

**Saigon General Service Corporation**

Separate financial statements  
for the year ended 31 December 2014

**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 26 January 2015. 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. Mai Viet Ha	General Director (from 19 January 2015)
Mr. Nguyen Binh Minh	General Director (from 8 January 2014 until 19 January 2015)
Mr. Nguyen Vinh Tho	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. Vo Hien	Deputy General Director
Mr. Nguyen Binh Minh	Deputy General Director (until 8 January 2014)
Mr. Ta Phuoc Dat	Deputy General Director (until 19 January 2015)
Mr. Phan Tuan Dung	Deputy General Director (until 15 March 2014)
Mr. Mai Viet Ha	Deputy General Director (until 19 January 2015)

**Saigon General Service Corporation**  
**Corporate information (continued)**

<b>Supervisory Board</b>	Ms. Nguyen Viet Hoa	Head of the Board (from 28 March 2014)
	Mr. Le Xuan Duc	Head of the Board (until 28 March 2014)
	Mr. Nguyen Thai Hoa	Member (from 28 March 2014)
	Ms. Nguyen Phuong Loan	Member (until 28 March 2014)
	Mr. Nguyen Cong Binh	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 fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the separate financial statements set out on pages 6 to 61 give a true and fair view of the separate financial position of Saigon General Service Corporation (“the Company”) as at 31 December 2014, and of the separate results of operations and the separate cash flows of the Company for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors   
  
Viet Ha  
General Director

Ho Chi Minh City, 23 March 2015

## **INDEPENDENT AUDITORS' REPORT**

### **To the Shareholders Saigon General Service Corporation**

We have audited the accompanying separate financial statements of Saigon General Service Corporation (“the Company”), which comprise the separate balance sheet as at 31 December 2014, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 23 March 2015, as set out on pages 6 to 61.

### **Management’s Responsibility**

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

### **Auditor’s Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the separate 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 separate financial statements.

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



## Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of Saigon General Service Corporation as at 31 December 2014 and of its separate results of operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

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

Vietnam

Operating registration certificate No.: 4114000230

Audit Report No.: 14-01-383



Trần Thị Ngọc Hào  
Practicing Auditor Registration  
Certificate No. 0866-2013-007-1  
*Deputy General Director*

Ho Chi Minh City, 23 March 2015

Nguyen Cam Tu  
Practicing Auditor Registration  
Certificate No. 2193-2013-007-1

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2014**

**Form B 01 – DN**

	<b>Code</b>	<b>Note</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
<b>ASSETS</b>				
<b>Current assets</b>				
<b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>135,846,105,916</b>	<b>187,523,929,721</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>46,270,712,230</b>	<b>24,515,494,949</b>
Cash	111		7,270,712,230	13,647,729,787
Cash equivalents	112		39,000,000,000	10,867,765,162
<b>Short-term investments</b>	<b>120</b>	<b>6</b>	<b>47,805,076,136</b>	<b>42,673,301,361</b>
Short-term investments	121		63,588,156,490	61,954,136,000
Allowance for diminution in the value of short-term investments	129		(15,783,080,354)	(19,280,834,639)
<b>Accounts receivable</b>	<b>130</b>	<b>7</b>	<b>18,435,479,180</b>	<b>117,799,354,716</b>
Accounts receivable – trade	131		3,164,580,493	6,449,948,663
Prepayments to suppliers	132		1,758,913,006	85,799,625,113
Other receivables	135		13,511,985,681	25,549,780,940
<b>Inventories</b>	<b>140</b>	<b>8</b>	<b>20,774,995,892</b>	<b>43,813,382</b>
<b>Other current assets</b>	<b>150</b>		<b>2,559,842,478</b>	<b>2,491,965,313</b>
Deductible value added tax	152		427,059,160	386,504,617
Taxes receivable from State Treasury	154		344,953,134	38,130,512
Other current assets	158		1,787,830,184	2,067,330,184

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

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2014 (continued)**

Form B 01 – DN

	Code	Note	31/12/2014 VND	31/12/2013 VND
<b>Long-term assets</b> <b>(200 = 210 + 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>1,156,471,166,539</b>	<b>1,294,785,898,150</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>7</b>	<b>81,345,621,247</b>	<b>76,845,621,247</b>
Other long-term receivables	218		81,345,621,247	76,845,621,247
<b>Fixed assets</b>	<b>220</b>		<b>396,877,067,442</b>	<b>662,305,788,765</b>
Tangible fixed assets	221	9	3,059,124,031	2,344,961,306
<i>Cost</i>	222		11,501,897,061	9,950,639,888
<i>Accumulated depreciation</i>	223		(8,442,773,030)	(7,605,678,582)
Intangible fixed assets	227	10	49,795,989,703	43,174,479,684
<i>Cost</i>	228		54,371,011,809	47,084,099,490
<i>Accumulated amortisation</i>	229		(4,575,022,106)	(3,909,619,806)
Construction in progress	230	11	344,021,953,708	616,786,347,775
<b>Investment property</b>	<b>240</b>	<b>12</b>	<b>172,665,657,525</b>	<b>179,039,700,824</b>
<i>Cost</i>	241		225,388,783,099	225,388,783,099
<i>Accumulated depreciation</i>	242		(52,723,125,574)	(46,349,082,275)
<b>Long-term investments</b>	<b>250</b>	<b>13</b>	<b>501,878,708,757</b>	<b>372,800,675,746</b>
Investments in subsidiaries	251		260,884,906,814	154,045,222,000
Investments in associates	252		57,358,709,000	56,353,359,436
Other long-term investments	258		196,236,376,112	185,662,344,630
Allowance for diminution in the value of long-term investments	259		(12,601,283,169)	(23,260,250,320)
<b>Other long-term assets</b>	<b>260</b>		<b>3,704,111,568</b>	<b>3,794,111,568</b>
Deferred tax assets	262		2,583,611,568	2,583,611,568
Other long-term assets	268		1,120,500,000	1,210,500,000
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>1,292,317,272,455</b>	<b>1,482,309,827,871</b>

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

**Saigon General Service Corporation**  
**Separate balance sheet as at 31 December 2014 (continued)**

Form B 01 – DN

	Code	Note	31/12/2014 VND	31/12/2013 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>629,546,778,991</b>	<b>823,324,350,517</b>
<b>Current liabilities</b>	<b>310</b>		<b>362,656,728,784</b>	<b>461,165,259,840</b>
Short-term borrowings	311	14	18,123,418,970	60,427,675,248
Accounts payable – trade	312	15	6,798,914,377	3,810,712,537
Advances from customers	313		10,549,668,850	179,366,247,551
Taxes payable to State Treasury	314	16	12,703,917,195	6,796,906,468
Payables to employees	315		25,728,914,439	30,415,871,234
Accrued expenses	316	17	9,473,933,109	12,469,584,234
Other payables	319	18	274,300,048,742	164,623,597,375
Bonus and welfare fund	323	19	4,977,913,102	3,254,665,193
<b>Long-term liabilities</b>	<b>330</b>		<b>266,890,050,207</b>	<b>362,159,090,677</b>
Other long-term liabilities	333	20	118,097,470,509	115,427,465,521
Long-term borrowings	334	21	95,345,896,390	191,887,691,844
Unearned revenue	338	22	53,446,683,308	54,843,933,312
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>662,770,493,464</b>	<b>658,985,477,354</b>
<b>Owners' equity</b>	<b>410</b>	<b>23</b>	<b>662,770,493,464</b>	<b>658,985,477,354</b>
Share capital	411	24	249,955,730,000	249,955,730,000
Capital surplus	412		317,064,858,303	317,064,858,303
Treasury shares	414	24	(690,474,358)	(690,474,358)
Investment and development fund	417		12,469,151,903	12,469,151,903
Financial reserve	418		12,469,151,903	12,469,151,903
Retained profits	420		71,502,075,713	67,717,059,603
<b>TOTAL RESOURCES</b> (440 = 300 + 400)	<b>440</b>		<b>1,292,317,272,455</b>	<b>1,482,309,827,871</b>

