

Vietnam Sun Corporation

Consolidated financial statements

31 December 2015

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Vietnam Sun Corporation

GENERAL INFORMATION

THE COMPANY

Vietnam Sun Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103001723 issued by the Department of Planning and Investment of Ho Chi Minh City on 17 July 2003, as amended.

The Company's shares are listed on the Ho Chi Minh Stock Exchange in accordance with the License No. 81/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 23 July 2008.

The current principal activities of the Company are to provide taxi transportation services and contractual passenger transport; to render inbound and outbound tourism services; to act as air ticket agent; to lease out spaces; and to trade in real estate.

The Company's head office is located at No. 648, Nguyen Trai Street, Ward 11, District 5, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Dang Phuoc Thanh	Chairman
Mr Tran Van Bac	Member
Mr Ta Long Hy	Member
Mrs Dang Thi Lan Phuong	Member
Mr Truong Dinh Quy	Member
Mr Vu Ngoc Anh	Member
Mr Tran Anh Minh	Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mrs Mai Thi Kim Hoang	Head of Broad of Supervision
Mr Nguyen Anh Tung	Member
Mr Huynh Van Tuong	Member

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mrs Dang Thi Lan Phuong	General Director	
Mr Ta Long Hy	Deputy General Director	
Mr Nguyen Trong Duy	Deputy General Director	
Mr Huynh Van Sy	Deputy General Director	
Mr Dang Phuoc Hoang Mai	Deputy General Director	
Mr Tran Anh Minh	Deputy General Director	
Mr Nguyen Bao Toan	Deputy General Director	
Mr Truong Dinh Quy	Deputy General Director	
Mr Dang Thanh Duy	Deputy General Director	
Ms Nguyen Thi Dang Thu	Deputy General Director	appointed on 21 January 2016

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mrs Dang Thi Lan Phuong.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Vietnam Sun Corporation

REPORT OF MANAGEMENT

Management of Vietnam Sun Corporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiary (collectively referred to as the "Group") for the year ended 31 December 2015.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements 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; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2015 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of management:



Dang Thi Lan Phuong
General Director

23 March 2016



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Reference: 61059820/17794878-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Vietnam Sun Corporation

We have audited the accompanying consolidated financial statements of Vietnam Sun Corporation ("the Company") and its subsidiary (collectively referred to as the "Group") as prepared on 23 March 2016 and set out on pages 5 to 31 which comprise the consolidated balance sheet as at 31 December 2015, and the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 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 internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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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Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2015, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited



Ernest Yoong Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2013-004-1

Pham Thi Cam Tu
Auditor
Audit Practicing Registration Certificate
No. 2266-2013-004-01

Ho Chi Minh City, Vietnam

23 March 2016

CONSOLIDATED BALANCE SHEET
as at 31 December 2015

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		399,810,066,114	401,898,899,423
110	I. Cash	4	267,170,733,600	288,084,077,587
111	1. Cash		267,170,733,600	288,084,077,587
130	II. Current accounts receivable		98,517,419,377	83,993,522,919
131	1. Short-term trade receivables	5	71,614,734,683	64,165,839,254
132	2. Short-term advances to suppliers		2,213,489,848	1,936,586,450
136	3. Other short-term receivables	6	25,725,516,775	18,882,789,075
137	4. Provision for short-term receivables	5	(1,036,321,929)	(991,691,860)
140	III. Inventories	7	7,073,144,646	5,434,437,875
141	1. Inventories		7,073,144,646	5,434,437,875
150	IV. Other current assets		27,048,768,491	24,386,861,042
151	1. Short-term prepaid expenses	13	27,048,768,491	24,322,135,691
153	2. Tax and other receivables from the State		-	64,725,351
200	B. NON-CURRENT ASSETS		2,382,737,054,014	2,033,622,079,089
210	I. Long-term receivable		599,900,000	517,900,000
216	1. Other long-term receivables	6	599,900,000	517,900,000
220	II. Fixed assets		2,253,872,957,636	1,962,981,433,534
221	1. Tangible fixed assets	8	2,031,313,651,153	1,792,669,761,032
222	Cost		3,545,733,820,410	3,114,723,448,350
223	Accumulated depreciation		(1,514,420,169,257)	(1,322,053,687,318)
224	2. Finance leases	9	222,512,084,254	170,218,283,581
225	Cost		264,259,999,952	222,760,543,383
226	Accumulated depreciation		(41,747,915,698)	(52,542,259,802)
227	3. Intangible assets	10	47,222,229	93,388,921
228	Cost		1,218,289,000	1,218,289,000
229	Accumulated amortisation		(1,171,066,771)	(1,124,900,079)
230	III. Investment property	11	8,490,900,000	8,490,900,000
231	1. Cost		8,490,900,000	8,490,900,000
240	IV. Long-term asset in progress		24,605,672,730	-
242	1. Construction in progress	12	24,605,672,730	-
260	V. Other long-term assets		95,167,623,648	61,631,845,555
261	1. Long-term prepaid expenses	13	93,167,623,648	60,531,845,555
262	2. Deferred tax assets		2,000,000,000	1,100,000,000
270	TOTAL ASSETS		2,782,547,120,128	2,435,520,978,512

