

**Saigon General Service Corporation  
and its subsidiaries**

Consolidated financial statements  
for the year ended 31 December 2017

## Saigon General Service Corporation Corporate information

<b>Decision No.</b>	3448/QD-UB 3449/QD-UB	9 July 2004 9 July 2004
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These decisions were issued by the Ho Chi Minh City People's Committee.

<b>Business Licence</b>	4103002955	15 December 2004
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The Company's business licence has been amended several times, the most recent of which is by business licence No. 0301154821 dated 26 January 2015. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

<b>Board of Management</b>	Mr. Nguyen Binh Minh Mr. Mai Viet Ha Ms. Nguyen Viet Hoa Mr. Doan Van Quang Mr. Nguyen Cong Binh Mr. Nguyen Duc Trong Mr. Luong Quang Hien	Chairman Member Member Member Member Member Member
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<b>Board of Directors</b>	Mr. Mai Viet Ha Mr. Doan Van Quang Ms. Nguyen Thu Nga Mr. Nguyen Cong Binh	General Director Deputy General Director Deputy General Director Deputy General Director
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<b>Supervisory Board</b>	Ms. Nguyen Nhu Anh Mr. Nguyen Thai Hoa Mr. Phan Phuong Nga  Mr. Tran Huy Dung	Head of the Board Member Member (from 31 March 2017) Member (until 31 March 2017)
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<b>Registered Office</b>	68 Nam Ky Khoi Nghia Street District 1, Ho Chi Minh City Vietnam
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<b>Auditors</b>	KPMG Limited Vietnam
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## Saigon General Service Corporation Statement of the Board of Directors

The Board of Directors of Saigon General Service Corporation (“the Company”) and its subsidiaries (together referred to as “the Group”) presents this statement and the accompanying consolidated financial statements of the Group for the year ended 31 December 2017.

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

- (a) the consolidated financial statements set out on pages 5 to 65 give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of the consolidated results of operations and the consolidated cash flows of the Group for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors



Mao Viet Ha  
General Director

Ho Chi Minh City, 20 March 2018

## **INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying consolidated financial statements of Saigon General Service Corporation (“the Company”) and its subsidiaries (together referred to as “the Group”), which comprise the consolidated balance sheet as at 31 December 2017, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 20 March 2018, as set out on pages 5 to 65.

### **Management’s Responsibility**

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

### **Auditor’s Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company’s Board of Directors, as well as evaluating the overall presentation of the financial statements.

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



### Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Saigon General Service Corporation and its subsidiaries as at 31 December 2017 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.



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

**Vietnam**

**Audit Report No. 17-01-330/HN**

CÔNG TY TNHH

**KPMG**

THÀNH PHỐ HỒ CHÍ MINH

Auvarin Phor  
Practicing Auditor Registration  
Certificate No. 2252-2018-007-1  
*Deputy General Director*

Nguyen Thanh Nghi  
Practicing Auditor Registration  
Certificate No. 0304-2018-007-1

Ho Chi Minh City, 20 March 2018

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 31 December 2017**

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

	Code	Note	31/12/2017 VND	1/1/2017 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>1,624,916,635,283</b>	<b>1,736,418,709,247</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>222,746,938,508</b>	<b>231,191,439,679</b>
Cash	111		177,619,605,175	154,176,575,255
Cash equivalents	112		45,127,333,333	77,014,864,424
<b>Short-term financial investments</b>	<b>120</b>		<b>40,224,913,855</b>	<b>48,444,445,855</b>
Trading securities	121	6(a)	50,844,913,855	51,869,913,855
Allowance for diminution in the value of trading securities	122	6(a)	(19,170,000,000)	(15,175,468,000)
Held-to-maturity investments	123	6(b)	8,550,000,000	11,750,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>599,221,889,186</b>	<b>545,397,552,956</b>
Accounts receivable from customers	131	7	442,964,578,992	398,763,820,419
Prepayments to suppliers	132		69,392,710,498	73,008,332,043
Loan receivables	135		-	3,000,000,000
Other receivables	136	8(a)	87,519,799,696	71,418,964,131
Allowance for doubtful debts	137		(655,200,000)	(793,563,637)
<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>719,577,703,847</b>	<b>845,503,520,873</b>
Inventories	141		721,918,012,039	870,589,928,463
Allowance for inventories	149		(2,340,308,192)	(25,086,407,590)
<b>Other current assets</b>	<b>150</b>		<b>43,145,189,887</b>	<b>65,881,749,884</b>
Short-term prepaid expenses	151	14(a)	11,679,648,079	18,470,655,349
Deductible value added tax	152		30,667,250,737	46,497,201,276
Taxes receivable from State Treasury	153	16(b)	798,291,071	913,893,259

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

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 31 December 2017 (continued)**

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

	Code	Note	31/12/2017 VND	1/1/2017 VND
<b>Long-term assets</b> (200 = 210 + 220 + 230 + 240 + 250 + 260)	<b>200</b>		<b>1,992,120,506,699</b>	<b>1,601,399,267,878</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>166,556,058,346</b>	<b>137,654,838,220</b>
Other long-term receivables	216	8(b)	170,706,058,346	141,804,838,220
Allowance for doubtful long-term debts	219		(4,150,000,000)	(4,150,000,000)
<b>Fixed assets</b>	<b>220</b>		<b>394,434,367,478</b>	<b>248,463,382,989</b>
Tangible fixed assets	221	10	315,443,140,263	220,610,926,831
<i>Cost</i>	222		483,714,814,057	350,850,311,584
<i>Accumulated depreciation</i>	223		(168,271,673,794)	(130,239,384,753)
Intangible fixed assets	227	11	78,991,227,215	27,852,456,158
<i>Cost</i>	228		87,329,292,256	34,342,442,441
<i>Accumulated amortisation</i>	229		(8,338,065,041)	(6,489,986,283)
<b>Investment property</b>	<b>230</b>	<b>12</b>	<b>711,548,558,061</b>	<b>656,960,899,324</b>
<i>Cost</i>	231		883,410,133,098	805,606,585,211
<i>Accumulated depreciation</i>	232		(171,861,575,037)	(148,645,685,887)
<b>Long-term work in progress</b>	<b>240</b>		<b>383,146,360,661</b>	<b>334,830,529,720</b>
Construction in progress	242	13	383,146,360,661	334,830,529,720
<b>Long-term financial investments</b>	<b>250</b>		<b>314,004,776,667</b>	<b>204,259,591,217</b>
Investments in associates	252	6(c)	305,315,512,667	191,844,327,217
Equity investments in other entities	253	6(c)	8,689,264,000	12,415,264,000
<b>Other long-term assets</b>	<b>260</b>		<b>22,430,385,486</b>	<b>19,230,026,408</b>
Long-term prepaid expenses	261	14(b)	19,845,795,757	16,054,171,416
Deferred tax assets	262	36(a)	2,584,589,729	3,175,854,992
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>3,617,037,141,982</b>	<b>3,337,817,977,125</b>

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

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated balance sheet as at 31 December 2017 (continued)**

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

	Code	Note	31/12/2017 VND	1/1/2017 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>2,339,689,615,983</b>	<b>2,165,332,684,786</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,790,696,348,139</b>	<b>1,604,378,313,823</b>
Accounts payable to suppliers	311	15	207,578,160,576	183,206,146,897
Advances from customers	312		117,747,178,292	124,334,860,408
Taxes and other payables to State				
Treasury	313	16(a)	31,021,208,093	40,930,607,637
Payables to employees	314		58,474,046,547	65,124,231,200
Accrued expenses	315	17	46,957,684,139	44,026,701,271
Unearned revenue – short-term	318	18(a)	9,807,732,225	6,807,126,251
Other payables – short-term	319	19(a)	449,369,812,625	159,644,926,422
Short-term borrowings	320	20(a)	855,817,418,887	957,951,034,891
Provisions – short-term	321		-	184,554,545
Bonus and welfare fund	322	21	13,923,106,755	22,168,124,301
<b>Long-term liabilities</b>	<b>330</b>		<b>548,993,267,844</b>	<b>560,954,370,963</b>
Unearned revenue – long-term	336	18(b)	83,845,600,000	90,316,000,000
Other payables – long-term	337	19(b)	92,192,896,656	111,020,646,268
Long-term borrowings	338	20(b)	372,954,771,188	359,617,724,695
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>1,277,347,525,999</b>	<b>1,172,485,292,339</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>1,277,347,525,999</b>	<b>1,172,485,292,339</b>
Share capital	411	23	249,955,730,000	249,955,730,000
Share premium	412		317,064,858,303	317,064,858,303
Other capital	414		14,850,000,000	2,550,000,000
Treasury shares	415	23	(690,474,358)	(690,474,358)
Investment and development fund	418	25	47,539,169,112	46,657,038,976
Retained profits	421		297,796,407,469	261,454,985,027
Non-controlling interest	429		350,831,835,473	295,493,154,391
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>3,617,037,141,982</b>	<b>3,337,817,977,125</b>
<b>(440 = 300 + 400)</b>				

20 March 2018

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Mai Viet Ha  
General Director