23 March 2015

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Nguyen Viet Ha  
General Director

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

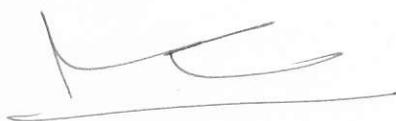
Saigon General Service Corporation  
Separate statement of income for the year ended 31 December 2014

Form B 02 – DN

	Code	Note	2014 VND	2013 VND
Total revenue	01	25	283,707,766,113	61,687,928,299
Less revenue deductions	02	25	(861,272,047)	(85,983,120)
Net revenue (10 = 01 + 02)	10	25	282,846,494,066	61,601,945,179
Cost of sales	11	26	(215,013,653,650)	(29,306,395,006)
Gross profit (20 = 10 + 11)	20		67,832,840,416	32,295,550,173
Financial income	21	27	36,739,031,854	56,793,225,308
Financial expenses	22	28	(10,797,466,902)	(26,831,954,400)
<i>In which: Interest expense</i>	23		(14,569,056,931)	(24,429,651,652)
Selling expenses	24		(783,063,447)	(596,703,986)
General and administration expenses	25		(32,407,885,388)	(28,910,609,778)
Net operating profit (30 = 20 + 21 + 22 + 24 + 25)	30		60,583,456,533	32,749,507,317
Other income	31	29	7,313,550,426	10,912,060,182
Other expenses	32	30	(16,771,711,295)	(1,543,346,522)
Results of other activities (40 = 31 + 32)	40		(9,458,160,869)	9,368,713,660
Profit before tax (50 = 30 + 40)	50		51,125,295,664	42,118,220,977
Income tax expense – current	51	31	(10,176,710,311)	(4,902,822,533)
Income tax expense – deferred	52	31	-	(1,675,874,914)
Net profit after tax (60 = 50 + 51 + 52)	60		40,948,585,353	35,539,523,530
Basic earnings per share	70	32	1,640	1,423

23 March 2015

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Nguyen Viet Ha  
General Director

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

**Saigon General Service Corporation**  
**Separate statement of cash flows for the year ended 31 December 2014**  
**(Indirect method)**

Form B 03 – DN

	Code	Note	2014 VND	2013 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>51,125,295,664</b>	<b>42,118,220,977</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		7,876,540,047	8,811,136,109
Allowances and provisions	03		(14,156,721,436)	110,987,090
Gains on disposals of fixed assets	05		-	(20,000,000)
Losses on disposals of investments in subsidiaries	05		5,361,449,810	47,272,155
Losses on disposals of investments in associates	05		3,288,850,453	-
Losses on written off of construction in progress	05		245,616,673	-
Dividends and interest income	05		(26,736,132,379)	(20,006,412,747)
Net losses on trading securities	05		1,343,209,510	-
Interest expense	06		14,569,056,931	24,429,651,652
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>42,917,165,273</b>	<b>55,490,855,236</b>
Change in receivables and other current assets	09		91,626,846,383	59,100,341,653
Change in inventories	10		190,717,371,198	62,806,205
Change in payables and other liabilities	11		(45,569,926,962)	139,757,846,330
Change in prepayments	12		-	346,265,269
			<b>279,691,455,892</b>	<b>254,758,114,693</b>
Interest paid	13		(27,088,824,296)	(48,869,541,625)
Corporate income tax paid	14		(12,023,671,308)	(13,754,026,122)
Other receipts from operating activities	15		-	9,312,189,790
Other payments for operating activities	16		(5,469,712,934)	(7,495,723,896)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>235,109,247,354</b>	<b>193,951,012,840</b>

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

**Saigon General Service Corporation**  
**Separate statement of cash flows for the year ended 31 December 2014**  
**(Indirect method – continued)**

Form B 03 – DN

	Code	Note	2014 VND	2013 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(29,842,656,698)	(116,770,892,513)
Proceeds from disposals of construction in progress	22		1,474,011,286	45,000,000
Proceeds from disposals of investments in securities	22		7,598,355,000	6,570,300,000
Proceeds from disposals of investments in subsidiaries and associates			6,040,500,000	1,960,000,000
Payments for investments in other entities	25		(57,203,523,449)	(2,740,795,979)
Collections of investments in associates	26		734,199,983	-
Receipts of dividends and interest income	27		27,176,384,367	17,531,519,034
<b>Net cash flow from investing activities</b>	<b>30</b>		<b>(44,022,729,511)</b>	<b>(93,404,869,458)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from short-term and long-term borrowings	33		203,340,105,439	77,691,207,789
Payments to settle loan principals	34		(342,186,157,171)	(133,521,714,699)
Payments of dividends	36		(30,485,248,830)	(24,655,691,150)
<b>Net cash flow from financing activities</b>	<b>40</b>		<b>(169,331,300,562)</b>	<b>(80,486,198,060)</b>

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

Saigon General Service Corporation  
 Separate statement of cash flows for the year ended 31 December 2014  
 (Indirect method – continued)

Form B 03 – DN

	Code	Note	2014 VND	2013 VND
Net cash flows during the year (50 = 20 + 30 + 40)	50		21,755,217,281	20,059,945,322
Cash and cash equivalents at the beginning of the year	60		24,515,494,949	4,455,549,627
Cash at the end of the year (70 = 50 + 60)	70	5	46,270,712,230	24,515,494,949

23 March 2015

Prepared by:



Ngo Van Danh  
 Chief Accountant

Approved by:



Viet Ha  
 General Director

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

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**

**Form B 09 – DN**

These notes form an integral part of, and should be read in conjunction with, the accompanying separate 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; trading jewelries, construction materials; providing bar and restaurant services;
- Real estate: trading real estate, land use rights; leasing warehouses, office, commercial centres; investing, developing real estate projects such as office buildings, apartments, villas and high-class resorts;
- Financial services: investing in subsidiaries, associates and in shares of other entities operating in trading and services, real estate and infrastructures.

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

As at 31 December 2014, the Company had 85 employees (31 December 2013: 96 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

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

The accompanying financial statements are separate financial statements. Investments in subsidiary are carried at cost less allowance for diminution in value of long-term investments, if necessary, in these separate financial statements. The Company has prepared its consolidated financial statements where the financial statements of the subsidiary are consolidated to the financial statements of the Company. The consolidated financial statements are issued separately.

**(b) Basis of measurement**

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

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
**(continued)**

**Form B 09 – DN**

**(c) Annual accounting period**

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

**(d) Accounting currency**

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

**3. Summary of significant accounting policies**

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

**(a) 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 separate statement of income.

**(b) 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.

**(c) Short-term and long-term investments**

Investments are stated at cost. An allowance is made for reductions in investment values if market value of the investment falls below cost or if the investee has suffered a loss. The allowance is reversed if the recoverable amount is subsequently increased 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.

Allowance for diminutions in the value of investments is made as follows:

- For listed securities, market price for provisioning purpose is the closing price on the day of appropriating the provision in accordance with Circular 228/2009/TT-BTC dated 7 December 2009.
- For unlisted securities, market price for provisioning purpose is the average price calculated according to prices quoted by at least three securities companies at the time of appropriating the provision in accordance with Circular 228/2009/TT-BTC dated 7 December 2009.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
**(continued)**

**Form B 09 – DN**

- For other long-term investments, the basis of making the allowance is the investees' financial statements for the year in accordance with Circular 89/2013/TT-BTC dated 28 June 2013.

**(d) Accounts receivable**

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

**(e) Inventories**

Inventories consist of residential projects, construction materials, foods and beverages and jewelries.

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

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

The Company applies the perpetual method of accounting for inventories.

