

PORTCOAST CONSULTANT CORPORATION

**Audited financial statements
for the year ended 31 December 2015**

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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management have pleased in presenting this report and the audited financial statements of Portcoast Consultant Corporation for the fiscal year ended on 31 December 2015.

1. The Company

Portcoast Consultant Corporation (“the Company”) is a joint stock company established by the equitization the Portcoast Consultant Enterprise according to the decision No 3203/QD-BGTVT dated 24 October 2004 issued by the Ministry of Communication and Transportation. The Company operates under the Certificate of Business Registration No. 4103002981 (business code 0303592115) dated 23 December 2004 issued by the Department of Planning and Investment of Ho Chi Minh City and has been changed to the tenth amendment dated 13 December 2013. The amendments of the Certificate of Business Registration have been performed mainly to increase the charter capital.

According to the Certificate of Business Registration, the company’s business scopes are as follows:

- Survey and consultancy for maritime works including port and coastal structures, off-shore facilities in shipbuilding yard;
- Survey for making waterway transport network plans;
- Survey and consultancy for infrastructure projects related to port and coastal structures, off-shore facilities in shipbuilding yard;
- Consultancy for making tender document, construction supervision, verification of transport works;
- Experimental construction of transportation;
- Design of transport works (port, waterway);
- Design of hydraulic works (dam, tunnel, culvert, trench, bank protection);
- Design of urban infrastructure works;
- Design of industrial and civil construction structure;
- Investment consulting (except financial investment consulting); prepare investment statement
- Prepare investment project of traffic works, civil and industrial construction;
- Traffic construction, civil and industrial project planning;
- Map survey, design traffic construction (bridge, road);
- Design civil and industrial architecture;
- Design interior decoration for construction;
- Design electricity of civil and industrial construction;
- Design water supply and drainage for construction;
- Prepare report on evaluation of the effects on environment ;
- Maritime consultant services;
- Real estate trading;
- Warehouse service;
- Construct other civil technical project.

The Company is located at 92 Nam Ky Khoi Nghia Street, District 1, Ho Chi Minh city.

The Company has 2 branches :

- The North Branch of the Company is located at No.21, Endocrine hospital collective zone, Lang Ha - Thanh Xuan street prolonged, Nhan Chinh ward, Thanh Xuan District, Ha Noi City
- Ho Chi Minh City Branch is located at Portcoast Building No.328 Nguyen Trong Tuyen, Ward 2, Tan Binh District, Ho Chi Minh City.

2. The Board of Management and Executive

The members of the Board of Management and Executive during the financial year and at the date of this report are:

The Board of Management

Mr. Tran Tan Phuc	Chairman
Mr. Nguyen Van Loc	Vice Chairman
Mr. Nguyen Manh Ung	Member
Mr. Pham Duy Dong	Member
Mr. Pham Anh Tuan	Member
Ms. Nguyen Thi Tam Trinh	Member

REPORT OF THE BOARD OF MANAGEMENT

The Executive Board

Mr. Tran Tan Phuc	General Director
Mr. Pham Anh Tuan	Standing Vice General Director and Project Manager, concurrently
Mr. Nguyen Manh Ung	Vice General Director and Director the North Branch, concurrently
Mr. Pham Duy Dong	Vice General Director and Technical Manager, concurrently
Mr. Nguyen Danh Nam	Vice General Director
Mr. Truong Ngoc Tuong	Chief Engineer
Ms. Nguyen Thi Tam Trinh	Chief Financial – Human Resource Officer

Legal representative

The legal representative of the Company during the financial year and to the date of this report are:

Mr. Tran Tan Phuc Chairman cum General Director

3. The Company's financial position and operating results

The Company's financial position as at 31 December 2015 and its operating result for the year then ended are reflected in the accompanying financial statements.

4. Events since the balance sheet date

To the day of this report, the Board of Management and Executive confirm that there have been no significant events occurring which would require adjustments or disclosures to be made in the financial statements.

5. Auditors

AFC Vietnam Auditing Company Limited has been appointed to perform the audit for the year ended 31 December 2015.

6. Statement of responsibility of the Executive Board in respect of the financial statements

The Executive Board are responsible for the financial statements for the year ended 31 December 2015 which give a true and fair view of the state of affair of the Company and of its results and cash flows for the year then ended. In preparing those financial statements, the Executive Board 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 financial statements;
- Prepare the financial statements on the going concern basic unless it is inappropriate to presume that the Company will continue in business; and
- Design, implement and maintain the Company's internal control for prevention and detection of fraud and error.

The Executive Board confirms that the Company has complied with the above requirements in preparing the financial statements and no unusual problems can affect the ability of going concern of the business.

The Executive Board is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and the accounting records comply with the Vietnamese Accounting Standards, Vietnamese Accounting system for enterprises and legal regulations relating to financial reporting. The Executive Board is also responsible for ensuring the safety of the property and taking appropriate measures to prevent and detect errors and other cases.

REPORT OF THE BOARD OF MANAGEMENT

7. Approval of the financial statements

We hereby approve the accompanying financial statements which give a true fair view of the financial position of the Company as at 31 December 2015 and the results of its operations and cash flows of the Company for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting system for enterprises and legal regulations relating to financial reporting.

On behalf of the Board of Management

A red circular stamp from PTCS (Portcoast Consultant Corporation) is overlaid with a blue ink signature. The stamp contains the text: 'M.S.D.N: 0303592175', 'CÔNG TY CỔ PHẦN', 'TƯ VẤN THIẾT KẾ CẢNG KỸ THUẬT BIỂN', and 'QUẬN 1 - T.P. HỒ CHÍ MINH'. The signature is written in blue ink over the stamp.

