

**Saigon General Service Corporation**

Separate interim financial statements  
for the six-month period ended  
30 June 2014

**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 25 January 2014. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

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

<b>Board of Directors</b>	Mr. Nguyen Binh Minh	General Director (from 8 January 2014)
	Mr. Nguyen Vinh Tho	General Director (until 8 January 2014)
	Mr. Nguyen Binh Minh	Deputy General Director (until 8 January 2014)
	Mr. Doan Van Quang	Deputy General Director (from 8 January 2014)
	Ms. Nguyen Thu Nga	Deputy General Director (from 8 January 2014)
	Mr. Ta Phuoc Dat	Deputy General Director
	Mr. Vo Hien	Deputy General Director
	Mr. Phan Tuan Dung	Deputy General Director (until 15 March 2014)
	Mr. Mai Viet Ha	Deputy General Director

**Saigon General Service Corporation**  
**Corporate information**

<b>Supervisory Board</b>	Ms. Nguyen Viet Hoa	Head of the Board (from 28 March 2014)
	Mr. Le Xuan Duc	Head of the Board (until 28 March 2014)
	Mr. Nguyen Thai Hoa	Member (from 28 March 2014)
	Ms. Nguyen Phuong Loan	Member (until 28 March 2014)
	Mr. Nguyen Cong Binh	Member

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

**Auditors**                                KPMG Limited  
Vietnam

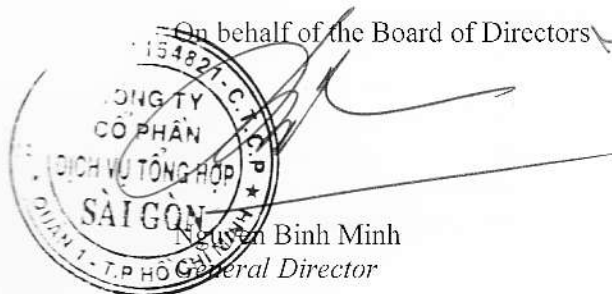
**Saigon General Service Corporation  
Statement of the Board of Directors**

The Board of Directors is responsible for the preparation and presentation of the separate interim financial statements in accordance with Vietnamese Accounting Standards, the relevant requirements of 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 separate interim financial statements set out on pages 5 to 59 give a true and fair view of the separate financial position of Saigon General Service Corporation (“the Company”) as at 30 June 2014, and of the separate results of operations and the separate cash flows of the Company for the six-month period then ended in accordance with the Vietnamese Accounting Standard 27 – *Interim Financial Reporting*, the relevant requirements of 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 Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors



Nguyen Binh Minh  
General Director

Ho Chi Minh City, 6 August 2014



**KPMG Limited Branch**  
10<sup>th</sup> Floor, Sun Wah Tower  
115 Nguyen Hue Street  
District 1, Ho Chi Minh City  
The Socialist Republic of Vietnam

Telephone +84 (8) 3821 9266  
Fax +84 (8) 3821 9267  
Internet www.kpmg.com.vn

## SEPARATE INTERIM FINANCIAL STATEMENTS REVIEW REPORT

### To the Shareholders Saigon General Service Corporation

We have reviewed the accompanying separate interim financial statements of Saigon General Service Corporation ("the Company"), which comprise the separate balance sheet as at 30 June 2014, the related separate statements of income and 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 6 August 2014, as set out on pages 5 to 59. These separate interim financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these separate interim financial statements based on our review.

We conducted our review in accordance with Vietnamese Standard on Auditing 910 – Engagements to Review Financial Statements. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the separate interim financial statements are free of material misstatements. A review primarily involves inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view of the unconsolidated financial position of Saigon General Service Corporation as at 30 June 2014 and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standard 27 – *Interim Financial Reporting*, the relevant requirements of 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

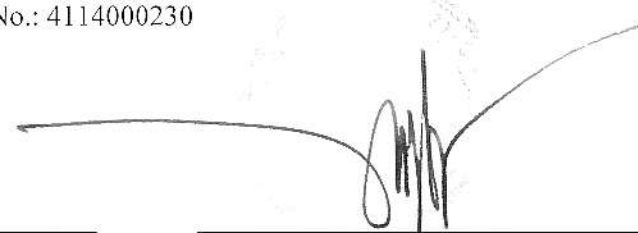
Operating registration certificate No.: 4114000230

Review Report No.: 14-01-382



  
Nguyen Thanh Nghi  
Practicing Auditor Registration Certificate  
No. 0304-2013-007-1  
Deputy General Director

Ho Chi Minh City, 6 August 2014

  
Lam Thi Ngoc Hao  
Practicing Auditor Registration Certificate  
No. 0866-2013-007-1

**Saigon General Service Corporation**  
**Separate balance sheet as at 30 June 2014**

Form B 01a – DN

	Code	Note	30/6/2014 VND	31/12/2013 VND
<b>ASSETS</b>				
<b>Current assets</b>				
<b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>80,612,486,561</b>	<b>187,523,929,721</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>7,481,713,765</b>	<b>24,515,494,949</b>
Cash	111		7,481,713,765	13,647,729,787
Cash equivalents	112		-	10,867,765,162
<b>Short-term investments</b>	<b>120</b>	<b>6</b>	<b>42,210,739,136</b>	<b>42,673,301,361</b>
Short-term investments	121		59,690,156,000	61,954,136,000
Allowance for diminution in the value of short-term investments	129		(17,479,416,864)	(19,280,834,639)
<b>Accounts receivable</b>	<b>130</b>	<b>7</b>	<b>26,737,160,813</b>	<b>117,799,354,716</b>
Accounts receivable – trade	131		5,227,712,858	6,449,948,663
Prepayments to suppliers	132		7,616,806,549	85,799,625,113
Other receivables	135		13,892,641,406	25,549,780,940
<b>Inventories</b>	<b>140</b>	<b>8</b>	<b>56,608,971</b>	<b>43,813,382</b>
<b>Other current assets</b>	<b>150</b>		<b>4,126,263,876</b>	<b>2,491,965,313</b>
Deductible value added tax	152		686,933,692	386,504,617
Taxes receivable from State Treasury	154		-	38,130,512
Other current assets	158		3,439,330,184	2,067,330,184

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

**Saigon General Service Corporation**  
**Separate balance sheet as at 30 June 2014 (continued)**

Form B 01a – DN

	Code	Note	30/6/2014 VND	31/12/2013 VND
<b>Long-term assets</b>				
<b>(200 = 210 + 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>1,270,032,636,291</b>	<b>1,294,785,898,150</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>7</b>	<b>81,345,621,247</b>	<b>76,845,621,247</b>
Other long-term receivables	218		81,345,621,247	76,845,621,247
<b>Fixed assets</b>	<b>220</b>		<b>618,435,521,805</b>	<b>662,305,788,765</b>
Tangible fixed assets	221	9	3,171,911,258	2,344,961,306
<i>Cost</i>	222		11,230,510,606	9,950,639,888
<i>Accumulated depreciation</i>	223		(8,058,599,348)	(7,605,678,582)
Intangible fixed assets	227	10	42,853,825,848	43,174,479,684
<i>Cost</i>	228		47,084,099,490	47,084,099,490
<i>Accumulated amortisation</i>	229		(4,230,273,642)	(3,909,619,806)
Construction in progress	230	11	572,409,784,699	616,786,347,775
<b>Investment property</b>	<b>240</b>	<b>12</b>	<b>175,840,245,693</b>	<b>179,039,700,824</b>
<i>Cost</i>	241		225,388,783,099	225,388,783,099
<i>Accumulated depreciation</i>	242		(49,548,537,406)	(46,349,082,275)
<b>Long-term investments</b>	<b>250</b>	<b>13</b>	<b>390,707,135,978</b>	<b>372,800,675,746</b>
Investments in subsidiaries	251		169,945,222,000	154,045,222,000
Investments in associates	252		49,668,709,000	56,353,359,436
Other long-term investments	258		191,420,423,027	185,662,344,630
Allowance for diminution in the value of long-term investments	259		(20,327,218,049)	(23,260,250,320)
<b>Other long-term assets</b>	<b>260</b>		<b>3,704,111,568</b>	<b>3,794,111,568</b>
Deferred tax assets	262		2,583,611,568	2,583,611,568
Other long-term assets	268		1,120,500,000	1,210,500,000
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1,350,645,122,852</b>	<b>1,482,309,827,871</b>
<b>(270 = 100 + 200)</b>				