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



**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of income for the year ended 31 December 2017**

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

	Code	Note	2017 VND	2016 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>27</b>	<b>13,794,724,864,291</b>	<b>13,661,872,246,945</b>
<b>Revenue deductions</b>	<b>02</b>	<b>27</b>	<b>(13,418,108,557)</b>	<b>(12,749,646,528)</b>
<b>Net revenue (10 = 01 + 02)</b>	<b>10</b>	<b>27</b>	<b>13,781,306,755,734</b>	<b>13,649,122,600,417</b>
<b>Cost of goods sold and services provided</b>	<b>11</b>	<b>28</b>	<b>(13,060,916,977,057)</b>	<b>(12,936,368,205,494)</b>
<b>Gross profit (20 = 10 + 11)</b>	<b>20</b>		<b>720,389,778,677</b>	<b>712,754,394,923</b>
Financial income	21	29	21,270,975,508	15,593,139,225
Financial expenses	22	30	(107,874,217,499)	(70,892,623,612)
<i>In which: Interest expense</i>	23		<i>(90,915,434,287)</i>	<i>(66,862,508,991)</i>
Share of profit in associates	24	6(c)	14,315,723,152	19,693,440,554
Selling expenses	25	31	(415,117,754,690)	(326,615,666,168)
General and administrative expenses	26	32	(242,352,462,253)	(210,203,789,026)
<b>Net operating (loss)/profit (30 = 20 + 21 + 22 + 24 + 25 + 26)</b>	<b>30</b>		<b>(9,367,957,105)</b>	<b>140,328,895,896</b>
Other income	31	33	186,202,902,608	75,031,951,241
Other expenses	32	34	(2,848,330,374)	(3,206,877,113)
<b>Results of other activities (40 = 31 + 32)</b>	<b>40</b>		<b>183,354,572,234</b>	<b>71,825,074,128</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>173,986,615,129</b>	<b>212,153,970,024</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>36(b)</b>	<b>(34,353,137,775)</b>	<b>(38,918,998,047)</b>
<b>Income tax (expense)/benefit – deferred</b>	<b>52</b>	<b>36(b)</b>	<b>(577,850,556)</b>	<b>584,830,523</b>
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>139,055,626,798</b>	<b>173,819,802,500</b>

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

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of income for the year ended 31 December 2017 (continued)**

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

	Code	Note	2017 VND	2016 VND
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>139,055,626,798</b>	<b>173,819,802,500</b>
<b>Attributable to:</b>				
Equity holders of the Company	61		81,633,249,712	122,992,852,474
Non-controlling interest	62		57,422,377,086	50,826,950,026
<b>Basic earnings per share</b>	<b>70</b>	<b>37</b>	<b>3,183</b>	<b>4,138</b>

20 March 2018

Prepared by:



Ngo Van Danh  
Chief Accountant

Approved by:



Mai Viet Ha  
General Director

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of cash flows for the year ended 31 December 2017**  
**(Indirect method)**

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

	Code	Note	2017 VND	2016 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>173,986,615,129</b>	<b>212,153,970,024</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		71,556,453,025	55,968,378,088
Allowances and provisions	03		(18,751,567,398)	(1,462,781,515)
Gains on disposals of tangible fixed assets	05		(1,694,002,773)	(2,048,087,583)
Loss on partial disposals of investments in subsidiary	05		8,385,122,777	-
Loss from liquidation of investment in associate	05		-	70,072,710
Tangible fixed assets written off	05		-	314,463,860
Construction in progress written off	05		-	813,904,721
Dividends and interest income	05		(7,789,660,449)	(6,222,080,795)
Income from associates	05		(14,315,723,152)	(19,693,440,554)
Interest expense	06		90,915,434,287	66,862,508,991
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>302,292,671,446</b>	<b>306,756,907,947</b>
Change in receivables and other current assets	09		(31,513,617,449)	(245,127,697,823)
Change in inventories	10		206,215,254,847	(197,030,058,546)
Change in payables and other liabilities	11		251,830,132,885	15,738,288,877
Change in prepaid expenses	12		2,999,382,929	(13,207,990,573)
Change in trading securities	13		1,025,000,000	3,138,625,600
			<b>732,848,824,658</b>	<b>(129,731,924,518)</b>
Interest paid	14		(90,702,877,746)	(66,624,597,933)
Corporate income tax paid	15		(40,155,148,919)	(38,657,546,841)
Other payments for operating activities	17		(12,734,264,532)	(13,313,434,733)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>589,256,533,461</b>	<b>(248,327,504,025)</b>

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

**Saigon General Service Corporation and its subsidiaries**  
**Consolidated statement of cash flows for the year ended 31 December 2017**  
**(Indirect method – continued)**

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

	Code	Note	2017 VND	2016 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(484,978,979,817)	(190,408,073,937)
Proceeds from disposals of tangible fixed assets	22		32,717,320,527	15,660,656,820
Proceeds from disposals of investments in subsidiary, net of cash disposed	22		53,382,313,983	-
Payments for granting loans	23		(25,000,000,000)	(3,000,000,000)
Receipts from collecting loans	23		18,000,000,000	-
Placement of held-to-maturity investments	23		(8,550,000,000)	(11,750,000,000)
Receipts from collection of held-to-maturity investments	23		11,750,000,000	-
Payments for investments in other entities	25		(67,381,469,945)	(30,850,000,000)
Receipts of dividends and interest income	27		19,159,434,749	10,576,213,295
Net payments in other non-current assets			(28,901,220,126)	(6,732,693,160)
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(479,802,600,629)</b>	<b>(216,503,896,982)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		8,479,051,742,167	7,315,788,290,677
Payments to settle loan principals	34		(8,567,848,311,678)	(6,788,307,549,350)
Proceeds from equity issued by subsidiaries to non-controlling interest			30,128,740,000	22,392,800,000
Payments of dividends to equity holders of the Company	36		(29,968,251,980)	(35,388,381,090)
Payments of dividends by subsidiaries to non-controlling interest	36		(29,262,352,512)	(30,251,713,651)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(117,898,434,003)</b>	<b>484,233,446,586</b>

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

Saigon General Service Corporation and its subsidiaries  
 Consolidated statement of cash flows for the year ended 31 December 2017  
 (Indirect method – continued)

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

	Code	Note	2017 VND	2016 VND
Net cash flows during the year (50 = 20 + 30 + 40)	50		(8,444,501,171)	19,402,045,579
Cash and cash equivalents at the beginning of the year	60		231,191,439,679	211,789,394,100
Cash and cash equivalents at the end of the year (70 = 50 + 60)	70	5	222,746,938,508	231,191,439,679

20 March 2018

Prepared by:



Ngo Van Danh  
 Chief Accountant

Approved by:



Ma Viet Ha  
 General Director

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

**Saigon General Service Corporation and its subsidiaries**  
**Notes to the consolidated financial statements for the year ended 31 December 2017**

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

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

## **1. Reporting entity**

### **(a) Ownership structure**

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

The consolidated financial statements of the Company for the year ended 31 December 2017 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

### **(b) Principals activities**

The principal activities of the Group are:

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

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

### **(c) Normal operating cycle**

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

### **(d) Group structure**

As at 31 December 2017, the Group had 2,629 employees (1 January 2017: 2,309 employees).

As at 31 December 2017, the Group had 13 subsidiaries and 12 associates (1 January 2017: 14 subsidiaries and 8 associates) as follows:

**Saigon General Service Corporation and its subsidiaries**

**Notes to the consolidated financial statements for the year ended 31 December 2017 (continued)**

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

**Subsidiaries**

Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
1	Saigon Automobile Service Joint Stock Company (SAIGON FORD)	Trading FORD cars and spare parts, providing maintenance services.	61A Cao Thang Street, Ward 3, District 3, Ho Chi Minh City, Vietnam	52.05%	52.05%
2	Toyota Giai Phong Joint Venture Company (TGP)	Trading TOYOTA cars and spare parts, providing maintenance services.	807 Giai Phong Street, Giap Bat Ward, Hoang Mai District, Hanoi City, Vietnam	51%	51%
3	Saigon Service Trading Limited Company (YAMAHA Can Tho)	Trading YAMAHA motorbikes and spare parts, providing maintenance services.	164 – 166C, 3/2 Street, Hung Loi Ward, Ninh Kieu District, Can Tho City, Vietnam	88.12%	88.12%
4	Saigon Star Corporation	Trading SUZUKI, HONDA and VEAM automobile and motorbikes and spare parts, providing maintenance services.	510 National Highway 13, Hiep Binh Phuoc Ward, Thu Duc District, Ho Chi Minh City, Vietnam	59.62%	59.62%
5	Savico Hanoi Corporation	Operating business centre, providing hotel services; civil construction, industrial projects; agents and consignment; import and export activities; trading and maintaining automobile; providing engine rental, transportation and car parking services.	7 – 9 Nguyen Van Linh Street, Long Bien Ward, Ha Noi City, Vietnam	70%	70%
6	Toyota Can Tho Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services.	K2-0, Vo Nguyen Giap Street, Thanh Thuan Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	51%	51%