Mr. Tran Tan Phuc
Chairman
Ho Chi Minh City, 16 June 2016

No. 115/2016/BCKT-HCM.00126

INDEPENDENT AUDITORS' REPORT

On financial statements for the year ended 31 December 2015 of
Portcoast Consultant Corporation

**To: The Shareholders
 The Board of Management and Executive
 Portcoast Consultant Corporation**

We have audited the accompanying financial statements of Portcoast Consultant Corporation ("the Company"), presented at 16 June 2016, as set out on pages 6 to 26, which comprise the balance sheet as at 31 December 2015, and the income statement, cash flow statement and notes to the financial statements for the year then ended.

Responsibilities of the Executive Board

The Executive Board is responsible for the preparation of these financial statements true and fairly in accordance with comply with Vietnamese Accounting Standards, Vietnamese Accounting System and financial reporting related legal regulations in Vietnam, and such internal control as the Executive Board determined as necessary to ensure that the preparation and presentation of these financial statements that are free from material misstatement to fraud or error.

Responsibilities of Auditors

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

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

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

Basis for qualified opinion

1. As of 31 December 2015, the Company's receivable from Transport Engineering Design Incorporation South (Tedi South) with the amount of VND 9,765,516,627 as a temporary amount. Therefore, any effects of adjustments to these debts will have impact on the financial situation of the Company.

INDEPENDENT AUDITORS' REPORT (continued)

2. According to the current Vietnamese Accounting Standard and System, in the normal operation condition, the financial statements have been prepared on the historical cost method. As mentioned in Notes 3.1, 3.7, 4.9 and 4.19, in the year 2009, 2010, based on the Valuation Certificate No. 02171209/KHDN dated 26 December 2009 and Valuation Certificate No.03691/2010/VLAND-HCM dated 20 December 2010 which issued by VietLand Valuation Limited Company, the Company has revaluated its intangible assets – land use right. The revaluation have been recorded in 2009 and 2010 and have increased the value of Intangible assets – land use right with an amount of VND 73,377,039,634 in 2009 and VND 15,571,675,186 in 2010 respectively. In addition, the Company has not made any provision for the potential CIT expenses (if any) for this additional revaluation.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in all material respects, the financial statements give a true and fair view of the financial position of Portcoast Consultant Corporation as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting system for enterprises and legal regulations relating to financial reporting.

We draw attention to Note 4.11 to the financial statements, as of 31 December 2015 the profit or loss of investments in subsidiaries, associated companies and other long – term investment are not recognized in the financial statements because the Company has not received the financial statements of these companies. So, the business result and financial position of the Company for the year ended on this date can be changed if the profits or losses on investments are recognized. Our opinion is not qualified in respect of this matter.



TRANG ĐẠC NHA
Deputy General Director
Audit Practice Registration Certificate
No: 2111-2013-009-1

DIEP QUOC BINH
Auditor
Audit Practice Registration Certificate
No: 2200-2013-009-1

AFC VIETNAM AUDITING COMPANY LTD.

Ho Chi Minh City, 16 June 2016

BALANCE SHEET

As at 31 December 2015

	Code	Note	31/12/2015 VND	01/01/2015 VND
ASSETS				
CURRENT ASSETS	100		268,078,867,475	205,426,743,352
Cash and cash equivalents	110	4.1	52,038,162,781	1,163,988,398
Cash	111		52,038,162,781	1,163,988,398
Cash equivalents	112		-	-
Short-term financial investments	120		5,070,000,000	3,752,000,000
Trading securities	121		-	-
Provision for devaluation of trading securities	122		-	-
Investments held to maturity	123	4.2	5,070,000,000	3,752,000,000
Short-term receivables	130		124,821,298,613	109,541,521,176
Short-term receivables from customers	131	4.3	13,602,495,686	17,382,145,924
Short-term advances to suppliers	132	4.4	39,055,931,173	38,499,400,680
Short-term intercompany receivables	133		-	-
Receivables according to the progress of consultancy contracts	134		-	-
Receivables from short-term loan	135		-	-
Other short-term receivables	136	4.5	72,542,206,641	54,039,309,459
Provision for doubtful short-term debts	137		(379,334,887)	(379,334,887)
Shortage of assets awaiting for resolution	139		-	-
Inventories	140	4.6	84,237,861,146	89,092,135,237
Inventories	141		84,237,861,146	89,092,135,237
Provision for devaluation of inventories	149		-	-
Other short-term assets	150		1,911,544,935	1,877,098,541
Short-term prepaid expenses	151		-	42,545,399
Value added tax deductibles	152	4.15	1,143,322,554	1,066,330,761
Taxes and other receivables from the State	153	4.15	768,222,381	768,222,381
Repo transactions in government bonds	154		-	-
Other short-term assets	155		-	-

BALANCE SHEET

As at 31 December 2015

	Code	Note	31/12/2015 VND	01/01/2015 VND
ASSETS				
NON-CURRENT ASSETS	200		320,137,828,001	325,599,896,357
Long-term receivables	210		9,765,516,627	9,765,516,627
Long-term receivables from customers	211	4.7	9,765,516,627	9,765,516,627
Long-term advances to suppliers	212		-	-
Working capital provided to subordinate units	213		-	-
Long-term intercompany receivables	214		-	-
Receivables from long-term loan	215		-	-
Other long-term receivables	216		-	-
Provision for doubtful long-term debts	219		-	-
Fixed assets	220		169,246,708,518	138,209,694,293
Tangible fixed assets	221	4.8	65,693,043,096	37,853,558,140
Cost	222		88,329,485,414	57,330,075,729
Accumulated depreciation	223		(22,636,442,318)	(19,476,517,589)
Finance leasehold fixed assets	224		-	-
Cost	225		-	-
Accumulated depreciation	226		-	-
Intangible fixed assets	227	4.9	103,553,665,422	100,356,136,153
Cost	228		110,505,884,325	106,943,584,325
Accumulated amortisation	229		(6,952,218,903)	(6,587,448,172)
Real Estate Investment	230		-	-
Cost	231		-	-
Accumulated depreciation	232		-	-
Long-term assets in progress	240		159,524,957	33,037,445,468
Long-term work in progress	241		-	-
Construction in progress	242	4.10	159,524,957	33,037,445,468
Long-term financial investments	250	4.11	138,757,178,729	143,120,730,729
Investments in subsidiary company	251		111,279,873,729	111,279,873,729
Investments in associates and joint-venture	252		23,164,355,000	24,287,907,000
Investments in other entities	253		4,312,950,000	7,552,950,000
Provision for decline in long-term investments	254		-	-
Investments held to maturity	255		-	-
Other long-term assets	260		2,208,899,170	1,466,509,240
Long-term prepaid expenses	261	4.12	2,208,899,170	1,466,509,240
Deferred income tax assets	262		-	-
Long-term equipments, supplies and spare parts	263		-	-
Other long-term assets	268		-	-
TOTAL ASSETS	270		588,216,695,476	531,026,639,709