**(f) 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 separate 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
- office equipment 3 – 10 years
- motor vehicles 6 years

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
**(continued)**

**Form B 09 – DN**

**(g) 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 50 years.

**(ii) Software**

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

**(h) Construction in progress**

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

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

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



**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(l) Classification of financial instruments**

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company's separate financial position and separate results of operations and the nature and extent of risk arising from financial instruments, the Company 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 Company as at fair value through profit or loss.

*Held-to-maturity investments*

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

- those that the Company upon initial recognition designates as at fair value through profit or loss;
- those that the Company 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 Company 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 Company upon initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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*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 separate 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 Company as at fair value through profit or loss.

*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 separate 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.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(m) Taxation**

Income tax on the separate profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate 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 differences 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.

**(n) 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.

**(o) Revenue**

**(i) *Sales of real estate***

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

**(ii) *Merchandise goods sold***

Revenue from the sale of merchandise goods is recognised in the separate 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.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(iii) *Services rendered***

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

**(iv) *Rental income***

Rental income from leased property is recognised in the separate 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.

**(p) *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 separate 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***

Dividend is recognised when the right to receive dividends is established.

**(q) *Operating lease payments***

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

**(r) *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 year of construction are capitalised as part of the cost of the assets concerned.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(s) Earnings per share**

The Company 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 Company by the weighted average number of ordinary shares outstanding during the year. The Company does not have any potentially dilutive ordinary shares.

**(t) Segment reporting**

A segment is a distinguishable component of the Company 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 Company's primary format for segment reporting is based on business segments.

**(u) Related parties**

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

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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**4. Segment reporting**

For the year ended:

	Services and trading		Investment property services		Financial services		Total	
	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND
Segment revenue	9,294,033,548	10,478,234,014	273,552,460,518	51,123,711,165	-	-	282,846,494,066	61,601,945,179
Segment other income	23,723,956,467	18,396,006,985	16,428,985,396	45,502,259,008	3,597,275,690	3,314,959,315	43,750,217,553	67,213,225,308
Direct and attributable cost of sales to segments	(2,700,060,016)	(3,324,337,890)	(212,313,593,634)	(25,982,057,116)	-	-	(215,013,653,650)	(29,306,395,006)
Direct and attributable other expenses to segments	(12,355,551,528)	(16,599,073,981)	(46,782,911,867)	(37,461,486,117)	(1,610,794,410)	(3,797,837,564)	(60,749,257,805)	(57,858,397,662)
Segment profit during the year	17,962,378,471	8,950,829,128	30,884,940,413	33,182,426,940	1,986,481,280	(482,878,249)	50,833,800,164	41,650,377,819
Un-allocated income							302,364,727	492,060,182
Un-allocated expenses							(10,869,227)	(24,217,024)
							51,125,295,664	42,118,220,977

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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	Services and trading		Investment property services		Financial services		Total	
	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND
<b>Assets</b>								
Current assets	10,491,561,296	37,744,526,365	77,541,576,124	106,504,588,817	47,812,968,496	43,274,814,539	135,846,105,916	187,523,929,721
Non-current assets	224,329,657,884	189,684,634,831	929,557,897,087	1,102,517,651,751	-	-	1,153,887,554,971	1,292,202,286,582
Un-allocated assets	-	-	-	-	-	-	2,583,611,568	2,583,611,568
	234,821,219,180	227,429,161,196	1,007,099,473,211	1,209,022,240,568	47,812,968,496	43,274,814,539	1,292,317,272,455	1,482,309,827,871
<b>Liabilities</b>								
Current liabilities	13,458,441,370	26,641,813,665	335,434,395,728	406,692,103,944	13,763,891,686	27,831,342,231	362,656,728,784	461,165,259,840
Non-current liabilities	88,771,154,941	74,879,699,567	173,812,760,880	287,279,391,110	4,306,134,386	-	266,890,050,207	362,159,090,677
	102,229,596,311	101,521,513,232	509,247,156,608	693,971,495,054	18,070,026,072	27,831,342,231	629,546,778,991	823,324,350,517
For the year ended:								
	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND	31/12/2014 VND	31/12/2013 VND
Depreciation and amortisation	1,502,496,748	1,543,073,143	6,374,043,299	7,268,062,966	-	-	7,876,540,047	8,811,136,109
Allowances and provisions	-	-	-	-	(14,156,721,436)	110,987,090	(14,156,721,436)	110,987,090
Capital expenditure	8,838,169,492	332,889,636	21,004,487,206	116,438,002,877	-	-	29,842,656,698	116,770,892,513

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**5. Cash and cash equivalents**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	1,398,360,494	642,550,099
Cash in banks	5,872,351,736	13,005,179,688
Cash equivalents	39,000,000,000	10,867,765,162
	<hr/>	<hr/>
	46,270,712,230	24,515,494,949
	<hr/> <hr/>	<hr/> <hr/>

**6. Short-term investments**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Short-term investments in:		
• Listed shares	14,015,656,490	4,338,960,000
• Non-listed shares	49,572,500,000	57,615,176,000
	<hr/>	<hr/>
	63,588,156,490	61,954,136,000
Allowance for diminution in value of short-term investments	(15,783,080,354)	(19,280,834,639)
	<hr/>	<hr/>
	47,805,076,136	42,673,301,361
	<hr/> <hr/>	<hr/> <hr/>

Short-term investments represented investments in the following shares:

	<b>31/12/2014</b>	
	<b>Quantity</b>	<b>VND</b>
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
- Ben Thanh Non Nuoc Joint Stock Company	90,000	9,000,000,000
- 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 Trading and Service Joint Stock Company	182,129	3,289,960,000
- Tien Len Steel Corporation Joint Stock Company	289,530	2,683,020,490
	<hr/>	<hr/>
	3,933,545	63,588,156,490
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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Movements in the allowance for diminution in value of short-term investments during the year were as follows:

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Opening balance	19,280,834,639	41,920,000,000
Reclassification from allowance for diminution in value of long-term investments	-	3,262,766,551
Allowance utilised during the year	-	(24,929,700,000)
Written back	(3,497,754,285)	(972,231,912)
Closing balance	15,783,080,354	19,280,834,639

**7. Accounts receivable – short-term and long-term**

Accounts receivable – trade as of 31 December 2014 included VND40 million (31 December 2013: VND1,955 million) due from related parties.

Prepayments to suppliers as of 31 December 2014 included amounts prepaid for acquisition of buildings and construction services of VND1,512 million (31 December 2013: VND85,580 million).

Other receivables – short-term and long-term as of 31 December 2014 included VND87,453 million (31 December 2013: VND95,441 million) due from related parties, which earned interest at rates ranging from 7.5% to 9.8% (2013: from 8.5% to 12%) per annum.

**8. Inventories**

	<b>31/12/2014</b> <b>VND</b>	<b>31/12/2013</b> <b>VND</b>
Materials	11,906,895	-
Work in progress	20,701,466,291	-
Merchandise inventories	61,622,706	43,813,382
	20,774,995,892	43,813,382

At 31 December 2014 inventories with carrying value of VND16,752 million (31 December 2013: VNDNil) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**9. Tangible fixed assets**

	<b>Buildings VND</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	5,030,443,103	2,637,468,847	2,282,727,938	9,950,639,888
Additions	271,386,455	-	1,279,870,718	1,551,257,173
<hr/>				
Closing balance	5,301,829,558	2,637,468,847	3,562,598,656	11,501,897,061
<hr/>				
<b>Accumulated depreciation</b>				
Opening balance	3,508,952,501	2,060,468,815	2,036,257,266	7,605,678,582
Charge for the year	202,294,380	292,826,562	341,973,506	837,094,448
<hr/>				
Closing balance	3,711,246,881	2,353,295,377	2,378,230,772	8,442,773,030
<hr/>				
<b>Net book value</b>				
Opening balance	1,521,490,602	577,000,032	246,470,672	2,344,961,306
Closing balance	1,590,582,677	284,173,470	1,184,367,884	3,059,124,031
<hr/>				

Included in the cost of tangible fixed assets were assets costing VND3,605 million which were fully depreciated as of 31 December 2014 (31 December 2013: VND3,283 million), but which are still in active use.

