

**Saigon General Service Corporation  
and its subsidiaries**

Consolidated interim financial statements  
for the six-month period ended 30 June 2016

## Saigon General Service Corporation Corporate information

<b>Decision No.</b>	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.

<b>Business Licence</b>	4103002955	15 December 2004
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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.

<b>Board of Management</b>	Mr. Nguyen Binh Minh	Chairman
	Mr. Mai Viet Ha	Member
	Ms. Nguyen Viet Hoa	Member
	Mr. Doan Van Quang	Member
	Mr. Nguyen Cong Binh	Member
	Mr. Nguyen Duc Trong	Member
	Mr. Luong Quang Hien	Member

<b>Board of Directors</b>	Mr. Mai Viet Ha	General Director
	Mr. Doan Van Quang	Deputy General Director
	Ms. Nguyen Thu Nga	Deputy General Director
	Mr. Nguyen Cong Binh	Deputy General Director

<b>Supervisory board</b>	Ms. Nguyen Nhu Anh	Head of the Board (from 1 April 2016)
	Mr. Nguyen Truong Bao Khanh	Head of the Board (until 31 March 2016)
	Mr. Tran Huy Dung	Member
	Mr. Nguyen Thai Hoa	Member

<b>Registered Office</b>	68 Nam Ky Khoi Nghia Street District 1, Ho Chi Minh City Vietnam
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<b>Auditors</b>	KPMG Limited Vietnam
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**Saigon General Service Corporation  
Statement of the Board of Directors**

The Board of Directors of Saigon General Service Corporation and its subsidiaries (together referred to as “the Group”) presents this statement and the accompanying consolidated interim financial statements of the Company for the six-month period ended 30 June 2016.

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

- (a) the consolidated interim financial statements set out on pages 5 to 62 give a true and fair view of the consolidated financial position of the Group as at 30 June 2016, and of the consolidated results of operations and the consolidated cash flows of the Group for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

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



On behalf of the Board of Directors

Mai Viet Ha  
General Director

Ho Chi Minh City, 15 August 2016

## **CONSOLIDATED INTERIM FINANCIAL STATEMENTS REVIEW REPORT**

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

We have reviewed the accompanying consolidated interim financial statements of Saigon General Service Corporation and its subsidiaries (together referred to as “the Group”), which comprise the consolidated balance sheet as at 30 June 2016, the related consolidated statements of income and consolidated cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 15 August 2016, as set out on pages 5 to 62.

### **Management’s Responsibility**

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

### **Auditor’s Responsibility**

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

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

### Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Saigon General Service Corporation and its subsidiaries as at 30 June 2016 and of its consolidated results of operations and its consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

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

Vietnam

Review Report No.: 16-01-427/HN



  
Nguyễn Thanh Nghi

Practicing Auditor Registration

Certificate No. 0304-2013-007-1

*Deputy General Director*

Ho Chi Minh City, 15 August 2016

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 June 2016**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2016 VND	1/1/2016 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>1,413,536,242,418</b>	<b>1,277,683,802,876</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>174,523,336,000</b>	<b>211,789,394,100</b>
Cash	111		145,938,520,590	135,693,237,362
Cash equivalents	112		28,584,815,410	76,096,156,738
<b>Short-term financial investments</b>	<b>120</b>		<b>46,845,913,855</b>	<b>39,754,293,136</b>
Trading securities	121	6(a)	54,425,393,855	55,600,139,455
Allowance for diminution in the value of trading securities	122	6(a)	(14,429,480,000)	(15,845,846,319)
Held-to-maturity investments	123	6(b)	6,850,000,000	-
<b>Accounts receivable</b>	<b>130</b>		<b>497,696,121,869</b>	<b>391,869,489,960</b>
Accounts receivable from customers	131	7	323,025,929,556	273,016,789,004
Prepayments to suppliers	132		103,096,249,364	34,395,145,470
Other receivables	136	8(a)	71,589,978,713	84,473,591,250
Allowance for doubtful debts	137		(16,035,764)	(16,035,764)
<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>645,230,009,202</b>	<b>592,017,667,159</b>
Inventories	141		669,797,440,621	616,585,098,578
Allowance for inventories	149		(24,567,431,419)	(24,567,431,419)
<b>Other current assets</b>	<b>150</b>		<b>49,240,861,492</b>	<b>42,252,958,521</b>
Short-term prepaid expenses	151	14(a)	12,858,752,868	7,661,316,420
Deductible value added tax	152		35,878,513,506	34,395,624,809
Taxes receivable from State Treasury	153		503,595,118	196,017,292

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 June 2016 (continued)**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2016 VND	1/1/2016 VND
<b>Long-term assets</b> <b>(200 = 210 + 220 + 230 + 240 + 250 + 260)</b>	<b>200</b>		<b>1,592,466,167,327</b>	<b>1,479,978,165,646</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>157,598,711,233</b>	<b>128,241,637,820</b>
Other long-term receivables	216	8(b)	163,564,838,558	135,072,145,060
Allowance for doubtful long-term debts	219	8(b)	(5,966,127,325)	(6,830,507,240)
<b>Fixed assets</b>	<b>220</b>		<b>279,326,040,452</b>	<b>268,210,319,574</b>
Tangible fixed assets	221	10	209,182,815,149	197,561,190,843
<i>Cost</i>	222		329,160,034,476	302,939,415,215
<i>Accumulated depreciation</i>	223		(119,977,219,327)	(105,378,224,372)
Intangible fixed assets	227	11	70,143,225,303	70,649,128,731
<i>Cost</i>	228		81,726,155,250	81,596,155,250
<i>Accumulated amortisation</i>	229		(11,582,929,947)	(10,947,026,519)
<b>Investment property</b>	<b>230</b>	<b>12</b>	<b>725,974,081,554</b>	<b>737,700,368,141</b>
<i>Cost</i>	231		862,913,140,111	869,383,089,931
<i>Accumulated depreciation</i>	232		(136,939,058,557)	(131,682,721,790)
<b>Long-term work in progress</b>	<b>240</b>		<b>226,891,600,024</b>	<b>171,438,939,997</b>
Construction in progress	242	13	226,891,600,024	171,438,939,997
<b>Long-term financial investments</b>	<b>250</b>		<b>186,369,716,332</b>	<b>158,140,355,873</b>
Investments in associates	252	6(c)	173,954,452,332	152,825,091,873
Equity investments in other entities	253	6(c)	12,415,264,000	5,315,264,000
<b>Other long-term assets</b>	<b>260</b>		<b>16,306,017,732</b>	<b>16,246,544,241</b>
Long-term prepaid expenses	261	14(b)	13,714,993,263	13,655,519,772
Deferred tax assets	262	36(a)	2,591,024,469	2,591,024,469
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>3,006,002,409,745</b>	<b>2,757,661,968,522</b>

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 30 June 2016 (continued)**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2016 VND	1/1/2016 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,931,863,695,282</b>	<b>1,696,529,323,438</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,400,357,270,618</b>	<b>1,198,826,079,547</b>
Accounts payable to suppliers	311	15	152,004,480,108	170,719,356,565
Advances from customers	312		142,645,040,620	136,207,745,909
Taxes payable to State Treasury	313	16	27,003,585,785	36,544,421,691
Payables to employees	314		33,161,326,329	67,574,953,756
Accrued expenses	315	17	44,810,724,399	38,730,282,536
Unearned revenue – short-term	318	18(a)	19,253,766,014	19,005,530,415
Other payables – short-term	319	19(a)	164,568,100,114	172,521,100,305
Short-term borrowings	320	20(a)	804,515,521,582	541,683,661,130
Provisions – short-term	321		797,500,000	-
Bonus and welfare fund	322	21	11,597,225,667	15,839,027,240
<b>Long-term liabilities</b>	<b>330</b>		<b>531,506,424,664</b>	<b>497,703,243,891</b>
Long-term unearned revenue	336	18(b)	95,941,732,901	96,786,400,000
Other payables – long-term	337	19(b)	168,333,818,980	152,512,486,762
Long-term borrowings	338	20(b)	267,230,872,783	248,404,357,129
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>1,074,138,714,463</b>	<b>1,061,132,645,084</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>1,074,138,714,463</b>	<b>1,061,132,645,084</b>
Share capital	411	23	249,955,730,000	249,955,730,000
Capital surplus	412		317,064,858,303	317,064,858,303
Treasury shares	415	23	(690,474,358)	(690,474,358)
Investment and development fund	418	25	43,585,298,891	43,550,163,077
Retained profits	421		203,606,103,004	198,727,250,046
Non-controlling interest	429		260,617,198,623	252,525,118,016
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>3,006,002,409,745</b>	<b>2,757,661,968,522</b>