BALANCE SHEET

As at 31 December 2015

	Code	Note	31/12/2015 VND	01/01/2015 VND
RESOURCES				
LIABILITIES	300		318,847,335,664	258,621,040,291
Current liabilities	310		306,018,867,547	244,608,186,605
Short-term payables to suppliers	311	4.13	6,244,685,247	13,041,525,100
Short-term advances from customers	312	4.14	185,923,481,747	192,137,757,558
Taxes and other payables to the State	313	4.15	3,279,001,158	27,975,084,592
Payables to employees	314		3,293,216,900	381,750,000
Short-term accrued expenses	315		-	-
Short-term intercompany payables	316		-	-
Payables according to the progress of construction contracts	317		-	-
Short-term unrealised revenues	318		-	-
Other short-term payables	319	4.16	106,182,413,651	9,039,189,941
Short-term loans and finance lease liabilities	320		-	-
Provision for short-term payables	321		-	-
Bonus and welfare funds	322	4.17	1,096,068,844	2,032,879,414
Repo transactions in government bonds	324		-	-
Long-term liabilities	330		12,828,468,117	14,012,853,686
Long-term payables to suppliers	331		-	-
Long-term advances from customers	332		-	-
Long-term unrealised revenues	336		-	1,184,385,569
Other long-term payables	337	4.18	12,828,468,117	12,828,468,117
Long-term loans and finance lease liabilities	338		-	-
OWNER'S EQUITY	400	4.19	269,369,359,812	272,405,599,418
Owner's equity	410		269,369,359,812	272,405,599,418
Contributions from owners	411		120,870,700,000	120,870,700,000
- Ordinary shares with voting rights	411a		120,870,700,000	120,870,700,000
- Preference shares	411b		-	-
Surplus of stock capital	412		7,625,000,000	7,625,000,000
Conversion options on bond	413		-	-
Other capital of owners	414		-	-
Treasury shares	415		-	-
Difference on assets revaluation	416		88,948,714,820	88,948,714,820
Development investment fund	418		13,770,000,000	13,770,000,000
Enterprise reorganization support fund	419		-	-
Retained earnings	421		38,154,944,992	41,191,184,598
- Retained earnings up to previous year-end	421a		41,191,184,598	39,329,655,094
- Retained earnings of current year	421b		(3,036,239,606)	1,861,529,504
Funds for construction investment	422		-	-
Other capital, funds	430		-	-
TOTAL RESOURCES	440		530,216,695,476	531,026,639,709

NGUYEN DANG BICH PHUONG
Prepared by

NGUYEN THI TAM TRINH
Chief Financial-HR Officer

TRAN TAN PHUC
General Director

Ho Chi Minh City, 16 June 2016

INCOME STATEMENT

For the financial year ended 31 December 2015

	Code	Note	Year 2015 VND	Year 2014 VND
Gross sales of merchandise and services	01		71.732.110.150	102.369.791.175
Less deduction	02		-	-
Net sales	10	5.1	71.732.110.150	102.369.791.175
Cost of sales	11	5.2	63.735.750.654	92.401.030.787
Gross profit/(loss)	20		7.996.359.496	9.968.760.388
Financial income	21	5.3	4.049.128.106	1.093.042.513
Financial expenses	22		-	22.771.308
<i>In which : Interest expenses</i>	23		-	-
Selling expenses	24		-	-
General and administration expenses	25	5.4	9.782.133.382	8.323.321.184
Operating profit/(loss)	30		2.263.354.220	2.715.710.409
Other income	31		100.001	91.240.246
Other expenses	32		34.585.147	554.125.955
Other profit/(loss)	40		(34.485.146)	(462.885.709)
Profit/(loss) before tax	50		2.228.869.074	2.252.824.700
Current corporate income tax expense	51	5.5	59.229.603	391.295.196
Deferred corporate income tax expense	52		-	-
Net profit/(loss) after tax	60		2.169.639.471	1.861.529.504
Earnings per share	70	5.6	795	1.540



NGUYEN DANG BICH PHUONG
Prepared by



NGUYEN THI TAM TRINH
Chief Financial-HR Officer




TRAN TAN PHUC
General Director

Ho Chi Minh City, 16 June 2016

CASH FLOW STATEMENT (indirect method)