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2015

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		1,347,085,440,842	1,133,242,092,848
310	I. Current liabilities		624,525,080,638	533,347,544,453
311	1. Short-term trade payables		39,902,201,825	19,907,793,316
312	2. Short-term advances from customers		758,439,119	5,616,859,403
313	3. Statutory obligations	14	60,314,514,379	50,624,564,000
314	4. Payables to employees	15	32,375,195,495	52,019,887,473
315	5. Short-term accrued expenses		29,929,376	14,497,561
319	6. Other short-term payables	16	95,121,314,632	78,032,413,495
320	7. Short-term loans and finance leases	18	351,449,634,341	287,587,983,547
	<i>In which:</i>			
	- Current portion of long-term loans and finance leases		351,449,634,341	287,587,983,547
322	8. Bonus and welfare funds		44,573,851,471	39,543,545,658
330	II. Non-current liabilities		722,560,360,204	599,894,548,395
336	1. Long-term unearned revenues		1,179,679,210	738,394,771
337	2. Other long-term liabilities	17	176,438,663,547	150,241,456,869
338	3. Long-term loans and finance lease obligations	18	544,942,017,447	448,914,696,755
400	D. OWNERS' EQUITY		1,435,461,679,286	1,302,278,885,664
410	I. Capital		1,435,461,679,286	1,302,278,885,664
411	1. Share capital	19.1	678,591,920,000	565,495,160,000
411a	- Shares with voting rights		678,591,920,000	565,495,160,000
412	2. Share premium	19.1	86,929,263,110	200,026,023,110
418	3. Investment and development fund	19.1	224,072,333,774	176,299,564,453
421	4. Undistributed earnings	19.1	439,038,745,368	354,714,818,417
421a	- Undistributed earnings up to the end of prior year-end		354,714,818,417	257,292,537,730
421b	- Undistributed earnings of current year		84,323,926,951	97,422,280,687
429	5. Non-controlling interests		6,829,417,034	5,743,319,684
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,782,547,120,128	2,435,520,978,512


Vo Viet Nga
Preparer


Dang Hoang Sang
Chief Accountant


Dang Thi Lan Phuong
General Director



23 March 2016

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2015

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	20.1	4,252,163,789,640	3,770,229,256,389
11	2. Cost of goods sold and services rendered	21, 25	(3,607,586,781,433)	(3,141,541,191,052)
20	3. Gross profit from sale of goods and rendering of services		644,577,008,207	628,688,065,337
21	4. Finance income	20.2	9,417,958,880	7,700,361,176
22	5. Finance expenses	22	(70,996,381,732)	(64,527,218,877)
23	<i>In which: Interest expense</i>	22	(70,995,059,123)	(64,526,293,336)
25	6. Selling expenses	23, 25	(189,320,808,709)	(150,732,428,993)
26	7. General and administrative expenses	23, 25	(110,591,506,225)	(103,039,851,475)
30	8. Operating profit		283,086,270,421	318,088,927,168
31	9. Other income	24	145,172,184,920	91,174,390,318
32	10. Other expenses	24	(212,994,816)	(750,278,928)
40	11. Other profit	24	144,959,190,104	90,424,111,390
50	12. Profit before tax		428,045,460,525	408,513,038,558
51	13. Current corporate income tax expense	26.2	(99,599,358,214)	(95,229,175,481)
52	14. Deferred income tax benefit	26.3	900,000,000	660,000,000
60	15. Net profit after tax		329,346,102,311	313,943,863,077
61	16. Net profit after tax attributable to shareholders of the parent		328,260,004,961	312,993,675,083
62	17. Net profit after tax attributable to non-controlling interests		1,086,097,350	950,187,994
70	18. Basic earnings per share	19.4	4,161	3,968
71	19. Diluted earnings per share	19.4	4,161	3,968