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

**Saigon General Service Corporation**  
**Separate balance sheet as at 30 June 2014 (continued)**

Form B 01a – DN

	Code	Note	30/6/2014 VND	31/12/2013 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>706,563,306,049</b>	<b>823,324,350,517</b>
<b>Current liabilities</b>	<b>310</b>		<b>385,997,772,361</b>	<b>461,165,259,840</b>
Short-term borrowings	311	14	27,076,251,154	60,427,675,248
Accounts payable – trade	312		6,042,918,363	3,810,712,537
Advances from customers	313	15	156,112,319,855	179,366,247,551
Taxes payable to State Treasury	314	16	19,560,633,086	6,796,906,468
Payables to employees	315		27,733,116,682	30,415,871,234
Accrued expenses	316	17	10,408,983,227	12,469,584,234
Other payables	319	18	139,007,458,633	164,623,597,375
Bonus and welfare fund	323	19	56,091,361	3,254,665,193
<b>Long-term liabilities</b>	<b>330</b>		<b>320,370,533,688</b>	<b>362,159,090,677</b>
Other long-term liabilities	333	20	117,525,193,052	115,427,465,521
Long-term borrowings	334	21	148,120,208,890	191,887,691,844
Unearned revenue	338	22	54,725,131,746	54,843,933,312
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>644,276,816,803</b>	<b>658,985,477,354</b>
<b>Owners' equity</b>	<b>410</b>	<b>23</b>	<b>644,276,816,803</b>	<b>658,985,477,354</b>
Share capital	411	24	249,955,730,000	249,955,730,000
Capital surplus	412		317,064,858,303	317,064,858,303
Treasury shares	414	24	(690,474,358)	(690,474,358)
Investment and development fund	417		12,469,151,903	12,469,151,903
Financial reserve	418		12,469,151,903	12,469,151,903
Retained profits	420		53,008,399,052	67,717,059,603
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>1,350,645,122,852</b>	<b>1,482,309,827,871</b>

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



Saigon General Service Corporation  
Separate balance sheet as at 30 June 2014 (continued)

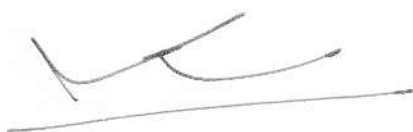
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OFF BALANCE SHEET ITEM

	30/6/2014	31/12/2013
Foreign currency included in cash:		
USD	337	335

6 August 2014

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Nguyen Binh Minh  
General Director

Saigon General Service Corporation

Separate statement of income for the six-month period ended 30 June 2014

Form B 02a – DN

	Code	Note	Six-month period ended	
			30/6/2014 VND	30/6/2013 VND
Total revenue	01	25	104,616,453,178	31,402,436,932
Less revenue deductions	02	25	(46,720,180)	(40,954,000)
Net revenue (10 = 01 + 02)	10	25	104,569,732,998	31,361,482,932
Cost of sales	11	26	(70,683,908,666)	(15,475,614,687)
Gross profit (20 = 10 + 11)	20		33,885,824,332	15,885,868,245
Financial income	21	27	17,300,407,535	15,200,397,456
Financial expenses	22	28	(7,104,530,776)	(14,261,184,480)
<i>In which: Interest expense</i>	23		(6,972,899,755)	(12,431,600,499)
Selling expenses	24		(299,376,646)	(291,908,368)
General and administration expenses	25		(11,554,301,285)	(13,283,856,057)
Net operating profit (30 = 20 + 21 + 22 + 24 + 25)	30		32,228,023,160	3,249,316,796
Other income	31	29	7,079,634,807	10,550,213,787
Other expenses	32	30	(16,760,223,403)	(819,560,387)
Results of other activities (40 = 31 + 32)	40		(9,680,588,596)	9,730,653,400
Profit before tax (50 = 30 + 40)	50		22,547,434,564	12,979,970,196
Income tax expense – current	51	31	(6,792,525,872)	(1,714,919,852)
Income tax expense – deferred	52	31	-	-
Net profit after tax (60 = 50 + 51 + 52)	60		15,754,908,692	11,265,050,344
Basic earnings per share	70	32	631	451

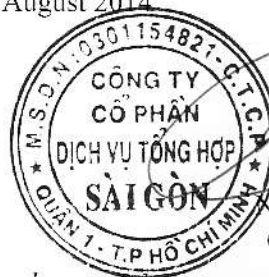
6 August 2014

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Nguyen Binh Minh  
General Director

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

**Saigon General Service Corporation**  
**Separate statement of cash flows for the six-month period ended 30 June 2014**  
**(Indirect method)**

Form B 03a – DN

	Code	Note	Six-month period ended	
			30/6/2014 VND	30/6/2013 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>22,547,434,564</b>	<b>12,979,970,196</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		3,973,029,733	4,455,063,290
Allowances and provisions	03		(901,399,610)	1,596,964,960
Losses on disposals of investments in an associate	05		805,800,017	-
Dividends and interest income	05		(12,116,219,009)	(6,670,439,694)
Net gains on trading securities	05		(106,625,000)	(23,655,000)
Losses on disposals of other long-term investments	05		-	25,000,000
Interest expense	06		6,972,899,755	12,431,600,499
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>21,174,920,450</b>	<b>24,794,504,251</b>
Change in receivables and other current assets	09		81,568,743,352	38,865,196,626
Change in inventories	10		54,925,078,855	19,869,396
Change in payables and other liabilities	11		(64,486,112,091)	38,874,330,098
Change in prepayments	12		-	4,961,185
			<b>93,182,630,566</b>	<b>102,558,861,556</b>
Interest paid	13		(15,102,960,319)	(22,972,710,122)
Corporate income tax paid	14		(6,435,396,929)	(2,702,434,390)
Other receipts from operating activities	15		-	52,586,559
Other payments for operating activities	16		(3,691,534,675)	(4,340,556,238)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>67,952,738,643</b>	<b>72,595,747,365</b>

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

**Saigon General Service Corporation**  
**Separate statement of cash flows for the six-month period ended 30 June 2014**  
**(Indirect method – continued)**

Form B 03a – DN

	Code	Note	Six-month period ended	
			30/6/2014	30/6/2013
			VND	VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(12,881,755,159)	(20,957,689,996)
Proceeds from disposals of other long-term investments	23		-	25,000,000
Proceeds from disposals of investments in securities	22		4,847,190,000	716,867,500
Proceeds from disposals of investments in an subsidiary and an associate			11,140,500,000	-
Payments for investments in other entities	25		(23,373,885,550)	(2,446,145,543)
Collection of investments in an associate			174,199,983	-
Receipts of dividends and interest income	27		12,746,470,997	6,210,644,001
<b>Net cash flow from investing activities</b>	<b>30</b>		<b>(7,347,279,729)</b>	<b>(16,451,324,038)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from short-term and long-term borrowings	33		101,923,069,929	24,933,959,424
Payments to settle loan principals	34		(179,041,976,977)	(82,400,168,916)
Payments of dividends	36		(520,333,050)	-
<b>Net cash flow from financing activities</b>	<b>40</b>		<b>(77,639,240,098)</b>	<b>(57,466,209,492)</b>

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

**Saigon General Service Corporation**  
**Separate statement of cash flows for the six-month period ended 30 June 2014**  
**(Indirect method – continued)**

Form B 03a – DN

	Code	Note	Six-month period ended	
			30/6/2014 VND	30/6/2013 VND
Net cash flows during the period (50 = 20 + 30 + 40)	50		(17,033,781,184)	(1,321,786,165)
Cash and cash equivalents at the beginning of the period	60		24,515,494,949	4,455,549,627
Cash at the end of the period (70 = 50 + 60)	70	5	7,481,713,765	3,133,763,462

