



**DUC LONG GIA LAI GROUP
JOINT STOCK COMPANY
Consolidated financial statements
For the year ended 31/12/2015**

CONTENTS

Page

Report of the Management	1 - 4
Independent Auditors' Report	5
Consolidated financial statements	
• Consolidated balance sheet	6 - 7
• Consolidated income statement	8
• Consolidated statement of cash flows	9
• Notes to the consolidated financial statements	10 - 65

REPORT OF THE MANAGEMENT

The Management of Duc Long Gia Lai Group Joint Stock Company presents this report together with the audited consolidated financial statements of Duc Long Gia Lai Group Joint Stock Company and its subsidiaries (together, the "Group") for the year ended 31/12/2015.

Overview

Duc Long Gia Lai Group Joint Stock Company (the "Company") is established under Business Registration Certificate (now being Enterprise Registration Certificate) No. 5900415863 dated 13/06/2007 by the Planning and Investment Department of Gia Lai Province. Since the establishment date, the Enterprise Registration Certificate has been amended 25 times and the nearest amendment was made on 26/08/2015. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

The Company was approved to list its common shares on Hochiminh Stock Exchange under Listing Permit No. 114/QD-SGDHCM dated 14/06/2010 by Hochiminh Stock Exchange under securities code DLG. The official transaction date was 22/06/2010.

Charter capital: VND1,691,861,170,000.

Share capital as at 31/12/2015: VND1,691,861,170,000.

No. Consolidated companies

I. Consolidated subsidiaries (16 companies)

1. Duc Long Gia Lai Investment and Development of Public Project Service JSC
2. Duc Long Gia Lai Investment and Construction JSC
3. Duc Long Gia Lai Afforestation and Industrial plants JSC
4. Duc Long Gia Lai Security Service JSC
5. Duc Long Dak Nong BOT and BT JSC
6. Duc Long Gia Lai BOT and BT JSC
7. Duc Long Gia Lai Transport Construction JSC
8. Duc Long Da Nang JSC
9. Duc Long Gia Lai Education Sports and Travel JSC
10. Duc Long Gia Lai Agriculture Co., Ltd
11. Mass Noble Investments Limited
12. Tan Thuong Energy JSC
13. Duc Long Gia Lai Mineral Exploitation and Processing Co., Ltd (control ceased on 29/04/2015)
14. Duc Long Gia Lai Wood Processing JSC (control ceased on 31/03/2015).
15. Minh Long Gia Lai Transport Construction JSC (control ceased on 29/09/2015)
16. Phuoc Hoang Long Bridge & Road Construction Investment Co., Ltd (control ceased on 29/09/2015).

II. Consolidated associates (3 companies)

1. Gia Lai Transport Consulting and Construction JSC
2. Tay Nguyen Materials Supply Co., Ltd
3. Duc Long Tay Nguyen JSC

REPORT OF THE MANAGEMENT (cont'd)

Head office

- Address: 02 Dang Tran Con Street, Tra Ba Ward, Pleiku City, Gia Lai Province, Vietnam.
- Tel: (84) 059.3748.367
- Fax: (84) 059.3747.366
- Email: duclonggialaigroup@gmail.com; duclong@duclonggroup.com
- Website: www.duclonggialaigroup.com

Principal activities

- Manufacture of furniture (Detail: Manufacture of wooden furniture and other furniture);
- Rubber tree plantation; Afforestation and tending of forest; Construction of other civil engineering projects;
- Transport via bus; Other food serving activities;
- Mining of iron ores; Other mining and quarrying n.e.c;
- Construction of roads and railways (Detail: Construction of roads; Investment in construction of transport projects (in BOT form));
- Leasing of other machinery, equipment and tangible goods (Detail: Leasing of machinery, equipment; Leasing of office); Mining of precious metals ores;
- Operation of sports facilities (Detail: Selling tickets of sports games);
- Activities of sports clubs;
- Wholesale of other machinery and equipment n.e.c (Detail: Wholesale of specialized machinery, equipment and accessories for road and bridge, civil and industrial sectors);
- Other accommodation (Detail: Hotels; Short-stay villa or apartment activities; Short stay guesthouse activities);
- Electric power generation, transmission and distribution;
- Freight transport by road; Activities of asset holding company;
- Mining of other non-ferrous metal ores; Mining of chemical and fertilizer minerals;
- Other sports activities; Advertising;
- Wholesale of automobile and other motorized vehicles;
- Cutting, shaping and finishing of stones (Detail: Production of ashlar, cutting and shaping of stones according to construction requirements; Processing minerals);
- Management consultancy activities; Manufacture of other products from rubber (Detail: Processing latex crumb rubber);
- Educational support services; Primary education; Lower secondary and upper secondary education;
- Wholesale of other products n.e.c (Detail: Purchase and sale of latex crumb rubber; purchase and sale of fertilizers; Wholesale of asphalt, asphalt concrete; concrete cement);
- Manufacture of rubber tyres and tubes; retreading and recycling of rubber tyres;
- Dealing in real estate with the right of ownership or rent;

REPORT OF THE MANAGEMENT (cont'd)

- Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Wholesale of stone, sand, gravel, cement);
- Service activities incidental to land and rail transportation (Detail: Service activities incidental to land transportation);
- Trading of solid, liquid and gaseous fuels and related products (Detail: agency of petroleum, oil and products thereof; agency of engine lubricants and cleansing substances);
- Activities auxiliary to finance n.e.c (Detail: Investment consultancy activities);
- Fund management activities (Detail: General fund management);
- Exploitation of stone, sand, gravel, clay (not operating at head office);
- Wholesale of metals and metal ores (Detail: Wholesale of iron, steel, copper, lead, zinc and non-ferrous metals in primary form and semi-finished product form);
- Manufacture of electronic components (Detail: Manufacture and processing of electronic components);
- Wholesale of electronic and telecommunications equipment and supplies.
- Wholesale of farm, forestry raw materials (except wood, bamboo) and live animals (Detail: Wholesale of farm produce (except rubber latex); wholesale of cattle and buffaloes).

Employees

As at 31/12/2015, the Company had 90 employees including 16 managing officers.

Members of the Board of Directors, Board of Supervisors, Management and Chief Accountant during the year and up to the reporting date are as follows:

Board of Directors

- | | | |
|-------------------------|----------|----------------------------|
| • Mr. Bui Phap | Chairman | Re-appointed on 14/04/2012 |
| • Mr. Nguyen Dinh Trac | Member | Re-appointed on 14/04/2012 |
| • Mr. Do Thanh | Member | Re-appointed on 14/04/2012 |
| • Mr. Pham Anh Hung | Member | Appointed on 25/05/2013 |
| • Mr. Nguyen Trung Kien | Member | Appointed on 25/05/2013 |
| • Mr. Nguyen Ho Nam | Member | Appointed on 27/11/2014 |
| • Mr. Nguyen Dang Hai | Member | Appointed on 27/11/2014 |
| • Mr. Doan Nguyen Tieu | Member | Appointed on 27/11/2014 |

Board of Supervisors

- | | | |
|-------------------------|------------------|---|
| • Ms. Phan Thi Ngoc Anh | Chief Supervisor | Appointed on 25/04/2015 |
| • Mr. Le Ngoc Minh | Chief Supervisor | Appointed on 25/05/2013
Resigned on 25/04/2015 |
| | Supervisor | Appointed on 25/04/2015 |
| • Mr. Nguyen Van Nguyen | Supervisor | Appointed on 25/05/2013 |

REPORT OF THE MANAGEMENT (cont'd)

- Ms. Pham Thi Bich Loan Supervisor Appointed on 28/04/2014
Resigned on 25/04/2015

Management and Chief Accountant

- Mr. Pham Anh Hung General Director Appointed on 01/01/2014
- Mr. Do Thanh Vice General Director Appointed on 01/07/2007
- Mr. Phan Xuan Vien Vice General Director Appointed on 01/07/2007
- Mr. Nguyen Tien Dung Vice General Director Appointed on 06/03/2009
- Mr. Pham Minh Viet Vice General Director Appointed on 01/10/2010
- Ms. Vu Thi Hai Chief Accountant Appointed on 09/07/2013

Independent auditor

These consolidated financial statements were audited by AAC Auditing and Accounting Company Ltd (Head office: Lot 78-80, April 30th Street, Hai Chau District, Danang City; Tel: (84) 511.3655886; Fax: (84) 511.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

Statement of the Management's responsibility with respect to the consolidated financial statements

The Management of the Company is responsible for preparation and fair presentation of these consolidated financial statements on the basis of:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the consolidated financial statements on the going concern basis;
- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Members of the Company's Management hereby confirm that the accompanying consolidated financial statements including the consolidated balance sheet, the consolidated income statement, the consolidated statement of cash flows and notes to the consolidated financial statements give a true and fair view of the financial position of the Company as at 31/12/ 2015 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and statutory requirements relevant to the preparation and presentation of consolidated financial statements.



