

# **CONSOLIDATED FINANCIAL STATEMENTS**

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**HOANG HUY INVESTMENT FINANCIAL SERVICES  
JOINT STOCK COMPANY**

For the fiscal year ended 31 December 2014  
(Audited)

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## REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Hoang Huy Investment Financial Services Joint Stock Company ("The Company") presents its report and the Company's Consolidated Financial Statements for the fiscal year ended 31 December, 2014.

### THE COMPANY

Hoang Huy Investment Financial Services Joint Stock Company was established and operates under the Business Certificate No 0200117929 (applied for Joint Stock Company) firstly issued by Hai Phong Department of Planning and Investment on 25 December, 2007 and the Certificate of sixth amendment dated 10 January, 2014.

The Company's head office is located at No. 116 Nguyen Duc Canh Street, Le Chan District, Hai Phong City.

### BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISORS

The members of the Board of Management during the year and to the reporting date include:

Mr. Do Huu Ha	Chairman
Mr. Do Huu Hung	Member
Mrs. Nguyen Thi Ha	Member

The members of the Board of General Directors during the year and to the reporting date include:

Mr. Do Huu Ha	General Director
Mrs. Tran Thi Hoang Ha	Deputy General Director
Mr. Do Huu Hau	Deputy General Director

The members of the Board of Supervisors are:

Mrs. Nguyen Thi Tuoi	Head Supervisor
Mrs. Phan Thi Thu Huong	Member
Mrs. Nguyen Thi Thuy Nga	Member

### AUDITORS

The auditors of the AASC Auditing Firm Company Limited take the audit of the Consolidated Financial statements for the Company.

### STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF CONSOLIDATED FINANCIAL STATEMENTS

The Board of General Directors is responsible for the consolidated financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of results of its operation and its cash flows for the year. In preparing those consolidated financial statements, the Board of General Directors is required to:

- Establish and maintain of an internal control system which is determined necessary by the Board of General Directors and Those charged with governance to ensure the preparation and presentation of consolidated financial
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;

- Prepare the consolidated financial statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the current requirements relevant to preparation and presentation of
- Prepare the consolidated financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the consolidated financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the consolidated financial statements for the fiscal year ended 31 December 2014 prepared by us, give a true and fair view of the financial position at 31 December 2014, results of its operations and its cash flows in the year 2014 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the current requirements relevant to preparation and presentation of financial statements.

On behalf of the Board of General Directors



**Đo Hữu Hà**

General Director

*Hai Phong, 30 December, 2015*



## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Management and Board of General Directors  
Hoang Huy Investment Financial Services Joint Stock Company**

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Hoang Huy Investment Financial Services Joint Stock Company prepared on 30 December, 2015, as set out on pages 06 to 30, including: consolidated statement of financial position as at 31 December 2014, consolidated statement of comprehensive income, consolidated statement of cash flows and Notes to consolidated financial statements for the year ended 31 December 2014.

### Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as management 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

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### 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 Hoang Huy Investment Financial Services Joint Stock Company as at 31 December 2014, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.



**AASC Auditing Firm Company Limited**

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**Cat Thi Ha**

Deputy General Director

Registered Auditor No. 0725-2013-002-1

Hanoi, 31 December, 2015

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**Nguyen Ngoc Lan**

Auditor

Registered Auditor No. 1427-2013-002-1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

Code	ASSETS	Note	31/12/2014 VND	01/01/2014 VND
100	<b>A. CURRENT ASSETS</b>		<b>1,346,613,029,743</b>	<b>1,270,066,454,070</b>
110	<b>I. Cash and cash equivalents</b>	03	<b>71,619,606,172</b>	<b>19,521,314,931</b>
111	1. Cash		61,619,606,172	19,521,314,931
112	2. Cash equivalents		10,000,000,000	-
130	<b>III. Short - term accounts receivable</b>		<b>65,399,615,117</b>	<b>84,741,624,693</b>
131	1. Trade receivables		27,897,807,255	4,739,337,803
132	2. Advances to suppliers		37,371,949,255	61,131,177,141
135	3. Other receivables	04	129,858,607	18,871,109,749
140	<b>IV. Inventories</b>	05	<b>1,208,327,140,889</b>	<b>1,162,122,729,724</b>
141	1. Inventories		1,208,327,140,889	1,162,122,729,724
150	<b>V. Other current assets</b>		<b>1,266,667,565</b>	<b>3,680,784,722</b>
151	1. Short - term prepaid expenses		318,486,919	278,178,396
152	2. VAT deductible		1,763,337	2,628,302,994
154	3. Taxes and other receivables from the State	06	147,547	678,426,482
158	4. Other current assets		946,269,762	95,876,850
200	<b>B. NON- CURRENT ASSETS</b>		<b>385,741,751,691</b>	<b>324,574,175,469</b>
220	<b>II. Fixed assets</b>		<b>99,574,801,871</b>	<b>108,435,345,479</b>
221	1. Tangible fixed assets	07	44,141,860,763	54,479,618,957
222	- Cost		85,785,900,379	98,237,705,449
223	- Accumulated depreciation		(41,644,039,616)	(43,758,086,492)
227	2. Intangible fixed assets	08	53,756,890,199	53,955,726,522
228	- Cost		56,348,485,890	56,363,485,890
229	- Accumulated amortization		(2,591,595,691)	(2,407,759,368)
230	3. Construction in progress	09	1,676,050,909	-
250	<b>IV. Long - term financial investments</b>	10	<b>286,166,949,820</b>	<b>215,996,561,111</b>
252	1. Investments in joint-ventures, associates		286,166,949,820	215,996,561,111
260	<b>V. Other long-term assets</b>		-	<b>142,268,879</b>
261	1. Long - term prepaid expenses		-	142,268,879
270	<b>TOTAL ASSETS</b>		<b>1,732,354,781,434</b>	<b>1,594,640,629,539</b>



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

(Continued)