At 31 December 2014 tangible fixed assets with carrying value of VND1,327 million (31 December 2013: VND1,521 million) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**10. Intangible fixed assets**

	<b>Indefinite lived land use rights VND</b>	<b>Definite lived land use rights VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	14,634,054,300	32,014,175,190	435,870,000	47,084,099,490
Additions	-	7,286,912,319	-	7,286,912,319
<hr/>				
Closing balance	14,634,054,300	39,301,087,509	435,870,000	54,371,011,809
<hr/>				
<b>Accumulated amortisation</b>				
Opening balance	-	3,473,749,806	435,870,000	3,909,619,806
Charge for the year	-	665,402,300	-	665,402,300
<hr/>				
Closing balance	-	4,139,152,106	435,870,000	4,575,022,106
<hr/>				
<b>Net book value</b>				
Opening balance	14,634,054,300	28,540,425,384	-	43,174,479,684
Closing balance	14,634,054,300	35,161,935,403	-	49,795,989,703
<hr/>				

Included in the cost of intangible fixed assets were assets costing VND436 million which were fully depreciated as of 31 December 2014 (31 December 2013: VND436 million), but which are still in active use.

At 31 December 2014 intangible fixed assets with carrying value of VND27,899 million (31 December 2013: VND28,540 million) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**11. Construction in progress**

	<b>2014</b>	<b>2013</b>
	<b>VND</b>	<b>VND</b>
Opening balance	616,786,347,775	492,322,500,268
Additions during the year	29,934,565,447	125,997,990,244
Transfers to inventories	(211,448,553,708)	(1,534,142,737)
Transfers to long-term equity investments in subsidiaries (*)	(89,530,777,847)	-
Disposals	(1,474,011,286)	-
Written off	(245,616,673)	-
	<hr/>	<hr/>
Closing balance	344,021,953,708	616,786,347,775
	<hr/>	<hr/>

Major constructions in progress were as follows:

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Highway 13 Project	205,001,515,814	204,944,001,629
South Cam Le, Da Nang Project	74,563,358,488	77,229,210,858
Mecure Son Tra, Da Nang Project	-	75,632,214,523
CN4-3 Phu My Hung Project	-	54,937,738,080
104 Pho Quang Project	34,878,168,629	26,303,521,184
Tam Binh – Hiep Binh Phuoc Project	-	155,155,893,142
277 – 279 Ly Tu Trong Office Building Project	18,228,025,937	11,673,685,260
66 – 68 Nam Ky Khoi Nghia Project	11,110,328,757	10,670,213,016
Ho Tram, Xuyen Moc Project	240,556,083	239,870,083
	<hr/>	<hr/>
	344,021,953,708	616,786,347,775
	<hr/>	<hr/>

(\*) This represented a part of the Company's contributed capital in Savico Da Nang Corporation in the form of the land use rights of 16 land lots in Da Nang City pursuant to the Capital Contribution Agreement dated 26 March 2014 and Da Nang Son Tra Corporation in form of Mecure Son Tra Project in Da Nang City pursuant to the Capital Contribution Agreement dated 7 November 2014.

At 31 December 2014 construction in progress with carrying value of VND42,864 million (31 December 2013: VND42,864 million) was pledged with banks as security for loans granted to the Company.

During the year, borrowing costs capitalised into construction in progress amounted to VND8,930 million (2013: VND18,500 million).

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**12. Investment property**

	<b>Land use rights VND</b>	<b>Buildings VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening and closing balance	133,201,140,041	92,187,643,058	225,388,783,099
<hr/>			
<b>Accumulated depreciation</b>			
Opening balance	14,263,776,705	32,085,305,570	46,349,082,275
Charge for the year	4,237,389,780	2,136,653,519	6,374,043,299
<hr/>			
Closing balance	18,501,166,485	34,221,959,089	52,723,125,574
<hr/>			
<b>Net book value</b>			
Opening balance	118,937,363,336	60,102,337,488	179,039,700,824
Closing balance	114,699,973,556	57,965,683,969	172,665,657,525
<hr/>			

The Company's investment properties represented buildings and land use rights 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 Company's investment properties and there is no active market for such properties.

Included in the cost of investment properties were assets costing VND12,746 million which were fully depreciated as of 31 December 2014 (31 December 2013: VND11,702 million), but which are still in active use.

At 31 December 2014 investment properties with carrying value of VND100,689 million (31 December 2013: VND103,228 million) were pledged with banks as security for loans granted to the Company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**13. Long-term investments**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Long-term equity investments in:		
▪ Subsidiaries	260,884,906,814	154,045,222,000
▪ Associates	57,358,709,000	56,353,359,436
Other long-term investments	196,236,376,112	185,662,344,630
	<hr/>	<hr/>
	514,479,991,926	396,060,926,066
Allowance for diminution in value of long-term investments	(12,601,283,169)	(23,260,250,320)
	<hr/>	<hr/>
	501,878,708,757	372,800,675,746
	<hr/>	<hr/>

Other long-term investments represented the Company's investments in real-estate business cooperation contracts with separate legal entities established.

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

	<b>2014</b>	<b>2013</b>
	<b>VND</b>	<b>VND</b>
Opening balance	23,260,250,320	25,439,797,869
Increase in allowance during the year	-	1,083,219,002
Reclassification to allowance for diminution in value of short-term investments	-	(3,262,766,551)
Written back	(10,658,967,151)	-
	<hr/>	<hr/>
Closing balance	12,601,283,169	23,260,250,320
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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Details of the investments in subsidiaries and associates are as follows:

<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
<b>Subsidiaries</b>					
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, 9 October 2010 and 22 July 2013.	52.05%	33,312,000,000	33,312,000,000
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%	9,248,504,000	9,248,504,000
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, 5 December 2011 and 2 August 2012.	55%	4,400,000,000	4,400,000,000
City Automobile Corporation (a)	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, 24 September 2012 and 21 March 2013.		-	5,100,000,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

<b>Form B 09 – DN</b>					
<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
Saigon Service Trading Limited Company (YAMAHA Can Tho) (b)	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.	88.12%	7,102,684,814	3,500,000,000
Saigon Star Corporation	Trading SUZUKI, HONDA, VEAM and YAMAHA motorbikes and spare parts, providing maintenance services.	Business Licence No. 4103007242 issued by Ho Chi Minh City Planning and Investment Department on 9 July 2007 and amended on 28 May 2008.	55%	8,250,050,000	8,250,050,000
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%	56,000,000,000	56,000,000,000
Han River Automobile Corporation (c)	Trading and maintaining automobile, motorbikes, 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 amended on 10 December 2012.		-	5,100,000,000
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%	25,309,668,000	25,309,668,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

						<b>Form B 09 – DN</b>
<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>	
Savico Vinh Long Company Limited (d)	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.	-	-	2,295,000,000	
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%	1,530,000,000	1,530,000,000	
Savico Da Nang Corporation (e)	Trading real estate; providing workshops and office rental services; providing consulting and real estate brokerage services; trading automobile and spare parts; providing maintenance and repairing service; providing transportation services.	Business Registration Certificate No. 0401581979 issued by Da Nang City Planning and Investment Department on 3 January 2014.	70%	21,000,000,000	-	
OtoS Joint Stock Company (e)	Providing advertising services; trading cars and spare parts; trading automobile, motorbikes and spare parts; providing maintenance and repairing services; providing software publishment and other services related to information technology.	Business Registration Certificate No. 0312801485 issued by Ho Chi Minh City Planning and Investment Department on 2 June 2014 and amended on 8 August 2014.	77.07%	2,312,000,000	-	