Vo Viet Nga
Preparer



Dang Hoang Sang
Chief Accountant



Dang Thi Lan Phuong
General Director

23 March 2016

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2015

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		428,045,460,525	408,513,038,558
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	8, 9, 10	456,446,087,873	390,176,594,717
03	Provision (reversal of provisions)		44,630,069	(1,384,195,171)
05	Profits from investing activities		(151,610,701,498)	(94,766,786,922)
06	Interest expense	22	70,995,059,123	64,526,293,336
08	Operating profit before changes in working capital		803,920,536,092	767,064,944,518
09	(Increase) decrease in receivables		(14,585,801,176)	89,673,565,817
10	Increase in inventories		(1,638,706,771)	(268,190,312)
11	Increase in payables		1,710,753,624	18,414,605,860
12	Increase in prepaid expenses		(35,362,410,893)	(56,891,867,136)
14	Interest paid		(70,362,200,238)	(64,074,185,647)
15	Corporate income tax paid	26.2	(100,018,898,940)	(88,215,880,686)
16	Other cash inflows from operating activities		21,197,206,678	22,909,124,693
17	Other cash outflows from operating activities		(55,414,618,876)	(42,230,164,849)
20	Net cash flows from operating activities		549,445,859,500	646,381,952,258
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets		(789,782,424,141)	(786,668,208,631)
22	Proceeds from disposal of fixed assets		174,304,369,364	112,318,181,852
26	Proceeds from investment in other entity		-	1,500,000,000
27	Interest received	20.2	9,403,824,804	7,696,674,278
30	Net cash flows used in investing activities		(606,074,229,973)	(665,153,352,501)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		519,893,500,000	542,146,700,000
34	Repayment of borrowings		(305,282,621,353)	(259,191,236,893)
35	Payment of principal of finance lease liabilities		(54,721,907,161)	(41,449,392,743)
36	Dividends paid to equity holders of the parent	19.2	(124,173,945,000)	(143,204,765,000)
40	Net cash flows from financing activities		35,715,026,486	98,301,305,364

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2015

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease) increase in cash		(20,913,343,987)	79,529,905,121
60	Cash at beginning of year		288,084,077,587	208,554,172,466
70	Cash at end of year	4	267,170,733,600	288,084,077,587



Vo Viet Nga
Preparer



Dang Hoang Sang
Chief Accountant



Dang Thi Lan Phuong
General Director

23 March 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2015 and for the year then ended

1. CORPORATE INFORMATION

Vietnam Sun Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103001723 issued by the Department of Planning and Investment of Ho Chi Minh City on 17 July 2003, as amended.

The Company's shares are listed on the Ho Chi Minh Stock Exchange in accordance with the License No. 81/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 23 July 2008.

The Company's head office is located at No. 648, Nguyen Trai Street, Ward 11, District 5, Ho Chi Minh City, Vietnam.

The Company has a subsidiary, Vinasun Green Joint Stock Company ("ADX"), which is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0401378832 issued by the Department of Planning and Investment of Da Nang City on 10 September 2010, as amended. The head office of ADX is located at No. 277, Nguyen Huu Tho Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City, Vietnam. As at 31 December 2015, the Company held a 90% equity share in this subsidiary.

The current principal activities of the Company and its subsidiary ("the Group") are to provide taxi transportation services and contractual passenger transport; to render inbound and outbound tourism services; to act as air ticket agent; to lease out spaces and to trade in real estate.

The number of the Group's employees as at 31 December 2015 was 17,047 (31 December 2014: 15,990).

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Group's applied accounting documentation system is the Voucher Journal system.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.3 Fiscal year

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2015.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Change in accounting policies and disclosures

The accounting policies adopted by the Group in preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2014, except for the changes in the accounting policies in relation to the following:

Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system

On 22 December 2014, the Ministry of Finance issued the Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system ("Circular 200") replacing Decision No. 15/2006/QĐ-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009 of the Ministry of Finance. Circular 200 is effective for the financial year beginning on or after 1 January 2015.

The effects of the change in accounting policies in accordance with Circular 200 to the Group are applied on a prospective basis as Circular 200 does not required for retrospective application. The Group also reclassifies certain corresponding figures of previous year following the presentation of the current year's consolidated financial statements in accordance with Circular 200 as disclosed in Note 30.

Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements

On 22 December 2014, the Ministry of Finance issued the Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements ("Circular 202") replacing section XIII of Circular No. 161/2007/TT-BTC dated 31 December 2007. Circular 202 is effective for the preparation and presentation of consolidated financial statements for the financial years beginning on or after 1 January 2015.

The effects of the change in accounting treatment in accordance with Circular 202 are applied on a prospective basis as this Circular does not require for retrospective application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Cash

Cash comprise cash on hand and cash in banks.

3.3 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record tools and supplies, which are valued at cost of purchase on a weighted average basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

3.4 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement.