Code	RESOURCES	Note	31/12/2014 VND	01/01/2014 VND
<b>300</b>	<b>A. LIABILITIES</b>		<b>1,002,029,450,623</b>	<b>1,117,108,654,304</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>990,500,508,711</b>	<b>1,110,562,044,681</b>
311	1. Short - term loans and debts	11	92,841,620,258	204,989,710,901
312	2. Trade payables		115,661,560,581	44,957,370,761
313	3. Advances from customers		28,389,893,454	23,303,484,298
314	4. Tax payables and statutory obligations	12	50,999,958,691	362,150,268
315	5. Payables to employees		18,207,017	3,323,077
316	6. Accrued expenses	13	301,025,318,982	-
319	7. Other payables	14	401,426,353,665	836,808,409,313
323	8. Bonus and welfare fund		137,596,063	137,596,063
<b>330</b>	<b>II. Long-term liabilities</b>		<b>11,528,941,912</b>	<b>6,546,609,623</b>
333	1. Other long-term payables		1,528,941,912	-
334	2. Long - term loans and debts	15	10,000,000,000	6,546,609,623
<b>400</b>	<b>B. OWNER'S EQUITY</b>		<b>635,057,873,593</b>	<b>437,391,348,074</b>
<b>410</b>	<b>I. Equity</b>	<b>16</b>	<b>635,057,873,593</b>	<b>437,391,348,074</b>
411	1. Contributed legal capital		464,986,750,000	434,986,750,000
420	2. Undistributed earnings		170,071,123,593	2,404,598,074
<b>439</b>	<b>C. NON-CONTROLLING INTEREST</b>	<b>17</b>	<b>95,267,457,218</b>	<b>40,140,627,161</b>
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>1,732,354,781,434</b>	<b>1,594,640,629,539</b>

Preparer

Nguyen Thi Thu Huong

Chief Accountant

Phung Thi Thu Huong

Prepared 30 December, 2015

General Director



Do Huu Ha



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year 2014

Code	ITEMS	Note	Year 2014 VND	Year 2013 VND
01	1. Revenue from sale of goods and rendering of services	18	1,140,374,694,539	59,159,260,307
02	2. Deductible items		-	-
10	3. Net revenue from sale of goods and rendering of services		1,140,374,694,539	59,159,260,307
11	4. Cost of sales	19	824,670,336,816	45,894,860,031
20	5. Gross profit from sale of goods and rendering of services		315,704,357,723	13,264,400,276
21	6. Financial income	20	2,582,532,263	43,546,013
22	7. Financial expenses		-	185,500,000
23	In which : Interest expenses		-	185,500,000
24	8. Selling expenses		12,231,695,054	37,050,000
25	9. General Administrative expenses	21	10,951,451,526	6,953,610,076
30	10. Net profit from operating activities		295,103,743,406	6,131,786,213
31	11. Other income	22	1,192,227,493	3,150,645,603
32	12. Other expenses	23	8,678,938,859	3,207,934,026
40	13. Other profit (loss)		(7,486,711,366)	(57,288,423)
45	14. Profit (loss) in associates/joint ventures		170,388,709	(3,438,889)
50	15. Total profit before tax		287,787,420,749	6,071,058,901
51	16. Current corporate income tax expenses	24	64,994,065,173	176,616,064
60	18. Profit after tax		222,793,355,576	5,894,442,837
61	18.1. Profit after tax contributable to Non-controlling interest		55,126,830,057	83,932,378
62	18.2. Profit after tax contributable to Holding company		167,666,525,519	5,810,510,459
70	19. Earnings per share	25	3,680	167

Preparer

Nguyen Thi Thu Huong

Chief Accountant

Phung Thi Thu Huong

Prepared, 30 December, 2015

General Director



Do Huu Ha



## CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2014  
(Indirect method)

Code	ITEMS	Note	Year 2014 VND	Year 2013 VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
01	1. Profit before tax		287,787,420,749	6,071,058,901
	2. Adjustment for:		7,906,025,889	3,956,257,931
02	- Depreciation and amortisation		9,261,231,806	3,794,960,146
05	- Gain/loss from investment		(1,355,205,917)	(24,202,215)
06	- Interest expenses		-	185,500,000
08	3. Profit from operating activities before changes in working capital		295,693,446,638	10,027,316,832
09	- Increase/Decrease in receivables		21,177,983,057	57,033,697,033
10	- Increase/Decrease in inventories		(46,204,411,165)	1,053,347,598
11	- Increase/Decrease in payables (excluding interest payables/ corporate income tax payables)		(56,195,770,170)	300,952,628,680
12	- Increase/Decrease in prepaid expenses		101,960,356	4,055,585,766
13	- Interest expenses paid		-	(362,116,064)
14	- Corporate income tax paid		(14,564,346,219)	(173,070,112)
16	- Other expenses for operating activities		-	(2,000,000)
20	Net cash flows from operating activities		200,008,862,497	372,585,389,733
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
21	1. Purchase of fixed assets and other long-term assets		(2,082,559,999)	(375,050,143,419)
22	2. Proceeds from disposals of fixed assets and other long-term assets		454,545,455	725,909,091
24	3. Loans to other entities and purchase of debt instruments of other entities		-	41,504,570
25	4. Investments in other entities		(70,170,388,709)	(216,000,000,000)
27	5. Interest, dividends and profit received		2,582,532,263	2,041,443
30	Net cash flows from investing activities		(69,215,870,990)	(590,280,688,315)
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
31	1. Receipts from stocks issuing and capital contribution from equity owners		30,000,000,000	92,000,000,000
33	2. Proceeds from short - term, long - term borrowings		306,709,696,260	252,124,745,101
34	3. Loan repayment		(415,404,396,526)	(122,011,190,026)
40	Net cash flows from financing activities		(78,694,700,266)	222,113,555,075

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2014  
(Indirect method)

Code	ITEMS	Note	Year 2014 VND	Year 2013 VND
50	Net decrease/increase in cash and cash equivalents		52,098,291,241	4,418,256,493
60	Cash and cash equivalents at beginning of the year		19,521,314,931	15,103,058,438
70	Cash and cash equivalents at end of the year	03	71,619,606,172	19,521,314,931

Prepared, 30 December, 2015

Preparer



Nguyen Thi Thu Huong

Chief Accountant



Phung Thi Thu Huong

General Director



Đo Huu Ha

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year 2014

### 1. BACKGROUND

#### Forms of Ownership

Hoang Huy Investment Financial Services Joint Stock Company was established and operates under the Business Certificate No 0200117929 (applied for Joint Stock Company) firstly issued by Hai Phong Department of Planning and Investment on 25 December, 2007 and the Certificate of sixth amendment dated 10 January, 2014.