15 August 2016

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Mai Viet Ha  
General Director

*The accompanying notes are an part of these consolidated interim financial statements*



**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of income for the six-month period ended 30 June 2016**

**Form B 02a – DN/HN**

*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended	
			30/6/2016 VND	30/6/2015 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>27</b>	<b>6,039,528,961,118</b>	<b>4,083,727,277,643</b>
<b>Revenue deductions</b>	<b>02</b>	<b>27</b>	<b>(5,601,214,308)</b>	<b>(3,016,418,907)</b>
<b>Net revenue (10 = 01 + 02)</b>	<b>10</b>	<b>27</b>	<b>6,033,927,746,810</b>	<b>4,080,710,858,736</b>
<b>Cost of sales</b>	<b>11</b>	<b>28</b>	<b>(5,730,222,494,609)</b>	<b>(3,824,852,459,863)</b>
<b>Gross profit (20 = 10 + 11)</b>	<b>20</b>		<b>303,705,252,201</b>	<b>255,858,398,873</b>
Financial income	21	29	6,381,827,894	11,476,120,351
Financial expenses	22	30	(30,099,221,473)	(27,701,559,820)
<i>In which: Interest expense</i>	23		(29,353,815,587)	(25,799,844,397)
Share of profit in associates	24	6(c)	4,418,948,169	4,751,592,440
Selling expenses	25	31	(137,301,199,429)	(98,825,068,594)
General and administrative expenses	26	32	(89,055,399,297)	(75,299,997,713)
<b>Net operating profit (30 = 20 + 21 + 22 + 24 + 25 + 26)</b>	<b>30</b>		<b>58,050,208,065</b>	<b>70,259,485,537</b>
Other income	31	33	28,914,399,229	22,778,049,225
Other expenses	32	34	(1,947,761,956)	(6,198,117,954)
<b>Results of other activities (40 = 31 + 32)</b>	<b>40</b>		<b>26,966,637,273</b>	<b>16,579,931,271</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>85,016,845,338</b>	<b>86,839,416,808</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>36(b)</b>	<b>(16,153,666,488)</b>	<b>(17,001,812,280)</b>
<b>Income tax expense – deferred</b>	<b>52</b>	<b>36(b)</b>	<b>-</b>	<b>-</b>
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>68,863,178,850</b>	<b>69,837,604,528</b>

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of income for the six-month period ended 30 June 2016**  
**(continued)**

**Form B 02a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended	
			30/6/2016 VND	30/6/2015 VND
<b>Net profit after tax</b> <b>(60 = 50 + 51 + 52)</b>	<b>60</b>		<b>68,863,178,850</b>	<b>69,837,604,528</b>
<b>Attributable to:</b>				
Equity holders of the Company	61		42,607,582,409	40,888,170,789
Non-controlling interest	62		26,255,596,441	28,949,433,739
<b>Basic earnings per share</b>	<b>70</b>	<b>37</b>	<b>1,563</b>	<b>1,637</b>

15 August 2016

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Mai Viet Ha  
General Director

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of cash flows for the six-month period ended 30 June 2016**  
**(Indirect method)**

**Form B 03a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended	
			30/6/2016 VND	30/6/2015 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>85,016,845,338</b>	<b>86,839,416,808</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		27,508,231,619	28,414,208,362
Allowances and provisions	03		(1,689,146,234)	576,653,722
Losses/(gains) on disposals of fixed assets	05		604,105,687	(246,680,324)
Gain on disposal of investments in a subsidiary	05		-	(4,266,034,971)
Losses on written off of fixed assets	05		211,409,602	-
Losses on written off of investments in associate	05		70,072,710	-
Losses on written off construction in progress	05		813,904,721	-
Dividends and interest income	05		(3,015,023,042)	(5,416,297,769)
Income from associates	05		(4,418,948,169)	(4,751,592,440)
Interest expense	06		29,353,815,587	27,172,704,368
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>134,455,267,819</b>	<b>128,322,377,756</b>
Change in receivables and other current assets	09		(136,862,148,432)	(2,877,514,590)
Change in inventories	10		(53,042,821,597)	(14,849,172,657)
Change in payables and other liabilities	11		(46,850,231,519)	37,799,159,397
Change in prepaid expenses	12		(5,256,909,939)	(4,075,584,885)
Change in trading securities	13		583,145,600	5,777,456,000
			<b>(106,973,698,068)</b>	<b>150,096,721,021</b>
Interest paid	14		(29,666,969,943)	(27,334,535,147)
Corporate income tax paid	15		(22,184,447,988)	(16,225,375,378)
Other payments for operating activities	17		(8,130,860,857)	(4,458,061,921)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(166,955,976,856)</b>	<b>102,078,748,575</b>

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of cash flows for the six-month period ended 30 June 2016**  
**(Indirect method – continued)**

**Form B 03a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended	
			30/6/2016 VND	30/6/2015 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets	21		(85,038,836,856)	(57,199,304,922)
Proceeds from disposals of tangible fixed assets	22		1,059,090,909	4,311,818,182
Net proceeds from disposal of investments in a subsidiary, net of cash disposed			-	(280,685,507)
Proceeds from disposals of other long-term investments			29,245,050,000	-
Payments for investments in other entities	25		(26,300,000,000)	(9,000,000,000)
Change in held-to-maturity investments			(6,850,000,000)	-
Receipts of dividends and interest income	27		5,434,538,042	5,416,297,769
Net (payment)/receipts in other non-current assets			(28,492,693,498)	1,674,872,690
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(110,942,851,403)</b>	<b>(55,077,001,788)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		4,079,134,825,956	1,706,779,725,325
Payments to settle loan principals	34		(3,797,476,449,850)	(1,788,441,855,940)
Proceeds from equity issued by subsidiaries to non-controlling interest			6,380,200,000	852,800,000
Payments of dividends to equity holders of the Company	36		(35,388,381,090)	-
Payments of dividends by subsidiaries to non-controlling interest	36		(12,017,424,857)	(14,605,613,524)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>240,632,770,159</b>	<b>(95,414,944,139)</b>

*The accompanying notes are an part of these consolidated interim financial statements*

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of cash flows for the six-month period ended 30 June 2016**  
**(Indirect method – continued)**

**Form B 03a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended	
			30/6/2016 VND	30/6/2015 VND
Net cash flows during the period (50 = 20 + 30 + 40)	50		(37,266,058,100)	(48,413,197,352)
Cash and cash equivalents at the beginning of the period	60		211,789,394,100	179,855,579,173
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	5	174,523,336,000	131,442,381,821

15 August 2016

Prepared by:

Ngo Van Danh  
Chief Accountant

Approved by:



Mal Viet Ha  
General Director

**Saigon General Service Corporation and its subsidiaries**  
**Notes to the consolidated interim financial statements for the six-month period ended**  
**30 June 2016**

**Form B 09a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

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

**1. Reporting entity**

**(a) Ownership structure**

Saigon General Service Corporation (“the Company”) was incorporated as a joint-stock company under Decision No. 3448/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 consolidated interim financial statements of the Company for the six-month period ended 30 June 2016 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

**(b) Principals activities**

The principal activities of the Group are:

- Services and trading: trading, distribution, repair and maintenance of cars, motorbikes and spare parts; trading jewelries, construction materials; providing bar and restaurant services;
- Real estate: trading real estate, land use rights; leasing warehouses, office, commercial centres; investing, developing real estate projects such as office buildings, apartments, villas and high-class resorts;
- Financial services: investing in subsidiaries, associates and in shares of other entities operating in trading and services, real estate and infrastructures.

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

**(c) Normal operating cycle**

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

**(d) Group structure**

As at 30 June 2016, the Group had 2,025 employees (1 January 2016: 1,847 employees).