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Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
7	Savico Da Nang Corporation	Trading real estate; providing workshops and office rental services; providing consulting and real estate brokerage services; trading automobile and spare parts; providing maintenance and repairing service; providing transportation services.	66 Vo Van Tan Street, Chinh Gian Ward, Thanh Khe District, Da Nang City, Vietnam	70%	70%
8	OtoS Joint Stock Company (otos.vn) (a)	Providing e-commerce services; advertising services; trading cars and spare parts; providing maintenance and repairing services; providing software publishment and other services related to information technology.	68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	80.33%	77.07%
9	Da Nang Son Tra Corporation	Trading real estate; providing hotel and travel services; operating restaurant, providing foods and beverages; providing transportation and civil construction services.	Bai Trem, Hoang Sa Street, Tho Quang Ward, Son Tra District, Da Nang City, Vietnam	98%	98%
10	Saigon Cuu Long Automobile Corporation	Trading GM cars and spare parts; providing maintenance and transportation services.	274 30/4 Street, Hung Loi Ward, Ninh Kiều District, Can Tho City, Vietnam	84.17%	84.17%
11	Saigon North West Automobile Joint Stock Company	Trading FUSO truck and spare parts; providing maintenance, repairing and transportation services.	43/7A Xuan Thoi Dong 2 Area, Xuan Thoi Dong Ward, Hoc Mon District, Ho Chi Minh City, Vietnam	80%	80%
12	Vinh Thinh Automobile Joint Stock Company	Trading HINO truck and spare parts; providing maintenance, repairing and transportation services.	5/5 Binh Giao Area, Thuan Giao Ward, Thuan An Town, Binh Duong Province, Vietnam	90%	90%



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Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
13	Nam Song Hau Automobile Joint Stock Company	Trading HONDA cars and spare parts; providing maintenance, repairing and transportation services.	Block E1-1, Vo Nguyen Giap Street, Thanh Loi Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	51%	93%
14	Savico Investment Joint Stock Company (b)	Trading real estate; providing property consultancy, brokerage, auction; providing services on market study, surveys of public opinion; providing architecture and related technology consultancy; providing specialised design and construction services; trading automobile and spare parts; providing maintenance and repairing services; providing kindergarten education.	66-68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	-	99.50%

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**Associates**

Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
1	ComfortDelgro Savico Taxi Company	Providing the transportation and maintenance services.	384A Kha Van Can, Hiep Binh Chanh Ward, Thu Duc District, Ho Chi Minh City, Vietnam	40.03%	40.03%
2	Toyota East Saigon Joint Stock Company (TESC)	Trading TOYOTA cars and spare parts, providing maintenance services.	507 Ha Noi Highway, District 2, Ho Chi Minh City, Vietnam	30.03%	35.16%
3	Binh Duong New City Automobile Service Joint Stock Company	Trading FORD cars and spare parts, providing maintenance services.	Lot C13, Hung Vuong Street, Lien Hop Area, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam	35.41%	35.41%
4	Dana Joint Stock Company (DANA FORD)	Trading FORD cars and spare parts, providing maintenance services.	56 Dien Bien Phu Street, Thanh Khe Ward, Da Nang City, Vietnam	28.19%	28.19%
5	South West Star Automobile Joint Stock Company	Trading HYUNDAI cars and spare parts; providing maintenance, repairing and transportation services.	91 Cach Mang Thang Tam Street, An Thoi Ward, Binh Thuy District, Can Tho City, Vietnam	43.80%	43.80%
6	Toyota Ly Thuong Kiet Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services, non-life insurance agency.	188 Le Trong Tan, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam	35%	20%

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Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
7	Bac Au Automobile Joint Stock Company	Trading VOLVO cars and spare parts, providing maintenance services.	340A Nguyen Van Linh, Binh Thuan Ward, District 7, Ho Chi Minh City, Vietnam	32%	32%
8	South Saigon Automobile Service Commercial Investment Joint Stock	Trading GM cars and spare parts, providing maintenance services.	1489 Nguyen Van Linh, Tan Phong Ward, District 7, Ho Chi Minh City, Vietnam	15.62%	15.62%
9	Savico Investment Joint Stock Company (b)	Trading real estate; providing property consultancy, brokerage, auction; providing services on market study, surveys of public opinion; providing architecture and related technology consultancy; providing specialised design and construction services; trading automobile and spare parts; providing maintenance and repairing services; providing kindergarten education.	66-68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	40.00%	-
10	Bac Au Hanoi Automobile Limited Company	Trading VOLVO cars and spare parts, providing maintenance services.	9 Nguyen Van Linh, Gia Thuy Ward, Long Bien District, Hanoi City, Vietnam	17.50%	-
11	Binh Thuan Automotive Service Joint Stock Company	Trading FORD cars and spare parts, providing maintenance services.	Lot 4/3, Street No.4, Phan Thiet 1 Industrial Zone, Phong Nam Commune, Phan Thiet City, Binh Thuan Province	26.03%	-

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Number	Name	Principal activity	Address	Percentage of economic interest at	
				31/12/2017	1/1/2017
12	Ben Thanh Tay Ninh Automobile Corporation	Trading FORD cars and spare parts, providing maintenance services.	Highway 22B, Hiep Truong Hamlet, Hiep Tan Commune, Hoa Thanh District, Tay Ninh Province	26.03%	-

- (a) During the year, the Company acquired additionally 3.26% of shares of a subsidiary – OtoS Joint Stock Company amounting to VND2,064 million and increased the percentage of economic interest from 77.07% to 80.33%.
- (b) During the year, the Company disposed 60% of shares of Savico Investment Joint Stock Company to Nguyen Nguyen Group Investment Corporation, a third party and lose the control over this investment but still retained significant influence. The investment has been reclassified to investment in associates since the partial disposal.

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**2. Basis of preparation**

**(a) Statement of compliance**

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

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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

**(d) Accounting and presentation currency**

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

**3. Summary of significant accounting policies**

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

**(a) Basis of consolidation**

**(i) Subsidiaries**

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

**(ii) Non-controlling interests**

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

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

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**(iii) *Loss of control***

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

**(iv) *Associates***

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

**(v) *Transactions eliminated on consolidation***

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

**(b) *Foreign currency transactions***

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

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

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

**(c) *Cash and cash equivalents***

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

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**(d) Investments**

**(i) Trading securities**

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

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

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

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

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

**(e) Accounts receivable**

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

**(f) Inventories**

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

The Group applies the perpetual method of accounting for inventories.

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**(g) Tangible fixed assets**

**(i) Cost**

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

**(ii) Depreciation**

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

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

**(h) Intangible fixed assets**

**(i) Land use rights**

Land use rights comprise:

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

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

**(ii) Software**

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



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**(i) Investment property**

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

***Cost***

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

***Depreciation***

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

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

**(j) Construction in progress**

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

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

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

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

**(i) *Prepaid land costs***

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

**(ii) *Tools and supplies***

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

**(iii) *Others***

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

**(l) Trade and other payables**

Trade and other payables are stated at their cost.

**(m) Provisions**

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

**(n) Share capital**

**(i) *Ordinary shares***

Ordinary shares are stated at par value. Excess of cash receipt from share issues over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

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

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

**(o) *Equity funds***

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

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

**(p) *Taxation***

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

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

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

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

**(q) *Revenue***

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

Revenue from transfer of land use right and sale of standard-designed houses which do not require significant customisation for each customer is recognised in the consolidated statement of income when 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. Transfer of significant risks and rewards is determined to be at the time of sale or completion of the property, whichever is later.

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**(ii) Sales of merchandise goods**

Revenue from the sale of merchandise goods is recognised in the consolidated statement of income when 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 possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

**(iii) Services rendered**

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

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

**(iv) Rental income**

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

**(r) Financial income**

**(i) Interest income**

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

**(ii) Revenue from security trading**

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

**(iii) Dividend income**

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

**(s) Operating lease payments**

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

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**(t) Borrowing costs**

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

**(u) Earnings per share**

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

**(v) Segment reporting**

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

**(w) Related parties**

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

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**4. Segment reporting**

For the year:

	Services and trading		Investment property services		Financial services		Total	
	2017 VND	2016 VND	2017 VND	2016 VND	2017 VND	2016 VND	2017 VND	2016 VND
Segment revenue	13,598,271,887,416	13,363,152,493,173	183,034,868,318	285,970,107,244	-	-	13,781,306,755,734	13,649,122,600,417
Segment other income	195,023,642,390	90,780,093,410	884,664,367	1,532,206,370	3,660,929,300	4,280,641,515	199,569,236,057	96,592,941,295
Direct and attributable cost of sales to segments	(12,995,607,600,797)	(12,788,583,492,430)	(65,309,376,260)	(147,784,713,064)	-	-	(13,060,916,977,057)	(12,936,368,205,494)
Direct and attributable other expenses to segments	(689,106,343,658)	(542,243,293,893)	(73,650,399,404)	(65,615,933,120)	(1,430,073,930)	(3,449,741,102)	(764,186,816,991)	(611,308,968,115)
<b>Segment profit</b>	<b>108,581,585,351</b>	<b>123,105,800,260</b>	<b>44,959,757,021</b>	<b>74,101,667,430</b>	<b>2,230,855,370</b>	<b>830,900,413</b>	<b>155,772,197,743</b>	<b>198,038,368,103</b>
Un-allocated income							22,220,365,211	17,322,479,034
Un-allocated expenses							(4,005,947,825)	(3,206,877,113)
Income tax							(34,930,988,331)	(38,334,167,524)
							<b>139,055,626,798</b>	<b>173,819,802,500</b>