The Company's head office is located at No. 116 Nguyen Duc Canh Street, Le Chan District, Hai Phong City.

The Company's charter capital is VND 1,200,000,000,000 equivalent to 120,000,000 shares. The par value is VND10,000 per share. The actual contributed capital as at 31 December, 2014 is VND 464,986,750,000 (By words: Four hundred sixty four billion, nine hundred eighty six million, seven hundred and fifty thousand Vietnamese dong).

The Company's member entities are as follows:	Address	Principle activities
Hoang Huy Investment Financial Services Joint Stock Company - Hanoi Branch	No. 275 Nguyen Trai Str., Thanh Xuan Trung Ward, Thanh Xuan Dist., Hanoi City.	Real Estate Business
Trading Division No. 01	Km 09 New National Road 05, Nam Son Ward, An Duong Dist., Hai Phong City.	Truck body production

#### Subsidiaries consolidated financial statement as at 31/12/2014 include:

Name of company	Address	Rate of interest	Rate of voting rights	Principle activities
Hung Viet Trading JSC.	Thanh Xuan Dist., Hanoi City	75%	75%	Investment in real estate

#### Associates are recorded under equity method as at 31/12/2014 include:

- Lam Hau Trading Services JSC.
- Hoang Ha Investment Services JSC.
- Hoang Hiep Investment Construction Corporation

#### Information about Joint ventures, Associated companies of the Company detailed in Note No. 10

#### Business field

Main business field of the Company:

- Trading in real estate, land use rights of the owner or leasing to use;
- Passenger inland waterway transportation;
- Transportation of goods by road; Details: Transportation by cars, trucks and containers;
- Passenger coastal and ocean transportation;
- Selling spare parts and accessories of motorcycles;
- Sale of motorcycles;
- Exploitation and collection of hard coal;
- Installation of water supply, drainage, heating and air conditioning systems;
- Exploitation of iron ore;



- Transport of iron ore;
- Transporting goods by inland waterways;
- Coastal and ocean transportation;
- Construction of public works; Details: Construction and installation of transmission lines and substations up to 35kV;
- Mining and collecting lignite;
- Mining of other non-ferrous metal ores; Details: Exploiting bauxite, copper ore, lead, nickel;
- Sales of spare parts and auxiliary parts of automobiles and other motor vehicles;
- Exploitation of stone, sand, gravel and clay;
- Wholesale of metals and metal ores; Details: Wholesale of iron and steel;
- Construction of railways and roads; Details: Construction and repair traffic works;
- Building of other civil construction; Details: Wholesale of bamboo, wood and processing wood; Wholesale of cement; Wholesale of brick, tile, stone, sand and gravel; Wholesale of building glass; Wholesale of paint and vecsni; Wholesale of ceramic tiles and sanitary ware; Wholesale of hardware; Wholesale of concrete;
- Mining and collecting peat;
- Production of motor vehicle body; Trailers and semi-trailers;
- Production of spare parts and accessories for motor vehicles and engine.
- Production of motor vehicles; Details: Production of motor vehicles, trailers and semi-trailers;
- Production of motorcycles;
- Wholesale of cars and other motor vehicles;
- Maintenance and repair of motorcars and other motor vehicles;
- Prepare surface; Details: Leveling of ground
- Wholesale of machinery, equipment and other machine parts; Details: Wholesale of electrical machinery, equipment, electrical materials (generators, electric motors, wires and other equipment used in the circuit);
- Cast iron and steel;
- Mechanical processing; Treatment and coating of metals
- Retail of motorcar (12 seats downwards)
- Cars and other motor vehicles agency
- Other passengers road transportation; Details: Passenger transport by bus within the provincial; Passenger transport by automobile along fixed routes and contracts;
- Construction of buildings; Details: Construction and repair of buildings of all kinds;
- Installation of electrical systems; Details: Installation of electrical systems, lighting systems, fire alarm systems and anti-theft system; Installation of communication lines, computer networks and TV cable (including optical cables);
- Completing construction;
- Production of concrete and products made by cement and plaster;
- Management consulting Activities; Details: Project Management Consulting (Group C);
- Consulting, brokerage, auction in real estate, auction of land use rights; Details: real estate brokerage service; Real estate valuation Services; Real estate trading floors services; Consulting, Advertising and Management services in real estate;
- Maintenance and repair of motorcycles
- Brokerage of Commodity contracts and securities; (Exclude brokerage in securities, insurance, finance, real estate);
- Casting of non-ferrous metals (except gold castings);
- Wholesale of solid fuel, liquid, gas and related products; Details: Wholesale coal and other solid fuels;
- Passenger transportation in the urban, suburban (excluding transport by bus); Details: Passenger transport by taxi;
- Other credit-granting activities; Details: pawn service.

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## 2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

### 2.1. Accounting period and accounting monetary unit

Annual accounting period commences from 1st January and ends as at 31st December.  
The Company maintains its accounting records in VND.

### 2.2. Accounting Standards and Accounting system

#### *Accounting System*

The Company applies Enterprise Accounting System issued under Decision No.15/2006/QĐ-BTC dated 20 March, 2006 amended and supplemented in accordance with Circular No. 244/2009/TT-BTC dated 31 December, 2009 of the Minister of Finance.

#### *Announcement on compliance with Vietnamese standards and accounting system*

The Company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

#### *Form of accounting record*

The Company is applying accounting record by computer.

### 2.3. Basis for consolidation of financial statements

Consolidated financial statements are prepared based upon consolidating separate financial statements of the Company and its subsidiaries under its control as at 31 December annually. Control rights is in practice when the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Financial statements of subsidiaries are prepared for the same fiscal as the company, using consistent accounting policies. If necessary, financial statements of subsidiaries may be adjusted to ensure the consistence between accounting policies applied at the company and its subsidiaries.

Balance, main income and expense, including unrealized profits from intra-group transactions are eliminated in full from consolidated financial statements

Non-controlling interest reflecting profits or losses and net assets which are not held by shareholders of the company will be presented in a separate item on consolidated statement of financial position and consolidated statement of comprehensive income.

### 2.4. Investment into associates

Associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor. In consolidated Financial Statements, the investments in associates are recorded under equity method.