On behalf of the Management

Pham Anh Hung

General Director

Gia Lai Province, 29 March 2016



No. 482/2016/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors and Management
Duc Long Gia Lai Group Joint Stock Company**

We have audited the accompanying consolidated financial statements of Duc Long Gia Lai Group Joint Stock Company (the "Company") and its subsidiaries (together, the "Group") as prepared on 20/03/2016 and set out on pages 6 to 65, which comprise the consolidated balance sheet as at 31/12/2015, the consolidated income statement, consolidated statement of cash flows, and notes to the consolidated financial statements for the year then ended.

The Management's Responsibility

The Management of the Group is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as the 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 auditors' 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 auditors consider internal control relevant to the Group'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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31/12/2015, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

AAC Auditing and Accounting Co., Ltd.



Lam Quang Tu – Deputy General Director
Audit Practicing Registration Certificate
No. 1031-2013-010-1

Danang City, 29 March 2016

Nguyen Ha Trung – Auditor
Audit Practicing Registration Certificate
No. 2444-2013-010-1

CONSOLIDATED BALANCE SHEET

As at 31/12/2015

Form B 01-DN/HN

Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2015 VND	01/01/2015 VND
A. CURRENT ASSETS	100		3,135,385,580,757	1,901,481,385,683
I. Cash and cash equivalents	110	5	220,107,949,123	106,621,225,448
1. Cash	111		96,121,254,089	88,321,225,448
2. Cash equivalents	112		123,986,695,034	18,300,000,000
II. Short-term financial investments	120		837,264,666,667	340,000,000,000
1. Trading securities	121	6	264,000,000,000	-
2. Held-to-maturity investments	123	7.a.1	573,264,666,667	340,000,000,000
III. Short-term receivables	130		1,523,713,012,610	1,035,308,268,253
1. Short-term trade receivables	131	8	421,320,582,095	251,508,882,295
2. Short-term prepayments to suppliers	132	9	196,979,291,054	92,738,960,959
3. Short-term loans receivable	135	10.a	701,001,957,372	496,620,171,148
4. Other short-term receivables	136	11.a	217,129,586,506	203,252,605,452
5. Provision for doubtful debts	137	12	(12,727,607,230)	(8,821,554,414)
6. Shortage of assets pending resolution	139		9,202,813	9,202,813
IV. Inventories	140	13	535,383,509,352	381,765,003,773
1. Inventories	141		555,758,377,420	381,765,003,773
2. Provision for decline in value of inventories	149		(20,374,868,068)	-
V. Other current assets	150		18,916,443,005	37,786,888,209
1. Short-term prepaid expenses	151	14.a	1,201,639,542	965,104,142
2. Deductible VAT	152		17,209,941,556	36,783,351,157
3. Taxes and amounts recoverable from State	153	22.a	504,861,907	38,432,910
B. LONG-TERM ASSETS	200		3,680,221,906,917	2,205,182,919,630
I. Long-term receivables	210		182,708,702,723	219,660,747,218
1. Long-term loans receivable	215	10.b	157,343,713,318	219,267,747,218
2. Other long-term receivables	216	11.b	25,364,989,405	393,000,000
II. Fixed assets	220		2,536,676,671,940	222,422,233,560
1. Tangible fixed assets	221	15	2,472,217,311,059	168,282,323,695
- Cost	222		2,837,238,847,437	221,982,830,756
- Accumulated depreciation	223		(365,021,536,378)	(53,700,507,061)
2. Intangible fixed assets	227	16	64,459,360,881	54,139,909,865
- Cost	228		166,169,051,175	54,585,204,763
- Accumulated amortization	229		(101,709,690,294)	(445,294,898)
III. Investment properties	230	17	108,928,078,646	112,863,719,865
- Cost	231		121,311,884,456	124,210,456,151
- Accumulated depreciation	232		(12,383,805,810)	(11,346,736,286)
IV. Long-term assets in progress	240		460,347,766,841	1,552,703,097,068
1. Long-term work in process	241		-	-
2. Construction in progress	242	18	460,347,766,841	1,552,703,097,068
V. Long-term financial investments	250		41,337,243,414	87,595,592,293
1. Investments in joint ventures, associates	252	7.b	26,450,981,778	26,246,489,601
2. Equity investments in other entities	253	7.c	15,751,500,000	62,017,800,000
3. Provision for long-term investments	254		(2,265,238,364)	(5,068,697,308)
4. Held-to-maturity investments	255	7.a.2	1,400,000,000	4,400,000,000
VI. Other long-term assets	260		350,223,443,353	9,937,529,626
1. Long-term prepaid expenses	261	14.b	41,474,594,822	4,076,567,242
2. Deferred income tax assets	262		18,164,978,676	5,860,962,384
3. Goodwill	269	19	290,583,869,855	-
TOTAL ASSETS	270		6,815,607,487,674	4,106,664,305,313

CONSOLIDATED BALANCE SHEET (cont'd)

As at 31/12/2015

RESOURCES	Code	Note	31/12/2015	01/01/2015
			VND	VND
A. LIABILITIES	300		4,659,167,400,422	2,439,559,634,144
I. Current liabilities	310		1,201,278,547,823	648,279,945,358
1. Short-term trade payables	311	20	609,145,972,928	205,487,084,131
2. Short-term advances from customers	312	21	40,826,783,914	8,708,898,399
3. Taxes and amounts payable to the State	313	22.b	51,611,529,683	31,102,653,266
4. Payables to employees	314		24,575,230,736	5,358,960,448
5. Short-term accrued expenses	315	23	44,274,125,874	21,877,644,412
6. Short-term unearned revenue	318	24	496,919,698	127,328,029
7. Other short-term payables	319	25.a	113,132,159,636	122,573,876,554
8. Short-term loan and finance lease liabilities	320	26.a	317,745,315,095	251,931,779,860
9. Reward and welfare fund	322		(529,489,741)	1,111,720,259
II. Long-term liabilities	330		3,457,888,852,599	1,791,279,688,786
1. Other long-term payables	337	25.b	74,595,230,845	-
2. Long-term loan and finance lease liabilities	338	26.b	2,915,632,941,375	1,790,554,533,424
3. Convertible bonds	339	27.b	438,110,772,258	-
4. Deferred income tax liabilities	341		2,629,387,586	725,155,362
5. Provision for long-term payables	342	28	26,920,520,535	-
B. OWNERS' EQUITY	400		2,156,440,087,252	1,667,104,671,169
I. Equity	410		2,156,440,087,252	1,667,104,671,169
1. Share capital	411	29	1,691,861,170,000	1,492,535,080,000
- Common shares with voting rights	411a		1,691,861,170,000	1,492,535,080,000
- Preferred shares	411b		-	-
2. Share premium	412	29	49,928,104,500	819,082,000
3. Option to convert bonds	413	29	94,188,783,378	-
4. Other owners' equity	414	29	8,977,680,000	-
5. Foreign exchange differences	417	29	10,031,813,727	-
6. Share premium	418	29	11,134,542,824	11,134,542,824
7. Undistributed profit	421	29	133,480,076,884	54,165,749,925
- Undistributed profit up to the end of prior year	421a		45,188,069,925	142,177,962
- Undistributed profit of current year	421b		88,292,006,959	54,023,571,963
8. Non-controlling interests	429		156,837,915,939	108,450,216,420
II. Budget sources and other funds	430		-	-
TOTAL RESOURCES	440		6,815,607,487,674	4,106,664,305,313



Pham Anh Hung
General Director
Gia Lai Province, 20 March 2016

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

CONSOLIDATED INCOME STATEMENT

For the year ended 31/12/2015

Form B 02-DN/HN

Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2015 VND	Year 2014 VND
1. Revenue from sales and service provision	01	31	1,645,084,969,683	1,005,809,203,566
2. Less: deductions	02	32	7,369,879,408	-
3. Net revenue from sales and service provision	10		1,637,715,090,275	1,005,809,203,566
4. Cost of goods sold	11	33	1,481,048,765,115	900,026,622,354
5. Gross profit from sales and service provision	20		156,666,325,160	105,782,581,212
6. Financial income	21	34	104,493,457,068	80,695,375,782
7. Financial expenses	22	35	159,455,236,286	103,283,314,270
Including: interest expenses	23		162,207,084,144	101,318,290,886
8. Shares of profit/(loss) of joint ventures, associates	24		204,492,177	(48,160,527)
9. Selling expenses	25	36.a	14,521,100,051	2,394,767,348
10. General and administration expenses	26	36.b	64,186,030,221	33,322,592,570
11. Operating profit	30		23,201,907,847	47,429,122,279
12. Other income	31	37	64,029,845,334	7,172,215,253
13. Other expenses	32	38	4,422,348,561	1,991,845,218
14. Other profit	40		59,607,496,773	5,180,370,035
15. Accounting profit before tax	50		82,809,404,620	52,609,492,314
16. Current corporate income tax expense	51	39	7,073,815,733	5,002,675,960
17. Deferred corporate income tax expense	52		(5,325,788,529)	(6,660,670,910)
18. Profit after tax	60		81,061,377,416	54,267,487,264
Profit after tax attributable to shareholder of the				
19. parent	61		82,680,971,121	52,796,969,817
Profit after tax attributable to non-controlling				
20. interests	62		(1,619,593,705)	1,470,517,447
21. Basic earnings per share	70	40	522	533
22. Diluted earnings per share	71	40	522	533