6 August 2014

Prepared by:



Ngo Van Danh  
*Chief Accountant*

Approved by:



Nguyen Binh Minh  
*General Director*

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014**

**Form B 09a – DN**

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

**1. Reporting entity**

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

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

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

As at 30 June 2014, the Company had 88 employees (31 December 2013: 96 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

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

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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

**(d) Accounting currency**

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

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

**Form B 09a – DN**

**3. Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

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

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

**(b) Cash and cash equivalents**

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

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

Investments are stated at cost. An allowance is made for reductions in investment values if market value of the investment falls below cost or if the investee has suffered a loss. The allowance is reversed if the recoverable amount is subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

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

- For listed securities, market price for provisioning purpose is the closing price on the day of appropriating the provision in accordance with Circular 228/2009/TT-BTC dated 7 December 2009.
- For unlisted securities, market price for provisioning purpose is the average price calculated according to prices quoted by at least three securities companies at the time of appropriating the provision in accordance with Circular 228/2009/TT-BTC dated 7 December 2009.
- For other long-term investments, the basis of making the allowance is the investees' financial statements for the year in accordance with Circular 89/2013/TT-BTC dated 28 June 2013.

**(d) Accounts receivable**

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

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

**Form B 09a – DN**

**(e) Inventories**

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

The Company applies the perpetual method of accounting for inventories.

**(f) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the 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
▪ office equipment	3 – 10 years
▪ motor vehicles	6 years

**(g) Intangible fixed assets**

**(i) Land use rights**

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

**(ii) Software**

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



**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
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**(h) Construction in progress**

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

**(i) Investment property**

**(i) Cost**

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

**(ii) Depreciation**

Land use rights with indefinite period of use are not amortised. Land use rights with definite period of use are stated as 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) Trade and other payables**

Trade and other payables are stated at their cost.

**(k) Provisions**

A provision is recognised if, as a result of a past event, the Company 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.

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**(l) Classification of financial instruments**

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

**(i) Financial assets**

*Financial assets at fair value through profit or loss*

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

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

*Held-to-maturity investments*

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

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

*Loans and receivables*

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

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

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*Available-for-sale financial assets*

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

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

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

**(ii) *Financial liabilities***

*Financial liabilities at fair value through profit or loss*

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

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

*Financial liabilities carried at amortised cost*

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

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

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

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**(m) Taxation**

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

Current tax is the expected tax payable on the taxable income for the 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 differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Equity funds**

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

**(o) Revenue**

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

Revenue from transfers of land use rights is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. The transfer of significant risks and rewards is determined to be at the time of sales.

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

Revenue from the sale of merchandise goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

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**(iii) *Services rendered***

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

**(iv) *Rental income***

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

**(p) *Financial income***

**(i) *Interest income***

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

**(ii) *Revenue from security trading***

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

**(iii) *Dividend income***

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

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

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

**(r) *Borrowing costs***

Borrowing costs are recognised as an expense in the period 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.

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended  
30 June 2014 (continued)**

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**(s) Earnings per share**

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

**(t) Segment reporting**

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

**(u) Related parties**

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

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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**4. Segment reporting**

For the six-month period ended:

	Services and trading		Investment property services		Financial services		Total	
	30/6/2014 VND	30/6/2013 VND	30/6/2014 VND	30/6/2013 VND	30/6/2014 VND	30/6/2013 VND	30/6/2014 VND	30/6/2013 VND
Segment revenue	14,540,795,526	5,099,930,976	111,649,367,805	49,830,360,835	2,759,612,009	2,072,542,577	128,949,775,340	57,002,834,388
Direct and attributable expenses to segments	(7,590,975,893)	(7,217,787,758)	(97,941,644,975)	(34,276,335,224)	(869,719,908)	(1,859,394,610)	(106,402,340,776)	(43,353,517,592)
Segment profit during the period	6,949,819,633	(2,117,856,782)	13,707,722,830	15,554,025,611	1,889,892,101	213,147,967	22,547,434,564	13,649,316,796
Un-allocated income							-	150,213,787
Un-allocated expenses							-	(819,560,387)
							22,547,434,564	12,979,970,196

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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	<b>Services and trading</b>		<b>Investment property services</b>		<b>Financial services</b>		<b>Total</b>	
	<b>30/6/2014</b>	<b>31/12/2013</b>	<b>30/6/2014</b>	<b>31/12/2013</b>	<b>30/6/2014</b>	<b>31/12/2013</b>	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
<b>Assets</b>								
Current assets	16,066,751,178	114,590,147,612	21,541,120,516	106,504,588,817	43,004,614,867	43,274,814,539	80,612,486,561	264,369,550,968
Non-current assets	282,633,208,487	189,684,634,831	984,815,816,236	1,025,672,030,504	-	-	1,267,449,024,723	1,215,356,665,335
Un-allocated assets	-	-	-	-	-	-	2,583,611,568	2,583,611,568
	298,699,959,665	304,274,782,443	1,006,356,936,752	1,132,176,619,321	43,004,614,867	43,274,814,539	1,350,645,122,852	1,482,309,827,871
<b>Liabilities</b>								
Current liabilities	100,088,076,190	26,641,813,665	271,141,253,187	406,692,103,944	14,768,442,984	27,831,342,231	385,997,772,361	461,165,259,840
Non-current liabilities	143,303,658,586	74,879,699,567	168,682,946,788	287,279,391,110	8,383,928,314	-	320,370,533,688	362,159,090,677
	243,391,734,776	101,521,513,232	439,824,199,975	693,971,495,054	23,152,371,298	27,831,342,231	706,368,306,049	823,324,350,517

For the six-month period ended:

	<b>Services and trading</b>		<b>Investment property services</b>		<b>Financial services</b>		<b>Total</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>	<b>30/6/2014</b>	<b>30/6/2013</b>	<b>30/6/2014</b>	<b>30/6/2013</b>	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Depreciation and amortisation	773,574,602	792,622,339	3,199,455,131	3,662,440,951	-	-	3,973,029,733	4,455,063,290
Allowances and provisions	-	-	-	-	(901,399,610)	1,596,964,960	(901,399,610)	1,596,964,960
Capital expenditure	1,279,870,718	208,889,636	11,601,884,441	20,748,800,360	-	-	12,881,755,159	20,957,689,996



**Saigon General Service Corporation****Notes to the separate interim financial statements for the six-month period ended  
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**5. Cash and cash equivalents**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	1,002,397,507	642,550,099
Cash in banks	6,479,316,258	13,005,179,688
Cash equivalents	-	10,867,765,162
	<hr/>	<hr/>
	7,481,713,765	24,515,494,949
	<hr/>	<hr/>

**6. Short-term investments**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Short-term investments in:		
• Listed shares	5,074,980,000	4,338,960,000
• Non-listed shares	54,615,176,000	57,615,176,000
	<hr/>	<hr/>
	59,690,156,000	61,954,136,000
Allowance for diminution in value of short-term investments	(17,479,416,864)	(19,280,834,639)
	<hr/>	<hr/>
	42,210,739,136	42,673,301,361
	<hr/>	<hr/>

Short-term investments represented investments in the following shares:

	<b>30/6/2014</b>	
	<b>Quantity</b>	<b>VND</b>
Equity instruments – short-term investments in shares of:		
- Vietnam Investment Construction and Trading Joint Stock Company	500,000	14,000,000,000
- Ho Chi Minh City Electric Power Trading Investment Corporation	1,350,000	13,500,000,000
- Viet Thai Joint Stock Company	650,760	8,042,676,000
- Ben Thanh Long Hai Joint Stock Company	691,126	6,772,500,000
- Toan Cau Insurance Company	180,000	6,300,000,000
- Ben Thanh Non Nuoc Joint Stock Company	60,000	6,000,000,000
- Ben Thanh Trading and Service Joint Stock Company	182,129	3,289,960,000
- Pha Lai Thermal Power Joint Stock Company	74,390	1,785,020,000
	<hr/>	<hr/>
	3,688,405	59,690,156,000
	<hr/>	<hr/>

**Saigon General Service Corporation****Notes to the separate interim financial statements for the six-month period ended  
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Movements in the allowance for diminution in value of short-term investments during the period were as follows:

	Six-month period ended	
	30/6/2014	30/6/2013
	VND	VND
Opening balance	19,280,834,639	41,920,000,000
Allowance utilised during the period	(1,350,000,000)	-
Written back	(451,417,775)	(200,812,500)
Closing balance	17,479,416,864	41,719,187,500

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

Accounts receivable – trade as of 30 June 2014 included VND39 million (31 December 2013: VND1,955 million) due from related parties.