## 2.5. Financial Instruments

### *Initial recognition*

#### Financial assets

Financial assets of the Company including cash and cash equivalents, trade receivables and other receivables, lending, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

#### Financial liabilities

Financial liabilities of the Company including loans, trade payables and other payables, accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

### *Value after initial recognition*

There are currently no regulations on revaluation of financial instruments after initial recognition.

## 2.6. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

## 2.7. Receivables

Receivables are presented on the Financial statements according to book value of trade receivables and other receivables after deducting provision for bad debts.

Provisions for bad debts are made for each debt based on overdue period of debts or possible loss.

## 2.8. Inventories

Inventories are stated at original cost. Where the net realizable value is lower than cost, inventories should be measured at the net realizable value. The costs of inventories comprise the purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories at the year-end is calculated by weighted average method.

Method for valuation of work in progress: work in progress is obtained based on actual cost incurred for each kind of unfinished products

Inventory is recorded by perpetual method.

Provisions for devaluation of inventories made at the end of the year are the excess of original cost of inventory over their net realizable value.

## 2.9. Fixed assets and depreciation of fixed assets

Fixed assets (tangible and intangible) are stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and net book value.

Depreciation is provided on a straight-line basis. Depreciation period is estimated as follows:

- Buildings and Structures	10 - 26 years
- Machine, equipment	05 - 15 years
- Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 05 years
- Land use right	30 years
- Management software	08 years

## 2.10. Other long-term investments

Financial investments at the balance sheet date, if:

- Bill and treasury bill, fixed deposit with maturity not over than 3 months from the date of acquisition are recognised as "cash equivalents";
- Having maturity less than 1 year/1 operating cycle are recognised as short-term assets;
- Having maturity over than 1 year/1 operating cycle are recognised as long-term assets;

Provisions for devaluation of investments are made at year-end based on the excess of original cost in accounting books over their market value, or fair value at the time of provision.

## 2.11. Borrowing costs

Borrowing costs are recognized into operating costs during the year, except for which directly attributable to the acquisition, construction or production of a qualifying asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in VAS No. 16 "Borrowing costs".

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that takes more than 12 months to put into use under certified purposes or for sale should be included (capitalized) in the cost of that asset, including interest on borrowings, amortization of discounts or premiums relating to issuing bonds and ancillary costs incurred in connection with the arrangement of borrowings

## 2.12. Prepaid expenses

Prepaid expenses only related to present fiscal year or an operating cycle are recognized as short-term prepaid expenses and are recorded into operating costs.

Prepaid expenses incurred during the fiscal year but related to business operations of several years are recorded as long-term prepaid expenses and are amortized to the income statement in several years.

The calculation and allocation of long-term prepaid expenses to profit and loss account in the period should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

### 2.13. Accrued expenses

Expenses not yet occurred may be charged in advance into production and operating costs in order to ensure when these expenses arise, they do not make material influence on production and operating costs on the basis of suitability between revenue and cost. When these expenses arise, if there is any difference with the amount charged, accountants additionally record or make decrease to cost equivalent to the difference.

### 2.14. Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Undistributed earnings is the profit of business operations after deduction (-) regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous years. The profit is available for appropriation to investors after approval by Board of Management and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

### 2.15. Foreign currency transactions

Transactions in currencies other than accounting unit of the Company (VND) are recorded at the rate of exchange ruling at the dates of transactions. Monetary items denominated in foreign currencies (including cash on hand, cash at bank, cash in transit, receivables and payables and excluding advances from customers, advances to suppliers, revenue received in advance) are revalued at the buying rate of the commercial banks that the Company opened account at the time of preparation of financial statements at the balance sheet date. All exchange differences arising on settlement or revaluation at the date of financial statements will be recorded into the financial income or expense in the fiscal year.

### 2.16. Revenue

#### *Sale of goods*

Revenue from the sale of goods shall be recognised when all the following conditions have been satisfied:

- The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

#### *Rendering of services*

When the outcome of a transaction involving the rendering of services can be estimated reliable, revenue associate with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of reporting period. The outcome of a transaction can be estimated reliable when all the following conditions are satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of the completion of the transaction may be determined by surveys of work completed methods.



*Financial income*

Financial income include income from interest, royalties, dividends and other financial gains earned by the Company should be recognized when these two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The amount of the revenue can be measured reliably.

**2.17. Taxation**

*Current tax*

Current tax assets and liabilities for the current year and previous years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

**2.18. Related Parties**

Entities, individuals, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and affiliated companies, are related parties. Associates and individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals or affiliated parties or companies associated with these individuals are also considered related party.

In considering the relationship of related parties, one should also consider the nature, not only the legal form of the relationship.

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### 3. CASH AND CASH EQUIVALENTS

	31/12/2014	01/01/2014
	VND	VND
Cash on hand	553,351,989	10,442,022,420
Cash at bank	61,066,254,183	9,079,292,511
Cash equivalents	10,000,000,000	-
	<b>71,619,606,172</b>	<b>19,521,314,931</b>

### 4. OTHER SHORT – TERM RECEIVABLES

	31/12/2014	01/01/2014
	VND	VND
Collateral at Tien Phong Commercial Joint Stock Bank	-	18,614,548,631
Others	129,858,607	256,561,118
	<b>129,858,607</b>	<b>18,871,109,749</b>

### 5. INVENTORIES

	31/12/2014	01/01/2014
	VND	VND
Raw material	4,628,425,554	4,410,554,684
Work in process (*)	1,199,579,072,132	1,152,013,439,964
Finished goods	4,099,273,203	5,698,735,076
Merchandise	20,370,000	-
	<b>1,208,327,140,889</b>	<b>1,162,122,729,724</b>

(\*) Work in process is the cost of Golden Land Building Project at No. 275 Nguyen Trai Street, Thanh Xuan District, Ha Noi, invested by Hung Viet Trading JSC. - subsidiary of Hoang Huy Investment Financial Services JSC. Golden Land Building Project began handing over the apartment to the customers and record revenue from the real estate business in 2014.