For the financial year ended 31 December 2015

	Code	Year 2015 VND	Year 2014 VND
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax	01	2,228,869,074	2,252,824,700
<i>Adjustments for :</i>			
Depreciation and amortisation	02	3,998,415,163	64,241,597,039
Provisions	03	-	301,512,360
(Profits)/losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04	(3,151,397)	(26,104,400)
Profits/(losses) from investing activities	05	(4,031,011,715)	(11,196,271,720)
Interest expense	06	-	3,323,939,021
Other adjustments	07	-	-
<i>Operating income before changes in working capital</i>	08	2,193,121,125	58,897,497,000
(Increase)/decrease in receivables	09	(15,291,876,119)	24,690,812,510
(Increase)/decrease in inventories	10	4,854,274,091	(12,479,589,305)
Increase/(decrease) in payables (not include loan interest, corporate income tax payable)	11	62,201,834,940	15,856,138,663
(Increase)/decrease in prepaid expenses	12	(699,844,531)	153,710,972
Interest paid	14	-	(2,889,982,251)
Corporate income tax paid	15	(4,803,837,677)	(5,622,198,505)
Other cash inflow from operating activities	16	-	710,364,451
Other cash outflow from operating activities	17	(936,810,570)	(3,153,238,655)
Net cash flow from operating activities	20	47,516,861,259	76,163,514,880
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchase of fixed assets (FA), other long term (LT) assets	21	(2,228,891,299)	(829,081,847)
Proceed from disposal of FA and other LT assets	22	-	14,004,545,449
Interest and dividends received	27	1,147,501,026	167,314,474
Net cash flow from investment activities	30	3,354,161,727	13,342,778,076
CASH FLOW FROM FINANCIAL ACTIVITIES			
Proceeds from borrowings	33	-	109,586,226,450
Repayments of borrowings	34	-	(214,032,955,397)
Payment of finance lease liabilities	35	-	-
Dividends paid to owners	36	-	-
Net cash flow from financial activities	40	-	(104,446,728,947)
Net increase/decrease in cash	50	50,871,022,986	(14,940,435,991)
Cash and cash equivalents at beginning of year	60	1,163,988,398	6,588,776,367
Impact of exchange rate fluctuation	61	8,151,397	-
Cash and cash equivalents at the end of year	70	52,028,162,761	(8,351,659,624)


NGUYEN DANG BICH PHUONG
Prepared by


NGUYEN THI TAM TRINH
Chief Financial-HR Officer



TRAN TAN PHUC
General Director
Ho Chi Minh City, 16 June 2016

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

1. GENERAL INFORMATION

Portcoast Consultant Corporation (“the Company”) is a joint stock company, under the Certificate of Business Registration No. 4103002981 (business code 0303592115) dated 23 December 2004 issued by the Department of Planning and Investment of Ho Chi Minh City and has been changed to the tenth amendment dated 13 December 2013. The amendments of the Certificate of Business Registration have been performed mainly to increase the charter capital.

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- Survey for making waterway transport network plans;
- Survey and consultancy for infrastructure projects related to port and coastal structures, off-shore facilities in shipbuilding yard;
- Consultancy for making tender document, construction supervision, verification of transport works;
- Experimental construction of transportation;
- Design of transport works (port, waterway);
- Design of hydraulic works (dam, tunnel, culvert, trench, bank protection);
- Design of urban infrastructure works;
- Design of industrial and civil construction structure;
- Investment consulting (except financial investment consulting); prepare investment statement
- Prepare investment project of traffic works, civil and industrial construction;
- Traffic construction, civil and industrial project planning;
- Map survey, design traffic construction (bridge, road);
- Design civil and industrial architecture;
- Design interior decoration for construction;
- Design electricity of civil and industrial construction;
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- Prepare report on evaluation of the effects on environment ;
- Maritime consultant services; real estate trading; warehouse service;
- Construct other civil technical project.

The Company is located at 92 Nam Ky Khoi Nghia Street, District 1, Ho Chi Minh City.

The Company has 2 branches :

- The North Branch of the Company is located at No.21, Endocrine hospital collective zone, Lang Ha - Thanh Xuan Street prolonged, Nhan Chinh Ward, Thanh Xuan District, Ha Noi City
- Ho Chi Minh City Branch is located at Portcoast Building No.328 Nguyen Trong Tuyen Street, Ward 2, Tan Binh District, Ho Chi Minh City.

As at 31 December 2015, the total number of employees is 126 persons (as at 31 December 2014, the total number of employees is 142 persons).

2. BASIS FOR PREPARATION

The financial statements, expressed in Vietnamese dong (“VND”), are prepared in accordance with Vietnamese Accounting Standards and Vietnamese Accounting System.

The financial statements are prepared on the historical cost basis. The accounting policies have been consistently applied by the Company.

The financial year of the Company is from 1 January to 31 December.

The applicable accounting documentation system is the journal voucher.

3. SIGNIFICANT ACCOUNTING POLICIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

3.1 General accounting convention

Accounting policies are applied appropriately and consistently in accordance with the accounting policies of the previous year, except the cases presented in note 3.7 and the change of the accounting policies related to the application of amending regulation as mentioned below.

3.2 Cash and cash equivalents

Cash comprises cash on hand, cash at banks (demand deposits) and cash in transit. Cash equivalents are 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.

3.3 Foreign currency transactions

During the year, transactions in currencies other than Vietnamese Dong (VND) are translated into VND at the actual exchange rate of the transaction date. Realized gains or losses arisen during the year are recognized in the financial income and financial expense.

As at the Balance sheet date, monetary items (cash and cash equivalents, receivables and liabilities) denominated in foreign currencies are translated into VND based on the buying rate at the reporting date quoted by Vietnam Export Import Bank (EXIMBANK). The exchange rate differences arising from revaluation of monetary items are recorded as financial income or financial expense of the financial year.

3.4 Receivables

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

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recognised as general and administration expense in the income statement.

3.5 Inventories

Inventories are determined at cost. Where the net realizable value is lower than cost, inventories should be measured at the net realizable value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The perpetual method is used to record inventories. Cost is determined on specific identification method out basis.

Cost in the case of work in progress include direct raw materials, direct labour and attributable manufacturing overhead based on normal activities.

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc) of raw materials, finished goods and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recognised as cost of goods sold in the income statement.

3.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The initial cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures for additions, improvement and renewals are capitalised on fixed assets accounts, expenditures for maintenance and repairs are charged to the income statement.

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

Depreciation of tangible fixed assets is calculated on a straight-line basis over the estimated useful life of these assets, which are as follows:

Buildings and structure	15 - 30 years
Machinery and equipment	3 - 8 years
Transportation vehicles	3 - 10 years
Transmission equipment	6 - 8 years
Office equipment	3 - 5 years

3.7 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization.

Land use rights

The beginning cost of land use rights is recorded at historical cost including its purchase price and any directly attributable costs of getting the land use rights. The useful time of these land use rights is unidentified, so it is not depreciated.