Prepayments to suppliers as of 30 June 2014 included amounts prepaid for acquisition of buildings and construction services of VND3,324 million (31 December 2013: VND85,580 million).

Other receivables – short-term and long-term as of 30 June 2014 included VND88,452 million (31 December 2013: VND95,441 million) due from related parties, which earned interest at rates ranging from 7.5% to 11% (2013: from 8.5% to 12%) per annum.

**8. Inventories**

	30/6/2014	31/12/2013
	VND	VND
Materials	14,947,844	-
Merchandise inventories	41,661,127	43,813,382
	56,608,971	43,813,382

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**Notes to the separate interim financial statements for the six-month period ended**  
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**9. Tangible fixed assets**

	<b>Buildings VND</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	5,030,443,103	2,637,468,847	2,282,727,938	9,950,639,888
Additions	-	-	1,279,870,718	1,279,870,718
Closing balance	5,030,443,103	2,637,468,847	3,562,598,656	11,230,510,606
<b>Accumulated depreciation</b>				
Opening balance	3,508,952,501	2,060,468,815	2,036,257,266	7,605,678,582
Charge for the period	106,929,138	183,892,866	162,098,762	452,920,766
Closing balance	3,615,881,639	2,244,361,681	2,198,356,028	8,058,599,348
<b>Net book value</b>				
Opening balance	1,521,490,602	577,000,032	246,470,672	2,344,961,306
Closing balance	1,414,561,464	393,107,166	1,364,242,628	3,171,911,258

Included in the cost of tangible fixed assets were assets costing VND3,262 million which were fully depreciated as of 30 June 2014 (31 December 2013: VND3,283 million), but which are still in active use.

At 30 June 2014 tangible fixed assets with carrying value of VND1,415 million (31 December 2013: VND1,521 million) were pledged with banks as security for loans granted to the Company.

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**Notes to the separate interim financial statements for the six-month period ended**  
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**10. Intangible fixed assets**

	<b>Indefinite land use rights VND</b>	<b>Definite land use rights VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening and closing balance	14,634,054,300	32,014,175,190	435,870,000	47,084,099,490
<b>Accumulated amortisation</b>				
Opening balance	-	3,473,749,806	435,870,000	3,909,619,806
Charge for the period	-	320,653,836	-	320,653,836
Closing balance	-	3,794,403,642	435,870,000	4,230,273,642
<b>Net book value</b>				
Opening balance	14,634,054,300	28,540,425,384	-	43,174,479,684
Closing balance	14,634,054,300	28,219,771,548	-	42,853,825,848

Included in the cost of intangible fixed assets were assets costing VND436 million which were fully depreciated as of 30 June 2014 (31 December 2013: VND436 million), but which are still in active use.

At 30 June 2014 intangible fixed assets with carrying value of VND28,220 million (31 December 2013: VND28,540 million) were pledged with banks as security for loans granted to the Company.

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**Notes to the separate interim financial statements for the six-month period ended**  
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**11. Construction in progress**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Opening balance	616,786,347,775	492,322,500,268
Additions during the period	17,772,089,215	22,227,906,955
Transfers to inventories	(54,937,874,444)	(1,534,142,737)
Transfers to long-term equity investments in subsidiaries (*)	(7,210,777,847)	-
Closing balance	572,409,784,699	513,016,264,486

Major constructions in progress were as follows:

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Highway 13 Project	204,962,358,902	204,944,001,629
Tam Binh – Hiep Binh Phuoc Project	154,644,068,965	155,155,893,142
South Cam Le, Da Nang Project	72,534,178,668	77,229,210,858
Mecure Son Tra, Da Nang Project	82,033,116,171	75,632,214,523
CN4-3 Phu My Hung Project	-	54,937,738,080
104 Pho Quang Project	32,271,189,595	26,303,521,184
277 – 279 Ly Tu Trong Office Building Project	14,981,095,175	11,673,685,260
66 – 68 Nam Ky Khoi Nghia Project	10,671,041,016	10,670,213,016
Ho Tram, Xuyen Moc Project	239,870,083	239,870,083
Others	72,866,124	-
	572,409,784,699	616,786,347,775

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

At 30 June 2014 construction in progress with carrying value of VND137,312 million (31 December 2013: VND42,864 million) was pledged with banks as security for loans granted to the Company.

During the period, borrowing costs capitalised into construction in progress amounted to VND6,170 million (2013: VND10,055 million).

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**12. Investment property**

	<b>Land use rights VND</b>	<b>Buildings VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening and closing balance	133,201,140,041	92,187,643,058	225,388,783,099
<hr/>			
<b>Accumulated depreciation</b>			
Opening balance	14,263,776,705	32,085,305,570	46,349,082,275
Charge for the period	1,684,118,538	1,515,336,593	3,199,455,131
<hr/>			
Closing balance	15,947,895,243	33,600,642,163	49,548,537,406
<hr/>			
<b>Net book value</b>			
Opening balance	118,937,363,336	60,102,337,488	179,039,700,824
Closing balance	117,253,244,798	58,587,000,895	175,840,245,693
<hr/> <hr/>			

The Company's investment properties represented buildings and land use rights held for earning rental income.

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

Included in the cost of investment properties were assets costing VND12,746 million which were fully depreciated as of 30 June 2014 (31 December 2013: VND11,702 million), but which are still in active use.

At 30 June 2014 investment properties with carrying value of VND101,959 million (31 December 2013: VND103,228 million) were pledged with banks as security for loans granted to the Company.

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**Notes to the separate interim financial statements for the six-month period ended**  
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**13. Long-term investments**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Long-term equity investments in:		
▪ Subsidiaries	169,945,222,000	154,045,222,000
▪ Associates	49,668,709,000	56,353,359,436
Other long-term investments	191,420,423,027	185,662,344,630
	<hr/>	<hr/>
	411,034,354,027	396,060,926,066
Allowance for diminution in value of long-term investments	(20,327,218,049)	(23,260,250,320)
	<hr/>	<hr/>
	390,707,135,978	372,800,675,746
	<hr/> <hr/>	<hr/> <hr/>

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

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

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Opening balance	23,260,250,320	25,439,797,869
Increase in allowance during the period	-	1,797,777,460
Allowance utilised during the period	(2,483,050,436)	-
Written back	(449,981,835)	-
	<hr/>	<hr/>
Closing balance	20,327,218,049	27,237,575,329
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation****Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)****Form B 09a – DN**

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

<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>30/6/2014 VND</b>	<b>31/12/2013 VND</b>
<b>Subsidiaries</b>					
Saigon Ford Co., Ltd. (SAIGON FORD)	Trading FORD cars and spare parts, providing maintenance services.	Business Registration Certificate No. 4102001544 issued by Ho Chi Minh City Planning and Investment Department on 30 June 2000, amended on 5 March 2003, 22 October 2003, 26 April 2005, 9 October 2010 and 22 July 2013.	52.05%	33,312,000,000	33,312,000,000
Toyota Giai Phong Joint Venture Company (TGP)	Trading TOYOTA cars and spare parts, providing maintenance services.	Business Licence No. 14/GP-HN issued by the People's Committee of Hanoi City on 22 January 1998.	51%	9,248,504,000	9,248,504,000
East City Co., Ltd.	Trading GM cars and spare parts, providing maintenance services.	Business Registration Certificate No. 4102014294 issued by Ho Chi Minh City Planning and Investment Department on 5 March 2003 and amended on 22 October 2003, 5 December 2011 and 2 August 2012.	55%	4,400,000,000	4,400,000,000
City Automobile Corporation	Trading HYUNDAI cars and spare parts, providing maintenance services.	Business Registration Certificate No. 0309553786 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2009 and amended on 2 February 2010, 24 September 2012 and 21 March 2013.	51%	5,100,000,000	5,100,000,000