Pham Anh Hung
General Director

Gia Lai Province, 20 March 2016

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

STATEMENT OF CASH FLOWS
For the year ended 31/12/2015

Form B 03-DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code Note	Year 2015 VND	Year 2014 VND
I. Cash flows from operating activities			
1. Profit before tax	01	82,809,404,620	52,609,492,314
2. Adjustments for			
- Depreciation of fixed assets	02	(13,653,806,767)	11,006,030,027
- Provisions	03	516,761,952	5,274,073,294
- Foreign exchange gain/loss from revaluation of foreign currency balances	04	(1,135,421)	(6,234,704)
- (Profits)/losses from investing activities	05	(104,302,257,013)	(80,565,400,314)
- Interest expense	06	162,207,084,144	101,318,290,886
3. Operating profit before changes in working capital	08	127,576,051,515	89,636,251,503
- Decrease/(increase) in receivables	09	(52,505,789,139)	(71,270,044,224)
- Decrease/(increase) in inventories	10	14,091,662,642	(48,120,523,575)
- (Decrease)/increase in payables (excluding loan interest and corporate income tax payable)	11	144,447,432,135	18,965,632,494
- Decrease/(increase) in prepaid expenses	12	459,148,443	(5,911,153,204)
- Tăng, giảm chứng khoán kinh doanh	13	(211,831,833,772)	-
- Interest paid	14	(97,399,626,110)	(66,646,336,907)
- Corporate income tax paid	15	(15,864,741,825)	(3,068,253,092)
- Other cash payments for operating activities	17	(1,641,210,000)	(339,375,674)
Net cash used in operating activities	20	(92,668,906,111)	(86,753,802,679)
II. Cash flows from investing activities			
1. Purchases of fixed assets and other long-term assets	21	(1,302,556,066,334)	(881,745,387,007)
2. Disposals of fixed assets and other long-term assets	22	127,537,335	25,000,000
3. Cash paid for loans, acquisition of debt instruments	23	(2,063,030,289,499)	(844,771,741,346)
4. Recovery of loans, sales of debt instruments	24	1,644,570,192,228	290,037,250,000
5. Cash paid for capital contribution in other entities	25	13,603,782,108	(3,766,300,000)
5. Recovery of capital contribution in other entities	26	130,645,248,370	28,851,200,000
6. Proceeds from loans interest, dividends, shared profit	27	51,452,286,399	35,557,385,995
Net cash used in operating activities	30	(1,525,187,309,393)	(1,375,812,592,358)
III. Cash flows from financing activities			
1. Proceeds from share issuance, capital contribution	31	148,188,783,378	702,937,700,000
2. Proceeds from borrowings	33	2,953,204,463,589	963,954,520,236
3. Repayments of borrowings	34	(1,370,264,135,087)	(179,378,873,245)
4. Dividends, profit paid to shareholders	36	-	(419,851,563)
Net cash provided by financing activities	40	1,731,129,111,880	1,487,093,495,428
Net cash flows for the period	50	113,272,896,376	24,527,100,391
Cash and cash equivalents at beginning of the period	60	106,621,225,448	82,088,914,921
Impacts of exchange rate fluctuations	61	213,827,299	5,210,136
Cash and cash equivalents at end of the period	70	220,107,949,123	106,621,225,448



Phạm Anh Hưng
General Director

Gia Lai Province, 20 March 2016

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. Nature of operations

1.1. Overview

Duc Long Gia Lai Group Joint Stock Company (the "Company") is established under Business Registration Certificate (now being Enterprise Registration Certificate) No. 5900415863 dated 13/06/2007 by the Planning and Investment Department of Gia Lai Province. Since the establishment date, the Enterprise Registration Certificate has been amended 25 times and the nearest amendment was made on 26/08/2015. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

The Company was approved to list its common shares on Hochiminh Stock Exchange under Listing Permit No. 114/QD-SGDHCM dated 14/06/2010 by Hochiminh Stock Exchange under securities code DLG. The official transaction date was 22/06/2010.

1.2. Principal scope of business: *Manufacture of finished products from wood, agricultural products (corn, soybean...), exploitation of stones, commercial trading, construction and service business (lease of assets, hotel,...).*

1.3. Operating activities

- Manufacture of furniture (Detail: Manufacture of wooden furniture and other furniture);
- Rubber tree plantation; Afforestation and tending of forest; Construction of other civil engineering projects;
- Transport via bus; Other food serving activities;
- Mining of iron ores; Other mining and quarrying n.e.c;
- Construction of roads and railways (Detail: Construction of roads; Investment in construction of transport projects (in BOT form));
- Leasing of other machinery, equipment and tangible goods (Detail: Leasing of machinery, equipment; Leasing of office); Mining of precious metals ores;
- Operation of sports facilities (Detail: Selling tickets of sports games);
- Activities of sports clubs;
- Wholesale of other machinery and equipment n.e.c (Detail: Wholesale of specialized machinery, equipment and accessories for road and bridge, civil and industrial sectors);
- Other accommodation (Detail: Hotels; Short-stay villa or apartment activities; Short stay guesthouse activities);
- Electric power generation, transmission and distribution;
- Freight transport by road; Activities of asset holding company;
- Mining of other non-ferrous metal ores; Mining of chemical and fertilizer minerals;
- Other sports activities; Advertising;
- Wholesale of automobile and other motorized vehicles;
- Cutting, shaping and finishing of stones (Detail: Production of ashlar, cutting and shaping of stones according to construction requirements; Processing minerals);

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Management consultancy activities; Manufacture of other products from rubber (Detail: Processing latex crumb rubber);
- Educational support services; Primary education; Lower secondary and upper secondary education;
- Wholesale of other products n.e.c (Detail: Purchase and sale of latex crumb rubber; purchase and sale of fertilizers; Wholesale of asphalt, asphalt concrete; concrete cement);
- Manufacture of rubber tyres and tubes; retreading and recycling of rubber tyres;
- Dealing in real estate with the right of ownership or rent;
- Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Wholesale of stone, sand, gravel, cement);
- Service activities incidental to land and rail transportation (Detail: Service activities incidental to land transportation);
- Trading of solid, liquid and gaseous fuels and related products (Detail: agency of petroleum, oil and products thereof; agency of engine lubricants and cleansing substances);
- Activities auxiliary to finance n.e.c (Detail: Investment consultancy activities);
- Fund management activities (Detail: General fund management);
- Exploitation of stone, sand, gravel, clay (not operating at head office);
- Wholesale of metals and metal ores (Detail: Wholesale of iron, steel, copper, lead, zinc and non-ferrous metals in primary form and semi-finished product form);
- Manufacture of electronic components (Detail: Manufacture and processing of electronic components);
- Wholesale of electronic and telecommunications equipment and supplies.
- Wholesale of farm, forestry raw materials (except wood, bamboo) and live animals (Detail: Wholesale of farm produce (except rubber latex); wholesale of cattle and buffaloes).

1.4. Group structure

These consolidated financial statements were prepared for the Company and its 16 subsidiaries (together, the "Group"). All subsidiaries were consolidated in the financial statements. Besides, no subsidiaries were eliminated from the consolidation.

Information on the restructure of the Group:

- Subsidiaries newly-acquired in the year:
 - ✓ Tan Thuong Energy Joint Stock Company;
 - ✓ Mass Noble Investments Limited.
- In the year, the Company divested its capital from 04 subsidiaries namely:
 - ✓ Duc Long Gia Lai Wood Processing JSC (control ceased on 31/03/2015);
 - ✓ Duc Long Gia Lai Mineral Exploitation and Processing Co., Ltd (control ceased on 29/04/2015);
 - ✓ Minh Long Gia Lai Transport Construction JSC (control ceased on 29/09/2015);
 - ✓ Phuoc Hoang Long Bridge & Road Construction Investment Co., Ltd (control ceased on 29/09/2015).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

List of consolidated subsidiaries (16 companies)

1. Duc Long Gia Lai Investment and Development of Public Project Service JSC

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Service activities incidental to land transportation; Transport of passengers by bus; Transport of passengers on fixed routes; Freight transport; Investment in construction of car terminals in cities and provinces over the country; Other food serving activities; Agency of engine lubricants and cleansing substances; Short-term accommodation activities; Non-specialized wholesale trade; Other amusement and recreation activities n.e.c; Service of car terminals, parking lots; Leasing of office; agency of petroleum, oil and products thereof; Passenger transportation under contract; Repair of machines, equipment; Repair and maintenance of transport means; Warehousing and storage in other warehouse.
- Charter capital: VND31,420,260,000.
- % of ownership: 54.67%.
- % of voting rights: 54.67%.
- Operation status: Operating.