As at 30 June 2016, the Group had 13 subsidiaries and 6 associates (1 January 2016: 13 subsidiaries and 6 associates) as follows:

**Saigon General Service Corporation and its subsidiaries**

**Notes to the consolidated interim financial statements for the six-month period ended 30 June 2016 (continued)**

**Form B 09a – DN/HN**

*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

**Subsidiaries**

Number	Name	Principal activity	Address	Percentage of economic interest at	
				30/6/2016	1/1/2016
1	Saigon Automobile Service Joint Stock Company (SAIGON FORD)	Trading FORD cars and spare parts, providing maintenance services.	61A Cao Thang Street, Ward 3, District 3, Ho Chi Minh City, Vietnam	52.05%	52.05%
2	Toyota Giai Phong Joint Venture Company (TGP)	Trading TOYOTA cars and spare parts, providing maintenance services.	807 Giai Phong Street, Giap Bat Ward, Hoang Mai District, Hanoi City, Vietnam	51%	51%
3	Saigon Service Trading Limited Company (YAMAHA Saigon)	Trading YAMAHA motorbikes and spare parts, providing maintenance services.	164 – 166C, 3/2 Street, Hung Loi Ward, Ninh Kieu District, Can Tho City, Vietnam	88.12%	88.12%
4	Saigon Star Corporation	Trading SUZUKI, HONDA and VEAM automobile and motorbikes and spare parts, providing maintenance services.	510 National Highway 13, Hiep Binh Phuoc Ward, Thu Duc District, Ho Chi Minh City, Vietnam	59.62%	59.62%
5	Savico Hanoi Corporation	Operating business centre, providing hotel services; civil construction, industrial projects; agents and consignment; import and export activities; trading and maintaining automobile; providing engine rental, transportation and car parking services.	7-9 Nguyen Van Linh Street, Long Bien Ward, Ha Noi City, Vietnam	70%	70%
6	Toyota Can Tho Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services.	K2-0, Vo Nguyen Giap Street, Thanh Thuan Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	51%	51%

**Saigon General Service Corporation and its subsidiaries**

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Number	Name	Principal activity	Address	Percentage of economic interest at	
				30/6/2016	1/1/2016
7	Savico Da Nang Corporation	Trading real estate; providing workshops and office rental services; providing consulting and real estate brokerage services; trading automobile and spare parts; providing maintenance and repairing service; providing transportation services.	66 Vo Van Tan Street, Chinh Gian Ward, Thanh Khe District, Da Nang City, Vietnam	70%	70%
8	OtoS Joint Stock Company (otos.vn)	Providing e-commerce services; advertising services; trading cars and spare parts; providing maintenance and repairing services; providing software publishment and other services related to information technology.	68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	77.07%	77.07%
9	Da Nang Son Tra Corporation	Trading real estate; providing hotel and travel services; operating restaurant, providing food and beverages; providing transportation and civil construction services.	Bai Trem, Hoang Sa Street, Tho Quang Ward, Son Tra District, Da Nang City, Vietnam	98%	98%
10	Saigon Cuu Long Automobile Corporation	Trading GM cars and spare parts; providing maintenance and transportation services.	274 30/4 Street, Hung Loi Ward, Ninh Kiều District, Can Tho City, Vietnam	84.17%	84.17%
11	Saigon North West Automobile Joint Stock Company	Trading FUSO truck and spare parts; providing maintenance, repairing and transportation services.	43/7A Xuan Thoi Dong 2 Area, Xuan Thoi Dong Ward, Hoc Mon District, Ho Chi Minh City, Vietnam	80%	80%



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Number	Name	Principal activity	Address	Percentage of economic interest at	
				30/6/2016	1/1/2016
12	Vinh Thinh Automobile Joint Stock Company	Trading HINO truck and spare parts; providing maintenance, repairing and transportation services.	5/5 Binh Giao Area, Thuan Giao Ward, Thuan An Town, Binh Duong Province, Vietnam	90%	90%
13	Nam Song Hau Automobile Joint Stock Company	Trading HONDA cars and spare parts; providing maintenance, repairing and transportation services.	Block E1-1, Vo Nguyen Giap Street, Thanh Loi Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	93%	93%

**Associates**

Number	Name	Principal activity	Address	Percentage of economic interest at	
				30/6/2016	1/1/2016
1	ComfortDelgro Savico Taxi Company	Providing the transportation and maintenance services.	384A Kha Van Can, Hiep Binh Chanh Ward, Thu Duc District, Ho Chi Minh City, Vietnam	40.03%	40.03%
2	Toyota East Saigon Joint Stock Company (TESC)	Trading TOYOTA cars and spare parts, providing maintenance services.	507 Ha Noi Highway, District 2, Ho Chi Minh City, Vietnam	35.16%	35.16%
3	Binh Duong New City Automobile Service Joint Stock Company	Trading FORD cars and spare parts, providing maintenance services.	Block C13, Hung Vuong Street, Lien Hop Area, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam	27.5%	27.5%

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Number	Name	Principal activity	Address	Percentage of economic interest at	
				30/6/2016	1/1/2016
4	South West Star Automobile Joint Stock Company	Trading HYUNDAI cars and spare parts; providing maintenance, repairing and transportation services.	91 Cach Mang Thang Tam Street, An Thoi Ward, Binh Thuy District, Can Tho City, Vietnam	40%	40%
5	Toyota Ly Thuong Kiet Limited	Trading TOYOTA cars and spare parts, providing maintenance services, non-life insurance agency.	188 Le Trong Tan, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam	20%	20%
6	Bac Au Automobile Joint Stock Company (*)	Trading VOLVO cars and spare parts, providing maintenance services.	340A Nguyen Van Linh, Binh Thuan Ward, District 7, Ho Chi Minh City, Vietnam	32%	-
7	Ben Thanh Savico General Trading & Services Co., Ltd. (**)	Trading SYM motorbikes and spare parts, providing maintenance services.	17-19 Tran Hung Dao, District 1, Ho Chi Minh City, Vietnam	-	37.33%

(\*) During the period, the Company contributed 32% capital to form an associate – Bac Au Automobile Joint Stock Company.

(\*\*) During the period, the Company liquidated Ben Thanh Savico General Trading & Services Co., Ltd (Note 6(c)).

**Saigon General Service Corporation and its subsidiaries**  
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**2. Basis of preparation**

**(a) Statement of compliance**

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

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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

**(d) Accounting and presentation currency**

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

**3. Summary of significant accounting policies**

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

**(a) Basis of consolidation**

**(i) Subsidiaries**

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

**(ii) Non-controlling interests**

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

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

**Saigon General Service Corporation and its subsidiaries**  
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**(iii) Loss of control**

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

**(iv) Associates**

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

**(v) Transactions eliminated on consolidation**

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

**(b) Foreign currency transactions**

Transactions in currencies other than VND during the period have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively at the end of the accounting period quoted by the commercial bank where the Company or its subsidiaries most frequently conducts transactions.

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

**(c) Cash and cash equivalents**

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

**Saigon General Service Corporation and its subsidiaries**  
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**(d) Investments**

**(i) Trading securities**

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

**(ii) Held to maturity investments**

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

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

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Group's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

**(e) Accounts receivable**

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

**(f) Inventories**

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

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

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

The Group applies the perpetual method of accounting for inventories.

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**(g) Tangible fixed assets**

**(i) Cost**

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

**(ii) Depreciation**

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

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

**(h) Intangible fixed assets**

**(i) Land use rights**

Land use rights comprise:

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

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

**(ii) Software**

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

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**(i) Investment property**

***Investment property held to earn rental***

***Cost***

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

***Depreciation***

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

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

**(j) Construction in progress**

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

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**(k) Long-term prepaid expenses**

**(i) Prepaid land costs**

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

**(ii) Tools and supplies**

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

**(iii) Others**

Other prepaid expenses mainly comprise renovation expense are amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(l) Trade and other payables**

Trade and other payables are stated at their cost.

**(m) Provisions**

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

**(n) Share capital**

**(i) Ordinary shares**

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



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

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

**(o) Equity funds**

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

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

**(p) Taxation**

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

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

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

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

**(q) Revenue**

**(i) Sales of real estate**

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

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**(ii) Sales of merchandise goods**

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

**(iii) Services rendered**

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

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

**(iv) Rental income**

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

**(r) Financial income**

**(i) Interest income**

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

**(ii) Revenue from security trading**

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

**(iii) Dividend income**

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

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**(s) Operating lease payments**

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

**(t) Borrowing costs**

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

**(u) Earnings per share**

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

**(v) Segment reporting**

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

**(w) Related parties**

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

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**4. Segment reporting**

For the six-month period ended:

	Services and trading		Investment property services		Financial services		Total	
	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND
Segment revenue	5,929,634,409,735	3,998,024,689,201	104,293,337,075	82,686,169,535	-	-	6,033,927,746,810	4,080,710,858,736
Segment other income	26,463,059,113	12,638,631,405	89,016,444	4,708,462,257	3,446,939,020	3,803,801,148	29,999,014,577	21,150,894,810
Direct and attributable cost of sales to segments	(5,684,143,799,863)	(3,773,263,560,321)	(46,078,694,746)	(51,588,899,542)	-	-	(5,730,222,494,609)	(3,824,852,459,863)
Direct and attributable other expenses to segments	(230,324,245,603)	(192,500,634,197)	(24,964,592,316)	(11,441,614,647)	(1,166,982,280)	107,611,732	(256,455,820,199)	(203,834,637,112)
Segment profit	41,629,423,382	44,899,126,088	33,339,066,457	24,364,117,603	2,279,956,740	3,911,412,880	77,248,446,579	73,174,656,571
Un-allocated income							9,716,160,715	17,854,867,206
Un-allocated expenses							(1,947,761,956)	(4,190,106,969)
Income tax							(16,153,666,488)	(17,001,812,280)
							68,863,178,850	69,837,604,528