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.6 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Leased assets (continued)

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

3.7 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible assets are sold or retired, their costs and accumulated amortisation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.8 Depreciation and amortisation

Depreciation of tangible fixed assets and financial leases, and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Machinery and equipment	3 - 7 years
Motor vehicles	6 - 10 years
Office equipment	3 - 7 years
Computer software	3 years

3.9 Investment properties

Investment properties are stated at cost including transaction costs less accumulated amortisation.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.10 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of the fund and are recorded as expense during the year in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.12 *Payable and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

3.13 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation is revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Increases and decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the severance allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.14 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conduct transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conduct transactions regularly.

All foreign exchange differences incurred during the year and arising from the revaluation of monetary accounts denominated in foreign currency at year-end are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

3.15 **Appropriation of net profits**

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

▶ *Bonus and welfare funds*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3.16 **Earnings per share**

Basic earnings per share amount is computed by dividing net profit for the year (after adjusting for the bonus and welfare fund) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.17 **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenues are recognised upon the completion of the services provided.

Interest income

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the lease term.

3.18 **Segment information**

A segment is a component determined separately by the Group which is engaged in providing services (business segment) or providing services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Taxation

Current income tax

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

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax liabilities or assets are expected to be settled or recovered.

4. CASH

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	12,155,585,867	19,494,074,196
Cash in banks	255,015,147,733	268,590,003,391
TOTAL	<u>267,170,733,600</u>	<u>288,084,077,587</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

5. SHORT-TERM TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
Due from customers using taxi cards	56,549,126,681	50,085,351,794
Taxi drivers' remittance in transit	14,404,473,383	13,343,981,218
Others	661,134,619	736,506,242
TOTAL	71,614,734,683	64,165,839,254
Provision for doubtful short-term receivables	(1,036,321,929)	(991,691,860)
NET	70,578,412,754	63,174,147,394

Movement of provision for doubtful short-term receivables is as follows:

	VND	
	Current year	Previous year
Beginning balance	991,691,860	875,887,031
Add: Provision made during the year	100,298,414	169,238,131
Less: Reversal of provision during the year	(55,668,345)	(53,433,302)
Ending balance	1,036,321,929	991,691,860

6. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	25,725,516,775	18,882,789,075
Advance to employees	12,296,194,410	9,349,837,103
Personal income tax receivable from taxi drivers and staff	7,547,616,385	3,676,027,396
Airfare fee receivables	1,916,066,479	1,709,096,322
Deposits	1,426,017,800	1,456,097,800
Social and health insurance receivable from taxi drivers and staff	1,027,654,563	901,919,617
Others	1,511,967,138	1,789,810,837
Long-term	599,900,000	517,900,000
Deposits	599,900,000	517,900,000
TOTAL	26,325,416,775	19,400,689,075

7. INVENTORIES

	VND	
	Ending balance	Beginning balance
Tools and supplies	7,073,144,646	5,434,437,875

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

8. TANGIBLE FIXED ASSETS

	Machinery and equipment	Motor vehicles	Office equipment	VND Total
Cost:				
Beginning balance	711,376,164	3,113,055,886,667	956,185,519	3,114,723,448,360
New purchases	3,826,466,000	640,737,206,818	43,250,000	644,606,922,818
Transfer from finance lease	-	92,828,725,258	-	92,828,725,258
Disposal	-	(306,425,276,016)	-	(306,425,276,016)
Ending balance	4,537,842,164	3,540,196,542,727	999,435,519	3,545,733,820,410
<i>In which:</i>				
Fully depreciated	711,376,164	10,296,975,668	480,770,219	11,489,122,051
Accumulated depreciation:				
Beginning balance	701,573,753	1,320,716,071,475	636,042,090	1,322,053,687,318
Depreciation for the year	429,707,532	426,515,015,211	91,760,874	427,036,483,617
Transfer from finance lease	-	40,157,781,668	-	40,157,781,668
Disposal	-	(274,827,783,346)	-	(274,827,783,346)
Ending balance	1,131,281,285	1,512,561,085,008	727,802,964	1,514,420,169,257
Net carrying amount:				
Beginning balance	9,802,411	1,792,339,815,192	320,143,429	1,792,669,761,032
Ending balance	3,406,560,879	2,027,635,457,719	271,632,555	2,031,313,651,163
<i>In which:</i>				
Pledged as loan security (Note 18)	-	1,255,484,343,724	-	1,255,484,343,724
Pledged as guarantee of payment	-	69,367,833,933	-	69,367,833,933

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

9. FINANCE LEASES

	VND
	<i>Motor vehicles</i>
Cost:	
Beginning balance	222,760,543,383
New leases	134,328,181,827
Transfer to tangible assets	<u>(92,828,725,258)</u>
Ending balance	<u>264,259,999,952</u>
Accumulated depreciation:	
Beginning balance	52,542,259,802
Depreciation for the year	29,363,437,564
Transfer to tangible assets	<u>(40,157,781,668)</u>
Ending balance	<u>41,747,915,698</u>
Net carrying amount:	
Beginning balance	<u>170,218,283,581</u>
Ending balance	<u>222,512,084,254</u>