### 6. TAX AND RECEIVABLES FROM THE STATE BUDGET

	31/12/2014	01/01/2014
	VND	VND
Corporate income tax	-	618,452,199
Personal income tax	147,547	275,422
Property tax and land rental	-	59,698,861
	<b>147,547</b>	<b>678,426,482</b>



**7. TANGIBLE FIXED ASSETS**

	Buildings	Machinery, equipment	Transportation equipment	Management equipment	Total
	VND	VND	VND	VND	VND
<b>Original cost</b>					
Beginning balance	75,464,053,802	13,027,929,822	8,663,227,727	1,082,494,098	98,237,705,449
Increase in the year	-	-	-	406,509,090	406,509,090
- <i>Purchase in the year</i>	-	-	-	406,509,090	406,509,090
Decrease in the year	(10,466,613,122)	(1,675,343,676)	-	(716,357,362)	(12,858,314,160)
- <i>Liquidation, disposal</i>	(10,364,566,205)	(1,500,251,818)	-	(209,309,089)	(12,074,127,112)
- <i>Decrease under Circular No. 45/2013/TT-BTC</i>	(102,046,917)	(175,091,858)	-	(507,048,273)	(784,187,048)
<b>Ending balance</b>	<b>64,997,440,680</b>	<b>11,352,586,146</b>	<b>8,663,227,727</b>	<b>772,645,826</b>	<b>85,785,900,379</b>
<b>Accumulated depreciation</b>					
Beginning balance	28,968,065,684	10,852,911,616	2,918,225,059	1,018,884,133	43,758,086,492
Increase	6,198,870,952	1,879,382,278	967,929,344	16,212,909	9,062,395,483
- <i>Depreciation for the year 2015</i>	4,066,382,075	161,593,247	967,929,344	16,212,909	5,212,117,575
- <i>Depreciation of not-in-use fixed assets for the year</i>	2,132,488,877	1,717,789,031	-	-	3,850,277,908
Decrease in the year	(9,066,613,123)	(1,445,825,172)	-	(664,004,064)	(11,176,442,359)
- <i>Liquidation, disposal</i>	(8,964,566,206)	(1,270,733,314)	-	(209,309,089)	(10,444,608,609)
- <i>Decrease under Circular No. 45/2013/TT-BTC</i>	(102,046,917)	(175,091,858)	-	(454,694,975)	(731,833,750)
<b>Ending balance</b>	<b>26,100,323,513</b>	<b>11,286,468,722</b>	<b>3,886,154,403</b>	<b>371,092,978</b>	<b>41,644,039,616</b>
<b>Net carrying amount</b>					
Beginning	46,495,988,118	2,175,018,206	5,745,002,668	63,609,965	54,479,618,957
<b>Ending</b>	<b>38,897,117,167</b>	<b>66,117,424</b>	<b>4,777,073,324</b>	<b>401,552,848</b>	<b>44,141,860,763</b>

- Cost of fully depreciated tangible fixed assets but still in use:

21,364,227,132 VND

## 8. INTANGIBLE FIXED ASSETS

	Land use right (*)	Management software	Others	Total
	VND	VND	VND	VND
<b>Original cost</b>				
Beginning balance	56,217,489,700	34,100,000	111,896,190	56,363,485,890
Increase in the year	-	-	-	-
Decrease in the year	-	(15,000,000)	-	(15,000,000)
- Decrease under Circular No. 45/2013/TT-BTC	-	(15,000,000)	-	(15,000,000)
<b>Ending balance</b>	<b>56,217,489,700</b>	<b>19,100,000</b>	<b>111,896,190</b>	<b>56,348,485,890</b>
<b>Accumulated depreciation</b>				
Beginning balance	2,261,763,178	34,100,000	111,896,190	2,407,759,368
Increase	198,836,323	-	-	198,836,323
- Depreciation for the year	198,836,323	-	-	198,836,323
Số giảm trong năm	-	(15,000,000)	-	(15,000,000)
- Decrease under Circular No. 45/2013/TT-BTC	-	(15,000,000)	-	(15,000,000)
<b>Ending balance</b>	<b>2,460,599,501</b>	<b>19,100,000</b>	<b>111,896,190</b>	<b>2,591,595,691</b>
<b>Net carrying amount</b>				
Beginning	53,955,726,522	-	-	53,955,726,522
<b>Ending</b>	<b>53,756,890,199</b>	<b>-</b>	<b>-</b>	<b>53,756,890,199</b>

(\*) Land use rights are detailed as follows:

- The land parcel with the total area of 25,828.2 m<sup>2</sup> at Nam Duong Ward, Hai Phong City; Using method: lease of land from the State with annual rental payment. The land use term is 30 years from 22 July, 2003 to 22 July, 2033.
- The land parcel with the total area of 18,939.4 m<sup>2</sup> at Nam Duong Ward, Hai Phong City; Using method: lease of land from the State with annual rental payment. The land use term is 30 years from 13 March, 2002 to 13 March, 2032.
- The land parcel with the total area of 352.4 m<sup>2</sup> at No. 116 Nguyen Duc Canh Str., Cat Dai Ward, Hai Phong City. The land use term is long-term.

## 9. CONSTRUCTION IN PROGRESS

	31/12/2014	01/01/2014
	VND	VND
Construction in progress	1,676,050,909	-
+ Pile construction of Building at No. 183 Ba Trieu Str.	1,676,050,909	-
	<b>1,676,050,909</b>	<b>-</b>



# 10. LONG-TERM FINANCIAL INVESTMENTS

	31/12/2014	01/01/2014
	VND	VND
<b>Investments in associates, joint venture</b>	<b>286,166,949,820</b>	<b>215,996,561,111</b>
Lam Hau Trading Services JSC.	79,999,111,111	79,999,111,111
Hoang Ha Investment Services JSC.	135,997,450,000	135,997,450,000
Hoang Hiep Investment Construction Corporation	70,170,388,709	-
	<b>286,166,949,820</b>	<b>215,996,561,111</b>

## Investments in associates

Detail information on the Company's associates as at 31 December 2014 as follows:

Name of associates	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
Lam Hau Trading Services JSC.	Le Chan District, Hai Phong City	44.44%	44.44%	Automotive business, production and sales of related
Hoang Ha Investment Services JSC.	An Duong Dist., Hai Phong City	42.50%	42.50%	Automotive business, production and sales of related
Hoang Hiep Investment Construction Corporation (*)	Binh Thanh Dist., Ho Chi Minh City	23.87%	23.87%	Automotive business, production and sales of related parts.