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

			<b>Form B 09 – DN</b>		
<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
Da Nang Son Tra Corporation (e)	Trading real estate; providing hotel and travel services; operating restaurant, providing food and beverages; providing transportation and civil construction services.	Business Registration Certificate No. 0401610891 issued by Da Nang City Planning and Investment Department on 17 June 2014.	98%	82,320,000,000	-
Saigon Cuu Long Automobil Corporation (e)	Trading GM cars and spare parts; providing maintenance and transportation services.	Business Registration Certificate No. 1801343681 issued by Can Tho City Planning and Investment Department on 26 June 2014.	84.17%	10,100,000,000	-
				260,884,906,814	154,045,222,000
<b>Associates</b>					
Super Car Joint Stock Company (f)	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.		-	2,483,050,436
Ben Thanh Savico General Trading & Services Co., Ltd. (g)	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%	560,000,000	1,120,000,000
Dana Joint Stock Company (DANA FORD) (h)	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.		-	3,221,600,000

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

						Form B 09 – DN
Name	Principal activity	Investment license	% of ownership	31/12/2014 VND	31/12/2013 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%	31,750,000,000	31,750,000,000	
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%	16,798,709,000	16,798,709,000	
Khanh Hoi Saigon General Service Co., Ltd. (f)	Trading, providing consultancy and tender real estate services, advertising.	Business Licence No. 0309535441 issued by Ho Chi Minh City Planning and Investment Department on 4 January 2010.		-	980,000,000	
Binh Duong New City Automobile Service Joint Stock Company (i)	Trading FORD cars and spare parts, providing maintenance services.	Business Licence No. 3702287077 issued by Binh Duong Province Planning and Investment Department on 16 July 2014.	27.50%	8,250,000,000	-	
				57,358,709,000	56,353,359,436	

- (a) During the year, the Company liquidated a subsidiary – City Automobile Corporation. There was a loss incurred amounting to VND5,100 million as a result of this liquidation.
- (b) As at 15 August 2014, the Company contributed additionally VND2,000 million to capital of Saigon Service Trading Limited Company (YAMAHA Can Tho) by exchange of another investment in subsidiary, Savico Vinh Long Company Limited, to YAMAHA Can Tho.

As at 20 August 2014, the Company signed a capital assignment agreement with Saigon Star Corporation, a subsidiary, whereby Saigon Star Corporation transferred all rights and the obligation arising from its shares in Saigon Service Trading Limited Company to the Company since 1 July 2014.

## **Saigon General Service Corporation**

### **Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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- (c) As at 26 March 2014, the Company disposed a subsidiary – Han River Automobile Corporation. The Company signed a capital assignment agreement with Savico Da Nang Corporation, another subsidiary, whereby the Company transferred all rights and the obligation arising from its shares in Han River Automobile Corporation to Savico Da Nang Corporation since 3 January 2014. There was no gain or loss incurred as a result of this disposal.
- (d) As at 18 August 2014, the Company disposed a subsidiary – Savico Vinh Long Company Limited. The Company signed a capital assignment agreement with Saigon Service Trading Limited Company, another subsidiary, whereby the Company transferred all rights and the obligation arising from its contributed capital in Savico Vinh Long Company Limited to Saigon Service Trading Limited Company since 1 July 2014. There was a loss incurred amounting to VND261 million as a result of this disposal.
- (e) During the year, the Company contributed 70% capital of Savico Da Nang Corporation, 77.07% of OtoS Joint Stock Company, 98% of Da Nang Son Tra Corporation and 84.17% of Saigon Cuu Long Automobil Corporation.
- (f) During the year, Super Car Joint Stock Company and Khanh Hoi Saigon General Service Co., Ltd. were liquidated. There were the losses incurred amounting to VND2,483 million and VND806 million, respectively, as a result of these liquidations.
- (g) During the year, the Company partially collected its investment in Ben Thanh Savico General Trading & Services Co., Ltd., an associate, amounting to VND560 million.
- (h) As at 26 March 2014, the Company disposed an associate – Dana Joint Stock Company (DANA FORD). The Company signed a capital assignment agreement with Savico Da Nang Corporation, another subsidiary, whereby the Company transferred all rights and the obligation arising from its shares in DANA FORD to Savico Da Nang Corporation since 3 January 2014. There was no gain or loss incurred as a result of this disposal.
- (i) During the year, the Company contributed 27.5% capital of Binh Duong New City Automobile Service Joint Stock Company and had significant influence over this company.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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Summary of balance sheets and statements of income of associates are as follows:

	<b>Total assets</b> <b>31/12/2014</b> <b>VND</b>	<b>Total liabilities</b> <b>31/12/2014</b> <b>VND</b>	<b>Owners’</b> <b>equity</b> <b>31/12/2014</b> <b>VND</b>	<b>Net</b> <b>profit/(loss)</b> <b>after tax</b> <b>2014</b> <b>VND</b>
ComfortDelgro Savico Taxi Company	85,898,446,146	9,253,491,173	76,644,954,973	(2,970,051,056)
Toyota East Saigon Joint Stock Company (TESC)	363,349,307,806	227,742,194,090	135,607,113,716	26,269,432,736
Ben Thanh Savico General Trading & Services Co., Ltd.	187,885,642	-	187,885,642	(2,513,599,335)
Binh Duong New City Automobile Service Joint Stock Company	39,365,661,078	14,632,971,369	24,732,689,709	(187,310,291)
	<b>Total assets</b> <b>31/12/2013</b> <b>VND</b>	<b>Total liabilities</b> <b>31/12/2013</b> <b>VND</b>	<b>Owners’</b> <b>equity</b> <b>31/12/2013</b> <b>VND</b>	<b>Net</b> <b>profit/(loss)</b> <b>after tax</b> <b>2013</b> <b>VND</b>
ComfortDelgro Savico Taxi Company	107,635,623,993	28,020,617,964	79,615,006,029	(4,854,002,659)
Dana Joint Stock Company (DANA FORD)	36,553,255,155	21,553,255,155	15,000,000,000	4,275,457,890
Toyota East Saigon Joint Stock Company (TESC)	320,222,705,827	191,599,323,831	128,623,381,996	16,732,873,294
Khanh Hoi Saigon General Service Co., Ltd.	2,427,463,949	918,301	2,426,545,648	173,561,974
Ben Thanh Savico General Trading & Services Co., Ltd.	8,698,408,609	4,496,923,632	4,201,484,977	(1,059,848,456)
Super Car Joint Stock Company	254,356,952	421,025,621	(166,668,669)	-

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**14. Short-term borrowings**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Short-term borrowings	10,213,682,970	37,855,666,420
Current portion of long-term borrowings (Note 21)	7,909,736,000	22,572,008,828
	<hr/>	<hr/>
	18,123,418,970	60,427,675,248
	<hr/> <hr/>	<hr/> <hr/>

Short-term borrowings were secured by investment properties with carrying amounts of VND33,419 million (31 December 2013: secured by tangible fixed assets and investment properties with carrying amounts of VND38 million and VND44,661 million, respectively).

These loans bore interests at rates ranging from 7% to 7.5% (2013: 9.5% to 10.7%) per annum.

**15. Account payable – trade**

Accounts payable – trade as of 31 December 2014 included VND231 million (31 December 2013: VNDNil) due from a related party.