The Company's land use rights are as follows:

<u>Area</u>	<u>Location</u>
400.4m ²	No. 328 Nguyen Trong Tuyen Street, Tan Binh District, Ho Chi Minh City
76,486.00 m ²	Field no. 65, map no. 52 Phuoc Hoa ward, Tan Thanh District, Ba Ria Vung Tau Province.
54.70m ²	No. 83 Tran Van Kieu, Ward 13, District 5, Ho Chi Minh City.

In the year 2009, the cost of above land use rights are revaluated and recorded in financial statements in accordance with the Valuation Certificate no. 02171209/KHDN dated 26 December 2009 which issued by Vietland Valuation Limited Company.

In the year 2010, the cost of above land use rights are revaluated and recorded in financial statements following the Valuation Certificate no.03691/2010/VLAND-HCM dated 20 December 2010 which issued by Vietland Valuation Limited Company.

Software

Software is recognized as an intangible fixed asset and depreciated on a straight-line method from 3 years to 6 years.

3.8 Construction in progress

Construction in progress represents the costs attributable directly to the construction which have not yet been completed. No provision for depreciation is made on construction in progress until such time when the relevant assets are completed and put into use.

3.9 Investment in subsidiary, joint-ventures, associates

The investment in a subsidiary is recognized when the Company has the power to govern the financial and operating policies of that enterprise, generally accompanying a shareholding of more than one half of the voting right.

The investment in an associate is recognized when the Company has significant influence and which is neither a subsidiary nor a joint venture of the Company, generally accompanying a shareholding of from 20% to 50% of the voting right.

The investment in a joint venture is recognized by contract agreements signed by and between two or more parties to undertake an economic activities and mutual managed by joint venture's members.

In this financial statements (The Company's separate financial statements), the investments in subsidiaries, associates, joint ventures are presented at historical cost less loss.

3.10 Owner's equity

Owner's investment capital

Owner's investment capital is capital contributed from shareholders by issuing shares and recorded by par value.

Share capital surplus

Share capital surplus reflected the increase/ (decrease) difference resulting from issuing shares with price higher/ (lower) than par value; and the difference of increase in price compared with buying back price when re-issuing treasury shares.

3.11 Revenue

The revenue of services.

The revenue of services is recognized when the company rendered services and the customer confirmed in acceptance minutes. Later on, the company issues invoice based on the acceptance minutes.

Financial income

Financial income is interest, dividend, profit received from financial investments which incurred in period, include all amounts the company received in cash or not.

3.12 Taxes

Corporation income tax

Current CIT expense is the CIT amount payable based on the applied taxable income and tax rate.

According to Corporation income tax law, corporation income tax rate applied in 2015 is 22%

Other tax: comply with Vietnamese current regulations.

3.13 Financial instruments

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular 210/2009/TT-BTC are classified, for disclosures in the notes to the financial statements, as financial assets at the fair value through the income statement, held-to-maturity investments, loans and receivables, available for sale financial assets. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at cost plus directly attributable transaction costs.

The Company's financial assets include cash and cash equivalents; short-term investments and other long-term investments, trade receivables; others receivables and deposits.

Financial liabilities

Financial liabilities within the scope of Circular 210/2009/TT-BTC are classified, for disclosures in the notes to the financial statements, as financial liabilities at the fair value through the income statement or financial liabilities measured at amortized cost as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at cost plus directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings liabilities; trade payables and other payables.

Subsequent measurement

No subsequent measure of financial instruments is currently required.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.14 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

4. ADDITIONAL INFORMATION TO ITEMS IN THE BALANCE SHEET

4.1 Cash and cash equivalents

	31/12/2015	01/01/2015
	VND	VND
Cash on hand – VND	390,817,022	127,097,116
Cash in bank – VND	49,805,188,798	1,017,531,012
Cash in bank – USD	1,841,872,534	13,787,592
Cash in bank – JPY	284,427	5,572,678
	<u>52,038,162,781</u>	<u>1,163,988,398</u>

4.2 Short-term held-to-maturity investment

	31/12/2015 VND	01/01/2015 VND
Bank deposit with tenor over 3 months	5,070,000,000	3,752,000,000
	5,070,000,000	3,752,000,000
4.3 Short-term trade receivable		
	31/12/2015 VND	01/01/2015 VND
Trade receivable – third parties	13,602,495,686	17,382,145,924
	13,602,495,686	17,382,145,924
4.4 Advances to suppliers		
	31/12/2015 VND	01/01/2015 VND
Advances to suppliers – third parties	16,626,696,351	22,519,234,822
Advances to suppliers – related parties	22,429,234,822	15,980,165,858
	39,055,931,173	38,499,400,680
4.5 Short-term other receivables		
	31/12/2015 VND	01/01/2015 VND
Receivables from lending to related parties	50,465,419,815	38,444,103,606
Receivables from lending to third parties	11,305,854,000	11,246,001,000
Advance to employee for contract performance	9,653,553,350	3,448,972,709
Other	1,117,379,476	900,232,144
	72,542,206,641	54,039,309,459
4.6 Inventories		
	31/12/2015 VND	01/01/2015 VND
Work in progress	84,237,861,146	89,092,135,237
	84,237,861,146	89,092,135,237
4.7 Other long-term receivables		
	31/12/2015 VND	01/01/2015 VND
Receivables from the Transport Engineering Design Incorporation South	9,765,516,627	9,765,516,627
	9,765,516,627	9,765,516,627

According to "The confirmation minutes of output performance up to 31 December 2004 for all contracts signed before 31 December 2004" agreed between the Company and the Transport Engineering Design Incorporation South (Tedi South), this is the difference of the output performance of the Company and total value advanced from Tedi South up to 31 December 2004.