10. INTANGIBLE ASSETS

	VND
	<i>Computer software</i>
Cost:	
Beginning and ending balances	<u>1,218,289,000</u>
<i>In which:</i>	
<i>Fully amortised</i>	1,088,289,000
Accumulated amortisation:	
Beginning balance	1,124,900,079
Amortisation for the year	<u>46,166,692</u>
Ending balance	<u>1,171,066,771</u>
Net carrying amount:	
Beginning balance	<u>93,388,921</u>
Ending balance	<u>47,222,229</u>

11. INVESTMENT PROPERTY

This represents land use right of a parcel of land located in District 8, Ho Chi Minh City and is held for long-term capital appreciation. This land use right is not amortised as it has the indefinite useful life.

The fair value of the investment property has not been formally assessed as at 31 December 2015. However, given the current market conditions and location of this parcel of land, it is management's assessment that this property fair value is higher than its carrying values at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

12. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Motor vehicles	<u>24,605,672,730</u>	<u>-</u>

13. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	27,048,768,491	24,322,135,691
Car insurance	12,361,938,277	10,042,341,030
Road maintenance fees	5,032,057,415	3,691,126,335
Tools and supplies in use	705,140,875	709,040,055
Uniform	-	2,955,481,235
Others	8,949,631,924	6,924,147,036
Long-term	93,167,623,648	60,531,845,555
Prepaid office rental	55,078,036,072	56,389,417,888
Tools and supplies, and devices in use	35,014,135,084	1,684,955,390
Road maintenance fees	103,945,000	33,690,600
Office renovation costs	1,827,511,882	678,781,716
Others	1,143,995,610	1,744,999,961
TOTAL	<u>120,216,392,139</u>	<u>84,853,981,246</u>

14. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances for purchase of disposed vehicles	500,000,000	5,200,000,000
Others	258,439,119	416,859,403
TOTAL	<u>758,439,119</u>	<u>5,616,859,403</u>

15. STATUTORY OBLIGATIONS

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Ending balance</i>
Corporate income tax (Note 26.2)	27,206,551,799	99,599,358,214	(100,018,898,940)	26,787,011,073
Value-added tax	17,602,426,535	248,000,691,393	(240,074,296,996)	25,528,820,932
Personal income tax	5,815,585,666	9,452,155,998	(7,269,059,290)	7,998,682,374
Others	-	50,266,913	(50,266,913)	-
TOTAL	<u>50,624,564,000</u>	<u>357,102,472,518</u>	<u>(347,412,522,139)</u>	<u>60,314,514,379</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

16. OTHER SHORT-TERM PAYABLES

	VND	
	Ending balance	Beginning balance
Dividends payable	68,466,752,000	56,922,313,000
Allowance due to the Boards of Directors and Supervision	15,798,385,046	11,773,820,209
Loan interests	3,871,356,886	3,238,498,001
Car insurance	3,841,616,543	3,222,880,938
Others	3,143,204,157	2,874,901,347
TOTAL	<u>95,121,314,632</u>	<u>78,032,413,495</u>

17. OTHER LONG-TERM LIABILITIES

	VND	
	Ending balance	Beginning balance
Deposit from taxi drivers	127,385,154,500	113,312,973,200
Deposit from customers	37,553,509,047	30,428,483,669
Provision for severance allowance	10,000,000,000	5,000,000,000
Space lease deposits	1,500,000,000	1,500,000,000
TOTAL	<u>176,438,663,547</u>	<u>150,241,456,869</u>

18. LONG TERM LOANS AND FINANCE LEASE OBLIGATIONS

	VND	
	Ending balance	Beginning balance
Long-term loans from banks (i)	755,433,374,820	644,255,196,173
Finance leases (ii)	140,958,276,968	92,247,484,129
TOTAL	<u>896,391,651,788</u>	<u>736,502,680,302</u>

In which:

Current portion	351,449,634,341	287,587,983,547
- Long-term loans from banks	300,493,215,209	247,310,144,527
- Finance leases	50,956,419,132	40,277,839,020
Non-current portion	544,942,017,447	448,914,696,755

Details of movement of loans and finance lease obligations are as follows:

	VND			
	Beginning balance	Increase in year	Payment in year	Ending balance
Loans from banks	644,255,196,173	416,460,800,000	(305,282,621,353)	755,433,374,820
Finance leases	92,247,484,129	103,432,700,000	(54,721,907,161)	140,958,276,968
TOTAL	<u>736,502,680,302</u>	<u>519,893,500,000</u>	<u>(360,004,528,514)</u>	<u>896,391,651,788</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