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	Services and trading		Investment property services		Financial services		Total	
	31/12/2017 VND	1/1/2017 VND	31/12/2017 VND	1/1/2017 VND	31/12/2017 VND	1/1/2017 VND	31/12/2017 VND	1/1/2017 VND
<b>Assets</b>								
Current assets	1,408,178,287,282	1,506,838,189,096	184,573,839,659	192,676,252,067	31,729,941,877	36,904,268,084	1,624,482,068,818	1,736,418,709,247
Non-current assets	582,596,738,921	582,309,965,300	1,405,754,308,024	1,014,176,819,355	1,184,870,025	1,736,628,231	1,989,535,916,970	1,598,223,412,886
Un-allocated assets	-	-	-	-	-	-	2,584,589,729	3,175,854,992
	1,990,775,026,203	2,089,148,154,396	1,590,328,147,683	1,206,853,071,422	32,914,811,902	38,640,896,315	3,616,602,575,517	3,337,817,977,125
<b>Liabilities</b>								
Current liabilities	1,252,639,776,793	1,328,672,318,245	536,341,023,774	263,671,040,201	1,280,981,107	12,034,955,377	1,790,261,781,674	1,604,378,313,823
Non-current liabilities	101,169,212,863	93,525,903,675	447,393,472,653	466,203,282,246	430,582,328	1,225,185,042	548,993,267,844	560,954,370,963
	1,353,808,989,656	1,422,198,221,920	983,734,496,427	729,874,322,447	1,711,563,435	13,260,140,419	2,339,255,049,518	2,165,332,684,786
For the year:								
	Services and trading		Investment property services		Financial services		Total	
	2017 VND	2016 VND	2017 VND	2016 VND	2017 VND	2016 VND	2017 VND	2016 VND
Depreciation and amortisation	48,340,563,875	23,432,913,917	23,215,889,150	23,432,913,917	-	-	71,556,453,025	55,968,378,088
Allowances and provisions	(770,524,737)	(2,680,507,240)	(21,975,574,661)	(2,680,507,240)	3,994,532,000	(78,778,319)	(18,751,567,398)	(1,462,781,515)
Capital expenditure	106,396,937,313	125,632,131,916	422,337,526,056	125,632,131,916	-	-	528,734,463,369	190,408,073,937

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**5. Cash and cash equivalents**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	28,498,281,539	15,424,708,233
Cash in banks	149,121,323,636	138,751,867,022
Cash equivalents	45,127,333,333	77,014,864,424
	222,746,938,508	231,191,439,679
	222,746,938,508	231,191,439,679

Cash equivalents at 31 December 2017 included VND9,415 million (1 January 2017: VND4,258 million) pledged with banks as security for loans granted to the Group.



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**6. Investments**

**(a) Trading securities**

	31/12/2017				1/1/2017			
	Quantity	Carrying amount VND	Fair value VND	Allowance for diminution in value VND	Quantity	Carrying amount VND	Fair value VND	Allowance for diminution in value VND
<b>Short-term financial investments in:</b>								
<b>Listed shares</b>								
• Ben Thanh Trading and Service Joint Stock Company	9	162,572	162,572	-	9	162,572	162,572	-
• Viet Thai Joint Stock Company	650,760	8,042,676,000	8,042,676,000	-	650,760	8,042,676,000	7,028,208,000	(1,014,468,000)
• Tien Len Steel Corporation Joint Stock Company	3	22,740	22,740	-	3	22,740	22,740	-
• TASC0 Joint Stock Company	-	-	-	-	80,000	1,025,000,000	904,000,000	(121,000,000)
<b>Non-listed shares</b>								
• Pacific Construction Investment and Commercial Joint Stock Company	500,000	14,000,000,000	(*)	(9,000,000,000)	500,000	14,000,000,000	(*)	(9,000,000,000)
• Ben Thanh Non Nuoc Joint Stock Company	900,000	9,000,000,000	(*)	-	900,000	9,000,000,000	(*)	-
• Toan Cau Insurance Company	180,000	6,300,000,000	(*)	(5,040,000,000)	180,000	6,300,000,000	(*)	(5,040,000,000)
• Ho Chi Minh City Electric Power Trading Investment Corporation	1,350,000	13,500,000,000	(*)	(5,130,000,000)	1,350,000	13,500,000,000	(*)	-
• Hai Phong Securities Joint Stock Company	812	2,052,543	(*)	-	812	2,052,543	(*)	-
		50,844,913,855		(19,170,000,000)		51,869,913,855		(15,175,468,000)
		50,844,913,855		(19,170,000,000)		51,869,913,855		(15,175,468,000)

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

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

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Opening balance	15,175,468,000	15,845,846,319
Increase in allowance during the year	5,130,000,000	1,524,948,000
Allowance utilised during the year	-	(591,600,000)
Written back	(1,135,468,000)	(1,603,726,319)
	<hr/>	<hr/>
Closing balance	19,170,000,000	15,175,468,000
	<hr/>	<hr/>

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

	<b>31/12/2017</b>		<b>1/1/2017</b>	
	<b>Carrying amount VND</b>	<b>Fair value VND</b>	<b>Carrying amount VND</b>	<b>Fair value VND</b>
Short-term deposits	8,550,000,000	8,550,000,000	11,750,000,000	11,750,000,000
	<hr/>			

Short-term deposit at 31 December 2017 included VND6,500 million (1 January 2017: Nil) pledged with banks as security for loans granted to the Group.

**Saigon General Service Corporation and its subsidiaries**

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

31 December 2017	% of equity owned	% of voting rights	Carrying amount VND	Fair value VND	Allowance for diminution in value VND
<b>Equity investments in:</b>					
<b>Associates</b>					
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	34,860,332,594	(*)	-
• Toyota East Saigon Joint Stock Company (TESC) (a)	35.16%	35.16%	72,435,469,630	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company (b)	35.41%	35.41%	25,527,962,512	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	16,429,828,085	(*)	-
• South West Star Automobile Joint Stock Company (c)	43.80%	43.80%	21,436,333,643	(*)	-
• Toyota Ly Thuong Kiet Company Limited (d)	35%	35%	15,834,973,826	(*)	-
• Bac Au Automobile Joint Stock Company	39.81%	39.81%	28,192,701,551	(*)	-
• South Saigon Automobile Service Commercial Investment Joint Stock Company	15.62%	15.62%	3,885,529,321	(*)	-
• Savico Investment Joint Stock Company (e)	40%	40%	63,929,820,396	(*)	-
• Bac Au Hanoi Automobile Limited Company (f)	17.50%	17.50%	5,266,668,731	(*)	-
• Binh Thuan Automotive Service Joint Stock Company (g)	26.03%	26.03%	10,045,138,517	(*)	-
• Ben Thanh Tay Ninh Automobile Corporation (h)	26.03%	26.03%	7,470,753,861	(*)	-
			305,315,512,667		-
<b>Others</b>					
• Other long-term investments			8,689,264,000	(*)	-
			314,004,776,667		-

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1 January 2017	% of equity owned	% of voting rights	Carrying amount VND	Fair value VND	Allowance for diminution in value VND
<b>Equity investments in:</b>					
<b>Associates</b>					
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	34,766,236,353	(*)	-
• Toyota East Saigon Joint Stock Company (TESC)	35.16%	35.16%	61,082,122,037	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company	27.50%	27.50%	14,917,853,871	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	12,741,640,310	(*)	-
• South West Star Automobile Joint Stock Company	43.80%	43.80%	13,457,567,475	(*)	-
• Toyota Ly Thuong Kiet Company Limited	51%	51%	33,739,344,765	(*)	-
• Bac Au Automobile Joint Stock Company	39.81%	39.81%	17,512,179,606	(*)	-
• South Saigon Automobile Service Commercial Investment Joint Stock Company	15.62%	15.62%	3,627,382,800	(*)	-
			191,844,327,217		-
<b>Others</b>					
• Other long-term investments			12,415,264,000	(*)	-
			204,259,591,217		-

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- (\*) At the reporting date, fair value of these investments was not available.
- (a) On 30 June 2017, the Group acquired additionally VND12,307 million of shares of Toyota East Saigon Joint Stock Company (TESC). At the reporting date, the Group fully paid for subscribed shares.
- (b) On 26 November 2017, the Group acquired additionally VND5,500 million of shares of Binh Duong New City Automobile Service Joint Stock Company. At the reporting date, the Group has fully paid for subscribed shares.
- (c) On 18 April 2017, the Group acquired additionally VND6,570 million of shares of South West Star Automobile Joint Stock Company. At the reporting date, the Group fully paid for subscribed shares.
- (d) On 30 October 2017, the Group disposed 31% of shares of Toyota Ly Thuong Kiet Company to Nguyen Binh Trading Investment Co., Ltd at par value and acquired additionally 15% of shares of Toyota Ly Thuong Kiet Company Limited amounting to VND4,925 million and increased the percentage of economic interest from 20% to 35%.
- (e) On 1 March 2017, the Group disposed 60% of shares of Savico Investment Joint Stock Company, amounting to VND72,000 million, to Nguyen Nguyen Group Investment Corporation, a third party, at a consideration of VND63,600 million and lost the control over this investment. Loss on disposal of this investment amounting to VND8,385 million was recorded in the consolidated statement of income.
- On 31 March 2017, the Group acquired additionally VND16,600 million of shares of Savico Investment Joint Stock Company. At the reporting date, the Group fully paid for subscribed shares.
- (f) On 5 June 2017, the Group acquired 25% of shares of Bac Au Hanoi Automobile Limited. At the reporting date, the Group has fully paid for subscribed shares.
- (g) On 27 February 2017, the Group acquired 50% of share of Binh Thuan Automobile Service Joint Stock Company. At the reporting date, the Group has fully paid for subscribed shares.
- (h) On 21 March 2017, the Group acquired 50% of share of Ben Thanh Tay Ninh Automobile Corporation. At the reporting date, the Group has fully paid for subscribed shares.