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	Services and trading		Investment property services		Financial services		Total	
	30/6/2016 VND	1/1/2016 VND	30/6/2016 VND	1/1/2016 VND	30/6/2016 VND	1/1/2016 VND	30/6/2016 VND	1/1/2016 VND
<b>Assets</b>								
Current assets	1,264,775,330,900	1,054,513,812,558	107,944,350,202	182,443,804,366	40,820,961,316	40,726,185,952	1,413,540,642,418	1,277,683,802,876
Non-current assets	521,794,062,255	272,872,297,366	1,068,076,680,603	1,205,201,878,281	-	-	1,589,870,742,858	1,478,074,175,647
Un-allocated assets	-	-	-	-	-	-	2,591,024,469	1,903,989,999
	1,786,569,393,155	1,327,386,109,924	1,176,021,030,805	1,387,645,682,647	40,820,961,316	40,726,185,952	3,006,002,409,745	2,757,661,968,522
<b>Liabilities</b>								
Current liabilities	1,118,500,310,356	852,706,501,149	280,335,510,262	346,119,578,398	1,521,450,000	-	1,400,357,270,618	1,198,826,079,547
Non-current liabilities	45,545,027,423	2,363,244,775	485,961,397,241	495,339,999,116	-	-	531,506,424,664	497,703,243,891
	1,164,045,337,779	855,069,745,924	766,296,907,503	841,459,577,514	1,521,450,000	-	1,931,863,695,282	1,696,529,323,438

For the six-month period ended:

	Services and trading		Investment property services		Financial services		Total	
	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND	30/6/2016 VND	30/6/2015 VND
Depreciation and amortisation	15,781,945,032	16,017,969,575	11,726,286,587	12,396,238,787	-	-	27,508,231,619	28,414,208,362
Allowances and provisions	-	(705,040,752)	(864,379,915)	-	(824,766,319)	1,281,694,474	(1,689,146,234)	576,653,722
Capital expenditure	18,447,705,768	27,842,005,637	66,591,131,088	29,357,299,285	-	-	85,038,836,856	57,199,304,922

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**5. Cash and cash equivalents**

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	10,434,915,278	10,979,173,552
Cash in banks	135,503,605,312	124,714,063,810
Cash equivalents	28,584,815,410	76,096,156,738
	<hr/>	<hr/>
	174,523,336,000	211,789,394,100
	<hr/> <hr/>	<hr/> <hr/>

Cash equivalents at 30 June 2016 included VND2,670 million (1 January 2016: VND482 million) pledged with banks as security for loans granted to the Group.

**Saigon General Service Corporation and its subsidiaries**  
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**6. Investments**

**(a) Trading securities**

	30/6/2016				1/1/2016			
	Quantity	Carrying amount VND	Fair value VND	Allowance for diminution in value VND	Quantity	Carrying amount VND	Fair value VND	Allowance for diminution in value VND
Short-term financial investments in:								
Listed shares								
• Ben Thanh Trading and Service Joint Stock Company	9	162,572	342,000	-	39,159	694,914,918	1,640,762,100	-
• Viet Thai Joint Stock Company	650,760	8,042,676,000	9,891,552,000	-	650,760	8,042,676,000	10,086,780,000	-
• Tien Len Steel Corporation Joint Stock Company	3	22,740	27,000	-	518,983	3,946,111,619	2,127,830,300	(1,805,846,319)
• The Southern Fertilizer Joint Stock Company	-	-	-	-	8,300	114,384,375	117,030,000	-
• PetroVietnam Southern Gas Joint Stock Company	159,000	3,076,480,000	2,703,000,000	(373,480,000)	-	-	-	-
• Saigon Hanoi Commercial Joint Stock Bank	80,000	504,000,000	488,000,000	(16,000,000)	-	-	-	-
Non-listed shares								
• Pacific Construction Investment and Commercial Joint Stock Company	500,000	14,000,000,000	(*)	(9,000,000,000)	500,000	14,000,000,000	(*)	(9,000,000,000)
• Ben Thanh Non Nuoc Joint Stock Company	90,000	9,000,000,000	(*)	-	90,000	9,000,000,000	(*)	-
• Toan Cau Insurance Company	180,000	6,300,000,000	(*)	(5,040,000,000)	180,000	6,300,000,000	(*)	(5,040,000,000)
• Ho Chi Minh City Electric Power Trading Investment Corporation	1,350,000	13,500,000,000	(*)	-	1,350,000	13,500,000,000	(*)	-
• Hai Phong Securities Joint Stock Company	812	2,052,543	(*)	-	812	2,052,543	(*)	-
		<u>54,425,393,855</u>		<u>(14,429,480,000)</u>		<u>55,600,139,455</u>		<u>(15,845,846,319)</u>

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

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

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Opening balance	15,845,846,319	15,783,080,354
Increase in allowance during the period	389,480,000	-
Utilised	(591,600,000)	-
Written back	(1,214,246,319)	(682,645,864)
	<hr/>	<hr/>
Closing balance	14,429,480,000	15,100,434,490
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>30/6/2016</b>		<b>1/1/2016</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Held-to-maturity investments – short-term				
▪ term deposits	6,850,000,000	6,850,000,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

Held-to-maturity investments – short-term at 30 June 2016 included VND5,000 million (1 January 2016: nil) pledged with banks as security for loans granted to the Group



**Saigon General Service Corporation and its subsidiaries**

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**(c) Equity investments in other entities**

<b>30 June 2016</b>	<b>% of equity owned</b>	<b>% of voting rights</b>	<b>Carrying amount VND</b>	<b>Fair value VND</b>	<b>Allowance for diminution in value VND</b>
<b>Equity investments in:</b>					
<b>Associates</b>					
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	33,814,617,020	(*)	-
• Toyota East Saigon Joint Stock Company (TESC)	35.16%	35.16%	52,978,529,943	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company	27.50%	27.50%	14,271,579,978	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	11,179,714,844	(*)	-
• South West Star Automobile Joint Stock Company	40.00%	40.00%	11,156,506,874	(*)	-
• Toyota Ly Thuong Kiet Limited	51.00%	51.00%	32,002,967,152	(*)	-
• Bac Au Automobile Joint Stock Company (a)	32.00%	32.00%	18,550,536,521	(*)	-
			173,954,452,332		-
<b>Others</b>					
• Other long-term investments			12,415,264,000	(*)	-
			186,369,716,332		-

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<b>1 January 2016</b>	<b>% of equity owned</b>	<b>% of voting rights</b>	<b>Carrying amount VND</b>	<b>Fair value VND</b>	<b>Allowance for diminution in value VND</b>
<b>Equity investments in:</b>					
<b>Associates</b>					
• Ben Thanh Savico General Trading & Services Co., Ltd. (b)	37.33%	37.33%	70,072,710	(*)	-
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	33,458,203,711	(*)	-
• Toyota East Saigon Joint Stock Company (TESC)	35.16%	35.16%	53,843,827,214	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company	27.50%	27.50%	13,625,820,140	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	9,352,545,577	(*)	-
• South West Star Automobile Joint Stock Company	40.00%	40.00%	10,412,954,285	(*)	-
• Toyota Ly Thuong Kiet Limited	51.00%	51.00%	32,061,668,236	(*)	-
			152,825,091,873		-
<b>Others</b>					
• Other long-term investments			5,315,264,000	(*)	-
			158,140,355,873		-

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- (\*) At the reporting date, fair value of these investments was not available.
- (a) On 6 November 2015, the Board of Management resolved to establish Bac Au Automobile Joint Stock Company with the authorised legal capital of VND60 billion in which 50% of authorised legal capital is contributed by the Group. The Group signed a capital assignment agreement with Ben Thanh Group, a shareholder, whereby the Group transferred all rights and the obligation arising from 20% of authorised legal capital of Bac Au Automobile Joint Stock Company contributed by the Group at par value since 27 April 2016. On 26 May 2016, the Group purchased 2% of authorised legal capital of Bac Au Automobile Joint Stock Company from an individual shareholder at par value. At the reporting date, the Group has contributed 32% of authorised legal capital of Bac Au Automobile Joint Stock Company.
- (b) On 30 June 2016, the Board of Management resolved to liquidate Ben Thanh Savico General Trading & Services Co., Ltd., an associate. The liquidation process was completed.