The reasons for changes of investment in associates

(\*) Hoang Hiep Investment Construction Corporation was established in 2014; Accordingly, Hung Viet Trading JSC. is one of four founding shareholders.

# 11. SHORT-TERM LOANS AND DEBTS

	31/12/2014	01/01/2014
	VND	VND
<b>Short-term loans</b>	<b>50,736,624,521</b>	<b>198,443,101,277</b>
Asia Commercial Joint Stock Bank - Hai Phong Branch	-	147,620,019,747
Tien Phong Commercial Joint Stock Bank - Pham Hung Branch	-	35,412,394,990
Global Petro Commercial Joint Stock Bank - Hai Phong Branch <sup>(1)</sup>	7,416,764,021	-
Mrs. Nguyen Thi Hoa <sup>(2)</sup>	23,609,305,000	2,900,000,000
Mr. Do Huu Hung <sup>(2)</sup>	13,924,705,500	-
Loans from others entities <sup>(2)</sup>	5,785,850,000	12,510,686,540
<b>Current portion of long-term loans</b>	<b>42,104,995,737</b>	<b>6,546,609,624</b>
Tien Phong Commercial Joint Stock Bank - Pham Hung Branch <sup>(3)</sup>	32,560,885,092	6,546,609,624
LienViet Post Joint Stock Commercial Bank - Hai Phong Branch <sup>(4)</sup>	9,544,110,645	-
	<b>92,841,620,258</b>	<b>204,989,710,901</b>

Detail information on short-term loans is as follows:

(1) Loan Agreement No. 0068/2014/HPG/HMTD dated 20 February, 2014 with the terms detailed as follows:

- + Loan purpose: Adding capital budget to construct Building N01 in Golden Land Building Project;
- + Loan period: 12 months;
- + Interest rate: 9.3% per year;
- + Method of security: Secured by assets of the third party including passbook No. AB1137936 issued by Global Petro Commercial Joint Stock Bank - Hai Phong Branch, owned by Mr. Do Huu Hung;
- + Principal balance as at 31 December 2014: VND 7,416,764,021.

(2) Including the interest-free loans from the shareholders of the Company and matured long-term loans from individuals to perform Golden Land Building project; The interest rate is 0%-2% per year. In case that the individual has the right to buy an apartment in the plan, the individual will enjoy the loans with the interest rate of 0% per year.

(3) Loan Agreement No 70-10.13/HDTD/TPB.PHG dated 16 October 2013 with the terms detailed as follows:

- + Loan purpose: Adding capital budget to complete B-tower of Building N01 in Golden Land Building Project;
- + Loan period: 24 months;
- + Interest rate: 13% per year;
- + Method of security: Secured by assets including the unsold apartments of B-tower of Building N01 in Golden Land Building Project at No. 275 Nguyen Trai street and a villa with a total area of 256.5m2 at No. 183 Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi ;
- + Principal balance as at 31 December 2014: VND 32,560,885,092.

(4) Loan Agreement No. 69/TDH/2014/360 dated 26 June 2014 with the terms detailed as follows:

- + Loan Purpose: Adding capital budget to construct high-rise building NO1 in Golden Land Building Project.
- + Loan Period: 13 months;
- + Interest rate: 9% per year; The principal and interest is paid in full at due date;
- + Method of security: Secured by passbook No. 01/2014/HDTG-LPBHP-CTCPDTHVHH dated 25 June 2014 issued by Lien Viet Post Commercial Joint Stock Bank - Hai Phong Branch with total value of 9.65 billion Vietnamese dong;
- + Principal balance as at 31 December 2014: VND 9,544,110,645.

## 12. TAX PAYABLES AND STATUTORY OBLIGATIONS

	31/12/2014	01/01/2014
	VND	VND
Value-added tax	1,121,016,579	299,009,050
Corporate income tax	49,811,266,755	-
Personal income tax	67,675,357	63,141,218
	<b>50,999,958,691</b>	<b>362,150,268</b>

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

## 13. ACCRUED EXPENSES

	31/12/2014	01/01/2014
	VND	VND
Accrued construction expenses of Golden Land Project	301,025,318,982	-
	<b>301,025,318,982</b>	<b>-</b>



#### 14. OTHER SHORT-TERM PAYABLES

	31/12/2014	01/01/2014
	VND	VND
Trade union fund	-	2,872,461
Social insurance	8,019,201	-
Short-term deposits, collateral received	4,260,000,000	-
Other payables	397,158,334,464	836,805,536,852
+ Payable to Golden Land Building on maintenance expenses collect-on-behal	8,166,503,750	-
+ Payable to Hoang Huy Investment Services Joint Stock Company under Business Cooperation Contract (*)	-	145,835,447,934
+ Proceeds from buyer of apartment according to construction progress	387,961,498,775	690,906,036,975
+ Advances from renter of Commercial Center	951,437,814	-
+ Others	78,894,125	64,051,943
	<b>401,426,353,665</b>	<b>836,808,409,313</b>

(\*) The capital contributed by Hoang Huy Investment Services JSC. under the Business Cooperation Contract No. 02/HTKD dated 01 January 2012. In 2014, Hoang Huy Investment Services JSC has made divestments.

#### 15. LONG-TERM LOANS AND DEBTS

	31/12/2014	01/01/2014
	VND	VND
<b>Long-term loans</b>	10,000,000,000	6,546,609,623
Asia Commercial Joint Stock Bank - Hai Phong Branch (*)	10,000,000,000	-
Tien Phong Commercial Joint Stock Bank - Pham Hung Branch	-	6,546,609,623
	<b>10,000,000,000</b>	<b>6,546,609,623</b>

Detail information on Long-term loans is as follows:

(\*) Long-term loans from Asia Commercial Joint Stock Bank - Hai Phong Branch under Loan Agreement No. 01230114/TH dated 23 January 2014 with the terms detailed as follows:

- + Credit Line: VND 10,000,000,000;
- + Loan Purpose: Adding capital budget to construct high-rise building NO1 in Golden Land Building Project;
- + Loan Period: 24 months for which the principal is paid in full at due date, the interest is paid quarterly;
- + Interest rate: 9.5% per year;
- + Method of security: Secured by passbook No. 172791049 in value of VND 10,000,000,000 issued by Asia Commercial Joint Stock Bank - Hai Phong Branch on 23 January 2014, owned by Mr. Do Huu Hung.
- + Principal balance as at 31 December 2014: VND 10,000,000,000, in which, amount come due in the next period is VND 0.