2. Duc Long Gia Lai Investment and Construction JSC

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Construction of hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects, traffic projects, infrastructure projects, electricity lines and transformer stations up to 35KV; Installation of hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects, traffic projects, infrastructure projects, electricity lines and transformer stations up to 35KV; Production, making of electric, electronic, mechanical materials and equipment, communication equipment, specialized automation equipment for hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects; Purchase and sale of electric, electronic, mechanical materials and equipment, communication equipment, specialized automation equipment for hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects; Advertising; Production and trading of construction materials, furniture; Installation, maintenance, repair services of goods traded by the Company; Investment, management of civil, industrial, traffic, hydraulic and hydropower projects; Construction of buildings; Construction of roads; Construction of utility projects; Construction of other engineering projects; Construction of hydraulic and hydropower projects; Demolition of construction project; Site preparation; Installation of electric systems; Installation of water supply and drainage, heating and air-conditioning systems ; Finishing of construction projects; Leasing construction machinery, equipment; Supply, installation of electromechanical and hydro-mechanical equipment, civil and industrial projects, hydropower plant.
- Charter capital: VND2,000,000,000.
- % of ownership: 94.12%.
- % of voting rights: 51%.
- Operation status: Operating.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

3. *Duc Long Gia Lai Afforestation and Industrial plants JSC*

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Planting rubber tree; Planting other perennial trees; Post-harvest crop activities; Support services to forestry; Exploiting timber from planted forest; Afforestation and tending of forest; Seed processing for propagation.
- Charter capital: VND47,000,000,000.
- % of ownership: 96.81%.
- % of voting rights: 96.81%.
- Operation status: Operating.

4. *Duc Long Gia Lai Security Service JSC*

- Head office: 73A Nguyen Trong Tuyen Street, Ward 15, Phu Nhuan District, Ho Chi Minh City.
- Principal activities: Security service business.
- Charter capital: VND3,400,000,000.
- % of ownership: 48%.
- % of voting rights: 52%.
- Operation status: Operating.

5. *Duc Long Dak Nong BOT and BT JSC*

- Head office: Group 9, Nghia Thanh Ward, Gia Nghia Town, Dak Nong Province.
- Principal activities: Mining of iron ores; Mining non-ferrous metal ores; Mining of precious metals ores; Exploitation of stone, sand, gravel, clay; Other mining and quarrying n.e.c; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel; Casting of metals; Manufacture of other fabricated metal products; metalworking service activities; Investment in construction of traffic projects (in BOT and BT forms); Construction of buildings; Construction of roads and railways; Construction of utility projects; Construction of other civil engineering projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage system and other construction installation activities; Finishing of construction projects; Other specialized construction activities; Wholesale of machinery, equipment and machine spare parts; Other specialized wholesale; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation; Cargo handling; Leasing of other machinery, equipment and tangible goods.
- Charter capital: VND224,000,000,000.
- % of ownership: 68.06%.
- % of voting rights: 67.19%.
- Operation status: Operating.

6. *Duc Long Gia Lai BOT and BT JSC*

- Head office: 782 Hung Vuong Street, Chu Se Town, Chu Se District, Gia Lai Province.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Principal activities: Investment in construction of traffic projects, Mining of iron ores; Mining non-ferrous metal ores; Exploitation of stone, sand, gravel, clay and kaolin; Other mining and quarrying n.e.c; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel, Casting of metals; Manufacture of other fabricated metal products; metalworking service activities; Construction of buildings, Construction of roads; Construction of utility projects, Construction of other civil engineering projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage system and other construction installation activities; Finishing of construction projects, Other specialized construction activities; Wholesale of machinery, equipment and machine spare parts; Other specialized wholesale; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation, Cargo handling; Leasing of other machinery, equipment and tangible goods.
- Charter capital: VND270,000,000,000.
- % of ownership: 70.83%.
- % of voting rights: 60%.
- Operation status: Operating.

7. Duc Long Gia Lai Transport Construction JSC

- Head office: 30 Hung Vuong Street, Chu Se Town, Gia Lai Province.
- Principal activities: Exploitation of stone, sand, gravel, clay and kaolin; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel; Machining; treatment and coating of metals; Construction of buildings; Construction of roads; Construction of utility projects; Construction of other civil engineering projects; Demolition of construction projects; Site preparation; Installation of electric system, water supply and drainage, heating and air-conditioning systems; Finishing of construction projects; Other specialized construction activities; Purchase and sale of other machinery, equipment and machine spare parts; Wholesale of construction materials, installation supplies; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation; Cargo handling; Investment in construction of traffic projects (in BOT and BT forms).
- Charter capital: VND50,000,000,000.
- % of ownership: 100%.
- % of voting rights: 51%.
- Operation status: Operating.

8. Duc Long Da Nang JSC

- Head office: 47 Be Van Dan Street, Thanh Khe District, Danang City.
- Principal activities: Service activities incidental to land transportation; Transport of passengers on fixed routes; Freight transport, Investment in construction of car terminals, parking lots; Food and drink catering services; Dealing in hotel services, rest house; Dịch vụ vui chơi, giải trí Entertainment and recreation services (not trading bar, karaoke); Service of car terminals, parking lots; Construction of civil, traffic, utility, technical projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage, heating and air-conditioning systems; Finishing of construction projects. Purchase and sale of steel and iron; Leasing construction machinery and equipment; Trading petrol in National Road 1A, Hoa Phuoc Commune, Hoa Vang District, Danang City.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Charter capital: VND25,000,000,000.
- % of voting rights: 85%.
- Operation status: Operating.

9. Duc Long Gia Lai Education Sports and Travel JSC

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Lower secondary and upper secondary education; Primary education; Sport and entertainment education; Educational support services; Operation of sports facilities; Activities of sports clubs; Travel agency; Purchase and sale of fabrics, ready-made clothing, footwear; Wholesale of other household products; Wholesale of computer, computer peripheral equipment and software; Other sports activities.
- Charter capital: VND65,000,000,000.
- % of voting rights: 55%.
- Operation status: Inactive.

10. Duc Long Gia Lai Agriculture Co., Ltd

- Head office: 211 Phu Ha Village, IaBlu Commune, Chu Puh District, Gia Lai Province.
- Principal activities: Cultivation of corn and other grain-bearing food plants; Cultivation of starchy tuber plants; Cultivation of sugar cane; Growing of oil seeds; Growing of oleaginous fruits; Rubber tree plantation; Raising of cattle and buffaloes; Wholesale of agricultural raw materials (except wood, bamboo) and live animals (Detail: Wholesale of agricultural products (except rubber latex); Wholesale of cattle and buffaloes); Support activities for crop production; Support activities for animal production; Other specialized wholesale n.e.c (Detail: Purchase and sale of latex crumb rubber, purchase and sale of fertilizers); Activities of asset holding company.
- Charter capital: VND360,500,000,000.
- % of ownership: 99.66%.
- % of voting rights: 99.86%.
- Operation status: Operating.

11. Tan Thuong Energy JSC

- Head office: 18 Ha Huy Tap Street, Ward 3, Da Lat City, Lam Dong Province.
- Principal activities: Construction of other civil engineering projects (Investment in construction of large, medium and small-scaled hydropower projects); Construction of public projects (Construction of hydraulic works, dams, irrigation systems); Electric power generation, transmission and distribution; Installation of industrial machinery and equipment (Manufacturing, installing hydro-mechanical equipment; Manufacturing, installing hydropower equipment); Site preparation (Grouting, treatment and processing of foundation of construction works).
- Charter capital: VND155,000,000,000.
- % of voting rights: 88%.
- Operation status: Inactive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

12. Mass Noble Investments Limited

- Head office: P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.
- Principal activities: designing, manufacturing and trading of home comfort, personal care, home security and energy saving products for customers in the United States and Europe
- Charter capital: VND320,062,401,456.
- % of ownership: 97.73%.
- % of voting rights: 97.73%.
- Operation status: Operating.