Movements of investments in associates were as follows:

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Balance at the beginning of the period	152,825,091,873	98,866,042,688
New investments	19,200,000,000	1,200,000,000
Share of net profit in associates (net of income tax)	4,418,948,169	4,751,592,440
Dividends from associates	(2,419,515,000)	-
Liquidation of associates	(70,072,710)	-
	173,954,452,332	104,817,635,128

**Saigon General Service Corporation and its subsidiaries**  
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Summary of balance sheets and statements of income of associates are as follows:

	<b>Total assets</b>	<b>Total liabilities</b>	<b>Owners' equity</b>	<b>Net profit/(loss) after tax</b>
	<b>As of 30/6/2016 VND</b>	<b>As of 30/6/2016 VND</b>	<b>As of 30/6/2016 VND</b>	<b>Six-month period ended 30/6/2016 VND</b>
ComfortDelgro Savico Taxi Company	91,644,332,851	7,171,145,193	84,473,187,658	911,753,070
Toyota East Saigon Joint Stock Company (TESC)	492,304,550,140	341,447,359,855	150,857,190,285	7,799,800,404
Binh Duong New City Automobile Service Joint Stock Company	98,499,034,314	68,427,011,125	30,072,023,189	1,823,835,473
Dana Joint Stock Company (DANA FORD)	43,366,294,337	16,480,629,909	26,885,664,428	5,437,296,418
South West Star Automobile Joint Stock Company	73,458,099,559	46,516,832,375	26,941,267,184	1,781,708,346
Toyota Ly Thuong Kiet Limited	181,973,735,182	107,320,933,001	74,652,802,181	(317,533,698)
Bac Au Automobile Joint Stock Company	57,706,271,254	135,844,627	57,570,426,627	(2,029,573,373)

**Saigon General Service Corporation and its subsidiaries**  
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	<b>Total assets</b>	<b>Total liabilities</b>	<b>Owners' equity</b>	<b>Net profit/(loss) after tax Six-month period ended 30/6/2015</b>
	<b>As of 1/1/2016 VND</b>	<b>As of 1/1/2016 VND</b>	<b>As of 1/1/2016 VND</b>	<b>VND</b>
Ben Thanh Savico General Trading & Services Co., Ltd.	187,885,642	-	187,885,642	-
ComfortDelgro Savico Taxi Company	92,648,243,863	9,065,421,704	83,582,822,159	(1,131,258,226)
Toyota East Saigon Joint Stock Company (TESC)	437,030,507,290	283,891,066,975	153,139,440,315	19,506,712,666
Binh Duong New City Automobile Service Joint Stock Company	90,340,423,544	61,849,399,927	28,491,023,617	(3,580,689,859)
Dana Joint Stock Company (DANA FORD)	52,278,376,687	29,930,008,677	22,348,368,010	4,653,202,392
South West Star Automobile Joint Stock Company	150,548,138,286	125,465,752,575	25,082,385,711	(*)
Toyota Ly Thuong Kiet Limited	192,364,454,444	117,417,504,020	74,946,950,424	(*)

(\*) The Group invested in these entities since September 2015.

## **7. Accounts receivable from customers**

### **Accounts receivable from customers detailed by significant customers**

	<b>30/6/2016 VND</b>	<b>1/1/2016 VND</b>
Customers in relation to sales of merchandise goods	311,565,690,674	263,039,291,317
Customers in relation to rental income	4,570,538,776	4,290,319,052
Customers in relation to sales of real estate	-	453,540,087
Other customers	6,889,700,106	5,233,638,548
	<b>323,025,929,556</b>	<b>273,016,789,004</b>

**Saigon General Service Corporation and its subsidiaries**  
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**8. Other receivables**

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Deposits for trading used cars on behalf of customers	30,707,621,967	25,451,621,967
Advances to employees	19,045,104,735	7,887,176,981
Short-term deposits	2,289,521,133	1,138,694,958
Receivable from disposal of other investment	-	29,245,050,000
Others	19,547,730,878	20,751,047,344
	<hr/>	<hr/>
	71,589,978,713	84,473,591,250
	<hr/>	<hr/>

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Receivables in business cooperation contracts (*)	113,406,731,568	113,406,731,568
Long-term deposits	33,450,230,000	10,337,346,792
Others	16,707,876,990	11,328,066,700
	<hr/>	<hr/>
	163,564,838,558	135,072,145,060
	<hr/>	<hr/>

(\*) This receivables related to the real estate investment corporation agreement with other partners.

Movements in the allowance for doubtful long-term debts during the period were as follows:

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Opening balance	6,830,507,240	-
Written back	(864,379,915)	-
	<hr/>	<hr/>
Closing balance	5,966,127,325	-
	<hr/>	<hr/>

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**9. Inventories**

	30/6/2016		1/1/2016	
	Carrying amount VND	Allowance VND	Carrying amount VND	Allowance VND
Goods in transit	6,072,800	-	7,961,388,308	-
Materials and spare parts	9,321,177,656	(2,591,856,758)	6,497,681,003	(2,591,856,758)
Work in progress	94,694,591,645	(21,975,574,661)	102,283,416,147	(21,975,574,661)
Finished goods	416,088,749	-	168,314,803	-
Merchandise inventories (cars and motorbikes)	565,177,160,234	-	499,674,298,317	-
Goods on consignment	182,349,537	-	-	-
	<b>669,797,440,621</b>	<b>(24,567,431,419)</b>	<b>616,585,098,578</b>	<b>(24,567,431,419)</b>

There were no movements in allowance for inventories during the period.

At 30 June 2016 inventories with carrying value of VND368,701 million (1 January 2016: VND241,345 million) were pledged with banks as security for loans granted to the Group.

During the period, borrowing costs capitalised into inventories amounted to VND170 million (2015: nil).

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**10. Tangible fixed assets**

	<b>Buildings VND</b>	<b>Machinery and equipment VND</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Others VND</b>	<b>Total VND</b>
<b>Cost</b>						
Opening balance	197,210,655,988	45,169,716,817	10,326,850,263	40,180,909,044	10,051,283,103	302,939,415,215
Additions	4,400,996,312	7,077,833,961	421,097,273	6,417,778,222	-	18,317,705,768
Transfers from construction in progress	10,211,866,340	-	-	112,700,000	-	10,324,566,340
Disposals	(1,007,614,246)	-	-	(1,107,656,556)	-	(2,115,270,802)
Written off	-	-	-	(306,382,045)	-	(306,382,045)
Closing balance	210,815,904,394	52,247,550,778	10,747,947,536	45,297,348,665	10,051,283,103	329,160,034,476
<b>Accumulated depreciation</b>						
Opening balance	57,698,054,886	27,425,197,497	5,763,875,978	9,364,972,535	5,126,123,476	105,378,224,372
Charge for the period	7,892,864,355	3,287,621,825	746,192,078	2,675,602,702	543,760,644	15,146,041,604
Disposals	(226,713,222)	-	-	(225,360,984)	-	(452,074,206)
Written off	-	-	-	(94,972,443)	-	(94,972,443)
Closing balance	65,364,206,019	30,712,819,322	6,510,068,056	11,720,241,810	5,669,884,120	119,977,219,327
<b>Net book value</b>						
Opening balance	139,512,601,102	17,744,519,320	4,562,974,285	30,815,936,509	4,925,159,627	197,561,190,843
Closing balance	145,451,698,375	21,534,731,456	4,237,879,480	33,577,106,855	4,381,398,983	209,182,815,149



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Included in the cost of tangible fixed assets were assets costing VND23,049 million which were fully depreciated as of 30 June 2016 (1 January 2016: VND24,489 million), but which are still in active use.

At 30 June 2016 tangible fixed assets with carrying value of VND74,910 million (1 January 2016: VND54,672 million) were pledged with banks as security for loans granted to the Group.

**11. 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	35,331,353,391	43,773,551,509	2,491,250,350	81,596,155,250
Additions	-	-	130,000,000	130,000,000
Closing balance	35,331,353,391	43,773,551,509	2,621,250,350	81,726,155,250
<b>Accumulated amortisation</b>				
Opening balance	-	8,867,825,448	2,079,201,071	10,947,026,519
Charge for the period	-	510,634,140	125,269,288	635,903,428
Closing balance	-	9,378,459,588	2,204,470,359	11,582,929,947
<b>Net book value</b>				
Opening balance	35,331,353,391	34,905,726,061	412,049,279	70,649,128,731
Closing balance	35,331,353,391	34,395,091,921	416,779,991	70,143,225,303

Included in the cost of intangible fixed assets were assets costing VND1,815 million which were fully depreciated as of 30 June 2016 (1 January 2016: VND1,815 million), but which are still in active use.