Movements of investments in associates were as follows:

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Balance at the beginning of the year	191,844,327,217	152,825,091,873
New investments	68,402,469,945	20,750,000,000
Transfer from investment in subsidiaries and other long-term investments	60,400,000,000	3,000,000,000
Share of net profit in associates (net of income tax)	14,315,723,152	19,693,440,554
Dividends from associates	(11,047,007,647)	(4,354,132,500)
Partial disposal of an associate	(18,600,000,000)	-
Liquidation of associates	-	(70,072,710)
	305,315,512,667	191,844,327,217

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Summary of financial position and performance of associates were as follows:

	<b>Total assets as of 31/12/2017 VND</b>	<b>Total liabilities as of 31/12/2017 VND</b>	<b>Owners' equity as of 31/12/2017 VND</b>	<b>Net profit/(loss) after tax 2017 VND</b>
ComfortDelgro Savico Taxi Company	92,606,460,284	5,520,942,938	87,085,517,346	235,064,305
Toyota East Saigon Joint Stock Company (TESC)	482,681,351,597	247,931,698,423	234,749,653,174	16,313,238,600
Binh Duong New City Automobile Service Joint Stock Company	90,547,690,235	56,083,780,086	34,463,910,149	4,416,432,199
Dana Joint Stock Company (DANA FORD)	72,261,760,225	32,339,117,135	39,922,643,090	14,402,194,362
South West Star Automobile Joint Stock Company	67,216,509,232	17,624,063,937	49,592,445,295	3,468,350,996
Toyota Ly Thuong Kiet Company Limited	213,655,108,515	153,633,488,139	60,021,620,376	21,618,133
Bac Au Automobile Joint Stock Company	194,109,835,745	133,557,619,073	60,552,216,672	5,962,544,045
South Saigon Automobile Service Commercial Investment Joint Stock Company	71,246,309,415	58,294,545,014	12,951,764,401	1,000,593,205
Savico Investment Joint Stock Company	166,214,492,012	6,393,470,400	159,821,021,612	(164,026,405)
Bac Au Hanoi Automobile Limited Company	70,225,878,633	50,164,981,873	20,060,896,760	287,441,803
Binh Thuan Automotive Service Joint Stock Company	60,188,618,278	40,118,341,243	20,070,277,035	90,277,035
Ben Thanh Tay Ninh Automobile Corporation	24,107,499,276	9,165,991,555	14,941,507,721	(58,492,279)

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	<b>Total assets as of 1/1/2017 VND</b>	<b>Total liabilities as of 1/1/2017 VND</b>	<b>Owners' equity as of 1/1/2017 VND</b>	<b>Net profit/(loss) after tax 2016 VND</b>
ComfortDelgro Savico Taxi Company	94,307,507,319	7,457,054,278	86,850,453,041	3,289,018,453
Toyota East Saigon Joint Stock Company (TESC)	386,671,696,197	212,659,557,052	174,012,139,145	34,910,625,321
Binh Duong New City Automobile Service Joint Stock Company	108,126,340,960	76,428,863,010	31,697,477,950	3,637,913,333
Dana Joint Stock Company (DANA FORD)	68,660,921,930	37,896,624,611	30,764,297,319	12,174,662,431
South West Star Automobile Joint Stock Company	126,000,242,828	94,876,158,648	31,124,084,180	5,140,525,341
Toyota Ly Thuong Kiet Company Limited	212,891,374,170	129,556,683,927	83,334,690,243	8,364,354,364
Bac Au Automobile Joint Stock Company	117,550,433,796	62,960,895,169	54,589,538,627	(5,410,461,373)
South Saigon Automobile Service Commercial Investment Joint Stock Company	52,354,565,053	40,273,316,741	12,081,248,312	81,248,312

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**7. Accounts receivable from customers**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Customers in relation to sales of merchandise goods	421,818,347,701	373,126,393,523
Customers in relation to rental income	4,057,261,443	7,531,096,621
Customers in relation to sales of real estate	11,392,744,882	13,226,866,859
Other customers	5,696,224,966	4,879,463,416
	<hr/>	<hr/>
	442,964,578,992	398,763,820,419
	<hr/> <hr/>	<hr/> <hr/>

**8. Other receivables**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Deposits for trading used cars on behalf of customers	15,678,169,967	24,704,421,967
Advances to employees	23,299,322,087	19,840,658,502
Short-term deposits	3,703,090,000	6,394,789,570
Others	44,839,217,642	20,479,094,092
	<hr/>	<hr/>
	87,519,799,696	71,418,964,131
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Receivables in business cooperation contracts (*)	106,431,941,568	113,406,731,568
Long-term deposits	52,395,615,531	15,094,801,021
Others	11,878,501,247	13,303,305,631
	<hr/>	<hr/>
	170,706,058,346	141,804,838,220
	<hr/> <hr/>	<hr/> <hr/>

(\*) These receivables related to a real estate investment cooperation agreement with other partners.

There were no movements in the allowance for doubtful long-term debts during the year.



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**9. Inventories**

	31/12/2017		1/1/2017	
	Carrying amount VND	Allowance VND	Carrying amount VND	Allowance VND
Goods in transit	1,707,995,686	-	8,738,144,365	-
Materials and spare parts	9,263,015,115	-	8,358,691,735	(2,420,239,855)
Work in progress	100,735,006,129	-	98,413,666,982	(21,975,574,661)
Finished goods	3,199,863,453	-	766,459,655	-
Merchandise inventories (cars and motorbikes)	606,554,957,529	(2,340,308,192)	754,067,412,038	(690,593,074)
Goods on consignment	457,174,127	-	245,553,688	-
	<b>721,918,012,039</b>	<b>(2,340,308,192)</b>	<b>870,589,928,463</b>	<b>(25,086,407,590)</b>

Work in progress represented residential real estate projects.

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

	2017 VND	2016 VND
Opening balance	25,086,407,590	24,567,431,419
Increase in allowance during the year	1,551,889,252	1,051,497,482
Written back	(24,297,988,650)	(532,521,311)
Closing balance	<b>2,340,308,192</b>	<b>25,086,407,590</b>

At 31 December 2017 inventories with carrying value of VND355,069 million (1 January 2017: VND240,794 million) were pledged with banks as security for loans granted to the Group.

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**10. Tangible fixed assets**

	<b>Buildings VND</b>	<b>Machinery and equipment VND</b>	<b>Office equipment VND</b>	<b>Motor vehicles VND</b>	<b>Others VND</b>	<b>Total VND</b>
<b>Cost</b>						
Opening balance	212,746,421,844	54,903,183,667	10,930,751,188	62,117,871,782	10,152,083,103	350,850,311,584
Additions	6,698,377,919	8,583,381,347	2,603,737,722	35,835,524,185	34,160,000	53,755,181,173
Transfer from construction in progress	96,614,742,557	17,761,119,036	972,681,973	3,244,291,564	-	118,592,835,130
Disposals	(240,580,567)	(540,505,472)	(4,968,556,454)	(33,733,871,337)	-	(39,483,513,830)
Closing balance	315,818,961,753	80,707,178,578	9,538,614,429	67,463,816,194	10,186,243,103	483,714,814,057
<b>Accumulated depreciation</b>						
Opening balance	71,157,061,815	32,392,224,566	6,864,479,425	13,749,760,811	6,075,858,136	130,239,384,753
Charge for the year	24,066,591,852	9,489,338,091	1,576,088,209	10,472,022,136	888,444,829	46,492,485,117
Disposals	(34,486,498)	(487,283,247)	(957,389,417)	(6,981,036,914)	-	(8,460,196,076)
Closing balance	95,189,167,169	41,394,279,410	7,483,178,217	17,240,746,033	6,964,302,965	168,271,673,794
<b>Net book value</b>						
Opening balance	141,589,360,029	22,510,959,101	4,066,271,763	48,368,110,971	4,076,224,967	220,610,926,831
Closing balance	220,629,794,584	39,413,699,168	2,055,436,212	50,223,070,161	3,121,140,138	315,443,140,263

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Included in the cost of tangible fixed assets were assets costing VND29,241 million which were fully depreciated as of 31 December 2017 (1 January 2017: VND35,849 million), but which are still in active use.

At 31 December 2017 tangible fixed assets with carrying value of VND90,996 million (1 January 2017: VND41,434 million) were pledged with banks as security for loans granted to the Group.

## 11. Intangible fixed assets

	<b>Indefinite lived land use rights VND</b>	<b>Definite lived land use rights VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>				
Opening balance	20,697,299,091	10,932,464,000	2,712,679,350	34,342,442,441
Additions	-	51,211,524,140	1,430,232,000	52,641,756,140
Transfer from construction in progress	-	-	345,093,675	345,093,675
Closing balance	20,697,299,091	62,143,988,140	4,488,005,025	87,329,292,256
<b>Accumulated amortisation</b>				
Opening balance	-	4,178,190,742	2,311,795,541	6,489,986,283
Charge for the year	-	235,392,840	1,612,685,918	1,848,078,758
Closing balance	-	4,413,583,582	3,924,481,459	8,338,065,041
<b>Net book value</b>				
Opening balance	20,697,299,091	6,754,273,258	400,883,809	27,852,456,158
Closing balance	20,697,299,091	57,730,404,558	563,523,566	78,991,227,215

Included in the cost of intangible fixed assets were assets costing VND1,915 million which were fully depreciated as of 31 December 2017 (1 January 2017: VND1,815 million), but which are still in active use.