13. Duc Long Gia Lai Wood Processing JSC (control ceased on 31/03/2015)

- Head office: Lot C4, Road No. 4, Tra Da Industrial Zone, Pleiku City, Gia Lai Province.
- Principal activities: Sawing, splitting and planning of timber and preservation of timber; Purchase and sale of assorted timber; Manufacture of wooden furniture and other furniture; Construction of buildings; Construction of other technical projects; Consultancy on design of interior decoration; Purchase and sale of electric machinery and equipment, electric materials (motors, generators, transformers, wire...); Purchase and sale of machinery and equipment for mining, quarrying and construction; Purchase and sale of other machinery, equipment, part n.e.c.
- Charter capital: VND35,000,000,000.
- % of ownership: 91.71%.
- % of voting rights: 91.71%. The Company's control over it ceased on 31/03/2015.
- Operation status: Operating.

14. Duc Long Gia Lai Mineral Exploitation and Processing Co., Ltd (control ceased on 29/04/2015)

- Head office: Lot E6 Tra Da Industrial Zone, Tra Da Commune, Pleiku City, Gia Lai Province.
- Principal activities: Exploitation of stone, sand, gravel, clay; Cutting, shaping and finishing of stones (Detail: Production of ashlar, cutting and shaping of stones according to construction requirements; processing minerals); Wholesale of metals and metal ores; Support activities for other mining and quarrying; Wholesale of construction materials, installation supplies; Mining non-ferrous metal ores; Mining of iron ores.
- Charter capital: VND30,000,000,000.
- % of ownership: 100%.
- % of voting rights: 100%. The Company's control over it ceased on 29/04/2015.
- Operation status: Operating.

15. Minh Long Gia Lai Transport Construction JSC (control ceased on 29/09/2015)

- Head office: Hoa Binh Village, Nhon Hoa Town, Chu Puh District, Gia Lai Province
- Principal activities: Afforestation and tending of forest; Mining of iron ores, non-ferrous metal ores; Mining of precious metals ores (not mining in Gia Lai Province); Exploitation of stone, sand, gravel, clay; Other mining and quarrying n.e.c; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel; Casting of metals; Manufacture of other

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

fabricated metal products; metalworking service activities; Construction of buildings; Construction of roads, utility projects, industrial and other civil engineering projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage system and other construction installation activities; Finishing of construction projects; Wholesale of other machines, equipment, spart parts; Wholesale of construction materials, installation supplies; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation; Cargo handling; Leasing of other machinery, equipment and tangible goods .

- Charter capital: VND30,000,000,000.
- % of ownership: 30.45%.
- % of voting rights: 51%.
- Operation status: Operating.

16. *Phuoc Hoang Long Bridge And Road Construction Investment Co., Ltd. (control ceased on 29/09/2015)*

- Head office: Group 3, Phu Hoa Town, Chu Pah District, Gia Lai Province.
- Principal activities: Construction of roads; Other specialized construction activities; Installation of electric system; Leasing of other machinery, equipment and tangible goods; Construction of buildings; Cutting, shaping and finishing of stones; Production of ashlar, cutting and shaping of stones according to construction requirements; Wholesale of automobile and other motorized vehicles; Construction of utility projects; Demolition of construction projects; Installation of water supply and drainage, heating and air-conditioning systems; Wholesale of specialized machinery, equipment and accessories for road and bridge, civil and industrial sectors; Construction of other civil engineering projects; Site preparation; Finishing of construction projects; Exploitation of granite, bazar stones.
- Charter capital: VND30,000,000,000.
- % of ownership: 80%.
- % of voting rights: 80%.
- Operation status: Operating.

Associates reflected in the consolidated financial statements under equity method are as follows (3 companies):

1. *Gia Lai Transport Consulting and Construction JSC*

- Head office: 53 Quang Trung Street, Pleiku City, Gia Lai Province.
- Principal activities: Consultancy on investment and construction of traffic, urban infrastructure projects; Geographical, geological, hydrographical surveys; Preparing project feasibility, pre-feasibility, investment report; Technical design, construction drawings, total cost estimate, cost estimation; Preparation and evaluation of bid documents; Verification of project documents, design, cost estimate prepared by other entities; Supervision of construction technique, project management; Testing construction materials and examining construction quality; Project construction and installation; Design of small-scaled hydropower and hydraulic projects; Consultancy on construction of civil and industrial project.
- Charter capital: VND2,961,000,000. Of which the parent company owns: 20.00%.
- % of voting rights: 20.00%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Operation status: Operating.

2. Tay Nguyen Materials Supply Co., Ltd

- Head office: 02 Dang Tran Con Street, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Purchase and sale of construction materials, materials for interior and exterior decoration); Wholesale of metals and metal ores (Detail: Purchase and sale of metals); Exploitation of stone, sand, gravel, clay; Cutting, shaping and finishing of stones; Mining of other non-ferrous metal ores; Support activities for other mining and quarrying; Mining of iron ores.
- Charter capital: VND60,000,000,000. Of which the parent company owns: 33.33%.
- % of voting rights: 33.33%.
- Operation status: Operating.

3. Duc Long Tay Nguyen JSC

- Head office: 117-119-121 Tran Phu Street, Dien Hong Ward, Tp Pleiku, Tinh Gia Lai.
- Principal activities: Manufacture of iron, steel and basic iron; Afforestation and tending of forest; Rubber tree plantation; Mining of other non-ferrous metal ores; Mining of iron ores; Exploitation of stone, sand, gravel, clay; Raising of cattle and buffaloes; Production of cement, lime and plaster; Casting of iron and steel; Cutting, shaping and finishing of stones; Manufacture of basic precious and other nonferrous metals; Casting of nonferrous metals; Raising of goats and sheep; Raising of pigs.
- Charter capital: VND15,000,000,000.
- % of voting rights: 40.00%.
- Operation status: Up to 31/12/2015, the Company has not yet come into operation.

2. Accounting time period and currency unit used in accounting

The Group's fiscal year is from 1 January to 31 December.

Consolidated financial statements and accounting transactions are expressed and recorded in Vietnamese Dong (VND).

3. Applied accounting standards and system

The Group adopts the Vietnamese Corporate Accounting System, which was issued under Circular No. 200/2014/TT-BTC dated 22/12/2014 and Vietnamese Accounting Standards promulgated by the Ministry of Finance. These consolidated financial statements are prepared in accordance with the provisions of Circular No. 202/2014/TT-BTC dated 22/12/2014 guiding the preparation and presentation of consolidated financial statements.

Form of accounting records: General Journal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4. Summary of significant accounting policies

4.1 Significant changes in applied accounting policies

On 22/12/2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC providing guidance on corporate accounting system replacing Decision No. 15/2006/QD-BTC dated 20/3/2006 and Circular No. 244/2009/TT-BTC dated 31/12/2009 of the Ministry of Finance. This Circular is effective for the fiscal year beginning on 01/01/2015. According to the guidance of Circular 200, the Group applies prospective adjustments to the effects of changes in accounting policies.

Additionally, some corresponding figures of previous year have been re-classified (refer to Note 46) in order to ensure the comparability with current year's figures and to conform to the regulations on financial statement preparation of Circular 200.

On the same date, the Ministry of Finance also issued 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 31/12/2007. Circular 202 is also applicable for the fiscal year beginning on 01/01/2015. The Group applies the changes in accounting treatment in accordance with Circular 202 on a prospective basis as this Circular does not require for retrospective application.

4.2 Principles and methods of preparing consolidated financial statements

4.2.1 Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries are entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The financial statements of subsidiaries are consolidated from the effective date of control up to the date of cease to control.

The financial statements of the subsidiaries are prepared for the same year as the parent company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the company.

Capital divestment of the Company from a subsidiary that does not result in a loss of control is accounted for as transactions with owners. If the capital divestment results in a loss of control, any resulting gain or loss is recognized in the consolidated income statement.

Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

4.2.2 Business combinations

Assets, liabilities and contingent liabilities in a subsidiary are measured at fair value at the date of the subsidiary acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.2.3 Recognition of non-controlling interests

Non-controlling interests represent the portion of net assets in subsidiaries not held by the Group and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity. Non-controlling interests in the net assets of consolidated subsidiaries include: non-controlling interests at the acquisition date which are determined according to the fair value of net assets of subsidiaries at the acquisition date; non-controlling interests' share of changes in equity as from the acquisition date up to the beginning of the reporting period and non-controlling interests in the fluctuations of total equity arising during the period. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the portion of profit or loss of subsidiaries not held by the Group, are determined based on the ratio of non-controlling interests and profit after corporate income tax of subsidiaries and are presented separately in the consolidated income statement.

4.3 Exchange rate difference

Transactions denominated in currencies other than VND are translated into VND using the actual exchange rate announced by the commercial bank where the Group anticipates to conduct transactions on the date of the transactions.