**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>30/6/2014 VND</b>	<b>31/12/2013 VND</b>
Saigon Service Trading Limited Company (YAMAHA Can Tho)	Trading YAMAHA motorbikes and spare parts, providing maintenance services.	Business Registration Certificate No. 5702001169 issued by Can Tho City Planning and Investment Department on 11 August 2006 and amended on 23 June 2011.	63.64%	3,500,000,000	3,500,000,000
Saigon Star Corporation	Trading SUZUKI, HONDA and YAMAHA motorbikes and spare parts, providing maintenance services.	Business Licence No. 4103007242 issued by Ho Chi Minh City Planning and Investment Department on 9 July 2007 and amended on 28 May 2008.	55%	8,250,050,000	8,250,050,000
Savico Hanoi Corporation	Operating business centre, providing hotel services; civil construction, industrial projects; agents and consignment; import and export activities; trading and maintaining automobile; providing engine rental; transportation and car parking services.	Business Registration Certificate No. 0103018056 issued by Hanoi City Planning and Investment Department on 19 June 2007 and amended on 28 October 2009 and 6 October 2010.	70%	56,000,000,000	56,000,000,000
Han River Automobile Corporation (a)	Trading and maintaining automobile, motorbikes, spare parts; trading electrical engines, building materials; agents and consignment; providing automobile rental, transportation services.	Business Registration Certificate No. 401337755 issued by Da Nang City Planning and Investment Department on 8 February 2010 and amended on 10 December 2012.		-	5,100,000,000
Toyota Can Tho Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services.	Investment Licence No. 571022000005 issued by the People's Committee of Can Tho City on 18 April 2007 and amended on 9 September 2009 and 4 May 2012.	51%	25,309,668,000	25,309,668,000

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>30/6/2014 VND</b>	<b>31/12/2013 VND</b>
Savico Vinh Long Company Limited	Trading automobile, motorbikes and spare parts; providing maintenance and repairing services.	Business Registration Certificate No. 1500764333 issued by Vinh Long Province Planning and Investment Department on 30 June 2011 and amended on 28 December 2011 and 6 December 2012.	51%	2,295,000,000	2,295,000,000
Savico-Mekong General Trade Service Limited Company	Trading automobile, motorbikes and spare parts; providing maintenance and repairing services.	Business Registration Certificate No. 1801231071 issued by Can Tho City Planning and Investment Department on 31 December 2011 and amended on 13 January 2012.	51%	1,530,000,000	1,530,000,000
Savico Da Nang Corporation (b)	Trading real estate; providing workshops and office rental services; providing consulting and real estate brokerage services; trading automobile and spare parts; providing maintenance and repairing service; providing transportation services.	Business Registration Certificate No. 0401581979 issued by Da Nang City Planning and Investment Department on 3 January 2014.	70%	21,000,000,000	-
				169,945,222,000	154,045,222,000

**Saigon General Service Corporation****Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>30/6/2014 VND</b>	<b>31/12/2013 VND</b>
<b>Associates</b>					
Super Car Joint Stock Company (c)	Trading cars' spare parts and interior decorative materials.	Business Licence No. 4103008825 issued by Ho Chi Minh City Planning and Investment Department on 21 December 2007 and amended on 6 March 2008.		-	2,483,050,436
Ben Thanh Savico General Trading & Services Co., Ltd.	Trading SYM motorbikes and spare parts, providing maintenance services.	Business Licence No. 4102036521 issued by Ho Chi Minh City Planning and Investment Department on 25 January 2006.	37.33%	1,120,000,000	1,120,000,000
Dana Joint Stock Company (DANA FORD) (d)	Trading FORD cars and spare parts, providing maintenance services.	Business Licence No. 044937 issued by the Planning and Investment Department of Da Nang City on 16 June 1998 and amended on 25 June 2007.		-	3,221,600,000
ComfortDelgro Savico Taxi Company	Providing taxi transportation and related services in Vietnam.	Business Licence No. 824/GP-HCM issued by the People's Committee of Ho Chi Minh City on 28 March 2005.	40.19%	31,750,000,000	31,750,000,000
Toyota East Saigon Joint Stock Company (TESC)	Trading TOYOTA cars and spare parts, providing maintenance services.	Business Licence No. 4103001903 issued by Ho Chi Minh City Planning and Investment Department on 3 November 2003 and amended on 14 July 2005 and 14 November 2007.	35.16%	16,798,709,000	16,798,709,000

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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<b>Name</b>	<b>Principal activity</b>	<b>Investment license</b>	<b>% of ownership</b>	<b>30/6/2014 VND</b>	<b>31/12/2013 VND</b>
Khanh Hoi Saigon General Service Co., Ltd. (c)	Trading, providing consultancy and tender real estate services, advertising.	Business Licence No. 0309535441 issued by Ho Chi Minh Planning and Investment Department on 4 January 2010.		-	980,000,000
				49,668,709,000	56,353,359,436

- (a) As at 26 March 2014, the Company disposed a subsidiary – Han River Automobile Corporation. The Company signed a capital assignment agreement with Savico Da Nang Corporation, another shareholder in the subsidiary, whereby the Company transferred all rights and the obligation arising from its shares in Han River Automobile Corporation to Savico Da Nang Corporation since 3 January 2014. There was no gain or loss incurred as a result of this disposal.
- (b) During the period, the Company contributed 70% capital of Savico Da Nang Corporation and took control over this company.
- (c) During the year, the Company liquidated two associates – Super Car Joint Stock Company and Khanh Hoi Saigon General Service Co., Ltd. There were the losses incurred amounting to VND2,483 million and VND806 million, respectively, as a result of these liquidations.
- (d) As at 26 March 2014, the Company disposed an associate – Dana Joint Stock Company (DANA FORD). The Company signed a capital assignment agreement with Savico Da Nang Corporation, another shareholder in the associate, whereby the Company transferred all rights and the obligation arising from its shares in DANA FORD to Savico Da Nang Corporation since 3 January 2014. There was no gain or loss incurred as a result of this disposal.

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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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 Six-month period ended</b>
	<b>30/6/2014</b>	<b>30/6/2014</b>	<b>30/6/2014</b>	<b>30/6/2014</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
ComfortDelgro Savico Taxi Company	93,818,423,428	15,593,966,292	78,224,457,136	(1,390,548,893)
Toyota East Saigon Joint Stock Company (TESC)	325,955,383,665	189,266,935,335	136,688,448,330	15,476,112,938
Ben Thanh Savico General Trading & Services Co., Ltd.	2,027,821,411	172,572,918	1,855,248,493	(2,346,236,484)

	<b>Total assets</b>	<b>Total liabilities</b>	<b>Owners' equity</b>	<b>Net profit/(loss) after tax Six-month period ended</b>
	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
ComfortDelgro Savico Taxi Company	107,635,623,993	28,020,617,964	79,615,006,029	(1,998,253,803)
Dana Joint Stock Company (DANA FORD)	36,553,255,155	21,553,255,155	15,000,000,000	3,831,996,116
Toyota East Saigon Joint Stock Company (TESC)	320,222,705,827	191,599,323,831	128,623,381,996	8,817,919,181
Khanh Hoi Saigon General Service Co., Ltd.	2,427,463,949	918,301	2,426,545,648	130,292,047
Ben Thanh Savico General Trading & Services Co., Ltd.	8,698,408,609	4,496,923,632	4,201,484,977	(307,746,094)
Super Car Joint Stock Company	254,356,952	421,025,621	(166,668,669)	-

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**14. Short-term borrowings**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Short-term borrowings	12,083,182,154	37,855,666,420
Current portion of long-term borrowings (Note 21)	14,993,069,000	22,572,008,828
	<hr/>	<hr/>
	27,076,251,154	60,427,675,248
	<hr/>	<hr/>

Short-term borrowings were secured by investment properties with carrying amounts of VND34,492 million (31 December 2013: secured by tangible fixed assets and investment properties with carrying amounts of VND38 million and VND44,661 million, respectively).