At 31 December 2017 intangible fixed assets with carrying value of VND20,697 million (1 January 2017: VND20,697 million) were pledged with banks as security for loans granted to the Group.

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## 12. Investment property

### Investment property held to earn rental

	Land use rights VND	Buildings VND	Total VND
<b>Cost</b>			
Opening balance	68,707,047,550	736,899,537,661	805,606,585,211
Additions	-	77,803,547,887	77,803,547,887
Closing balance	68,707,047,550	814,703,085,548	883,410,133,098
<b>Accumulated depreciation</b>			
Opening balance	10,570,473,702	138,075,212,185	148,645,685,887
Charge for the year	-	23,215,889,150	23,215,889,150
Closing balance	10,570,473,702	161,291,101,335	171,861,575,037
<b>Net book value</b>			
Opening balance	58,136,573,848	598,824,325,476	656,960,899,324
Closing balance	58,136,573,848	653,411,984,213	711,548,558,061

Included in the cost of investment properties held to earn rental were assets costing VND8,748 million which were fully depreciated as of 31 December 2017 (1 January 2017: VND8,748 million), but which are still in active use.

At 31 December 2017 investment properties held to earn rental with carrying value of VND526,286 million (1 January 2017: VND539,959 million) were pledged with banks as security for loans granted to the Group.

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

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**13. Construction in progress**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Opening balance	334,830,529,720	171,438,939,997
Additions during the year	344,533,978,169	125,632,131,916
Transfer to inventories	(57,543,338,423)	(56,793,573,710)
Transfer to tangible fixed assets	(118,592,835,130)	(11,215,484,522)
Transfer to intangible fixed assets	(345,093,675)	-
Transfer from tangible fixed assets	-	855,158,177
Transfer from intangible fixed assets	-	48,420,707,683
Transfer from investment property	-	57,306,554,900
Written off	-	(813,904,721)
Decrease through partial disposal of a subsidiary (Note 5)	(119,736,880,000)	-
	<hr/>	<hr/>
Closing balance	383,146,360,661	334,830,529,720
	<hr/>	<hr/>

Major constructions in progress were as follows:

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Mecure Son Tra, Da Nang Project	84,351,999,406	84,351,999,406
104 Pho Quang Project	263,154,634,444	37,264,371,710
Showroom of Savico Ha Noi	18,611,153,039	-
Showroom of Toyota Nam Dinh Branch of Toyota Giai Phong Joint Venture Company, a subsidiary	15,580,216,010	-
Showroom of Toyota Can Tho Company Limited, a subsidiary	676,615,951	16,835,211,045
Ho Tram, Xuyen Moc Project	243,853,083	243,853,083
Auto Mall Project	155,027,000	16,156,292,671
Show room Hyundai Song Han	90,272,728	-
66 – 68 Nam Ky Khoi Nghia Project	-	119,404,383,323
Showroom of Nam Song Hau Automobile Joint Stock Company, a subsidiary	-	45,690,790,037
Showroom of Saigon North West Automobile Joint Stock Company, a subsidiary	-	9,671,858,522
Showroom of Binh Dinh Automobile Corporation Company, a subsidiary	-	3,422,326,923
Volvo showroom	-	1,739,843,000
Others	282,589,000	49,600,000
	<hr/>	<hr/>
	383,146,360,661	334,830,529,720
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**14. Prepaid expenses**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Office and house rental	827,806,770	6,684,832,123
Tools and supplies	2,901,392,174	3,604,902,340
Others	7,950,449,135	8,180,920,886
	<hr/>	<hr/>
	11,679,648,079	18,470,655,349
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Tools and supplies	10,242,179,982	4,985,807,415
Prepaid land costs	2,108,990,485	3,311,434,317
Renovation expenses	1,187,170,471	1,734,948,016
Others	6,307,454,819	6,021,981,668
	<hr/>	<hr/>
	19,845,795,757	16,054,171,416
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**15. Accounts payable to suppliers**

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

	31/12/2017		1/1/2017	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Hyundai Thanh Cong Auto Viet Nam Joint Stock Company Suppliers in relation to Ford Brand	34,450,439,189	34,450,439,189	71,055,270,000	71,055,270,000
Suppliers in relation to Toyota Brand	10,769,868,725	10,769,868,725	16,083,917,377	16,083,917,377
Hino Motor Vietnam Limited	10,957,339,007	10,957,339,007	7,301,678,645	7,301,678,645
Veam Motor Vietnam Limited	52,784,432,553	52,784,432,553	23,375,799,766	23,375,799,766
Other suppliers	39,926,097,872	39,926,097,872	2,785,458,704	2,785,458,704
	58,689,983,230	58,689,983,230	62,604,022,405	62,604,022,405
	<b>207,578,160,576</b>	<b>207,578,160,576</b>	<b>183,206,146,897</b>	<b>183,206,146,897</b>

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**16. Taxes and other payables to State Treasury**

**(a) Taxes and other payables to State Treasury**

	1/1/2017 VND	Incurred VND	Net-off/ Reclassification VND	Paid VND	31/12/2017 VND
<b>Taxes</b>					
Value added tax	18,010,207,655	1,519,598,515,019	(1,221,925,454,623)	(299,545,152,160)	16,138,115,891
Corporate income tax	17,438,002,792	34,353,137,775	(210,617,065)	(40,155,148,919)	11,425,374,583
Personal income tax	3,768,337,781	16,682,569,659	95,014,877	(17,427,529,354)	3,118,392,963
<b>Other obligations</b>					
Land rental	54,948,413	289,827,076,870	-	(289,882,025,283)	-
Other obligations	1,659,110,996	9,235,944,587	-	(10,555,730,927)	339,324,656
	40,930,607,637	1,869,697,243,910	(1,222,041,056,811)	(656,770,084,326)	31,021,208,093

**(b) Taxes receivable from State Treasury**

	1/1/2017 VND	Net-off/ Reclassification VND	31/12/2017 VND
<b>Taxes</b>			
Corporate income tax	911,104,505	(210,617,065)	700,487,440
Personal income tax	2,788,754	95,014,877	97,803,631
	913,893,259	(115,602,188)	798,291,071

**17. Accrued expenses**

	31/12/2017 VND	1/1/2017 VND
Interest on borrowings	1,060,408,211	847,851,670
Rental fees	326,454,546	768,000,000
Salary and related expenses	8,951,134,473	5,520,419,349
Professional service fees	9,391,282,377	9,831,409,581
Accrued expenses for operating expenses	6,832,410,408	6,934,482,850
Others	20,395,994,124	20,124,537,821
	46,957,684,139	44,026,701,271



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**18. Unearned revenue**

**(a) Unearned revenue – short-term**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Warranty and customer care services	2,669,058,100	34,640,000
Buildings rental revenue received in advance	-	67,252,462
Portion of long-term unearned revenue to be realised within 12 months	6,857,364,729	6,698,834,547
Others	281,309,396	6,399,242
	<hr/>	<hr/>
	9,807,732,225	6,807,126,251
	<hr/> <hr/>	<hr/> <hr/>

**(b) Unearned revenue – long-term**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Buildings rental revenue received in advance	90,702,964,729	97,014,834,547
Amount to be realised within 12 months	(6,857,364,729)	(6,698,834,547)
	<hr/>	<hr/>
Amount to be realised after 12 months	83,845,600,000	90,316,000,000
	<hr/> <hr/>	<hr/> <hr/>

**19. Other payables**

**(a) Other payables – short-term**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Dividends payable	1,362,239,925	1,359,883,505
Instalment contribution received from customers in relation to Tam Binh Residential Project	36,686,014,014	48,784,436,509
Payable to a third party in a real estate project (*)	338,409,629,546	86,080,042,873
Payable to a third party in relation to land rental paid on behalf of the Company	43,755,483,552	-
Payables to customers	3,613,219,302	3,186,211,761
Insurance premium collected on behalf of insurance agencies	1,459,504,445	3,976,194,008
Others	24,083,721,842	16,258,157,766
	<hr/>	<hr/>
	449,369,812,626	159,644,926,422
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(\*) Payable to a party of a real estate project represented advance from this party under the Cooperation Agreement dated 10 July 2014 on a project at 104 Pho Quang.