At the balance sheet date, monetary items denominated in currencies other than VND which are classified as assets are revaluated using the purchasing exchange rate and monetary items denominated in currencies other than VND which are classified as liabilities are revaluated using the selling exchange rate of the commercial bank where the Group regularly conducts transactions at the time of the financial statements. For foreign currency deposited in bank, the exchange rate upon revaluation is the purchase exchange rate of the bank where the Group opens foreign currency accounts.

Exchange rate differences are treated in accordance with the provisions of Vietnamese Accounting Standards No. 10 "Impacts of exchange rate fluctuations". Accordingly, foreign exchange differences arising during the year and exchange rate differences resulting from revaluating the closing balances of monetary items denominated in foreign currencies are recorded in the income statement of the fiscal year.

4.4 Cash and cash equivalents

Cash includes cash on hand, cash at bank and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

4.5 Financial investments

Trading securities

Trading securities are securities and other financial instruments (commercial papers, term contract, exchange contract,...) which are held for business purposes.

Trading securities are recorded at cost, comprising: buying prices plus (+) buying costs (if any) such as brokerage, transactions, information provision, taxes, bank's fees and charges. The dividends, profits received for the period before the investment date shall be recorded as a decrease in value of investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

After initial recognition, trading securities are determined at cost less provision for decline in value of trading securities. At the end of the fiscal year, if the market prices of trading securities devalue against their cost, the provisions for devaluation shall be made.

Held-to-maturity investments

Held-to-maturity investments are term deposits (including treasury bills, promissory notes), bonds, preferred shares which the issuer is required to re-buy them at a certain time in the future and held-to-maturity loans to earn profits periodically and other held-to-maturity investments.

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss of held-to-maturity investments shall be recorded as a decrease directly in the book value of investments.

In case where held-to-maturity investments are monetary items denominated in foreign currencies, they are revaluated using the buying rate of the commercial bank where the Group regularly conducts transactions at the time of the financial statements.

Loans

Loans receivable are recorded in the financial statements at cost less provision for doubtful debts.

Provision for doubtful debts represents the amounts of expected lost value of loans at the balance sheet date, which have been overdue for 6 months or which have not been overdue but the debtor is in the state of insolvency, winding up, missing or running away. Provision is made as guided by Circular No. 228/2009/TT-BTC dated 7/12/2009 of the Ministry of Finance.

Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to under 50% voting shares of the entity.

The financial statements of the associates are prepared for the same year as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the associates and the company.

Investments in associates are accounted for using the equity method. Accordingly, investments in joint ventures, associates are initially recorded at cost and the carrying amount is increased or decreased corresponding to the Company's portion of net assets of the investees after the date of acquisition. When the Company's equity in losses of an associate equals or exceeds the carrying amount of an investment, the carrying amount of that investment is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation to pay on behalf of the associate. The Company's portion of business result of the investee is recognized in the income statement of the Company. Amounts shared from the investees are accounted for as a decrease in the carrying amount of the investments.

Long-term equity investments in other companies

Long-term equity investments in other companies are investments which the Group has no power to control or joint control, no significant influence over the investees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Long-term equity investments in other companies are stated at cost less provision for diminution in value. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investment.

Provision

Provision for long-term equity investments in other companies is made as follows:

- If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made based on the market value of the shares.
- If the market value of the shares is not identifiable, the provision shall be made based on the loss reported in the financial statements of the investee.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

4.6 Receivables

Receivables includes: trade receivables and other receivables:

- Trade receivables are trade-related amounts arising from trading activities between the Group and its customers.
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the amounts of outstanding receivables at the balance sheet date, which have been overdue for 6 months or which have not been overdue but the debtor is in the state of insolvency, winding up, missing or running away... Provision is made as guided by Circular No. 228/2009/TT-BTC dated 7/12/2009 of the Ministry of Finance.

4.7 Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost of inventories is calculated using the weighted average method and accounted for using the perpetual method with value determined as follows:

- Materials, goods: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition.
- Work in process: Cost comprises costs of direct raw materials, costs of construction machines, cost of direct labor and overheads collected for each product, project.
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made when the net realizable value of inventories is less than cost. The provision is made in accordance with Circular No. 228/2009/TT-BTC dated 7/12/2009 by the Ministry of Finance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.8 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Group to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	7 – 50
Machinery, equipment	7 – 20
Motor vehicles	7 – 10
Office equipment	7

4.9 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Group to acquire those assets as of the time of putting such assets into the ready-for-use state.

Land use rights

Intangible fixed assets are land use rights including:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right).
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the effective date of the Land Act 2013 and being granted with certificate of land use right by the competent authority.

The cost of land use right includes all the costs directly attributable to the putting of land into the ready-for-use state.

Amortization

Intangible fixed assets being land use rights with indefinite term are not amortized. For land use rights with definite term, the amortization period is the period in which the Group is allowed to use the land.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Other intangible fixed assets are amortized in accordance with the straight-line method based on their cost and estimated useful lives. Amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

<u>Kind of asset</u>	<u>Amortization period (years)</u>
Accounting software	7

4.10 Investment property

Investment property held to be leased out under an operating lease is stated at cost less accumulated depreciation. Investment property held for capital appreciation is reflected at net of book value and impairment losses.

The depreciation policy of investment property held to be leased out under an operating lease is performed consistently with the depreciation policy of the same kind of fixed assets of the Group. Accordingly, depreciation of investment property held to be leased out under an operating lease is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kind of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	8 – 50

4.11 Deferred corporate income tax

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose. Deferred income tax liabilities are recognized for all temporary differences except temporary differences arising from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax liabilities are recognized for all taxable temporary differences while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax assets can be used. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax is measured at the tax rates that are expected to apply for the year in which the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset if taxable temporary differences and deductible temporary differences relate to the same taxable entity and are finalized with the same taxation authority.

4.12 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Group's primary prepayments are as follows:

- Cost of tools and instruments being put into use are amortized in accordance with the straight-line method for a period ranging from 1 year to 3 years;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Costs of compensation for site clearance of the leased land are amortized in accordance with the straight-line method over the term of the lease specified in contract;
- Insurance premium is amortized over the term of the insurance contract;
- Other prepaid expenses: the Group selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

4.13 Payables

Payables include: trade payables and other payables:

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and currencies.

4.14 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Group monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period.

Capitalisation of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4.15 Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Group. The Group's primary accrued expenses are:

- Accrued interest expenses which are determined according to the agreed interest rate of each loan agreement, loan period and principal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Construction expenses which are determined according to the completed portion confirmed by the customer but for which financial invoices have not been issued up to the balance sheet date yet.

4.16 Provision for payables

Provision for payables is a present obligation (legal or constructive) of the Group as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A provision is recognized when a reliable estimate can be made on the amount of the obligation.

4.17 Unearned revenue

Unearned revenue of the Group is the amount received in advance for one or many accounting periods for services rendered to customers that are amortized over the period for which the Group has received the payment in advance.

4.18 Owners' equity

Owners' contributed capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of treasury shares; the capital component of convertible bonds as they fall due.

Bond conversion option

Bond conversion option is defined as the difference between the total amounts collected from issuance of convertible bonds and the value of the debt component of the immature convertible bonds.

Profit distribution

Profit after corporate income tax is available for appropriation to funds and shareholders as provided for in the Company's Charter or Decision of the Shareholders' General Meeting.

The dividends to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

4.19 Recognition of revenue and other income

- Revenue from construction contracts is recognized as follows:
 - ✓ In the case where it is stipulated in the contract that contractors make payments upon the work's progress, revenue and expenses are recorded for completed portion when the contract outcome is estimated reliably.
 - ✓ In the case where the contract stipulates that contractors make payment upon the work volume, revenue and expenses are recognized for the completed portion confirmed by the customer when the contract outcome is measured reliably.
- Revenue from sales and service provision is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods.
- ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interests are recognized on the basis of the actual term and interest rates.
 - ✓ Dividends and profits shared are recognized when the Group has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Group's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

4.20 Revenue deductions

Revenue deductions include trade discounts, sales rebates and sales returns.

In case where revenue is recognized in during the year but the corresponding revenue deductions arise after the balance sheet date, revenue shall be decreased in accordance with the following principles:

- If the corresponding deductions arise before the date of releasing the financial statements, they shall be charged against revenue of the reporting year;
- If the corresponding revenue deductions arise after the date of releasing the financial statements, they shall be charged against revenue of the next reporting year.

4.21 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the incurred period in accordance with the matching principle and conservatism.

Costs of inventories and services rendered which are incurred in excess of the ordinary level are shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

4.22 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, expenses and loss on liquidating, transferring investments; provision for diminution in value of trading securities, provision for loss from investment in other entities, loss from sale of foreign currency, foreign exchange loss and expenses of other investing activities.

