | - | 401,674,934 |

41. Lease commitment

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

| | 31/12/2013 VND | 31/12/2012 VND |
|------------------------|---------------------------|---------------------------|
| Within one year | 35,080,647,220 | 40,278,624,329 |
| From two to five years | 85,632,134,485 | 109,276,959,982 |
| Over five years | 90,231,479,437 | 168,501,025,742 |
| | 210,944,261,142 | 318,056,610,053 |

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42. Trading and business costs by element

| | 2013 VND | 2012 VND |
|-------------------------------|-------------------|-------------------|
| Cost of merchandise goods | 6,076,827,013,451 | 4,930,902,460,889 |
| Labour costs and staff costs | 212,751,053,950 | 179,198,266,932 |
| Depreciation and amortisation | 46,681,441,190 | 47,141,651,297 |
| Outside services | 155,077,004,342 | 182,225,657,280 |
| Other expenses | 70,777,671,911 | 73,932,352,477 |

18 March 2014

Prepared by:



Ngo Van Danh
 Chief Accountant

Approved by:



Nguyen Binh Minh
 General Director