## 16. OWNER'S EQUITY

### a) Changes in owner's equity

	Contributed legal capital	Retained earnings	Total
	VND	VND	VND
Beginning balance of previous year	342,986,750,000	(3,405,912,385)	339,580,837,615
Increase in capital	92,000,000,000	-	92,000,000,000
Profit/(loss) of previous year	-	5,810,510,459	5,810,510,459
Ending balance of previous year	<u>434,986,750,000</u>	<u>2,404,598,074</u>	<u>437,391,348,074</u>
Increase in capital	30,000,000,000	-	30,000,000,000
Profit/(loss) of current year	-	167,666,525,519	167,666,525,519
Ending balance of current year	<u>464,986,750,000</u>	<u>170,071,123,593</u>	<u>635,057,873,593</u>

### b) Details of owner's invested capital

	Ending	Rate	Beginning	Rate
	VND	%	VND	%
Mr. Do Huu Ha	182,442,050,000	39.24%	162,442,050,000	37.34%
Mrs. Nguyen Thi Ha	151,344,700,000	32.55%	141,344,700,000	32.49%
Mr. Do Huu Hung	65,600,000,000	14.11%	65,600,000,000	15.08%
Mr. Do Huu Huy	65,600,000,000	14.11%	65,600,000,000	15.08%
	<u>464,986,750,000</u>	<u>100.0%</u>	<u>434,986,750,000</u>	<u>100.0%</u>

### c) Capital transactions with owners and distribution of dividends and profits

	Year 2014	Year 2013
	VND	VND
Owner's invested capital		
- At the beginning of year	434,986,750,000	342,986,750,000
- Increase in the year	30,000,000,000	92,000,000,000
- Decrease in the year	-	-
- At the end of the year	464,986,750,000	434,986,750,000

### d) Share

	31/12/2014	01/01/2014
Quantity of Authorized issuing shares	46,498,675	43,498,675
Quantity of issued shares	46,498,675	43,498,675
- Common shares	46,498,675	43,498,675
Quantity of circulated shares	46,498,675	43,498,675
- Common shares	46,498,675	43,498,675
Par value per share:	10,000	10,000

**17. NON-CONTROLLING INTEREST**

	Year 2014 VND	Year 2013 VND
Beginning balance	40,140,627,161	40,056,694,783
Profit after tax contributable to Non-controlling interest	55,126,830,057	83,932,378
<b>Ending balance</b>	<b>95,267,457,218</b>	<b>40,140,627,161</b>

**18. TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES**

	Year 2014 VND	Year 2013 VND
Revenue from sale of truck and truck body	97,851,000,000	47,030,000,000
Revenue from real estate business	1,029,827,516,262	-
Revenue from rendering of services	12,693,814,878	12,126,896,671
Other revenue	2,363,399	2,363,636
<b>1,140,374,694,539</b>	<b>59,159,260,307</b>	

**19. COST OF SALES**

	Year 2014 VND	Year 2013 VND
Cost of truck and truck body sold	90,012,544,535	40,802,305,524
Cost of real estate business	727,776,607,159	-
Cost of services rendered	6,881,185,122	5,092,554,507
<b>824,670,336,816</b>	<b>45,894,860,031</b>	

**20. FINANCIAL INCOME**

	Year 2014 VND	Year 2013 VND
Interest income	2,582,447,783	43,546,013
Others	84,480	-
<b>2,582,532,263</b>	<b>43,546,013</b>	

**21. GENERAL ADMINISTRATIVE EXPENSES**

	Year 2014 VND	Year 2013 VND
Labour expenses	4,963,135,591	1,404,194,456
Depreciation and amortisation	1,535,442,069	1,899,976,019
Expenses from external services	309,989,991	141,864,518
Other expenses	4,142,883,875	3,507,575,083
<b>10,951,451,526</b>	<b>6,953,610,076</b>	

**22. OTHER INCOME**

	Year 2014	Year 2013
	VND	VND
Income from liquidating, disposing fixed assets	454,545,455	847,918,328
Income from liquidating, disposing inventories	-	330,000,002
Income from management staff of Low-income Housing Project	-	1,972,727,273
Income from fine for late payment of buyer of apartment	244,481,899	-
Income from deposits of buyer	417,000,000	-
Others	76,200,139	-
	<b>1,192,227,493</b>	<b>3,150,645,603</b>

**23. OTHER EXPENSES**

	Year 2014	Year 2013
	VND	VND
Liquidating, disposing fixed assets expenses	1,618,209,614	741,814,000
Cost of liquidating, disposing inventories	-	2,270,498,965
Depreciation of not-in-use assets	3,850,277,908	-
Fine for late payment of tax	1,890,340,641	-
Others	1,320,110,696	195,621,061
	<b>8,678,938,859</b>	<b>3,207,934,026</b>

**24. CORPORATE INCOME TAX**

	Năm 2014	Năm 2013
	VND	VND
Current corporate income tax expenses of Hoang Huy Investment Financial Services Joint Stock Company - the Parent Company	1,509,020,688	-
Current corporate income tax expenses of Hung Viet Trading Joint Stock Company - the Subsidiary	63,485,044,485	176,616,064
	<b>64,994,065,173</b>	<b>176,616,064</b>

**25. EARNINGS PER SHARE**

Earnings per share distributed to common shareholders of the company is calculated as follows

	Year 2014	Year 2013
	VND	VND
Profit after tax	167,666,525,519	5,810,510,459
Profit distributed for common stocks	167,666,525,519	5,810,510,459
Average circulated common stocks in the period	45,561,688	34,871,058
<b>Earnings per share</b>	<b>3,680</b>	<b>167</b>



## 26. FINANCIAL INSTRUMENTS

### The types of financial instruments of the Company

	Carrying amount			
	31/12/2014		01/01/2014	
	Original cost	Provision	Original cost	Provision
Financial Assets	VND	VND	VND	VND
Cash and cash equivalent	71,619,606,172	-	19,521,314,931	-
Trade and other receivables	28,027,665,862	-	23,610,447,552	-
<b>Total</b>	<b>99,647,272,034</b>	<b>-</b>	<b>43,131,762,483</b>	<b>-</b>

	Carrying amount	
	31/12/2014	01/01/2014
Financial Liabilities	VND	VND
Loans and borrowings	102,841,620,258	211,536,320,524
Trade and other payables	518,616,856,158	881,765,780,074
Accrued expenses	301,025,318,982	-
<b>Total</b>	<b>922,483,795,398</b>	<b>1,093,302,100,598</b>

Financial assets and financial liabilities are not revalued according to fair value at the year ended because Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and additional note for financial instruments but do not provide any relevant instructions for assessment and recognition of fair value of financial assets and liabilities, excluding provisions for bad debts and provision for devaluation of securities investments which are presented in relevant notes.