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**(b) Other payables – long-term**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Long-term deposits received	67,953,382,822	65,823,106,392
Shared profit from associate to a third party	-	4,865,984,384
Other long-term payables (*)	24,239,513,834	40,331,555,492
Amount due after 12 months	92,192,896,656	111,020,646,268

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Binh An Project	24,239,513,834	24,239,513,834
Land rental payable to land lessor	-	16,092,041,658
	24,239,513,834	40,331,555,492

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**20. Borrowings**

**(a) Short-term borrowings**

	1/1/2017		Movements during the year		31/12/2017	
	Carrying amount VND	Amount within repayment capacity VND	Increase VND	Decrease VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	932,797,817,691	932,797,817,691	8,417,722,765,057	(8,519,717,298,419)	830,803,284,329	830,803,284,329
Current portion of long-term borrowings	25,153,217,200	25,153,217,200	25,014,134,558	(25,153,217,200)	25,014,134,558	25,014,134,558
	957,951,034,891	957,951,034,891	8,442,736,899,615	(8,544,870,515,619)	855,817,418,887	855,817,418,887

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

	Currency	Annual interest rate	31/12/2017 VND	1/1/2017 VND
▪ Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	5% - 8.30%	350,571,411,328	174,970,896,352
▪ Vietnam Thuong Tin Commercial Joint Stock Bank (Vietbank)	VND	5% - 8.50%	211,047,850,904	45,792,690,000
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	5% - 7%	94,222,007,053	295,278,290,257
▪ HSBC Bank (Vietnam) Ltd.	VND	4.60% - 5.50%	91,869,420,900	89,645,324,800
▪ ANZ Bank Vietnam Limited	VND	4.50% - 4.80%	46,119,997,200	32,165,721,250
▪ Military Commercial Joint Stock Bank (MB Bank)	VND	6.80% - 8.60%	13,467,336,261	70,047,963,500
▪ Bank for Investment and Development of Vietnam (BIDV)	VND	6.80%	10,429,238,354	2,870,005,000
▪ Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	6%	8,231,959,829	-
▪ Vietnam Prosperity Joint Stock Commercial Bank (VP Bank)	VND	7.20%	3,544,062,500	19,293,089,273
▪ Loan from an individual	VND	5.80% - 8.50%	1,300,000,000	1,300,000,000
▪ Mizuho Bank, Ltd.	VND	2.70% - 5.40%	-	15,000,000,000
▪ Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank)	VND	8.50%	-	19,264,105,259
▪ Sumitomo Mitsui Banking Corporation (SMBC)	VND	2.60% - 5.60%	-	48,000,000,000
▪ Vietnam Technological and Commercial Joint Stock Bank (Techcombank)	VND	7.20%	-	6,207,300,000
▪ The Bank of Tokyo Mitsubishi UFJ, Ltd.	VND	1.75% - 3.75%	-	89,500,000,000
▪ Vietnam International Commercial Joint Stock Bank (VIB)	VND	5.50% - 6%	-	18,462,432,000
▪ Orient Commercial Joint Stock Bank (OCB)	VND	8.50%	-	5,000,000,000
			830,803,284,329	932,797,817,691

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Included in short-term borrowings were VND174,011 million (1 January 2017: VND225,454 million) unsecured and VND656,792 million (1 January 2017: VND707,344 million) secured by the following assets:

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Cash equivalents	9,414,870,000	4,257,690,000
Inventories	382,141,735,049	213,229,659,734
Short-term investments	6,500,000,000	-
Tangible fixed assets	8,424,427,947	10,157,093,049
	<hr/>	<hr/>
	406,481,032,996	227,644,442,783
	<hr/> <hr/>	<hr/> <hr/>

**(b) Long-term borrowings**

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Long-term borrowings	397,968,905,746	384,770,941,895
Repayable within twelve months	(25,014,134,558)	(25,153,217,200)
	<hr/>	<hr/>
Repayable after twelve months	372,954,771,188	359,617,724,695
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Terms and conditions of outstanding long-term borrowings were as follows:

	<b>Currency</b>	<b>Annual interest rate</b>	<b>Year of maturity</b>	<b>31/12/2017 VND</b>	<b>1/1/2017 VND</b>
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	10%	2020	293,985,585,900	297,300,000,000
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	8%	2029	40,000,000,000	-
▪ Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	8%	2025	20,400,000,000	23,642,848,800
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	7.10%	2022	14,325,811,468	19,325,811,468
▪ Vietnam Public Joint Stock Commercial Bank (Pvcombank)	VND	9.50% - 12%	2024	11,565,010,993	12,590,635,783
▪ Orient Commercial Joint Stock Bank (OCB)	VND	10% - 10.40%	2025	8,900,000,000	10,100,000,000
▪ Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	9%	2019	6,200,000,000	-
▪ Vietnam International Commercial Bank (Vietbank)	VND	7.20% - 7.60%	2019	1,054,967,893	2,000,576,293
▪ Military Commercial Joint Stock Bank (MB Bank)	VND	9.50%	2018	867,514,158	2,971,250,539
▪ Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	8.50% - 10.50%	2021	670,015,334	871,027,334
▪ Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	10% - 10.50%	2022	-	13,018,791,678
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	11%	2019	-	2,500,000,000
▪ Ho Chi Minh Development Joint Stock Commercial Bank (HDbank)	VND	8%	2020	-	450,000,000
				397,968,905,746	384,770,941,895

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Included in long-term borrowings were VND8,900 million of unsecured borrowings (1 January 2017: VND10,550 million) and VND389,069 million of borrowings (1 January 2017: VND374,221 million) secured by the following assets:

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Inventories	-	27,564,760,190
Tangible fixed assets	82,572,007,348	31,277,368,199
Intangible fixed assets	20,697,299,091	20,697,299,091
Investment properties	526,286,191,862	539,958,957,655
Construction in progress	-	32,991,503,716
	<hr/>	<hr/>
	629,555,498,301	652,489,888,851
	<hr/>	<hr/>

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

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

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Opening balance	22,168,124,301	15,839,027,240
Appropriation from retained profits (Note 22)	3,700,978,148	16,008,880,890
Re-appropriation to retained profits (Note 22)	(3,000,000,000)	-
Utilisation during the year	(8,945,995,694)	(9,679,783,829)
	<hr/>	<hr/>
Closing balance	13,923,106,755	22,168,124,301
	<hr/>	<hr/>

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**22. Changes in owners' equity**

	Share capital VND	Share premium VND	Other capital VND	Treasury shares VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1 January 2016</b>	249,955,730,000	317,064,858,303	-	(690,474,358)	43,550,163,077	198,727,250,046	252,525,118,016	1,061,132,645,084
Net profit for the year	-	-	-	-	-	122,992,852,474	50,826,950,026	173,819,802,500
Capital contribution by non-controlling interest	-	-	-	-	-	-	22,392,800,000	22,392,800,000
Appropriation to equity fund	-	-	-	-	3,106,875,899	(3,106,875,899)	-	-
Appropriation to bonus and welfare fund (Note 21)	-	-	-	-	-	(16,008,880,890)	-	(16,008,880,890)
Dividends (Note 24)	-	-	-	-	-	(34,965,709,800)	(30,251,713,651)	(65,217,423,451)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(3,633,650,904)	-	(3,633,650,904)
Share dividends received from a subsidiary	-	-	2,550,000,000	-	-	(2,550,000,000)	-	-
<b>Balance at 1 January 2017</b>	249,955,730,000	317,064,858,303	2,550,000,000	(690,474,358)	46,657,038,976	261,454,985,027	295,493,154,391	1,172,485,292,339
Net profit for the year	-	-	-	-	-	81,633,249,712	57,422,377,086	139,055,626,798
Capital contribution by non-controlling interest	-	-	-	-	-	-	30,128,740,000	30,128,740,000
Appropriation to equity funds	-	-	-	-	1,870,782,882	(1,870,782,882)	-	-
Appropriation to bonus and welfare fund (Note 21)	-	-	-	-	-	(2,049,094,694)	(1,651,883,454)	(3,700,978,148)
Re-Appropriation to bonus and welfare fund (Note 21)	-	-	-	-	-	3,000,000,000	-	3,000,000,000
Dividends (Note 24)	-	-	-	-	-	(29,970,608,400)	(29,262,352,512)	(59,232,960,912)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	-	(3,089,994,040)	(698,274,798)	(3,788,268,838)
Share dividends received from a subsidiary	-	-	12,300,000,000	-	(988,652,746)	(11,311,347,254)	-	-
Decreased through partial disposal of subsidiary (Note 5)	-	-	-	-	-	-	(599,925,240)	(599,925,240)
<b>Balance at 31 December 2017</b>	249,955,730,000	317,064,858,303	14,850,000,000	(690,474,358)	47,539,169,112	297,796,407,469	350,831,835,473	1,277,347,525,999



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## 23. Share capital

The Company's authorised and issued share capital are:

	31/12/2017		1/1/2017	
	Number of shares	VND	Number of shares	VND
Authorised share capital	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Issued ordinary shares	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Treasury ordinary shares	(20,066)	(690,474,358)	(20,066)	(690,474,358)
Ordinary shares currently in circulation	24,975,507	249,265,255,642	24,975,507	249,265,255,642

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

There were no movements in share capital during the year.

## 24. Dividends

The General Meeting of Shareholders of the Company on 31 March 2017 resolved to distribute dividends of 2016 amounting to VND29,971 million (2016: VND34,966 million), which is equal to 12% of par value of shares in circulation at that time.