At 30 June 2016 intangible fixed assets with carrying value of VND54,680 million (1 January 2016: VND27,259 million) were pledged with banks as security for loans granted to the Group.

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## 12. Investment property

### Investment property held to earn rental

	<b>Land use rights VND</b>	<b>Buildings VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	126,013,602,450	743,369,487,481	869,383,089,931
Written off	-	(6,469,949,820)	(6,469,949,820)
<hr/>			
Closing balance	126,013,602,450	736,899,537,661	862,913,140,111
<hr/>			
<b>Accumulated depreciation</b>			
Opening balance	9,282,938,130	122,399,783,660	131,682,721,790
Charge for the period	661,949,604	11,064,336,983	11,726,286,587
Written off	-	(6,469,949,820)	(6,469,949,820)
<hr/>			
Closing balance	9,944,887,734	126,994,170,823	136,939,058,557
<hr/>			
<b>Net book value</b>			
Opening balance	116,730,664,320	620,969,703,821	737,700,368,141
Closing balance	116,068,714,716	609,905,366,838	725,974,081,554
<hr/> <hr/>			

Included in the cost of investment properties held to earn rental were assets costing VND9,112 million which were fully depreciated as of 30 June 2016 (1 January 2016: VND19,702 million), but which are still in active use.

At 30 June 2016 investment properties held to earn rental with carrying value of VND651,660 million (1 January 2016: VND675,102 million) were pledged with banks as security for loans granted to the Group.

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

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**13. Construction in progress**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Opening balance	171,438,939,997	434,645,996,921
Additions during the period	66,591,131,088	19,995,958,149
Transfers to tangible fixed assets	(10,324,566,340)	(13,415,391,715)
Written off	(813,904,721)	-
	<hr/>	<hr/>
Closing balance	226,891,600,024	441,226,563,355
	<hr/>	<hr/>

Major constructions in progress were as follows:

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Mecure Son Tra, Da Nang Project	84,351,999,406	84,351,999,406
104 Pho Quang Project	37,239,592,510	37,958,276,918
277 – 279 Ly Tu Trong Office Building Project	42,760,564,642	28,197,102,382
66 – 68 Nam Ky Khoi Nghia Project	11,152,247,795	11,134,809,686
Ho Tram, Xuyen Moc Project	241,318,083	241,318,083
Nam Song Hau's showroom construction	43,571,410,393	6,980,649,897
Saigon North West's showroom construction	3,425,908,816	
Auto Mall Project	1,207,181,818	-
Toyota Can Tho's showroom renovation	2,941,376,561	-
Vinh Thinh's showroom construction	-	2,574,783,625
	<hr/>	<hr/>
	226,891,600,024	171,438,939,997
	<hr/>	<hr/>

**14. Prepaid expenses**

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Office and house rental	5,426,493,421	122,880,667
Tools and supplies	3,278,125,729	2,576,014,331
Renovation expenses	390,883,686	-
Others	3,763,250,032	4,962,421,422
	<hr/>	<hr/>
	12,858,752,868	7,661,316,420
	<hr/>	<hr/>

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Tools and supplies	4,831,454,811	4,535,010,817
Prepaid land costs	2,713,044,490	4,616,946,843
Renovation expenses	1,393,146,537	1,339,258,823
Others	4,777,347,425	3,164,303,289
	<hr/>	<hr/>
	13,714,993,263	13,655,519,772
	<hr/> <hr/>	<hr/> <hr/>

**15. Accounts payable to suppliers**

**Accounts payable to suppliers detailed by significant suppliers**

	<b>30/6/2016</b>		<b>1/1/2016</b>	
	<b>Cost</b>	<b>Amount within</b>	<b>Cost</b>	<b>Amount within</b>
	<b>VND</b>	<b>payment</b>	<b>VND</b>	<b>payment</b>
		<b>capacity</b>		<b>capacity</b>
		<b>VND</b>		<b>VND</b>
Hyundai Thanh Cong Auto				
Viet Nam Joint Stock Company	20,952,690,000	20,952,690,000	97,723,180,000	97,723,180,000
Suppliers in relation to Ford				
Brand	36,926,867,818	36,926,867,818	13,026,629,433	13,026,629,433
Suppliers in relation to Toyota				
Brand	3,381,760,470	3,381,760,470	4,279,108,598	4,279,108,598
Hino Motor Vietnam Limited	22,990,228,184	22,990,228,184	6,217,508,000	6,217,508,000
Other suppliers	67,752,933,636	67,752,933,636	49,472,930,534	49,472,930,534
	<hr/>	<hr/>	<hr/>	<hr/>
	152,004,480,108	152,004,480,108	170,719,356,565	170,719,356,565
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**16. Taxes payable to State Treasury**

	1/1/2016 VND	Incurred VND	Net off/Paid VND	30/6/2016 VND
<b>Taxes</b>				
Value added tax	6,132,626,934	545,648,334,658	(543,280,035,865)	8,500,925,727
Corporate income tax	17,176,551,586	16,153,666,488	(22,184,447,988)	11,145,770,086
Personal income tax	2,105,595,834	8,053,199,295	(7,336,076,665)	2,822,718,464
<b>Other obligations</b>				
Land rental	10,013,066,011	6,045,858,109	(12,902,389,699)	3,156,534,421
Other obligations	1,116,581,326	325,437,249	(64,381,488)	1,377,637,087
	36,544,421,691	576,226,495,799	(585,767,331,705)	27,003,585,785

**17. Accrued expenses**

	30/6/2016 VND	1/1/2016 VND
Interest on borrowings	285,109,073	428,742,983
Rental fees	3,597,640,793	2,978,427,840
Salary and related expenses	4,555,270,373	4,738,044,256
Professional service fees	8,662,980,000	9,521,168,523
Accruals for operating expenses	3,387,538,727	4,221,382,710
Others	24,322,185,433	16,842,516,224
	44,810,724,399	38,730,282,536

**18. Unearned revenue**

**(a) Unearned revenue – short-term**

	30/6/2016 VND	1/1/2016 VND
Warranty and customer care services	6,074,821,816	12,227,716,018
Buildings rental revenue received in advance	1,488,436,775	101,358,497
Portion of long-term unearned revenue to be realised within 12 months	6,676,455,902	6,676,455,900
Others	5,014,051,521	-
	19,253,766,014	19,005,530,415

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**(b) Unearned revenue – long-term**

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Buildings rental revenue received in advance	102,618,188,803	103,462,855,900
Amount to be realised within 12 months	(6,676,455,902)	(6,676,455,900)
	<hr/>	<hr/>
Amount to be realised after 12 months	95,941,732,901	96,786,400,000
	<hr/>	<hr/>

**19. Other payables**

**(a) Other payables – short-term**

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	13,417,225,806	1,782,554,795
Instalment contribution received from customers in relation to Tam Binh Residential Project	46,851,786,709	63,874,447,722
Payable to a partner in a real estate project (a)	86,042,785,753	85,950,625,357
Payable to a customer	9,838,215,621	5,856,400,000
Insurance premium collected on behalf of insurance agencies	3,952,772,348	2,966,568,874
Others	4,465,313,877	12,090,503,557
	<hr/>	<hr/>
	164,568,100,114	172,521,100,305
	<hr/>	<hr/>

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

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**(b) Other payables – long-term**

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Long-term deposits received	58,401,443,991	57,997,149,952
Shared profit from associate to a third party	2,174,599,085	2,265,585,765
Other long-term payables (*)	107,757,775,904	92,249,751,045
Amount due after 12 months	168,333,818,980	152,512,486,762

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Binh An Project	24,239,513,834	24,239,513,834
227-229 Ly Tu Trong Office Building Project	69,873,438,221	56,672,384,699
Land rental payable to land lessor	13,644,823,849	11,337,852,512
	107,757,775,904	92,249,751,045

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**20. Borrowings**

**(a) Short-term borrowings**

	1/1/2016		Movements during the period		30/6/2016	
	Carrying amount VND	Amount within repayment capacity VND	Increase VND	Decrease VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	455,952,356,207	455,952,356,207	4,052,500,879,536	3,745,711,388,739	762,741,847,004	762,741,847,004
Current portion of long-term borrowings	85,731,304,923	85,731,304,923	7,759,596,100	51,717,226,445	41,773,674,578	41,773,674,578
	541,683,661,130	541,683,661,130	4,060,260,475,636	3,797,428,615,184	804,515,521,582	804,515,521,582