4.8 Increase/ Decrease of tangible fixed assets

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

	Buildings, Structures VND	Machinery, equipment VND	Means of transmitters VND	Total VND
Cost				
As at 01/01/2015	37,375,160,556	3,465,648,190	16,489,266,983	57,330,075,729
Purchased during the year	-	1,673,418,173	-	1,673,418,173
Construction in progress completed	29,871,093,637	-	-	29,871,093,637
Decrease due to liquidation	-	-	(545,102,125)	(545,102,125)
As at 31/12/2015	<u>67,246,254,193</u>	<u>5,139,066,363</u>	<u>15,944,164,858</u>	<u>88,329,485,414</u>
Accumulated depreciation				
As at 01/01/2015	5,506,108,040	2,228,024,452	11,742,385,097	19,476,517,589
Depreciation in year	2,242,860,085	470,950,770	919,833,577	3,633,644,432
Decrease due to liquidation	-	-	(473,719,703)	(473,719,703)
As at 31/12/2015	<u>7,748,968,125</u>	<u>2,698,975,222</u>	<u>12,188,498,971</u>	<u>22,636,442,318</u>
Net book value				
As at 01/01/2015	31,869,052,516	1,237,623,738	4,746,881,886	37,853,558,140
As at 31/12/2015	<u>59,497,286,068</u>	<u>2,440,091,141</u>	<u>3,755,665,887</u>	<u>65,693,043,096</u>

As at 31 December 2015, the cost of fixed assets fully depreciated but still in use is VND 11,330,836,885.

4.9 Increase/ Decrease of intangible fixed assets

	Land use right VND	Accounting software VND	Total VND
Cost			
As at 01/01/2015	99,577,816,920	7,365,767,405	106,943,584,325
Purchased during the year	-	187,500,000	187,500,000
Construction in progress completed	3,374,800,000	-	3,374,800,000
As at 31/12/2015	<u>102,952,616,920</u>	<u>7,553,267,405</u>	<u>110,505,884,325</u>
Accumulated depreciation			
As at 01/01/2015	-	6,587,448,172	6,587,448,172
Depreciation in year	-	364,770,731	364,770,731
As at 31/12/2015	-	<u>6,952,218,903</u>	<u>6,952,218,903</u>
Net book value			
As at 01/01/2015	99,577,816,920	778,319,233	100,356,136,153
As at 31/12/2015	<u>102,952,616,920</u>	<u>601,048,502</u>	<u>103,553,665,422</u>

As at 31 December 2015, the cost of fixed assets fully depreciated but still in use is VND 5,376,419,885 VND.

In the year 2009 and 2010, the cost of land use rights has increased an amount of VND 73,377,039,634 and VND 15,571,675,186 respectively due to revaluation as per Notes 3.7.

4.10 Construction in progress

	31/12/2015 VND	01/01/2015 VND
Building Construction A2 Truong Son Street, ward 2, Tan Binh district, HCM city	-	32,882,257,273
Land at Maritime Service Counseling Center	159,524,957	155,188,195
	159,524,957	33,037,445,468

4.11 Long term investment

	31/12/2015 VND	01/01/2015 VND
Investment in subsidiaries	111,279,873,729	111,279,873,729
Investment in associates, joint-ventures	23,164,355,000	24,287,907,000
Investment in other entities	4,312,950,000	7,552,950,000
Provision for long-term financial investments	-	-
	138,757,178,729	143,120,730,729

Investment in subsidiaries

	Holding rate (%)		Investment Value (VND)	
	Ending	Beginning	31/12/2015	01/01/2015
Portcoast Investment Consultants Corporation	70.00	70.00	888,292,000	888,292,000
Portcoast Geotechnical Co., Ltd	87.88	87.88	8,700,000,000	8,700,000,000
Xcom Co., Ltd	80.00	80.00	2,400,000,000	2,400,000,000
Global Media Consultant Co., Ltd	51.00	51.00	255,000,000	255,000,000
Cong Chinh AC Co., Ltd	70.00	70.00	350,000,000	350,000,000
Dia Hai Co., Ltd	94.18	94.18	14,536,581,729	14,536,581,729
Nhan Phuc Duc Investment JSC	56.10	56.10	84,150,000,000	84,150,000,000
			111,279,873,729	111,279,873,729

Investment in associates, joint-ventures

	Holding rate (%)		Investment Value (VND)	
	Ending	Beginning	31/12/2015	01/01/2015
Port and Waterway Engineering Consultant JSC	21.00	21.00	3,445,707,000	3,445,707,000
Tien Giang Construction Consultant JSC	30.89	30.89	3,024,000,000	3,024,000,000
HFIC Investments JSC	25.00	40.00	2,500,000,000	4,000,000,000
Sai Gon Medicine Health Investment Corporation	42.62	41.44	12,194,648,000	11,818,200,000
Civil Engineering Consultants Joint-Stock Company 625	22.83	22.83	2,000,000,000	2,000,000,000
			23,164,355,000	24,287,907,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

Other long-term investments

	Shares	Investment value (VND)	
		31/12/2015	01/01/2015
Cai Mep Thi Vai Inland Depot Distribution JSC		25,000,000	25,000,000
Sea star International Port Corporation		-	3,240,000,000
Sai Gon Construction Quality Control JSC	224,500	4,287,950,000	4,287,950,000
		4,312,950,000	7,552,950,000

4.12 Long-term prepayment

	31/12/2015	01/01/2015
	VND	VND
Official repaired expenses	-	68,081,613
Repaired machinery and equipment	304,021,189	842,721,900
Tools	1,904,877,981	555,705,727
	2,208,899,170	1,466,509,240

4.13 Trade payable

	31/12/2015	01/01/2015
	VND	VND
Trade payable – related parties	160,900,000	167,742,376
Trade payable – third parties	6,083,785,247	12,873,782,724
	6,244,685,247	13,041,525,100

4.14 Advances from customers

	31/12/2015	01/01/2015
	VND	VND
Advances from customers – related parties	13,742,376	13,742,376
Advances from customers – third parties	185,909,739,371	192,124,015,182
	185,923,481,747	192,137,757,558

The balance of advances from customer is the advances as per progress of contract performance. These advances will be reversed upon official official acceptance of construction is issued.