## 25. Investment and development fund

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

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**26. Off balance sheet items**

**(a) Leases**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Within one year	68,304,685,125	55,451,537,221
From two to five years	279,568,218,919	168,454,792,433
Over five years	197,293,850,095	250,098,583,482
	<hr/>	<hr/>
	545,166,754,139	474,004,913,136
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
Goods held for third parties	216,346,324,401	195,199,287,268
	<hr/>	<hr/>

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

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

Net revenue comprised of:

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Total revenue		
▪ Sales of real estate	16,340,873,687	120,048,476,587
▪ Sales of merchandise goods	12,702,430,569,632	12,660,921,393,799
▪ Services rendered	910,629,033,908	715,488,858,533
▪ Rental income	165,324,387,064	165,413,518,026
	<hr/>	<hr/>
	13,794,724,864,291	13,661,872,246,945
Less revenue deductions	(13,418,108,557)	(12,749,646,528)
	<hr/>	<hr/>
Net revenue	13,781,306,755,734	13,649,122,600,417
	<hr/> <hr/>	<hr/> <hr/>

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**28. Cost of goods sold and services provided**

	<b>2017</b> <b>VND</b>	<b>2016</b> <b>VND</b>
Cost of real estate sold	9,705,017,756	102,847,216,723
Merchandise goods sold	12,461,214,310,341	12,410,468,193,440
Services rendered	555,539,249,896	363,009,487,554
Investment property rental services	57,204,498,462	59,524,331,606
(Reversal of allowance)/allowance for inventories	(22,746,099,398)	518,976,171
	<hr/>	<hr/>
	13,060,916,977,057	12,936,368,205,494
	<hr/>	<hr/>

**29. Financial income**

	<b>2017</b> <b>VND</b>	<b>2016</b> <b>VND</b>
Interest income from deposits	3,833,731,149	3,068,516,495
Income from security trading	35,000,000	1,252,300,644
Dividends	3,955,929,300	3,153,564,300
Foreign exchange gains	711,323	688,009,469
Other financial income	13,445,603,736	7,430,748,317
	<hr/>	<hr/>
	21,270,975,508	15,593,139,225
	<hr/>	<hr/>

**30. Financial expenses**

	<b>2017</b> <b>VND</b>	<b>2016</b> <b>VND</b>
Interest expense	90,915,434,287	66,862,508,991
Loss on partial disposal of investment in a subsidiary	8,385,122,777	-
Losses from security trading	-	1,888,650,244
Losses from liquidation of investments in associates	-	70,072,710
Security trading expenses	2,120,000	51,531,412
Foreign exchange losses	1,352,400	15,964,137
Allowance/(reversal of allowance) for diminution in the value of trading securities	3,994,532,000	(78,778,319)
Other financial expenses	4,575,656,035	2,082,674,437
	<hr/>	<hr/>
	107,874,217,499	70,892,623,612
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**31. Selling expenses**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Labour costs and staff costs	196,515,118,670	170,828,641,809
Outside service expenses	82,804,219,761	69,832,732,161
Depreciation expenses	12,354,760,403	14,617,967,143
Tools and supplies	22,709,174,148	18,949,585,800
Support and commission expenses for distributors	25,135,449,251	29,015,586,886
Others	75,599,032,457	23,371,152,369
	<hr/>	<hr/>
	415,117,754,690	326,615,666,168
	<hr/> <hr/>	<hr/> <hr/>

**32. General and administration expenses**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Labour costs and staff costs	108,046,674,768	97,927,166,623
Outside service expenses	56,881,146,008	52,836,231,854
Depreciation expenses	14,367,120,609	7,915,669,468
Others	63,057,520,868	51,524,721,081
	<hr/>	<hr/>
	242,352,462,253	210,203,789,026
	<hr/> <hr/>	<hr/> <hr/>

**33. Other income**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Gains on disposals of tangible fixed assets	1,694,002,773	2,048,087,583
Deductions in payables granted by suppliers	126,965,249,954	36,860,704,421
Commission received from other parties	38,213,006,884	22,713,837,638
Compensation received from a party for cancellation of agreement	396,605,869	309,000,000
Others	18,934,037,128	13,100,321,599
	<hr/>	<hr/>
	186,202,902,608	75,031,951,241
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**34. Other expenses**

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Losses on fixed assets written off	-	314,463,860
Losses on construction in progress written off	-	813,904,721
Compensation paid to customers for cancellation of agreements	369,120,000	630,652,210
Tax penalties for late payments	662,585,057	982,111,528
Others	1,816,625,317	465,744,794
	2,848,330,374	3,206,877,113
	2,848,330,374	3,206,877,113

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

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Cost of real estate sold	9,705,017,756	102,847,216,723
Cost of merchandise goods	12,734,292,664,568	12,454,697,647,419
Labour costs and staff costs	416,988,804,987	365,962,775,579
Depreciation and amortisation	71,556,453,025	55,968,378,088
Outside services	260,003,119,736	209,455,141,273
Other expenses	225,841,133,928	284,256,501,606
	2,848,330,374	3,206,877,113
	2,848,330,374	3,206,877,113

**36. Income tax**

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

	<b>31/12/2017</b>	<b>1/1/2017</b>
	<b>VND</b>	<b>VND</b>
<b>Deferred tax assets</b>		
Accrued expenses	2,584,589,729	2,227,769,239
Tax losses carry-forwards	-	948,085,753
	2,584,589,729	3,175,854,992
	2,584,589,729	3,175,854,992

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

	<b>2017</b> <b>VND</b>	<b>2016</b> <b>VND</b>
<b>Current tax expense</b>		
Current year	33,459,518,503	37,831,746,134
Under provision in prior years	893,619,272	1,087,251,913
	34,353,137,775	38,918,998,047
<b>Deferred tax expenses/(benefit)</b>		
Origination and reversal of temporary differences	(370,235,197)	363,255,230
Benefit of tax losses utilised/(recognised)	948,085,753	(948,085,753)
	577,850,556	(584,830,523)
Income tax expense	34,930,988,331	38,334,167,524

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

	<b>2017</b> <b>VND</b>	<b>2016</b> <b>VND</b>
Profit before tax	173,986,615,129	212,153,970,024
Tax at income rate applicable to the Company	34,797,323,026	42,430,794,005
Non-deductible expenses	1,296,958,299	182,579,881
Non-taxable income	(1,523,056,169)	(5,062,398,412)
Deferred tax assets not recognised	1,254,788,040	2,041,960,592
Deferred tax assets not recognised on reversal of allowance for diminution in the value of investments in subsidiaries and associates	(1,788,644,137)	(2,346,020,455)
Under provision in prior years	893,619,272	1,087,251,913
	34,930,988,331	38,334,167,524

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

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**(d) Applicable tax rates**

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

**37. Basic earnings per share**

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

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

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Net profit attributable to ordinary shareholders of Saigon General Service Corporation	81,633,249,712	122,992,852,474
Appropriation to bonus and welfare fund	(2,049,094,694)	(16,008,880,890)
Re-appropriation to retained profits	3,000,000,000	-
Appropriation to Board of Management and Supervisory Board fee fund	(3,089,994,040)	(3,633,650,904)
	<hr/>	<hr/>
	79,494,160,978	103,350,320,680
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
	<b>of shares</b>	<b>of shares</b>
Weighted average number of ordinary shares	24,975,507	24,975,507
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As of 31 December 2017, the Group did not have potentially dilutive ordinary shares.

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### 38. Significant transactions with related parties

#### Identity of related parties

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

#### Transactions with key management personnel

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

	<b>2017</b>	<b>2016</b>
	<b>VND</b>	<b>VND</b>
Board of Management	2,184,000,000	2,061,138,000
Board of Directors	438,680,000	542,862,000
Supervisory Board	613,200,000	502,500,000
	3,235,880,000	3,106,500,000

#### Other related party transactions

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

<b>Related party</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>2017</b>	<b>2016</b>
			<b>VND</b>	<b>VND</b>
Toyota East Saigon Joint Stock Company (TESC)	Associate	Capital contribution	12,307,350,000	-
		Purchases of cars	3,170,909,089	39,436,363,620
		Purchases of fixed assets	5,346,478,180	-
		Dividends	4,114,170,000	3,085,627,500
South West Start Automobile Joint Stock Company	Associate	Capital contribution	6,570,000,000	-
		Loan granted to associate	-	3,000,000,000
		Other financial income	40,833,333	-
Toyota Ly Thuong Kiet Company Limited	Associate	Capital contribution	4,925,119,945	-
		Sales of cars	31,759,830,942	30,482,014,995
		Purchases of cars	29,786,267,735	55,762,372,730
		Dividends	11,900,691,000	-
		Loan granted to associate	15,000,000,000	-
Savico Investment Joint Stock Company	Associate	Capital contribution	16,600,000,000	-
		Loan granted to associate	10,000,000,000	-
		Purchase of service	1,188,927,266	-
		Other financial income	92,083,333	-



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Related party	Relationship	Nature of transaction	2017 VND	2016 VND
Bac Au Hanoi Automobile Limited Company	Associate	Capital contribution	5,000,000,000	-
		Sales of service	2,547,601,405	-
Binh Duong New City Automobile Service Joint Stock Company	Associate	Capital contribution	5,500,000,000	-
		Dividends	453,750,000	-
Binh Thuan Automotive Service Joint Stock Company	Associate	Capital contribution	10,000,000,000	-
Ben Thanh Tay Ninh Automobile Corporation	Associate	Capital contribution	7,500,000,000	-
Dana Joint Stock Company (DANA FORD)	Associate	Sales of cars	3,461,567,301	1,729,595,800
		Purchase of cars	-	1,463,636,363
		Dividends	1,812,150,000	1,268,505,000
		Other income	82,233,668	-
Bac Au Automobile Joint Stock Company	Associate	Capital contribution	-	30,200,000,000
Ben Thanh Group	Shareholder	Disposals of investment	-	12,000,000,000

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39. Non-cash investing activities

	2017 VND	2016 VND
Net-off accounts receivable from customers against other payables – long-term in relation to sales of real estate	-	81,002,654,520
Investment property acquired but not yet paid	43,755,483,552	-
Net off receivables from disposal of investments in associate against other payables – long-term	18,600,000,000	-
Net-off receivables from disposal of investments in subsidiary against advances from customers	10,000,000,000	-
Investments in associate acquired by netting-off against loan receivables – short-term	9,800,000,000	-
Investment in associates acquired by netting off against other receivables – short-term	800,000,000	-
Netting off account receivable from customers against loan receivables – short-term	200,000,000	-

20 March 2018

Prepared by:

  
 Ngo Van Danh  
 Chief Accountant

Approved by:

  
  
 Mai Viet Ha  
 General Director