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

	<b>Currency</b>	<b>Annual interest rate</b>	<b>30/6/2016 VND</b>	<b>1/1/2016 VND</b>
ANZ Bank Vietnam Limited	VND	5.8% - 9.0%	53,405,278,500	33,966,226,000
Indovina Bank (Vietnam) Ltd.	VND	6.0% - 7.8%	23,017,630,000	44,895,071,000
Military Commercial Joint Stock Bank (MB Bank)	VND	5.0% - 7.0%	49,354,830,335	56,127,063,667
Mizuho Bank, Ltd.	VND	3.3%-3.75%	26,000,000,000	5,000,000,000
Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank)	VND	8.50%	5,531,990,000	5,419,225,000
Sumitomo Mitsui Banking Corporation (SMBC)	VND	2.7% - 3.5%	49,000,000,000	20,000,000,000
Vietnam Technological and Commercial Joint Stock Bank (Techcombank)	VND	7.2%	6,224,785,000	5,304,390,000
The Bank of Tokyo Mitsubishi UFJ, Ltd.	VND	1.75% - 3.75%	99,000,000,000	73,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	4.4% - 7.0%	236,985,073,787	107,653,965,142
Tien Phong Commercial Joint Stock Bank	VND	6.8 - 8.0%	14,358,640,934	19,653,018,000
Vietnam Thuong Tin Commercial Joint Stock Bank (Vietbank)	VND	6.5%	8,798,905,750	2,947,975,000
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	5.0% - 9.0%	161,754,602,698	31,221,284,398
Vietnam International Commercial Joint Stock Bank (VIB)	VND	5.80%	1,350,000,000	12,413,132,000
Vietnam Prosperity Joint Stock Commercial Bank (VPBank)	VND	7.0%	2,705,610,000	2,128,870,000
Bao Viet Commercial Joint Stock Bank	VND	7.0%	18,936,000,000	-
Ocean Commercial Bank (OCB)	VND	7.0%	5,000,000,000	-
Standard Charter Bank (SCB)	VND	7.5%	668,500,000	-
Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	6.0% - 7.5%	-	9,381,682,000
HSBC Bank (Vietnam) Ltd.	VND	6.5% - 13.0%	-	26,490,454,000
Loan from an individual	VND	5.0%	650,000,000	350,000,000
			762,741,847,004	455,952,356,207

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Included in short-term borrowings were VND500,031 million (1 January 2016: VND255,349 million) unsecured and VND262,711 million (1 January 2016: VND200,603 million) secured by the following assets:

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Cash equivalents	2,699,900,000	482,090,000
Held-to-maturity investments – short-term	5,000,000,000	-
Inventories	293,033,397,112	165,690,179,522
Investment properties	44,786,674,738	46,376,734,200
Tangible fixed assets	13,335,014,201	12,519,934,171
Intangible fixed assets	33,983,122,243	-
	<hr/>	<hr/>
	392,838,108,294	225,068,937,893
	<hr/>	<hr/>

**(b) Long-term borrowings**

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Long-term borrowings	309,004,547,361	334,135,662,052
Repayable within twelve months	(41,773,674,578)	(85,731,304,923)
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Repayable after twelve months	267,230,872,783	248,404,357,129
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Terms and conditions of outstanding long-term borrowings were as follows:

	<b>Currency</b>	<b>Annual interest rate</b>	<b>Year of maturity</b>	<b>30/6/2016 VND</b>	<b>1/1/2016 VND</b>
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	10.0%	2020	225,800,000,000	210,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (VPBank)	VND	10.0%	2016	10,000,000,000	30,000,000,000
Viet Nam Export - Import Bank - District 4 - HCM branch	VND	10.5%	2022	14,055,591,678	15,092,391,678
Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	9.0%	2017	4,024,249,890	15,693,117,890
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	9.8%	2017	6,884,000,000	36,800,000,000
The Bank of Tokyo Mitsubishi UFJ, Ltd.	VND	3.05% - 3.55%	2016	819,197,178	3,917,140,795
Military Commercial Joint Stock Bank (MB Bank)	VND	9.5%	2017	4,446,506,539	4,721,762,539
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	11.0%	2019	5,400,000,000	5,400,000,000
HD Bank (HDB)	VND	8.0%	2020	510,000,000	570,000,000
Ocean Bank (OCB)	VND	9.5%	2018	10,700,000,000	641,249,150
Military Commercial Joint Stock Bank (MBB)	VND	10%	2025	741,184,547	11,300,000,000
Vietnam International Commercial Bank - Tan Binh branch (VIB)	VND	9.0%	2018	1,454,803,395	-
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	10.5%	2027	23,642,848,800	-
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	7.9% - 10.5%	2021	526,165,334	-
				309,004,547,361	334,135,662,052

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Included in long-term borrowings were VND17,508 million of unsecured borrowings (1 January 2016: VND15,787 million) and VND291,496 million of borrowings (1 January 2016: VND318,349 million) secured by the following assets:

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Inventories	75,667,456,030	75,654,574,661
Tangible fixed assets	61,575,024,993	42,152,119,613
Intangible fixed assets	20,697,299,091	27,259,175,600
Investment properties	606,873,477,590	628,725,717,599
	<hr/>	<hr/>
	764,813,257,704	773,791,587,473
	<hr/> <hr/>	<hr/> <hr/>

## **21. Bonus and welfare fund**

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

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Opening balance	15,839,027,240	8,892,029,754
Appropriation from retained profits	3,103,723,739	1,572,960,261
Utilisation during the period	(7,345,525,312)	(4,310,632,654)
	<hr/>	<hr/>
Closing balance	11,597,225,667	6,154,357,361
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22. Changes in owners' equity

	Share capital VND	Capital surplus VND	Treasury shares VND	Foreign exchange differences VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1 January 2015</b>	249,955,730,000	317,064,858,303	(690,474,358)	5,093,483,305	40,681,624,825	142,498,081,774	216,801,438,189	971,404,742,038
Net profit for the period	-	-	-	-	-	40,888,170,789	28,949,433,739	69,837,604,528
Capital contribution by non-controlling interest	-	-	-	-	-	-	852,800,000	852,800,000
Appropriation to equity funds	-	-	-	-	182,300,320	(182,300,320)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(1,572,960,261)	-	(1,572,960,261)
Dividends	-	-	-	-	-	(29,970,608,400)	(14,605,613,524)	(44,576,221,924)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(147,429,267)	-	(147,429,267)
Decrease through disposal of investments in a subsidiary	-	-	-	-	-	-	(6,179,925,933)	(6,179,925,933)
Other decreases	-	-	-	-	-	(894,339,027)	-	(894,339,027)
<b>Balance at 1 July 2015</b>	249,955,730,000	317,064,858,303	(690,474,358)	5,093,483,305	40,863,925,145	150,618,615,288	225,818,132,471	988,724,270,154

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	Share capital VND	Capital surplus VND	Treasury shares VND	Foreign exchange differences VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1 July 2015</b>								
Net profit for the period	-	-	-	-	-	62,972,867,643	30,466,003,391	93,438,871,034
Capital contribution by non-controlling interest	-	-	-	-	-	-	3,791,600,000	3,791,600,000
Appropriation to equity fund	-	-	-	-	2,686,237,932	(2,686,237,932)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(10,774,939,929)	(2,062,668,071)	(12,837,608,000)
Dividends	-	-	-	-	-	-	(4,820,999,999)	(4,820,999,999)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(2,220,648,824)	-	(2,220,648,824)
Transfer to statement of income upon liquidation of investee	-	-	-	(5,093,483,305)	-	-	-	(5,093,483,305)
Other decreases	-	-	-	-	-	817,593,800	(666,949,776)	150,644,024
<b>Balance at 1 January 2016</b>	249,955,730,000	317,064,858,303	(690,474,358)	-	43,550,163,077	198,727,250,046	252,525,118,016	1,061,132,645,084
Net profit for the period	-	-	-	-	-	42,607,582,409	26,255,596,441	68,863,178,850
Capital contribution by non-controlling interest	-	-	-	-	-	-	6,380,200,000	6,380,200,000
Appropriation to equity funds	-	-	-	-	35,135,814	(35,135,814)	-	-
Appropriation to bonus and welfare fund (Note 21)	-	-	-	-	-	(2,797,673,380)	(306,050,359)	(3,103,723,739)
Dividends (Note 24)	-	-	-	-	-	(34,965,709,800)	(24,074,767,158)	(59,040,476,958)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(785,335,545)	-	(785,335,545)
Other increase/(decreases)	-	-	-	-	-	855,125,088	(162,898,317)	692,226,771
<b>Balance at 30 June 2016</b>	249,955,730,000	317,064,858,303	(690,474,358)	-	43,585,298,891	203,606,103,004	260,617,198,623	1,074,138,714,463

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### 23. Share capital

The Company's authorised and issued share capital are:

	30/6/2016		1/1/2016	
	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 period.