**16. Taxes payable to State Treasury**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Value added tax	579,584,291	7,778,180
Corporate income tax	1,286,322,822	3,133,283,819
Personal income tax	2,726,866,757	766,798,749
Other obligations	8,111,143,325	2,889,045,720
	<hr/>	<hr/>
	12,703,917,195	6,796,906,468
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**17. Accrued expenses**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Interest on borrowings	25,251,881	3,614,941,005
Rental fees	203,143,228	203,143,229
Professional service fees	8,654,500,000	8,651,500,000
Others	591,038,000	-
	<hr/>	<hr/>
	9,473,933,109	12,469,584,234
	<hr/>	<hr/>

**18. Other payables**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	158,268,645	672,909,075
Borrowings from a related party (a)	9,566,755,744	53,946,829,194
Payable to a related party (b)	25,000,000,000	-
Borrowings from third parties	-	3,000,000,000
Payable to Vinaland Investments Limited (c)	130,323,934,900	-
Payable to a party of a real estate project (d)	40,235,200,000	-
Payments on behalf for related parties	-	926,194,003
Payable to a customer	5,856,400,000	5,856,400,000
Short-term deposits received in relation to Tam Binh Project	59,101,838,270	42,442,208,800
Short-term deposit received from a customer in relation to Saigon South Project	-	54,887,738,080
Others	4,057,651,183	2,891,318,223
	<hr/>	<hr/>
	274,300,048,742	164,623,597,375
	<hr/>	<hr/>

- a. Borrowings from a related party as of 31 December 2014 included VND9,003 which bore interest at 5.15% (2013: rates ranging from 7.2% to 12%) per annum and VND564 million being accrued interest on this borrowing. This amount is payable within 12 months from the withdrawal date.
- b. Payable to a related party as of 31 December 2014 represented the advance from Saigon Ford Co., Ltd., a subsidiary, under the Cooperation Agreement dated 1 November 2014 on 104 Pho Quang Project.
- c. Payable to Vinaland Investments Limited as of 31 December 2014 represented the advance from this partner under the Capital Assignment Agreement dated 20 November 2014 for the assignment of the Company's capital contribution in Savico-Vinaland Co., Ltd.
- d. Payable to a party of a real estate project represented the advance from this party under the Cooperation Agreement dated 10 July 2014 on another project at 104 Pho Quang.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**19. Bonus and welfare fund**

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

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Opening balance	3,254,665,193	4,465,590,904
Appropriation from retained profits	5,165,984,666	4,396,284,418
Utilisation during the year	(3,442,736,757)	(5,607,210,129)
	<hr/>	<hr/>
Closing balance	4,977,913,102	3,254,665,193
	<hr/> <hr/>	<hr/> <hr/>

**20. Other long-term liabilities**

	<b>31/12/2014</b> <b>VND</b>	<b>31/12/2013</b> <b>VND</b>
Long-term deposits received	13,241,925,850	11,625,812,994
Other long-term payables	104,855,544,659	103,801,652,527
	<hr/>	<hr/>
	118,097,470,509	115,427,465,521
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>31/12/2014</b> <b>VND</b>	<b>31/12/2013</b> <b>VND</b>
Binh An Project	22,042,917,434	19,532,917,434
Highway 13 Project	25,098,400,000	26,098,400,000
227-229 Ly Tu Trong Office Building Project	47,714,227,225	43,621,215,625
104 Pho Quang Project	10,000,000,000	14,549,119,468
	<hr/>	<hr/>
	104,855,544,659	103,801,652,527
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**21. Long-term borrowings**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Long-term borrowings	103,255,632,390	114,459,700,672
Long-term bonds issued	-	100,000,000,000
	<hr/>	<hr/>
	103,255,632,390	214,459,700,672
Repayable within twelve months (Note 14)	(7,909,736,000)	(22,572,008,828)
	<hr/>	<hr/>
Repayable after twelve months	95,345,896,390	191,887,691,844
	<hr/> <hr/>	<hr/> <hr/>

The following assets were pledged with banks as security for long-term borrowings granted to the Company:

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Cash equivalents	-	10,867,765,162
Inventories	16,751,846,290	-
Tangible fixed assets	1,326,734,734	-
Intangible fixed assets	27,899,312,792	-
Construction in progress	42,863,999,648	-
Investment properties	67,270,160,609	58,567,503,283
	<hr/>	<hr/>
	156,112,054,073	69,435,268,445
	<hr/> <hr/>	<hr/> <hr/>

These loans bore interests at rates ranging from 10.1% to 11% (2012: 12.7% to 15%) per annum.

**22. Unearned revenue**

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Unearned revenue from land rental charged to Toyota Can Tho Company Limited	53,273,333,308	54,493,333,312
Others	173,350,000	350,600,000
	<hr/>	<hr/>
	53,446,683,308	54,843,933,312
	<hr/> <hr/>	<hr/> <hr/>

Saigon General Service Corporation

Notes to the separate financial statements for the year ended 31 December 2014 (continued)

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23. Changes in owners' equity

	Share capital VND	Capital surplus VND	Treasury shares VND	Investment and development fund VND	Financial reserve VND	Retained profits VND	Total VND
<b>Balance at 1 January 2013</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	63,437,841,258	654,706,259,009
Net profit for the year	-	-	-	-	-	35,539,523,530	35,539,523,530
Appropriation to bonus and welfare fund	-	-	-	-	-	(4,396,284,418)	(4,396,284,418)
Dividends	-	-	-	-	-	(24,975,507,000)	(24,975,507,000)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(1,888,513,767)	(1,888,513,767)
<b>Balance at 1 January 2014</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	67,717,059,603	658,985,477,354
Net profit for the year	-	-	-	-	-	40,948,585,353	40,948,585,353
Appropriation to bonus and welfare fund	-	-	-	-	-	(5,165,984,666)	(5,165,984,666)
Dividends (Note 34)	-	-	-	-	-	(29,970,608,400)	(29,970,608,400)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(2,026,976,177)	(2,026,976,177)
<b>Balance at 31 December 2014</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	71,502,075,713	662,770,493,464

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**24. Share capital**

The Company's authorised and issued share capital are:

	31/12/2014		31/12/2013	
	Number of shares	VND	Number of shares	VND
Authorised share capital	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Issued ordinary shares	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Treasury ordinary shares	(20,066)	(690,474,358)	(20,066)	(690,474,358)
Ordinary shares currently in circulation	24,975,507	249,265,255,642	24,975,507	249,265,255,642

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

There were no movements in share capital during the year.

**25. Total revenue**

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

Net revenue comprised of:

	2014 VND	2013 VND
Total revenue		
▪ Sales of real estate	225,725,504,359	1,086,474,762
▪ Sales of merchandise goods	3,820,570,968	4,956,886,782
▪ Services rendered	6,334,734,627	5,607,330,352
▪ Rental income	47,826,956,159	50,037,236,403
	283,707,766,113	61,687,928,299
Less revenue deductions	(861,272,047)	(85,983,120)
Net revenue	282,846,494,066	61,601,945,179

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**26. Cost of sales**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Merchandise goods sold	2,529,982,923	2,870,506,633
Services rendered	15,362,540,011	17,633,682,670
Depreciation charge of investment property	6,374,043,299	7,268,062,966
Carrying value of sold real estate	190,747,087,417	1,534,142,737
	<hr/>	<hr/>
	215,013,653,650	29,306,395,006
	<hr/>	<hr/>

**27. Financial income**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Dividends	26,195,758,169	19,736,524,575
Interest income from deposits	540,374,210	269,888,172
Income from security trading	220,282,490	44,623,519
Foreign exchange gains	286,818,000	-
Other financial income	9,495,798,985	36,742,189,042
	<hr/>	<hr/>
	36,739,031,854	56,793,225,308
	<hr/>	<hr/>

**28. Financial expenses**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Interest expense	14,569,056,931	24,429,651,652
Losses on security trading	1,563,492,000	188,345,937
Losses on disposals of investments in subsidiaries and associates	8,650,300,263	-
(Reversal of allowance)/allowance for short-term and long-term investments	(14,156,721,436)	110,987,090
Security trading expenses	52,570,644	37,734,791
Foreign exchange losses	118,768,500	2,065,234,930
	<hr/>	<hr/>
	10,797,466,902	26,831,954,400
	<hr/>	<hr/>

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**Notes to the separate financial statements for the year ended 31 December 2014**  
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**29. Other income**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Support from Vinaland Investments Limited during construction period of Savico-Vinaland Project	-	10,400,000,000
Proceeds from disposals of tangible fixed assets	-	20,000,000
Compensation received from a party for cancellation of agreement (*)	7,011,185,699	-
Others	302,364,727	492,060,182
	<hr/>	<hr/>
	7,313,550,426	10,912,060,182
	<hr/>	<hr/>

(\*) This income represented the compensation received from Khanh Hoi Export – Import Joint Stock Company (Khahomex) for cancellation of the agreement dated 25 September 2013 to purchase apartments of 56 Ben Van Don Project. This compensation has been agreed between two parties according to the cancellation agreement dated 9 January 2014.