18. LOANS AND FINANCE LEASE OBLIGATIONS (continued)

(i) Long-term loans from banks

The Group obtained long-term loans from banks to purchase motor vehicles for taxi services. Details of these long-term loans are as follows:

Banks name	Ending balance		Maturity date	Interest rate	Description collateral
	Current portion (up to 31/12/2016)	Non-current portion			
Vietnam Joint Stock Commercial Bank For Industry and Trade - Ho Chi Minh branch	VND 116,758,980,000	VND 188,506,125,000	From 5 January 2016 to 9 January 2019	Prime rate plus minimum margin of 2.5% (p.a.)	1,015 cars
HSBC Bank (Vietnam) Ltd.	76,751,583,454	127,384,596,669	From 18 January 2016 to 9 September 2019	Three-month VND basic interest rate plus margin of from 1.5% to 2%	714 cars
Shinhan Bank Vietnam	94,204,751,755	119,520,512,942	From 22 January 2016 to 4 November 2019	Basic interest rate plus margin of from -0.6% to -1%	916 cars
Military Commercial Joint Stock Bank	6,938,100,000	6,845,775,000	From 9 January 2016 to 25 November 2017	Deposit interest rate plus margin of 3%	65 cars
Vietnam Joint Stock Commercial Bank For Industry and Trade - Da Nang Branch	5,839,800,000	12,683,150,000	From 18 January 2016 to 13 May 2019	Deposit interest rate plus margin of 2.5%	55 cars
TOTAL	300,493,215,209	454,940,159,611			

The repayment schedule of the current portion of the long-term loans from banks is presented as follows:

Description	2016			
	1st quarter	2nd quarter	3rd quarter	4th quarter
Repayment	76,332,606,885	75,958,108,223	75,619,328,271	72,583,171,830
				300,493,215,209

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

18. LOANS AND FINANCE LEASE OBLIGATIONS (continued)

(ii) *Finance leases*

The Group currently has leased motor vehicles under finance lease agreements with Vietcombank Leasing Company Limited and Asia Commercial Leasing One Member Company Limited. Future obligations due under finance lease agreements as at 31 December 2015 were as follows:

	Ending balance		Beginning balance		VND
	Total minimum lease payments	Finance charges	Total minimum lease payments	Finance charges	
Less than 1 year	60,320,116,194	9,363,697,062	46,842,322,054	6,564,483,034	40,277,839,020
From 1 - 5 years	97,529,972,263	7,528,114,427	56,894,290,194	4,924,645,085	51,969,645,109
TOTAL	157,850,088,457	16,891,811,489	103,736,612,248	11,489,128,119	92,247,484,129

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

19. OWNERS' EQUITY

19.1 Increase and decrease in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	Total	VND
Previous year						
Beginning balance	434,998,180,000	330,523,003,110	130,633,266,982	257,292,537,730	1,153,446,987,822	
Issuance of share dividend to existing shareholders	130,496,980,000	(130,496,980,000)	-	-	-	
Net profit for the year	-	-	-	312,993,675,083	312,993,675,083	
Profit appropriation	-	-	45,666,297,471	(45,666,297,471)	-	
Transfer to bonus and welfare fund	-	-	-	(42,429,930,915)	(42,429,930,915)	
Allowance to the Boards of Directors and Supervision	-	-	-	(13,066,134,010)	(13,066,134,010)	
Dividend declared	-	-	-	(113,099,032,000)	(113,099,032,000)	
Other decreases	-	-	-	(1,310,000,000)	(1,310,000,000)	
Ending balance	565,495,160,000	200,026,023,110	176,299,564,453	354,714,818,417	1,296,535,565,980	
Current year						
Beginning balance	565,495,160,000	200,026,023,110	176,299,564,453	354,714,818,417	1,296,535,565,980	
Issuance of share dividend to existing shareholders (*)	113,096,760,000	(113,096,760,000)	-	-	-	
Net profit for the year	-	-	-	328,260,004,961	328,260,004,961	
Profit appropriation	-	-	47,772,769,321	(47,772,769,321)	-	
Transfer to bonus and welfare fund	-	-	-	(44,516,028,679)	(44,516,028,679)	
Allowance to the Boards of Directors and Supervision	-	-	-	(14,524,896,010)	(14,524,896,010)	
Dividend declared	-	-	-	(135,718,384,000)	(135,718,384,000)	
Other decreases	-	-	-	(1,404,000,000)	(1,404,000,000)	
Ending balance	678,591,920,000	86,929,263,110	224,072,333,774	439,038,745,368	1,428,632,262,252	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

19. OWNERS' EQUITY (continued)

19.1 Increase and decrease in owners' equity (continued)

(*) On 10 July 2015, the Company completed the issuance of an additional 11,309,676 ordinary shares to its existing shareholders under form of share dividend from share premium in accordance with the Shareholders' Resolution dated 24 April 2015 and the Board of Director's Resolution No. 03/QD-HDQT.15 dated 4 May 2015. Accordingly, the Company's registered share capital increased from VND 565,495,160,000 to VND 678,591,920,000 which was approved by the Department of Planning and Investment of Ho Chi Minh City through the issuance of the amended Business Registration Certificate dated 6 July 2015.