4.23 Selling expenses, administrative expenses

Selling expenses recognized in the period are expenses actually incurred in process of selling products, goods, rendering services.

Administrative expenses recognized are expenses actually incurred related to the overall administration of enterprises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.24 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses in the period include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

4.25 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Group's financial assets include cash on hand, short-term deposits, trade receivables, loans receivable, other receivables and financial investments.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Group's financial liabilities include loans, trade payables, accrued expenses and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

4.26 Tax policies

- Value Added Tax (VAT):
 - ✓ Fertilizer trading activities, agricultural activities: not subject to VAT;
 - ✓ Construction and installation activities, sales of stones, wood,...: applicable tax rate is 10%;
 - ✓ Other products are subject to prevailing tax rates.
- Corporate Income Tax (CIT): the Company and its subsidiaries in Vietnam are subject to tax rate of 20% or 22%.

CIT policies for the subsidiaries overseas are applicable as follows:

- ✓ The companies which are incorporated under the International Business Companies Act of the British Virgin Islands are exempted from payment of the British Virgin Islands income taxes.
- ✓ Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit of the Group's subsidiaries arising in or derived from Hong Kong for the year.
- ✓ Enterprise income tax is provided on the profit of the Group's subsidiaries in the PRC at the rate of 25% in accordance with the Income Tax Law of China for Enterprises with Foreign Investment and Foreign Enterprises.
- Other taxes and charges are fulfilled in accordance with the prevailing regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.27 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

Currency: VND

5. Cash and cash equivalents

	31/12/2015	01/01/2015
Cash on hand	21,484,472,095	14,715,285,476
Cash in bank	74,636,781,994	73,605,939,972
Saving deposits within 3 months	123,986,695,034	18,300,000,000
- BIDV - Gia Lai Branch	113,499,000,000	18,300,000,000
- Vietcombank - Gia Lai Branch (*)	10,487,695,034	-
Total	220,107,949,123	106,621,225,448

(*) This amount is mortgaged as security for the short-term loan in Vietcombank - Gia Lai Branch.

6. Trading securities

	31/12/2015	01/01/2015
	Cost	Cost
Trading securities		
- Duc Long Gia Lai Mineral Exploitation and Processing JSC	264,000,000,000	-
Total	264,000,000,000	-

According to the Meeting Minutes of the Board of Directors No. 24/BB-HDQT-DLGL dated 25/09/2015 about investing capital in Duc Long Gia Lai Mineral Exploitation and Processing JSC and authorizing the representative of Duc Long Gia Lai Group JSC to manage capital, the shares of this Company are purchased for the purpose of re-sale in the near future (under 12 months).

Since the shares of Duc Long Gia Lai Mineral Exploitation and Processing JSC have not been listed on any stock exchange yet, the Group is unable to determine the fair value of this investment at the balance sheet date. Therefore, this investment is recorded at cost and no provision is made for it.

DUC LONG GIA LAI GROUP JSC

02 Dang Tran Con, Tra Ba Ward, Pleiku City, Gia Lai Province

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31/12/2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***7. Financial investments****a. Held-to-maturity investments****a.1 Short term**

	31/12/2015		01/01/2015	
	Cost	Book value	Cost	Book value
Deposit with remaining term within 12 months				
- <i>Vietcombank - Gia Lai Branch (*)</i>	13,264,666,667	13,264,666,667	10,000,000,000	10,000,000,000
- <i>VPBank</i>	560,000,000,000	560,000,000,000	300,000,000,000	300,000,000,000
- <i>BIDV - Gia Lai Branch</i>	-	-	30,000,000,000	30,000,000,000
Total	573,264,666,667	573,264,666,667	340,000,000,000	340,000,000,000

(*) This amount is mortgaged as security for the short-term loan in Vietcombank - Gia Lai Branch.

a.2 Long term

	31/12/2015		01/01/2015	
	Cost	Book value	Cost	Book value
Deposit with remaining term over 12 months				
- <i>Vietcombank - Gia Lai Branch</i>	-	-	3,000,000,000	3,000,000,000
- <i>VietinBank (*)</i>	1,400,000,000	1,400,000,000	1,400,000,000	1,400,000,000
Total	1,400,000,000	1,400,000,000	4,400,000,000	4,400,000,000

(*) This amount is pledged as security for the loan of Duc Long Dak Nong BOT and BT JSC in VietinBank.

As at 31/12/2015, the Group's held-to-maturity investments include term deposits in banks. The Management assesses that these investments are not impaired.

DUC LONG GIA LAI GROUP JSC

02 Dang Tran Con, Tra Ba Ward, Pleiku City, Gia Lai Province

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31/12/2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Investments in associates, joint ventures

	31/12/2015			01/01/2015	
	Operation status	% of capital	Number of shares	Value of investment under equity method	Value of investment under equity method
Gia Lai Transport Consulting and Construction JSC	Operating	20.0%	5,922	6,676,306,812	6,554,358,011
Tay Nguyen Materials Supply Co., Ltd	Operating	33.3%		19,774,674,966	19,692,131,590
Total				26,450,981,778	26,246,489,601

c. Equity investments in other entities

	31/12/2015			01/01/2015	
	Operation status	% of capital	Number of shares	Cost	Provision
Tay Binh Tay Son Security Service JSC (i)	Operating	0.187	56,000	5,600,000,000	-
Nam Nguyen Construction Investment JSC (i)	Operating		96,800	968,000,000	(968,000,000)
Tay Nguyen Minerals and Metallurgy JSC	Divested capital	-	-	-	-
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Operating	9.7%	1,200,000,000	1,200,000,000	-
DLGL Electric Power Investment and Development JSC	Operating	3.6%	3,503,350	3,503,500,000	(2,411,974,553)
Duc Long Bao Loc Public Service JSC	Operating	7.2%	48,000	480,000,000	(480,000,000)
DLGL Real estate Trading & Investment JSC	Operating	4.0%	400,000	4,000,000,000	(1,208,722,755)
Total				15,751,500,000	(5,068,697,308)
				(2,265,238,364)	(5,068,697,308)

(i) Up to the date of preparing these financial statements, the Group has not received the financial statements for the year ended 31/12/2015 of Tay Binh Tay Son Security Service JSC and Nam Nguyen Construction Investment JSC. Besides, the shares of Tay Binh Tay Son Security Service JSC have not been listed yet and the Group has no reliable sources of reference data regarding market prices of these shares as at 31/12/2015. Therefore, this investment is recorded at cost and no provision is set up for it.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

8. Short-term trade receivables

	31/12/2015	01/01/2015
Tay Nguyen Materials Supply Co., Ltd	121,246,059,976	95,594,432,583
Bamboo Capital JSC	47,920,083,400	26,571,100,000
An Phuoc Co., Ltd	-	38,097,146,000
Caradon MK Electric Ltd (Sub CAA)	62,492,698,111	-
Nguyen Thanh Lam	25,649,390,000	-
Others	164,012,350,608	91,246,203,712
Total	421,320,582,095	251,508,882,295

In which: Receivables from customers who are related parties

	Relationship	31/12/2015	01/01/2015
Tay Nguyen Materials Supply Co., Ltd	Associate	121,246,059,976	95,594,432,583
Bamboo Capital JSC	Having same BOD member	47,920,083,400	26,571,100,000
Others		14,034,425,515	10,983,729,035
Total		183,200,568,891	133,149,261,618

9. Short-term prepayments to suppliers

	31/12/2015	01/01/2015
Nam Nguyen Construction Investment JSC	11,127,846,159	21,377,846,159
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	6,704,486,043	21,145,525,038
Bamboo Capital JSC	15,400,000,000	14,200,000,000
Tay Nguyen Stone Processing Mining Industry JSC	95,519,648,768	-
Viet Gia Phat Co., Ltd	17,425,837,772	-
Others	50,801,472,312	36,015,589,762
Total	196,979,291,054	92,738,960,959

In which: Prepayments to suppliers who are related parties

	Relationship	31/12/2015	01/01/2015
Nam Nguyen Construction Investment JSC	Investee	11,127,846,159	21,377,846,159
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	6,704,486,043	21,145,525,038
Bamboo Capital JSC	Having same BOD member	15,400,000,000	14,200,000,000
Others		-	1,139,806,393
Total		33,232,332,202	57,863,177,590

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

10. Loans receivable

a. Short term

	31/12/2015	01/01/2015
Short-term loans	599,701,309,345	453,657,261,554
- Saigon International JSC (*)	408,490,727,000	322,000,000,000
- Bamboo Capital JSC	-	85,840,000,000
- Do Thi Duong	-	11,805,000,000
- Mr. Nguyen Thanh Lam (**)	184,238,582,345	-
- NHHTC Construction Investment and Travel Private Enterprise	6,972,000,000	4,980,000,000
- Others	-	29,032,261,554
Short-term borrowings (***)	101,300,648,027	42,962,909,594
- Mr. Nguyen Thanh Lam	924,400,000	-
- Ms. Vo Thi Thu Hang	16,972,616,187	15,882,634,000
- Ms. Tran Thi Thu Trang	9,700,000,000	9,700,000,000
- Duc Long Dung Quat Co., Ltd	1,400,244,431	2,580,244,431
- Tay Nguyen Minerals and Metallurgy JSC	12,017,853,104	3,027,099,554
- DLGL Real estate Trading & Investment JSC	6,000,069,541	2,058,061,482
- Others	54,285,464,764	9,714,870,127
Total	701,001,957,372	496,620,171,148

✓ (*) Granting loan to Saigon International JSC with loan period of 12 months and interest rate of 6% per annum under Contract No. 09/HDVV-DLGL dated 01/07/2014 and Contract Appendix No. 02/PLHDVV dated 20/12/2015.