4.15 Taxes

Value added taxes deductible

	31/12/2015	01/01/2015
	VND	VND
Value added taxes deductible	1,143,322,554	1,066,330,761
	1,143,322,554	1,066,330,761

Taxes receivables

	31/12/2015	01/01/2015
	VND	VND
Value added tax	(*) 768,222,381	768,222,381
	768,222,381	768,222,381

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

- (*) The output VAT of unrealised revenues of the projects which have not been accepted and have not made invoice in year 2011 and 2012 under the Decision No. 4973/QD-CT-XP on 15 October 2014 by the Department of Taxation of Ho Chi Minh City.

Taxes and obligations payable to State

	31/12/2015 VND	01/01/2015 VND
Value added tax	1,128,538,624	9,367,810,735
Corporation income tax	37,116,101	4,781,724,175
Personal income tax (PIT)	2,099,748,409	13,811,951,658
Others	13,598,024	13,598,024
	<u>3,279,001,158</u>	<u>27,975,084,592</u>
4.16 Other payables		

	31/12/2015 VND	01/01/2015 VND
Social insurance	244,548,090	563,174,503
Health insurance	48,350,961	99,881,044
Unemployment insurance	22,274,759	43,868,771
Transfer of shares	96,187,500,000	-
Payable PIT	3,251,705,703	-
Shareholder loan	5,160,000,000	5,160,000,000
Other payables	1,268,034,138	3,172,265,623
	<u>106,182,413,651</u>	<u>9,039,189,941</u>

4.17 Bonus and welfare funds

	Year 2015 VND	Year 2014 VND
Beginning balance	2,032,879,414	3,541,567,899
Bonus	(936,810,570)	(1,508,688,485)
Ending balance	<u>1,096,068,844</u>	<u>2,032,879,414</u>

4.18 Other long-term payables

	31/12/2015 VND	01/01/2015 VND
Payables for performance value at 31/12/2004	9,765,516,627	9,765,516,627
Other payables	3,062,951,490	3,062,951,490
	<u>12,828,468,117</u>	<u>12,828,468,117</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

4.19 Owner's equity

Owner's investment capital

According to the Certificate of Business Registration No. 0303592115 being tenth amended on 13 December 2013 issued by the Department of Planning and Investment of Ho Chi Minh City, the Company's charter capital is VND 120,870,700,000. As at 31 December 2015, shareholders fully contributed to charter capital equivalents to 1,208,707 shares with par value per share is VND 100,000.

Representatives of shareholders capital	Rate	Number of shares	Amounts
	%		VND
Mr. Tran Tan Phuc	23.54	284,534	28,453,400,000
Mr. Duong Manh Trung	7.18	86,890	8,689,000,000
Mr. Do Nguyen Chi	6.94	83,826	8,382,600,000
Ms. Ngo Ngoc Thu Nhan	5.30	64,049	6,404,900,000
Other shareholders	57.04	689,408	68,940,800,000
Total	100.00	1,208,707	120,870,700,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

4.19 Owner's equity (continued) – Fluctuation of owner's equity

	Owner's equity VND	Equity capital gain VND	Difference from revaluation assets VND	Investment and development fund VND	Financial contingency fund VND	Retained earning VND	Total VND
Opening balance (01/01/2014)	120,870,700,000	7,625,000,000	88,948,714,820	7,460,000,000	6,310,000,000	37,952,750,258	269,167,165,078
- Profit in 2014	-	-	-	-	-	1,861,529,504	1,861,529,504
Closing balance (31/12/2014)	120,870,700,000	7,625,000,000	88,948,714,820	7,460,000,000	6,310,000,000	41,191,184,598	272,405,599,418
Reclassification (*)	-	-	-	6,310,000,000	(6,310,000,000)		
Opening balance (01/01/2015)	120,870,700,000	7,625,000,000	88,948,714,820	13,770,000,000	-	41,191,184,598	272,405,599,418
- Profit in 2015	-	-	-	-	-	2,169,639,471	2,169,639,471
- Other tax payment	-	-	-	-	-	(5,205,879,077)	(5,205,879,077)
Closing balance (31/12/2015)	120,870,700,000	7,625,000,000	88,948,714,820	13,770,000,000	-	38,154,944,992	269,369,359,812

In the year 2009 and 2010, the difference from revaluation on intangible asset-land use rights is VND 73,377,039,634 and VND 15,571,675,186 as presented at Note 3.7 and 4.9.

(*) Opening balance is reclassified according with the Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises replacing the Decision No. 15/2006/QD-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009 issued by the Ministry of Finance. This Circular is applicable for annual accounting periods beginning on or after 1 January 2015.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

Transactions with owners and dividend distribution

	Year 2015 VND	Year 2014 VND
Owner's equity		
Beginning balance	120,870,700,000	120,870,700,000
Increasing	-	-
Ending balance	120,870,700,000	120,870,700,000

Share

	Year 2015	Year 2014
Authorized shares	1,208,707	1,208,707
- Common stock	535,000	535,000
- Common stock (conditional transfer right)	673,707	673,707
- Preference share	-	-
Issued shares during the year	1,208,707	1,208,707
- Common stock	535,000	535,000
- Common stock (conditional transfer right)	673,707	673,707
- Preference stock	-	-
Outstanding shares	1,208,707	1,208,707
- Common stock	535,000	535,000
- Common stock (conditional transfer right)	673,707	673,707
- Preference stock	-	-
Treasury stock	-	-

Par value of outstanding shares : VND 100,000 / shares

4.20 Off balance sheet items

	31/12/2015 VND	01/01/2015 VND
Foreign currency		
- USD	82,043.32	648.95
- JPY	1,529.75	31,251.00

5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT

5.1 Revenue from rendering services

	Year 2015 VND	Year 2014 VND
Revenue from rendering services	71,732,110,150	102,369,791,175
Deduction	-	-
Net sales	<u>71,732,110,150</u>	<u>102,369,791,175</u>