**30. Other expenses**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Additional payments to State Treasury	16,560,842,068	1,519,129,498
Compensation paid to a customer for cancellation of agreement	200,000,000	-
Others	10,869,227	24,217,024
	<hr/>	<hr/>
	16,771,711,295	1,543,346,522
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**31. Income tax**

(a) **Recognised in the statement of income**

	<b>2014</b>	<b>2013</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current year	9,393,868,528	4,902,822,533
Under provision in prior years	782,841,783	-
	<hr/> 10,176,710,311	<hr/> 4,902,822,533
<b>Deferred tax expense</b>		
Origination of temporary differences	-	(2,583,611,568)
Reversal of temporary differences	-	4,259,486,482
	<hr/> -	<hr/> 1,675,874,914
Income tax expense	<hr/> 10,176,710,311	<hr/> 6,578,697,447

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(b) Reconciliation of effective tax rate**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Profit before tax	51,125,295,664	42,118,220,977
Tax at the Company's tax rate	11,247,565,046	10,529,555,244
Non-taxable income	(5,763,066,797)	(4,934,131,144)
Non-deductible expenses	3,909,370,279	630,962,678
Effect of change in tax rate	-	352,310,669
Under provision in prior years	782,841,783	-
	<u>10,176,710,311</u>	<u>6,578,697,447</u>

**(c) Applicable tax rate**

Under the terms of Income Tax Law the Company has an obligation to pay the government income tax at the rate of 22% of taxable profits. 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.

**32. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2014 and 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**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Net profit for the year	40,948,585,353	35,539,523,530
	<u>40,948,585,353</u>	<u>35,539,523,530</u>

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(ii) Weighted average number of ordinary shares**

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
	<b>of shares</b>	<b>of shares</b>
Weighted average number of ordinary shares	24,975,507	24,975,507

---

As of 31 December 2014, the Company did not have potentially dilutive ordinary shares.

**33. Financial instruments**

**(a) Financial risk management**

**(i) Overview**

The Company 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 Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks.

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

**(ii) Risk management framework**

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities. The Company, 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.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(b) Credit risk**

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

**(i) Exposure to credit risk**

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

	<b>Note</b>	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
Cash in banks and cash equivalents	(ii)	44,872,351,736	23,872,944,850
Trade and other receivables – short-term and long-term	(iii)	98,022,187,421	108,845,350,850
		142,894,539,157	132,718,295,700
		142,894,539,157	132,718,295,700

**(ii) Cash in banks and cash equivalents**

The cash and cash equivalents in banks of the Company 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 Company.

**(iii) Trade and other receivables**

The Company'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 not impaired are mostly companies with good collection track records with the Company. Management believes that those receivables are of high credit quality.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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The aging of trade and other receivables – short-term and long-term – at the balance sheet date was as follows:

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Not past due	96,258,380,618	108,113,044,977
Past due 31 – 180 days	137,451,500	732,305,873
Past due over 180 days	1,626,355,303	-
	<hr/>	<hr/>
	98,022,187,421	108,845,350,850
	<hr/>	<hr/>

There were no impairments of receivables as of 31 December 2014 or 2013.

**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company'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 Company's reputation.

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**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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

**31 December 2014**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Short-term borrowings	18,123,418,970	18,727,688,067	18,727,688,067	-	-	-
Trade and other payables	281,098,963,119	281,569,067,708	281,569,067,708	-	-	-
Payables to employees	25,728,914,439	25,728,914,439	25,728,914,439	-	-	-
Accrued expenses	9,473,933,109	9,473,933,109	9,473,933,109	-	-	-
Long-term borrowings	95,345,896,390	108,410,418,473	-	40,725,679,205	67,684,739,268	-
Other long-term liabilities	118,097,470,509	118,097,470,509	-	70,383,243,284	-	47,714,227,225
	<b>547,868,596,536</b>	<b>562,007,492,305</b>	<b>335,499,603,323</b>	<b>111,108,922,489</b>	<b>67,684,739,268</b>	<b>47,714,227,225</b>

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014 (continued)**

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**31 December 2013**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Short-term borrowings	60,427,675,248	62,756,770,274	62,756,770,274	-	-	-
Trade and other payables	168,434,309,912	171,445,039,912	171,445,039,912	-	-	-
Payables to employees	30,415,871,234	30,415,871,234	30,415,871,234	-	-	-
Accrued expenses	12,469,584,234	12,469,584,234	12,469,584,234	-	-	-
Long-term bonds issued	100,000,000,000	119,133,333,333	12,470,833,333	106,662,500,000	-	-
Long-term borrowings	91,887,691,844	126,451,239,630	-	35,943,710,411	67,698,376,090	22,809,153,129
Other long-term liabilities	115,427,465,521	115,427,465,521	-	71,806,249,896	-	43,621,215,625
	<b>579,062,597,993</b>	<b>638,099,304,138</b>	<b>289,558,098,987</b>	<b>214,412,460,307</b>	<b>67,698,376,090</b>	<b>66,430,368,754</b>

The Company 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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**Notes to the separate financial statements for the year ended 31 December 2014**  
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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 Company'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 Company is exposed to currency risk on investments that are denominated in a currency other than the accounting currency of the Company, the VND. The currency in which these transactions primarily are denominated is USD.

The Company'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 Company had the following net monetary liability position exposed to currency risk:

	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>USD</b>	<b>USD</b>
Cash	-	335
Other long-term liabilities	(60,000)	(341,300)
	<hr/>	<hr/>
	(60,000)	(340,965)
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>Exchange rate as at</b>	
	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
USD 1	21,380	21,085
	<hr/> <hr/>	<hr/> <hr/>

The possible impact on the net profit of the Company, after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at 31 December 2014, is not significant.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(ii) Interest rate risk**

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

	<b>Carrying amount</b>	
	<b>31/12/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Fixed rate instruments		
Cash equivalents	39,000,000,000	10,867,765,162
Other payables	-	(5,000,000,000)
	<hr/>	<hr/>
	39,000,000,000	5,867,765,162
	<hr/>	<hr/>
Variable rate instruments		
Cash in banks	5,872,351,736	13,005,179,688
Other short-term receivables	8,150,000,000	13,700,000,000
Other long-term receivables	77,000,000,000	72,500,000,000
Short-term borrowings	(18,123,418,970)	(60,427,675,248)
Long-term borrowings	(95,345,896,390)	(91,887,691,844)
Other payables	(9,003,200,000)	(51,000,000,000)
Long-term bonds issued	-	(100,000,000,000)
	<hr/>	<hr/>
	(31,450,163,624)	(204,110,187,404)
	<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 Company for the year ended 31 December 2014 by VND245 million (2013: VND1,531 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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**Notes to the separate financial statements for the year ended 31 December 2014**  
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**(e) Fair values**

**(i) Fair values versus carrying amounts**

The carrying amounts of financial assets and liabilities shown in the balance sheet are as follows:

		<b>31/12/2014</b>	<b>31/12/2013</b>
		<b>Carrying amount</b>	<b>Carrying amount</b>
		<b>VND</b>	<b>VND</b>
Available-for-sale financial assets:			
Short-term investments	(**)	47,805,076,136	42,673,301,361
Long-term investments	(**)	501,878,708,757	372,800,675,746
Categorised as loans and receivables:			
Cash and cash equivalents	(*)	46,270,712,230	24,515,494,949
Trade and other receivables – short-term and long-term	(**)	98,022,187,421	108,845,350,850
Categorised as liabilities at amortised cost:			
Short-term borrowings	(**)	(18,123,418,970)	(60,427,675,248)
Trade and other payables	(**)	(281,098,963,119)	(168,434,309,912)
Payables to employees	(**)	(25,728,914,439)	(30,415,871,234)
Accrued expenses	(**)	(9,473,933,109)	(12,469,584,234)
Long-term bonds issued	(**)	-	(100,000,000,000)
Long-term borrowings	(**)	(95,345,896,390)	(91,887,691,844)
Other long-term liabilities	(**)	(118,097,470,509)	(115,427,465,521)
		146,108,088,008	(30,227,775,087)
		146,108,088,008	(30,227,775,087)

**(ii) Basis for determining fair values**

(\*) As at 31 December 2014 and 2013, the fair values of cash and cash equivalents were equal to their carrying values.

(\*\*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards, the relevant requirements of the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. There fair values of these financial instruments may differ from their carrying amounts.

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**34. Non-cash investing activities**

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Additional investment in a subsidiary (Saigon Service Trading Limited Company – YAMAHA Can Tho) by exchange of another investment in subsidiary (Savico Vinh Long Limited Company) to YAMAHA Can Tho	2,000,000,000	-
Proceeds from disposals of investments in subsidiary (SSC) and other long-term investment (56 Ben Van Don Project) in form of offsetting against other payables	-	8,331,032,108
Proceeds from disposals of investments in other long-term investment (56 Ben Van Don Project) in form of offsetting against prepayments to suppliers	-	78,677,314,301
	<hr/> <hr/>	

**35. Dividends**

The General Meeting of Shareholders of the Company on 28 March 2014 resolved to distribute dividends of 2013 amounting to VND29,971 million, which is equal to 12% of par value of shares in circulation at that time.

**36. Significant transactions with related parties**

**Identity of related parties**

The Company has related party relationship with its major shareholders, its subsidiaries, associates and its key management personnel.

**Transactions with key management personnel**

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

	<b>2014</b> <b>VND</b>	<b>2013</b> <b>VND</b>
Board of Management	2,744,680,000	2,626,500,000
Board of Directors	1,305,400,000	790,000,000
Supervisory Board	112,500,000	112,500,000
	<hr/> <hr/>	
	4,162,580,000	3,529,000,000
	<hr/> <hr/>	

**Saigon General Service Corporation**  
**Notes to the separate financial statements for the year ended 31 December 2014**  
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**Other related party transactions**

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

<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2014 VND</b>	<b>2013 VND</b>
City Automobile Corporation (HYUNDAI)	Subsidiary	Rental charged to subsidiary	4,035,500	2,020,528,000
		Other financial income	129,312,785	257,105,55
		Purchase of a showroom from subsidiary	2,708,982,924	-
		Loan granted to subsidiary	-	3,000,000,000
Saigon Star Corporation	Subsidiary	Dividends	412,502,500	412,502,500
		Rental charged to subsidiary	509,170,000	533,635,635
		Commission received from subsidiary	749,847,500	1,483,045,500
		Purchases of merchandise from subsidiary	6,529,945,448	3,298,865,457
		Loan granted to subsidiary	2,000,000,000	-
		Other financial income	144,188,611	144,083,333
		Other financial expense	140,000,000	145,183,333
		Loan received from subsidiary	-	7,000,000,000
		Purchases of equipment from subsidiary	630,000,000	-
		Prepayment to subsidiary for purchase of a truck	4,000,000,000	-
Saigon Ford Co., Ltd. (SAIGON FORD)	Subsidiary	Rental charged to subsidiary	5,251,336,675	3,105,600,000
		Dividends	6,662,400,000	7,328,535,840
		Other financial expense	2,985,927,771	3,416,160,000
		Rental deposit received from subsidiary	1,000,000,000	-
Toyota Can Tho Company Limited	Subsidiary	Rental charged to subsidiary	1,220,000,004	1,220,000,004
		Dividends	3,265,530,000	-
Savico Hanoi Corporation	Subsidiary	Loan granted to subsidiary	4,500,000,000	14,000,000,000
		Other financial income	8,587,852,778	9,143,694,444

**Saigon General Service Corporation**

**Notes to the separate financial statements for the year ended 31 December 2014**

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<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2014 VND</b>	<b>2013 VND</b>
East City Co., Ltd.	Subsidiary	Loan granted to subsidiary	11,637,843,125	5,000,000,000
		Other financial income	252,426,213	621,458,333
		Other financial expense	-	396,625,000
		Loan received from subsidiary	-	28,000,000,000
Savico Vinh Long Company Limited	Subsidiary	Loan granted to subsidiary	-	600,000,000
		Other financial income	57,477,778	134,956,111
Saigon Service Trading Limited Company	Subsidiary	Loan granted to subsidiary	-	1,000,000,000
		Dividends	190,000,000	350,000,000
		Capital contribution to subsidiary	2,000,000,000	-
Savico-Mekong General Trade Service Limited Company	Subsidiary	Loan granted to subsidiary	500,000,000	-
		Other financial income	261,402,778	474,758,334
Toyota Giai Phong Joint Venture Company (TGP)	Subsidiary	Dividends	2,043,700,000	370,778,047
Savico Da Nang Corporation	Subsidiary	Rental charged to subsidiary	2,800,000,000	-
		Rental deposits received from subsidiary	460,000,000	-
		Dividends	2,283,149,969	-
Toyota East Saigon Joint Stock Company (TESC)	Associate	Dividends	5,142,712,500	4,114,170,000
		Loan received from associate	-	17,300,000,000
		Other financial expense	12,750,000	664,686,111
		Loan granted to associate	20,000,000,000	-
		Purchases of fixed assets	1,129,090,909	-

**Saigon General Service Corporation****Notes to the separate financial statements for the year ended 31 December 2014**

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<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2014 VND</b>	<b>2013 VND</b>
ComfortDelgro Savico Taxi Company	Associate	Rental charged to associate	1,753,000,000	3,056,355,441
		Electricity expense charged to associate	729,487,393	-
Ben Thanh Savico General Trading & Services Co., Ltd.	Associate	Commission received from associate	464,528,000	1,390,763,000
		Dividends	-	168,000,000
		Purchases of equipment	260,000,000	-
		Loan granted to associate	-	500,000,000
		Other financial income	-	14,431,944

**37. Lease commitment**

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

	<b>31/12/2014 VND</b>	<b>31/12/2013 VND</b>
Within one year	6,068,138,360	5,677,937,593
From two to five years	26,001,553,440	5,186,053,440
Over five years	3,540,482,430	3,607,120,790
	<b>35,610,174,230</b>	<b>14,471,111,823</b>

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**Notes to the separate financial statements for the year ended 31 December 2014**  
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**38. Trading and business costs by element**

	<b>2014</b>	<b>2013</b>
	<b>VND</b>	<b>VND</b>
Cost of real estate sold	190,747,087,417	1,534,142,737
Cost of merchandise goods	2,529,982,923	2,870,506,633
Labour costs and staff costs	19,836,943,394	17,025,162,488
Depreciation and amortisation	7,876,540,047	8,811,136,109
Outside services	15,823,106,996	21,218,995,679
Other expenses	11,390,941,708	7,353,765,127

23 March 2015

Prepared by:



Ngo Van Danh  
*Chief Accountant*

Approved by:



Viet Ha  
*General Director*