### Financial risk management

The Company's financial risks including market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of The Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

### Market risk

The Company's business operations will bear the risks of changes on prices, exchange rates and interest rates.

#### Price Risk:

The Company bears price risk of equity instruments from short-term and long-term security investments due to uncertainty on future prices of the securities. Long-term securities are held for long-term strategies, at the end of the fiscal year, The Company has no plans to sell these investments.

#### Exchange rate risk:

The Company bears the risk of exchange rate due to fluctuation in fair value of future cash flows of a financial instrument according to changes in exchange rates if loans, revenues and expenses of The Company are done in foreign currencies other than VND.

#### Interest rate risk:

The Company bears the risk of interest rates due to fluctuation in fair value of future cash flow of a financial instrument according to changes in market interest rates if The Company has time or demand deposits, loans and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain any interest profitable for its operation purpose.

**Credit Risk**

Credit risk is risk in which the potential loss may be incurred if a counterpart fails to perform its obligations under contractual terms or financial instruments. The Company has credit risk from operating activities (mainly for trade receivables) and financial activities (including bank deposits, loans and other financial instruments), detailed as follow:

	Up to 1 year	In 1 to 5 years	In more than 5 years	Total
	VND	VND	VND	VND
<b>As at 31/12/2014</b>				
Cash and cash equivalent	71,619,606,172	-	-	71,619,606,172
Trade and other receivables	28,027,665,862	-	-	28,027,665,862
<b>Total</b>	<b>99,647,272,034</b>	<b>-</b>	<b>-</b>	<b>99,647,272,034</b>
<b>As at 01/01/2014</b>				
Cash and cash equivalent	19,521,314,931	-	-	19,521,314,931
Trade and other receivables	23,610,447,552	-	-	23,610,447,552
	<b>43,131,762,483</b>	<b>-</b>	<b>-</b>	<b>43,131,762,483</b>

**Liquidity Risk**

Liquidity risk is the risk in which the Company has trouble in settlement of its financial obligations due to lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Up to 1 year	In 1 to 5 years	In more than 5 years	Total
	VND	VND	VND	VND
<b>As at 31/12/2014</b>				
Loans and borrowings	92,841,620,258	10,000,000,000	-	102,841,620,258
Trade and other payables	517,087,914,246	1,528,941,912	-	518,616,856,158
Accrued expenses	301,025,318,982	-	-	301,025,318,982
<b>Total</b>	<b>910,954,853,486</b>	<b>11,528,941,912</b>	<b>-</b>	<b>922,483,795,398</b>
<b>As at 01/01/2014</b>				
Loans and borrowings	204,989,710,901	6,546,609,623	-	211,536,320,524
Trade and other payables	881,765,780,074	-	-	881,765,780,074
<b>Total</b>	<b>1,086,755,490,975</b>	<b>6,546,609,623</b>	<b>-</b>	<b>1,093,302,100,598</b>

The Company believes that risk level of loan repayment is low. The Company has the ability to pay debts matured from cash flows from its operating activities and cash received from matured financial assets.

**27. EVENT AFTER THE REPORTING PERIOD**

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the consolidated financial statements.



## 28. TRANSACTION AND BALANCES WITH RELATED PARTIES

In the fiscal year, the Company has the transactions with related parties as follows:

	Relation	Year 2014 VND	Year 2013 VND
<b>Revenue</b>			
Hoang Huy Investment Services JSC.	Same chairman	82,461,227,150	48,014,449,511
Hoang Giang Services Development JSC.	Same chairman	15,066,000,000	-
<b>Lending</b>			
Hoang Giang Services Development JSC.	Same chairman	10,000,000,000	-
<b>Borrowing</b>			
Mr. Do Huu Hung	Major	15,592,209,500	-
<b>Repayment of loans</b>			
Mr. Do Huu Hung	Major	1,667,504,000	-
<b>Proceeds under Business Cooperation Contract</b>			
Hoang Huy Investment Services JSC.	Same chairman	40,000,000,000	57,495,000,000
<b>Payment under Business Cooperation Contract</b>			
Hoang Huy Investment Services JSC.	Same chairman	185,835,447,934	-
<b>Contributing capital</b>			
Hoang Hiep Investment Construction Corporation	Associate	70,000,000,000	-

Outstanding balances with related parties up to the reporting date are as follows:

	Relation	31/12/2014 VND	01/01/2014 VND
<b>Advances to suppliers</b>			
Hoang Giang Services Development JSC.	Same chairman	10,004,166,667	-
Lam Hau Trading Services JSC.	Associate	26,501,094,000	-
Hoang Ha Investment Services JSC.	Associate	-	7,011,094,000
<b>Advances from customers</b>			
Hoang Huy Investment Services JSC.	Same chairman	25,946,134,434	23,303,484,298
<b>Short-term loan</b>			
Mr. Do Huu Hung	Major	13,924,705,500	-
<b>Capital contribution under BCC</b>			
Hoang Huy Investment Services JSC.	Same chairman	-	145,835,447,934



Transactions with other related parties:

	Year 2014	Year 2013
	VND	VND
Remuneration to members of Board of General Directors and Board of Management	185,871,500	184,215,176

## 29. CORRESPONDING FIGURES

The corresponding figures are figures in the Financial Statements for the fiscal year ended 31 December 2013 which was prepared by Hoang Huy Investment Financial Services Joint Stock Company.

**Preparer**



**Nguyen Thi Thu Huong**

**Chief Accountant**



**Phung Thi Thu Huong**

*Prepared, 30 December, 2015*

**General Director**



**Do Huu Ha**