19.2 Capital transactions with owners and distribution of dividends

	Current year	VND Previous year
Contributed capital		
Beginning balance	565,495,160,000	434,998,180,000
Increase	<u>113,096,760,000</u>	<u>130,496,980,000</u>
Ending balance	<u>678,591,920,000</u>	<u>565,495,160,000</u>
Dividends		
Dividends declared	135,718,384,000	113,099,032,000
Dividends paid	124,173,945,000	143,204,765,000

19.3 Shares

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Number of shares	Amount VND	Number of shares	Amount VND
Authorised shares	67,859,192	678,591,920,000	56,549,516	565,495,160,000
Issued shares				
<i>Issued and paid-up shares</i>				
Ordinary shares	67,859,192	678,591,920,000	56,549,516	565,495,160,000
Shares in circulation				
Ordinary shares	67,859,192	678,591,920,000	56,549,516	565,495,160,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

19. OWNERS' EQUITY (continued)

19.4 Earnings per share

	Current year	Previous year
Net profit after tax attributable to ordinary equity holders (VND)	326,856,004,961	311,683,675,083
Distribution to bonus and welfare fund (VND) (*)	<u>(44,516,028,679)</u>	<u>(42,429,930,915)</u>
Net profit after tax attributable to ordinary equity holders for basic earnings (VND)	<u>282,339,976,282</u>	<u>269,253,744,168</u>
Weighted average number of ordinary shares during the year (**)	<u>67,859,192</u>	<u>67,859,192</u>
Earnings per share (VND)		
<i>Basic and diluted</i>	4,161	3,968

(*) Profit used to compute earnings per share for the year 2014 as presented in the financial statements for the year 2014 was restated to reflect the actual allocation to bonus and welfare fund from 2014 retained earnings.

(**) The weighted average number of shares in circulation for the year ended 31 December 2014 was retrospectively adjusted to reflect the additional issuance of 11,309,676 shares on 10 July 2015 from share premium.

There were no other potential dilutive ordinary shares outstanding at the balance sheet date.

20. REVENUES

20.1 Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
Net revenue	<u>4,252,163,789,640</u>	<u>3,770,229,256,389</u>
Of which:		
Rendering of passenger taxi services	4,234,240,129,456	3,745,978,777,715
Sale of investment property	-	10,000,000,000
Others	17,923,660,184	14,250,478,674

20.2 Finance income

	VND	
	Current year	Previous year
Interest income	9,403,824,804	7,696,674,278
Others	<u>14,134,076</u>	<u>3,686,898</u>
TOTAL	<u>9,417,958,880</u>	<u>7,700,361,176</u>

21. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of passenger taxi services rendered	3,590,554,031,220	3,121,314,097,263
Cost of investment property sold	-	6,148,905,108
Others	<u>17,032,750,213</u>	<u>14,078,188,681</u>
TOTAL	<u>3,607,586,781,433</u>	<u>3,141,541,191,052</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

22. FINANCE EXPENSES

	VND	
	Current year	Previous year
Loan interest	70,995,059,123	64,526,293,336
Others	1,322,609	925,541
TOTAL	<u>70,996,381,732</u>	<u>64,527,218,877</u>

23. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	189,320,808,709	150,732,428,993
Salary expense	94,360,497,866	77,527,507,130
Depreciation expense	2,833,348	11,333,328
Expenses for external services	81,539,918,417	60,936,716,770
Others	13,417,559,078	12,256,871,765
General and administrative expenses	110,591,506,225	103,039,851,475
Salary expense	67,601,958,615	59,604,171,971
Depreciation expense	1,114,410,290	634,101,694
Expenses for external services	26,034,020,933	29,071,922,353
Others	15,841,116,387	13,729,655,457
TOTAL	<u>299,912,314,934</u>	<u>253,772,280,468</u>

24. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	145,172,184,920	91,174,390,318
Profits from disposal of fixed assets	142,206,876,694	87,070,112,644
Others	2,965,308,226	4,104,277,674
Other expenses	(212,994,816)	(750,278,928)
Others	(212,994,816)	(750,278,928)
NET PROFIT	<u>144,959,190,104</u>	<u>90,424,111,390</u>

25. OPERATING COSTS

	VND	
	Current year	Previous year
Raw materials and fuels	1,054,945,225,730	1,121,041,449,737
Labour costs	2,155,373,447,188	1,675,232,334,313
Depreciation and amortisation (Notes 8, 9 and 10)	456,446,087,873	390,176,594,717
Expenses for external services	176,558,777,065	152,720,093,558
Others	64,175,558,511	56,142,999,195
TOTAL	<u>3,907,499,096,367</u>	<u>3,395,313,471,520</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

26. CORPORATE INCOME TAX

The Group has the obligation to pay corporate income tax ("CIT") at the rate of 22% of taxable profits.