### 24. Dividends

The General Meeting of Shareholders of the Company on 1 April 2016 resolved to distribute dividends of 2015 amounting to VND34,965 million (2014: VND29,971 million), which is equal to 14% of par value of shares in circulation at that time.

### 25. Investment and development fund

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

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**26. Off balance sheet items**

**(a) Leases**

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Within one year	30,324,100,891	38,189,029,513
From two to five years	76,619,050,857	91,466,269,340
Over five years	48,669,644,452	84,559,426,596
	<hr/>	<hr/>
	155,612,796,200	214,214,725,449
	<hr/>	<hr/>

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

	<b>30/6/2016</b>	<b>1/1/2016</b>
	<b>VND</b>	<b>VND</b>
Goods held for third parties	151,825,428,760	72,864,258,185
	<hr/>	<hr/>

**27. Revenue from sales of goods and provision of services**

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

Net revenue comprised of:

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Total revenue		
▪ Sales of real estate	18,422,302,388	6,469,102,755
▪ Sales of merchandise goods	5,730,323,277,973	3,794,855,324,441
▪ Services rendered	207,341,097,233	206,185,783,667
▪ Rental income	83,442,283,524	76,217,066,780
	<hr/>	<hr/>
	6,039,528,961,118	4,083,727,277,643
Less revenue deductions	(5,601,214,308)	(3,016,418,907)
	<hr/>	<hr/>
Net revenue	6,033,927,746,810	4,080,710,858,736
	<hr/>	<hr/>



**Saigon General Service Corporation and its subsidiaries**  
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**28. Cost of sales**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Cost of real estate sold	10,062,714,957	5,452,407,237
Merchandise goods sold	5,511,163,628,778	3,606,469,192,296
Services rendered	191,404,313,292	200,833,662,295
Depreciation charge of investment property	17,591,837,582	12,396,238,787
Allowance for inventories	-	(299,040,752)
	<hr/>	<hr/>
	5,730,222,494,609	3,824,852,459,863
	<hr/> <hr/>	<hr/> <hr/>

**29. Financial income**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Interest income from deposits	1,421,587,742	1,435,557,469
Income from security trading	1,093,830,946	2,021,930,000
Dividends	1,593,435,300	1,780,740,300
Foreign exchange gains	76,157,343	343,155,182
Gains on disposals of investments in a subsidiary	-	4,266,034,971
Other financial income	2,196,816,563	1,628,702,429
	<hr/>	<hr/>
	6,381,827,894	11,476,120,351
	<hr/> <hr/>	<hr/> <hr/>

**30. Financial expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Interest expense	29,353,815,587	25,799,844,397
Losses from security trading	1,454,000,546	-
Losses from disposals of investments in associates	70,072,710	-
Security trading expenses	30,134,812	8,293,600
Foreign exchange losses	15,964,137	31,484,201
(Reversal of allowance)/allowance for short-term and long-term financial investments	(824,766,319)	682,645,864
Other financial expenses	-	1,179,291,758
	<hr/>	<hr/>
	30,099,221,473	27,701,559,820
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**Saigon General Service Corporation and its subsidiaries**  
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**31. Selling expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Staff costs	74,348,961,282	46,006,948,447
Outside service expenses	22,839,464,361	24,601,699,193
Tools and supplies	9,527,270,834	7,168,477,711
Others	30,585,502,952	21,047,943,243
	<hr/>	<hr/>
	137,301,199,429	98,825,068,594
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**32. General and administration expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Staff costs	39,664,773,349	32,995,083,601
Outside service expenses	29,071,949,891	21,221,660,660
Others	20,318,676,057	21,083,253,452
	<hr/>	<hr/>
	89,055,399,297	75,299,997,713
	<hr/> <hr/>	<hr/> <hr/>

**33. Other income**

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Gains on disposals of tangible fixed assets	-	246,680,324
Deduction in payables granted by suppliers	11,669,178,659	8,601,985,599
Commission received from other parties	9,240,583,530	4,923,182,019
Others	8,004,637,040	9,006,201,283
	<hr/>	<hr/>
	28,914,399,229	22,778,049,225
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**Saigon General Service Corporation and its subsidiaries**  
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**34. Other expenses**

	Six-month period ended	
	30/6/2016 VND	30/6/2015 VND
Losses on disposals fixed assets	604,105,687	-
Losses on written off fixed assets	211,409,602	-
Losses on written off construction in progress	813,904,721	-
Compensation paid to a customer for cancellation of agreement	-	2,008,010,985
Tax penalties for late payment	253,964,741	-
Others	64,377,205	4,190,106,969
	1,947,761,956	6,198,117,954

**35. Trading and business costs by element**

	Six-month period ended	
	30/6/2016 VND	30/6/2015 VND
Cost of real estate sold	10,062,714,957	5,452,407,237
Cost of merchandise goods	5,570,630,200,751	3,700,241,184,765
Labour costs and staff costs	188,063,046,698	116,046,396,130
Depreciation and amortisation	27,508,231,619	28,414,208,362
Outside services	91,186,846,061	107,955,019,945
Other expenses	69,943,262,074	44,333,274,568

**36. Income tax**

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

	30/6/2016 VND	1/1/2016 VND
<b>Deferred tax assets</b>		
Accrued expenses	2,018,933,373	2,018,933,373
Tax losses carry-forwards	572,091,096	572,091,096
	2,591,024,469	2,591,024,469

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

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current period	16,153,666,488	17,001,812,280

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

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Profit before tax	85,016,845,338	86,839,416,808
Tax at income rate applicable to the Company	17,003,369,068	19,104,671,698
Non-deductible expenses	103,770,315	1,920,404,560
Non-taxable income	(939,346,292)	(1,976,257,184)
Deferred tax assets not recognised	1,535,458,201	515,859,747
Tax losses utilised	(141,447,942)	(2,441,626,877)
Deferred tax assets not recognised on reversal of allowance for diminution in the value of investments in subsidiaries and associates	(1,408,136,862)	-
Effect of different tax rate in a subsidiary	-	(121,239,664)
	16,153,666,488	17,001,812,280

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

**(d) Applicable tax rates**

Under the terms of Income Tax Law the Company and its subsidiaries have an obligation to pay the government income tax at the rate of 20% of taxable profits (2015: 22%).

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**37. Basic earnings per share**

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to Bonus and welfare fund and Board of Management and Supervisory Board fee fund and a weighted average number of ordinary shares outstanding as follows:

*(i) Net profit attributable to ordinary shareholders*

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Net profit attributable to ordinary shareholders of Saigon General Service Corporation	42,607,582,409	40,888,170,789
Appropriation to bonus and welfare fund (Note 22)	(2,797,673,380)	-
Appropriation to Board of Management and Supervisory Board fee fund	(785,335,545)	-
	39,024,573,484      40,888,170,789	

*(ii) Weighted average number of ordinary shares*

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</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
	24,975,507      24,975,507	

As of 30 June 2016, the Group did not have potentially dilutive ordinary shares.

**Saigon General Service Corporation and its subsidiaries**  
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**38. Significant transactions with related parties**

**Identity of related parties**

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

**Transactions with key management personnel**

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

	<b>Six-month period ended</b>	
	<b>30/6/2016</b>	<b>30/6/2015</b>
	<b>VND</b>	<b>VND</b>
Board of Management	1,030,569,000	1,094,500,000
Board of Directors	395,331,000	571,500,000
Supervisory Board	270,990,000	162,720,000
	<hr/>	<hr/>
	1,696,890,000	1,828,720,000
	<hr/>	<hr/>

**Other related party transactions**

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

<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>Six-month period ended</b>	
			<b>30/6/2016</b>	<b>30/6/2015</b>
			<b>VND</b>	<b>VND</b>
Toyota East Saigon Joint Stock Company (TESC)	Associate	Purchases of fixed assets	2,130,880,878	-
		Purchase of cars	18,403,636,356	-
South West Start Automobile Joint Stock Company	Associate	Sales of boxes	150,454,544	-
		Rental income	70,000,000	-
Toyota Ly Thuong Kiet Limited	Associate	Sales of cars	9,162,624,090	-
		Purchase of cars	28,238,400,000	-
Bac Au Automobile Joint Stock Company	Associate	Capital contribution	30,200,000,000	-
Ben Thanh Group	Shareholder	Disposals of investments	12,000,000,000	-
			<hr/>	<hr/>

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**39. Non-cash investing activity**

	Six-month period ended	
	30/6/2016	30/6/2015
	VND	VND
Investment property acquired but not yet paid	-	5,705,960,000

15 August 2016

Prepared by:



Ngo Van Danh  
*Chief Accountant*

Approved by:



Mai Viet Ha  
*General Director*