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

**15. Advances from customers**

Advances from customers mainly consist of the advances from the following customers to acquire land use rights in the real estate projects:

<b>Customer</b>	<b>Project</b>	<b>30/6/2014</b>	<b>31/12/2013</b>
		<b>VND</b>	<b>VND</b>
Dat Xanh Real Estate Construction and Service Corporation	Tam Binh – Hiep Binh Phuoc Project, Thu Duc District, Ho Chi Minh City	145,574,299,955	145,030,599,588
Landmark Real Estate Development Co., Ltd.	Sai Gon South Project, District 7, Ho Chi Minh City	-	23,650,040,000
		<hr/>	<hr/>

**16. Taxes payable to State Treasury**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Value added tax	2,287,580,712	7,778,180
Corporate income tax	3,490,412,762	3,133,283,819
Personal income tax	1,316,072,227	766,798,749
Other obligations	12,466,567,385	2,889,045,720
	<hr/>	<hr/>
	19,560,633,086	6,796,906,468
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**17. Accrued expenses**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Interest on borrowings	1,655,085,215	3,614,941,005
Rental fees	203,143,229	203,143,229
Professional service fees	8,496,000,000	8,651,500,000
Others	54,754,783	-
	<hr/>	<hr/>
	10,408,983,227	12,469,584,234
	<hr/> <hr/>	<hr/> <hr/>

**18. Other payables**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	30,123,184,425	672,909,075
Borrowings from a related party (a)	48,424,427,972	53,946,829,194
Borrowings from third parties (b)	3,000,000,000	3,000,000,000
Payments on behalf for related parties	-	926,194,003
Payable to a customer	5,856,400,000	5,856,400,000
Short-term deposits received in relation to Tam Binh Project	48,712,742,800	42,442,208,800
Short-term deposit received from a customer in relation to Saigon South Project	-	54,887,738,080
Others	2,890,703,436	2,891,318,223
	<hr/>	<hr/>
	139,007,458,633	164,623,597,375
	<hr/> <hr/>	<hr/> <hr/>

- a. Borrowings from a related party as of 30 June 2014 included two amounts of VND24,000 million each, which bore interest at 7.34% (2013: rates ranging from 7.32% to 12%) per annum, and VND424 million being interest on these borrowings. These amounts are payable on 6 September 2014 and 24 October 2014.
- b. Borrowings from third parties as of 30 June 2014 bore interest at 7.5% (2013: rates ranging from 10.7% to 13%) per annum and is payable on 19 February 2015.

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**19. Bonus and welfare fund**

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

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Opening balance	3,254,665,193	4,465,590,904
Appropriation from retained profits	365,984,666	596,284,418
Utilisation during the period	(3,564,558,498)	(4,102,042,471)
Closing balance	56,091,361	959,832,851

**20. Other long-term liabilities**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Long-term deposits received	12,925,779,850	11,625,812,994
Other long-term payables	104,599,413,202	103,801,652,527
	117,525,193,052	115,427,465,521

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

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Binh An Project	19,532,917,434	19,532,917,434
Highway 13 Project	25,098,400,000	26,098,400,000
227-229 Ly Tu Trong Office Building Project	45,418,976,300	43,621,215,625
104 Pho Quang Project	14,549,119,468	14,549,119,468
	104,599,413,202	103,801,652,527



**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**21. Long-term borrowings**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Long-term borrowings	103,113,277,890	114,459,700,672
Long-term bonds issued	60,000,000,000	100,000,000,000
	<hr/>	<hr/>
	163,113,277,890	214,459,700,672
Repayable within twelve months (Note 14)	(14,993,069,000)	(22,572,008,828)
	<hr/>	<hr/>
Repayable after twelve months	148,120,208,890	191,887,691,844
	<hr/>	<hr/>

Long-term borrowings are secured by tangible fixed assets, construction in progress and investment properties with carrying amounts of VND10 million, VND94,448 million and VND66,283 million, respectively (31 December 2013: secured by cash equivalents and investment properties with carrying amounts of VND10,868 million and VND57,306 million, respectively).

These loans bore interests at rates ranging from 11% to 11.8% (2013: 12.7% to 15%) per annum.

The long-term bonds were issued to Vietnam Maritime Commercial Joint Stock Bank (Maritime Bank) in July 2010 at its nominal value. The bonds will mature in July 2015 and are redeemable at its nominal value. In January 2014, the Company signed a Bond Purchase Agreement with Maritime Bank to repurchase 40 bonds amounting to VND40,000 million. This transaction was completed in January 2014. The bonds are secured by tangible fixed assets, intangible fixed assets, construction in progress and investment properties with carrying amounts of VND1,405 million, VND28,220 million, VND42,864 million and VND1,184 million, respectively (31 December 2013: secured by tangible fixed assets, intangible fixed assets, construction in progress and investment properties with carrying amounts of VND1,483 million, VND28,540 million, VND42,864 million and VND1,261 million, respectively), and bore interest at 12.7% (2013: 14.5%) per annum.

**22. Unearned revenue**

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Unearned revenue from land rental charged to Toyota Can Tho Company Limited	53,883,333,310	54,493,333,312
Others	841,798,436	350,600,000
	<hr/>	<hr/>
	54,725,131,746	54,843,933,312
	<hr/>	<hr/>

**Saigon General Service Corporation**

Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)

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**23. Changes in owners' equity**

	Share capital VND	Capital surplus VND	Treasury shares VND	Investment and development fund VND	Financial reserve VND	Retained profits VND	Total VND
<b>Balance at 1 January 2013</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	63,437,841,258	654,706,259,009
Net profit for the period	-	-	-	-	-	11,265,050,344	11,265,050,344
Appropriation to bonus and welfare fund	-	-	-	-	-	(596,284,418)	(596,284,418)
Dividends	-	-	-	-	-	(24,975,507,000)	(24,975,507,000)
Board of Management fee and bonus	-	-	-	-	-	(238,513,767)	(238,513,767)
<b>Balance at 1 July 2013</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	48,892,586,417	640,161,004,168
Net profit for the period	-	-	-	-	-	24,274,473,186	24,274,473,186
Appropriation to bonus and welfare fund	-	-	-	-	-	(4,097,283,555)	(4,097,283,555)
Dividends	-	-	-	-	-	-	-
Board of Management fee and bonus	-	-	-	-	-	(1,352,716,445)	(1,352,716,445)
<b>Balance at 1 January 2014</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	67,717,059,603	658,985,477,354
Net profit for the period	-	-	-	-	-	15,754,908,692	15,754,908,692
Appropriation to bonus and welfare fund	-	-	-	-	-	(365,984,666)	(365,984,666)
Dividends (Note 34)	-	-	-	-	-	(29,970,608,400)	(29,970,608,400)
Board of Management fee and bonus	-	-	-	-	-	(126,976,177)	(126,976,177)
<b>Balance at 30 June 2014</b>	249,955,730,000	317,064,858,303	(690,474,358)	12,469,151,903	12,469,151,903	53,008,399,052	644,276,816,803

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**24. Share capital**

The Company's authorised and issued share capital are:

	30/6/2014		31/12/2013	
	Number of shares	VND	Number of shares	VND
Authorised share capital	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Issued ordinary shares	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Treasury ordinary shares	(20,066)	(690,474,358)	(20,066)	(690,474,358)
Ordinary shares currently in circulation	24,975,507	249,265,255,642	24,975,507	249,265,255,642

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

There were no movements in share capital during the period.