5.2 Cost from rendering services

	Year 2015 VND	Year 2014 VND
Cost from rendering services	63,735,750,654	92,401,030,787
	<u>63,735,750,654</u>	<u>92,401,030,787</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

5.3 Financial income		Year 2015	Year 2014
		VND	VND
Interest from bank		347,298,550	41,935,078
Gain from foreign exchange		11,627,080	8,213,235
Dividend from financial investment		800,202,476	1,042,894,200
Gain on shares transfer		2,890,000,000	-
		4,049,128,106	1,093,042,513
5.4 Administration expenses		Year 2015	Year 2014
		VND	VND
Employees expenses		7,618,410,262	6,864,483,362
Raw material costs		5,653,802	21,310,575
Tool cost		3,109,938	5,273,000
Tax and fees		103,913,836	54,808,804
Electricity, water cost		814,918,756	767,961,529
Other costs		1,236,126,788	609,483,914
		9,782,133,382	8,323,321,184
5.5 Current income tax expense		Year 2015	Year 2014
		VND	VND
Profit before CIT		2,228,869,074	2,252,824,700
Increasing/ decreasing adjustments			
<i>Add: non-deductible expenses</i>		28,095,836	568,684,028
<i>Less: non-taxable income</i>		(1,987,739,442)	(1,042,894,200)
Taxable income		-	1,778,614,528
CIT rate		22%	22%
<i>Payable estimated CIT</i>		59,229,603	391,295,196
Current CIT expenses		59,229,603	391,295,196
5.6 Earning per share		Year 2015	Year 2014
Accounting profit after CIT	VND	2,169,639,471	1,861,529,504
Profit or loss allocated to common stockholders	VND	2,169,639,471	1,861,529,504
Weighted average of outstanding common stock	Shares	1,208,707	1,208,707
Earning per share	VND/ Share	1,795	1,540

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

6. OTHER INFORMATION

6.1 Related parties

Significant transactions with related parties during the year were as follows:

Related parties	Location	Relationship
Portcoast Investment Consultants Corporation	Ho Chi Minh City	Subsidiary
Portcoast Geotechnical Co., Ltd	Ho Chi Minh City	Subsidiary
Xcom Co., Ltd	Ho Chi Minh City	Subsidiary
Global Media Consultant Co., Ltd	Ho Chi Minh City	Subsidiary
Cong Chinh AC Co., Ltd	Ho Chi Minh City	Subsidiary
Dia Hai Co., Ltd	Ho Chi Minh City	Subsidiary
Nhan Phuc Duc Investment JSC	Ho Chi Minh City	Subsidiary
Transport Engineering Design Incorporation Port Co.,ltd	Ha Noi City	Associate
Tien Giang Construction Consultant JSC	Tien Giang Province	Associate
HFIC Investment Joint Stock Company	Ho Chi Minh City	Associate
Sai Gon Medicine Health Investment Corporation	Ho Chi Minh City	Associate
Civil Engineering Consultants Join-Stock Company 625	Ho Chi Minh City	Associate

6.2 Transactions and balances with related parties

In financial year, significant transactions with related parties during the year were as follow:

Related company	Transactions	Year 2015 VND
Dia Hai Co., Ltd.	Lending business	5.034.660.595
	Received from lending	1.859.000.000
	Advance to suppliers	1.054.300.000
	Buying services	170.000.000
Portcoast Geotechnical Co., Ltd	Lending business	8.817.623.307
	Received from lending	21.777.778
Global Media Consultant Co., Ltd	Lending business	195.100.000
Nhan Phuc Duc Investment JSC	Lending business	194.663.085
	Received from lending	113.753.000
Tien Giang Construction Consultant JSC	Selling	44.447.500
	Received from lending	210.000.000

As at 31 December 2015, the balances of receivable with the related parties are as follows:

Related company	Transactions	31/12/2015 VND
Dia Hai Co., Ltd.	Advance to suppliers	4.063.375.750
	Lending business	8.484.770.752
Portcoast Geotechnical Co., Ltd	Advance to suppliers	16.403.943.874
	Lending business	37.789.850.193
Xcom Co., Ltd	Advance to suppliers	243.472.698
	Lending business	315.617.310
Cong Chinh AC Co., Ltd	Advance to suppliers	100.000.000
	Lending business	1.597.414.664
Global Media Consultant Co., Ltd	Advance to suppliers	1.618.442.500
	Lending business	990.897.458
Portcoast Investment Consultants Corporation	Lending business	10.000.000
Nhan Phuc Duc Investment JSC	Lending business	1.230.516.438
HFIC Investment Joint Stock Company	Lending business	46.353.000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

As at 31 December 2015, the balances of payable with the related parties are as follows:

Related company	Transactions	31/12/2015 VND
Tien Giang Construction Consultant JSC	Advance to services	13,742,376
Portcoast Geotechnical Co., Ltd	Payable	154,000,000
Dia Hai Co., Ltd.	Payable	6,900,000

6.3 The impact of the application of new accounting regulations and changes in accounting policies

Opening balance of the Company for the financial year ended 31 December 2015 were restated in according with Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance providing guidance on Vietnamese Accounting System for enterprises.

BALANCE SHEET	Code	Previously reported 31/12/2014 VND	Adjustment Increase/ (Decrease) VND	Restated 01/01/2015 VND
Other short-term receivables	136	-	3,448,972,709	3,448,972,709
Other short-term assets	155	3,448,972,709	(3,448,972,709)	-
Investments in other entities	253	-	7,552,950,000	7,552,950,000
Other Long-term investments		7,552,950,000	(7,552,950,000)	-
Development investment fund	418	-	6,310,000,000	6,310,000,000
Financial reserve fund		6,310,000,000	(6,310,000,000)	-



NGUYEN DANG BICH PHUONG
Prepared by



NGUYEN THI TAM TRINH
Finance and HR Chief Officer



TRẦN TÂN PHÚC
General Director
Ho Chi Minh City, 16 June 2016