The tax returns filed by the Group is subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

26.1 CIT expense

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	99,505,579,914	94,726,525,481
Adjustment for under accrual of tax from prior years	93,778,300	502,650,000
Deferred income tax benefit	(900,000,000)	(660,000,000)
TOTAL	<u>98,699,358,214</u>	<u>94,569,175,481</u>

26.2 Current tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Group for the year differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

A reconciliation between the profit before tax and taxable profit is presented below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Profit before tax	428,045,460,525	408,513,038,558
Adjustments to increase accounting profit		
Non-deductible expenses	19,252,629,995	19,062,077,268
Change in provision for severance allowance	5,000,000,000	3,000,000,000
Estimated current taxable profit	452,298,090,520	430,575,115,826
Estimated current CIT	99,505,579,914	94,726,525,481
Adjustment for under accrual of tax from prior years	93,778,300	502,650,000
Current CIT expense	99,599,358,214	95,229,175,481
CIT payable at beginning of year	27,206,551,799	20,193,257,004
CIT paid during the year	(100,018,898,940)	(88,215,880,686)
CIT payable at end of year	<u>26,787,011,073</u>	<u>27,206,551,799</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

26. CORPORATE INCOME TAX (continued)

26.3 *Deferred tax*

The following is the deferred tax asset recognised by the Group, and the movement thereon, during the current and previous years.

	VND			
	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provision for severance allowance	<u>2,000,000,000</u>	<u>1,100,000,000</u>	<u>900,000,000</u>	<u>660,000,000</u>

27. TRANSACTION WITH RELATED PARTIES

Remuneration to members of the Board of Directors and Management

	VND	
	<i>Current year</i>	<i>Previous year</i>
Salary and bonus	<u>4,261,990,000</u>	<u>3,865,040,000</u>

28. SEGMENT INFORMATION

The current principal activities of the Group are to provide passenger taxi services and contractual passenger transport; to render inbound and outbound services; to act as air ticket agent; to lease out space and to trade investment property. In addition, these activities are mainly provided within Vietnam. And the Group's revenue has been mostly derived from providing passenger taxi services. As a result, management is of the view that there is only one segment for business of providing passenger taxi services and geography in Vietnam and therefore separate segmental information is not required.

29. OPERATING LEASE COMMITMENT

The Group leases its office premises and workshops under operating lease arrangements. The minimum lease commitments as at the balance sheet dates under the operating lease agreements were as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	4,491,037,312	4,395,810,812
From 1 - 5 years	<u>6,356,439,744</u>	<u>7,718,495,500</u>
TOTAL	<u>10,847,477,056</u>	<u>12,114,306,312</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

30. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain corresponding figures in the consolidated financial statements for the year ended 31 December 2014 have been reclassified to reflect the presentation of the current year's consolidated financial statements in accordance with Circular 200. Details are as follows:

			VND
	<i>Beginning balance (previously presented)</i>	<i>Reclassification</i>	<i>Beginning balance (reclassified)</i>
CONSOLIDATED BALANCE SHEET			
Investment and development fund	116,333,042,969	59,966,521,484	176,299,564,453
Financial reserve fund	59,966,521,484	(59,966,521,484)	-
Other short-term receivable	8,076,854,172	10,805,934,903	18,882,789,075
Other current assets	10,805,934,903	(10,805,934,903)	-
Other long-term receivable	-	517,900,000	517,900,000
Other non-current assets	517,900,000	(517,900,000)	-

			VND
	<i>Previous year (previously presented)</i>	<i>Reclassification</i>	<i>Previous year (reclassified)</i>
CONSOLIDATED INCOME STATEMENT			
Other income	116,422,459,526	25,248,069,208	91,174,390,318
Other expenses	(25,998,348,136)	(25,248,069,208)	(750,278,928)
Basic and diluted earnings per share	5,512	(1,544)	3,968

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

31. EVENT AFTER THE BALANCE SHEET DATE


There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.



Vo Viet Nga
Preparer



Dang Hoang Sang
Chief Accountant


Dang Thi Lan Phuong
General Director

23 March 2016