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**25. Total revenue**

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>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Total revenue		
▪ Sales of merchandise goods	1,941,407,259	2,451,998,423
▪ Services rendered	4,754,431,881	4,625,046,611
▪ Rental income	21,519,066,866	23,238,917,136
▪ Sales of real estate	76,401,547,172	1,086,474,762
	<hr/>	<hr/>
	104,616,453,178	31,402,436,932
Less revenue deductions	(46,720,180)	(40,954,000)
	<hr/>	<hr/>
Net revenue	104,569,732,998	31,361,482,932
	<hr/>	<hr/>

**26. Cost of sales**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Merchandise goods sold	1,275,654,197	1,311,368,934
Services rendered	11,270,924,894	8,967,662,065
Depreciation charge of investment property	3,199,455,131	3,662,440,951
Net book value of sold real estate	54,937,874,444	1,534,142,737
	<hr/>	<hr/>
	70,683,908,666	15,475,614,687
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
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**27. Financial income**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Dividends	11,878,206,000	6,611,308,620
Interest income from deposits	238,013,009	59,131,074
Income from security trading	191,750,000	23,655,000
Foreign exchange gains	18,688,000	-
Other financial income	4,973,750,526	8,506,302,762
	<hr/>	<hr/>
	17,300,407,535	15,200,397,456
	<hr/> <hr/>	<hr/> <hr/>

**28. Financial expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Interest expense	6,972,899,755	12,431,600,499
Losses on security trading	85,125,000	-
Losses on disposal of investments in associates	805,800,017	-
Allowance for short-term and long-term investments	(901,399,610)	1,596,964,960
Security trading expenses	23,337,114	10,397,891
Foreign exchange losses	118,768,500	222,221,130
	<hr/>	<hr/>
	7,104,530,776	14,261,184,480
	<hr/> <hr/>	<hr/> <hr/>

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
**30 June 2014 (continued)**

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**29. Other income**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Compensation received from a party for cancellation of agreement (*)	7,000,000,000	-
Support from Vinaland Investments Limited during construction period of Savico-Vinaland Project	-	10,400,000,000
Others	79,634,807	150,213,787
	<hr/>	<hr/>
	7,079,634,807	10,550,213,787
	<hr/>	<hr/>

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

**30. Other expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Tax penalties for late payments	16,559,298,905	797,193,215
Compensation paid to a customer for cancellation of agreement	200,000,000	-
Others	924,498	22,367,172
	<hr/>	<hr/>
	16,760,223,403	819,560,387
	<hr/>	<hr/>

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
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**31. Income tax**

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

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current period	6,034,452,043	1,714,919,852
Under provision in prior periods	758,073,829	-
	<hr/>	<hr/>
	6,792,525,872	1,714,919,852
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Profit before tax	22,547,434,564	12,979,970,196
	<hr/>	<hr/>
Tax at the Company's tax rate	4,960,435,604	3,244,992,549
Non-taxable income	(2,613,205,320)	(1,652,827,155)
Non-deductible expenses	3,687,221,759	133,230,092
Deferred tax assets not recognised	-	(10,475,634)
Under provision in prior periods	758,073,829	-
	<hr/>	<hr/>
	6,792,525,872	1,714,919,852
	<hr/> <hr/>	<hr/> <hr/>

**(c) Applicable tax rate**

Under the terms of Income Tax Law the Company has an obligation to pay the government income tax at the rate of 22% of taxable profits. On 19 June 2013, the National Assembly approved the Law on amendments and supplements to a number of articles of the Corporate Income Tax Law. Accordingly, the highest income tax rate shall be reduced from 25% to 22% for 2014 and 2015, and to 20% from 2016.

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
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**32. Basic earnings per share**

The calculation of basic earnings per share for the six-month period ended 30 June 2014 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

*(i) Net profit attributable to ordinary shareholders*

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Net profit for the period	15,754,908,692	11,265,050,344

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*(ii) Weighted average number of ordinary shares*

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>Number</b>	<b>Number</b>
	<b>of shares</b>	<b>of shares</b>
Weighted average number of ordinary shares at the beginning and the end of the period	24,975,507	24,975,507

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As of 30 June 2014, the Company did not have potentially dilutive ordinary shares.

**33. Financial instruments**

**(a) Financial risk management**

*(i) Overview*

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

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

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

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



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**Notes to the separate interim financial statements for the six-month period ended**  
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**(ii) Risk management framework**

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

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

**(b) Credit risk**

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

**(i) Exposure to credit risk**

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

	Note	30/6/2014 VND	31/12/2013 VND
Cash in banks and cash equivalents	(ii)	6,479,316,258	23,872,944,850
Trade and other receivables – short-term and long-term	(iii)	100,465,975,511	108,845,350,850
		106,945,291,769	132,718,295,700

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

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

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**Notes to the separate interim financial statements for the six-month period ended**  
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**(iii) Trade and other receivables**

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

Trade and other receivables – short-term and long-term – that are not impaired are mostly companies with good collection track records with the Company. Management believes that those receivables are of high credit quality.

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

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Not past due	100,399,115,511	108,113,044,977
Past due 31 – 180 days	-	732,305,873
Past due over 180 days	66,860,000	-
	<hr/>	<hr/>
	100,465,975,511	108,845,350,850
	<hr/> <hr/>	<hr/> <hr/>

There were no impairments of receivables as of 30 June 2014.

**(c) Liquidity risk**

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

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**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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

**30 June 2014**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Short-term borrowings	27,076,251,154	28,123,648,871	28,123,648,871	-	-	-
Trade and other payables	145,050,376,996	146,097,000,329	146,097,000,329	-	-	-
Payables to employees	27,733,116,682	27,733,116,682	27,733,116,682	-	-	-
Accrued expenses	10,408,983,227	10,408,983,227	10,408,983,227	-	-	-
Long-term bonds issued	60,000,000,000	68,022,166,666	7,725,833,333	60,296,333,333	-	-
Long-term borrowings	88,120,208,890	109,724,386,334	27,448,627,908	29,832,701,897	52,443,056,529	-
Other long-term liabilities	117,525,193,052	117,525,193,052	59,180,436,902	12,925,779,850	-	45,418,976,300
	<b>475,914,130,001</b>	<b>507,634,495,161</b>	<b>306,717,647,252</b>	<b>103,054,815,080</b>	<b>52,443,056,529</b>	<b>45,418,976,300</b>

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**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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**31 December 2013**

	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Within 1 year VND</b>	<b>1 – 2 years VND</b>	<b>2 – 5 years VND</b>	<b>Over 5 years VND</b>
Short-term borrowings	60,427,675,248	62,756,770,274	62,756,770,274	-	-	-
Trade and other payables	168,434,309,912	171,445,039,912	171,445,039,912	-	-	-
Payables to employees	30,415,871,234	30,415,871,234	30,415,871,234	-	-	-
Accrued expenses	12,469,584,234	12,469,584,234	12,469,584,234	-	-	-
Long-term bonds issued	100,000,000,000	119,133,333,333	12,470,833,333	106,662,500,000	-	-
Long-term borrowings	91,887,691,844	125,324,671,882	33,190,913,223	31,119,319,926	45,855,477,461	15,158,961,272
Other long-term liabilities	115,427,465,521	115,427,465,521	60,180,436,902	11,625,812,994	-	43,621,215,625
	<hr/> 579,062,597,993	<hr/> 636,972,736,390	<hr/> 382,929,449,112	<hr/> 149,407,632,920	<hr/> 45,855,477,461	<hr/> 58,780,176,897

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

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**Notes to the separate interim financial statements for the six-month period ended**  
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**(d) Market risk**

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

**(i) Currency risk**

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

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

*Exposure to currency risk*

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

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>USD</b>	<b>USD</b>
Cash	337	335
Other long-term liabilities	(223,800)	(341,300)
	<hr/>	<hr/>
	(223,463)	(340,965)
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>Exchange rate as at</b>	
	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
USD 1	21,300	21,085
	<hr/>	<hr/>

The possible impact on the net profit of the Company, after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at 30 June 2014, is not significant.

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**Notes to the separate interim financial statements for the six-month period ended**  
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**(ii) Interest rate risk**

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

	Carrying amount	
	30/6/2014 VND	31/12/2013 VND
Fixed rate instruments		
Cash equivalents	-	10,867,765,162
Other payables	-	(5,000,000,000)
Long-term borrowings	(88,120,208,890)	(91,887,691,844)
	<hr/>	<hr/>
	(88,120,208,890)	(86,019,926,682)
	<hr/> <hr/>	<hr/> <hr/>
Variable rate instruments		
Cash in banks	6,479,316,258	13,005,179,688
Short-term borrowings	(27,076,251,154)	(60,427,675,248)
Other payables	(51,000,000,000)	(51,000,000,000)
Long-term bonds issued	(60,000,000,000)	(100,000,000,000)
	<hr/>	<hr/>
	(131,596,934,896)	(198,422,495,560)
	<hr/> <hr/>	<hr/> <hr/>

No policy in place pertaining to the mitigation of any potential volatility of the interest rate. An increase of 100 basis points in interest rates would have decreased the net profit of the Company for the six-month period ended 30 June 2014 by VND513 million (for six-month period ended 30 June 2013: VND747 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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**Notes to the separate interim financial statements for the six-month period ended**  
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**(e) Fair values**

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

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

		<b>30/6/2014</b>	<b>31/12/2013</b>
		<b>Carrying amount</b>	<b>Carrying amount</b>
		<b>VND</b>	<b>VND</b>
Available-for-sale financial assets:			
Short-term investments	(**)	42,210,739,136	42,673,301,361
Long-term investments	(**)	390,707,135,978	372,800,675,746
Categorised as loans and receivables:			
Cash and cash equivalents	(*)	7,481,713,765	24,515,494,949
Trade and other receivables – short-term and long-term	(**)	100,465,975,511	108,845,350,850
Categorised as liabilities at amortised cost:			
Short-term borrowings	(**)	(27,076,251,154)	(60,427,675,248)
Trade and other payables	(**)	(145,050,376,996)	(168,434,309,912)
Payables to employees	(**)	(27,733,116,682)	(30,415,871,234)
Accrued expenses	(**)	(10,408,983,227)	(12,469,584,234)
Long-term bonds issued	(**)	(60,000,000,000)	(100,000,000,000)
Long-term borrowings	(**)	(88,120,208,890)	(91,887,691,844)
Other long-term liabilities	(**)	(117,525,193,052)	(115,427,465,521)
		<hr/>	<hr/>
		64,951,434,389	(30,227,775,087)
		<hr/> <hr/>	<hr/> <hr/>

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

(\*) As at 30 June 2014 and 2013, the fair values of cash and cash equivalents were equal to their carrying values.

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

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**34. Dividends**

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

**35. Significant transactions with related parties**

**Identity of related parties**

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

**Transactions with key management personnel**

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

	<b>Six-month period ended</b>	
	<b>30/6/2014</b>	<b>30/6/2013</b>
	<b>VND</b>	<b>VND</b>
Board of Management	1,337,680,000	1,284,500,000
Board of Directors	308,690,000	381,000,000
Supervisory Board	287,290,000	149,000,000
	<hr/>	<hr/>
	1,933,660,000	1,814,500,000
	<hr/>	<hr/>



**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended 30 June 2014 (continued)**

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**Other related party transactions**

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

Related party	Relationship	Nature of transaction	Six-month period ended	
			30/6/2014 VND	30/6/2013 VND
City Automobile Corporation (HYUNDAI)	Subsidiary	Rental charged to subsidiary	4,035,500	1,005,088,000
		Other financial income	129,312,785	109,905,555
		Loan received from subsidiary	-	3,000,000,000
Saigon Star Corporation	Subsidiary	Dividends	412,502,500	412,502,500
		Rental charged to subsidiary	253,560,000	279,635,635
		Commission received from subsidiary	558,537,500	800,180,294
		Purchases of merchandise	4,825,618,175	5,621,010,897
		Loan received from subsidiary	-	1,000,000,000
		Loan granted to subsidiary	2,000,000,000	-
		Purchases of equipment from subsidiary	630,000,000	-
		Prepayments to subsidiary for purchases of a truck	4,000,000,000	-
Saigon Ford Co., Ltd. (SAIGON FORD)	Subsidiary	Rental charged to subsidiary	2,439,840,000	1,552,800,000
		Dividends	-	1,998,667,920
		Other financial expense	1,708,080,000	1,708,080,000
Toyota Can Tho Company Limited	Subsidiary	Rental charged to subsidiary	610,000,002	610,000,002
		Dividends	3,265,530,000	-
Savico Hanoi Corporation	Subsidiary	Loan granted to subsidiary	4,500,000,000	11,000,000,000
		Other financial income	4,412,527,778	4,617,000,000
East City Co., Ltd.	Subsidiary	Loan granted to subsidiary	3,000,000,000	-
		Other financial income	225,926,213	-
Savico Vinh Long Company Limited	Subsidiary	Loan granted to subsidiary	-	600,000,000
		Other financial income	57,477,778	66,262,778

**Saigon General Service Corporation**

**Notes to the separate interim financial statements for the six-month period ended  
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Related party	Relationship	Nature of transaction	Six-month period ended	
			30/6/2014 VND	30/6/2013 VND
Savico-Mekong General Trade Service Limited Company	Subsidiary	Loan granted to subsidiary	500,000,000	-
		Other financial income	139,767,361	287,507,223
Toyota Giai Phong Joint Venture Company (TGP)	Subsidiary	Dividends	2,043,570,000	-
Savico Da Nang Corporation	Subsidiary	Rental charged to subsidiary	1,400,000,000	-
		Rental deposits received from subsidiary	460,000,000	-
Toyota East Saigon Joint Stock Company (TESC)	Associate	Dividends	1,028,542,500	2,057,085,000
		Loan received from associate	-	5,000,000,000
		Other financial expense	12,750,000	315,381,944
		Loan granted to associate	10,000,000,000	-
		Purchases of fixed assets	1,129,090,909	-
ComfortDelgro Savico Taxi Company	Associate	Rental charged to associate	1,051,800,000	1,051,800,000
		Electricity expense charged to associate	389,392,491	173,738,595
Ben Thanh Savico General Trading & Services Co., Ltd.	Associate	Commission received from associate	464,528,000	708,211,445
		Dividends	-	168,000,000
		Purchases of equipment	260,000,000	-

**Saigon General Service Corporation**  
**Notes to the separate interim financial statements for the six-month period ended**  
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**36. Lease commitment**

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

	<b>30/6/2014</b>	<b>31/12/2013</b>
	<b>VND</b>	<b>VND</b>
Within one year	4,485,138,360	5,677,937,593
From two to five years	4,026,553,440	5,186,053,440
Over five years	3,103,801,610	3,607,120,790
	<hr/>	<hr/>
	11,615,493,410	14,471,111,823
	<hr/>	<hr/>

**37. Post balance sheet event**

**Subsequent new long-term equity investments in associate**

The General Meeting of Board of Management of the Company on 18 June 2014 resolved to acquire 27.5% of the contributed capital in Binh Duong New City Auto Service Corporation amounting to VND8,250 million. This company was established by Business Registration Certificate No.3702287077 dated 16 July 2014 issued by Binh Duong Province Planning and Investment Department.

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 Notes to the separate interim financial statements for the six-month period ended  
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38. Trading and business costs by element

	Six-month period ended	
	30/6/2014	30/6/2013
	VND	VND
Cost of real estate sold	54,937,874,444	1,534,142,737
Cost of merchandise goods	1,275,654,197	1,311,368,934
Labour costs and staff costs	6,981,889,093	8,201,283,111
Depreciation and amortisation	3,973,029,733	4,455,063,290
Outside services	8,731,401,030	9,841,575,492
Other expenses	6,637,738,100	5,242,088,285

6 August 2014

Prepared by:



Ngo Van Danh  
 Chief Accountant

Approved by:



Nguyen Binh Minh  
 General Director