✓ (**) Granting capital loan to Mr. Nguyen Thanh Lam with loan period of 12 months and interest rate of 6% per annum under Contract No. 13/HDVV-DLGL dated 01/07/2015.

The borrowers are not shareholders of the Company and have no relationship with the Board of Directors, Board of Supervisors, Management of the Company.

✓ (***) Giving loans to the companies in accordance with Announcement No. 22b/TB-TGD dated and to individuals under each specific Borrowing Contract. The borrowing terms are various according to each time of receiving loan (not more than 12 months).

b. Long term

	31/12/2015	01/01/2015
Long-term loans	157,343,713,318	219,267,747,218
- Viet Gia Phat Co., Ltd	65,441,054,300	149,175,000,000
- Duc Long Dung Quat Co., Ltd	90,902,287,437	67,100,375,637
- NHHTC Construction Investment and Travel Private Enterprise	1,000,371,581	2,992,371,581
Total	157,343,713,318	219,267,747,218

✓ Giving loan to NHHTC Construction Investment and Travel Private Enterprise under Contract No.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

10/HDCMT/2012 dated 07/07/2012, loan period is 60months with interest rate of 1.5%/month. The amount of loan is VND7,972,371,580 of which the portion due as at 31/12/2015 was VND6,972,000,000.

- ✓ Giving loan to Duc Long Dung Quat Co., Ltd under Contract No. 03/HDVV-DLGL dated 01/01/2010 and Appendix No. 01/PLHDVV dated 02/02/2015. The loan period is from 01/01/2010 to 31/12/2020 with interest rate of 9.5%/year. The amount of loan is VND120,000,000,000. The time for repayment of the loan principal starts from 30/06/2017.
- ✓ Giving loan to Viet Gia Phat Co., Ltd under Capital Loan Contract No. 01/2012/HDVV-CTTR dated 17/01/2012 and Appendix dated 02/10/2013. The time for repaying the loan is from 30/06/2015 to 30/12/2020. Interest rate is calculated based on the loan interest rate of Sacombank Ho Chi Minh City at each time. The loan amount is VND149,175,000,000.

c. Loans receivable from related parties

	Relationship	31/12/2015	01/01/2015
Loans		90,902,287,437	152,940,375,637
- Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	90,902,287,437	67,100,375,637
- Bamboo Capital JSC	Having same BOD member	-	85,840,000,000
Borrowing		9,620,063,657	7,200,016,990
- DLGL Real estate Trading & Investment JSC	Investee	6,000,069,541	2,058,061,482
- DLGL Electric Power Investment and Development JSC	Investee	2,219,749,685	1,168,191,685
- Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	-	1,193,600,000
- Nam Nguyen Construction Investment JSC	Investee	-	199,919,392
- Duc Long Dung Quat Co., Ltd	Having same big shareholder with	1,400,244,431	2,580,244,431
Total		100,522,351,094	160,140,392,627

11. Other receivables

a. Short term

	31/12/2015		01/01/2015	
	Amount	Provision	Amount	Provision
Deposit, loan interest receivable	69,949,725,302	(759,366,355)	66,076,385,041	(28,517,408)
Advances to employees	18,838,282,308	(67,479,236)	35,398,068,130	(401,984,371)
Saigon International Investment JSC (*)	100,000,000,000	-	100,000,000,000	-
Deposits, collaterals	6,814,309,696	-	-	-
Other receivables	21,527,269,200	(1,307,578,912)	1,778,152,281	(145,990,880)
Total	217,129,586,506	(2,134,424,503)	203,252,605,452	(576,492,659)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

(*) Duc Long Gia Lai Agriculture Co., Ltd (subsidiary) contributed capital with Saigon International Investment JSC to seek, receive the transfer of agricultural projects which are operating or invested in progress with an area of 3,500 ha in the Central Highland provinces under Investment Cooperation Contract No. 15/DLGL-HTDT dated 5/11/2014. Accordingly, after searching and receiving the project transfer successfully, the actual amount of capital contribution of each company will be converted into equity capital at the corresponding ratio in the companies owning specific project. Cooperation duration is 150 days from 01/12/2014 until 05/05/2015 and may be extended to 02/05/2016 in accordance with Appendix No. 01/DLGL – HTDT dated 02/05/2015.

b. Long term

	31/12/2015		01/01/2015	
	Amount	Provision	Amount	Provision
Loan interest receivable	25,364,989,405	-	-	-
Deposits, collaterals	-	-	393,000,000	-
Total	25,364,989,405	-	393,000,000	-

c. Other receivables from related parties

	Relationship	31/12/2015	01/01/2015
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	2,010,037,883	3,173,340,001
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	16,185,312,138	8,555,194,028
Bamboo Capital JSC	Having same BOD member	-	2,214,623,333
Nam Nguyen Construction Investment JSC	Investee	-	4,377,835,724
Total		18,195,350,021	18,320,993,086

12. Provision for doubtful debts

	31/12/2015	01/01/2015
Provision for short-term receivables overdue		
- From 3 years and over	6,197,733,770	6,838,906,208
- From 2 years to under 3 years	3,983,785,358	854,656,157
- From 1 year2 to under 2 years	2,244,480,102	959,416,672
- From over 6 months to under 1 year	301,608,000	168,575,377
Total	12,727,607,230	8,821,554,414

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

Of which: bad debts

	31/12/2015			Remark
	Cost	Recoverable amount	Overdue days	
Trade receivables	6,467,605,933	371,183,017		
- Nam Thuan Co., Ltd	533,661,700		- Over 3 years	Filing lawsuit
	636,431,769		- Over 3 years	No longer having transactions
- VACHETTI GIUSEPPE S.P.A				Outstanding for long time
- Others	5,297,512,464	371,183,017	From 6 months to over 3 years	and hardly recoverable
Prepayments to suppliers	2,707,495,109	3,568,300		
- Kien Phat Design Consulting Co., Ltd	1,490,000,000		- Over 3 years	Not executing contract
- Others	1,217,495,109	3,568,300	From 2 years to over 3 years	Not executing contract
Advances	67,479,236	-		
- Nguyen Van Hoa	67,479,236		- Over 3 years	Being deducted from monthly salary
Loans receivable	3,984,000,000	2,191,200,000		
- NHHTC Construction Investment and Travel Private Enterprise	3,984,000,000	2,191,200,000	From 6 months to 2 years	Filing lawsuit
Other receivables	2,937,158,162	870,179,893		
- NHHTC Construction Investment and Travel Private Enterprise	974,653,388	215,254,033	From 2 years to over 3 years	Filing lawsuit
- Pham Trung	656,446,732	328,223,366	From 1-2 years	Left the job, hardly recoverable
- Vo Chau Hoang	490,630,823	187,189,246	From 1-3 years	Left the job, hardly recoverable
- Le The Ky	199,500,000		- Over 3 years	Left the job, hardly recoverable
- Others	615,927,219	139,513,248	From 2 years to over 3 years	Not recovered yet
Total	16,163,738,440	3,436,131,210		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

	01/01/2015			
	Cost	Recoverable amount	Overdue days	Remark
Trade receivables	3,892,140,400	8,242,635		
- Nam Thuan Co., Ltd	533,661,700		- Over 3 years	Filing lawsuit
- VACHETTI GIUSEPPE S.P.A	636,431,769		- Over 3 years	No longer having transactions
- Others	2,722,046,931	8,242,635		Outstanding for long time and hardly recoverable
Prepayments to suppliers	5,589,392,909	1,258,228,919		
- Kien Phat Design Consulting Co., Ltd	1,490,000,000		- Over 3 years	Not executing contract
- Institute for Environment and Resources	1,505,000,000	812,500,000	From 1-2 years	Not executing contract
- Others	2,594,392,909	445,728,919		Not executing contract
Advances	568,165,612	166,181,241		
- Bui Tinh	212,744,976	106,372,488	From 1-2 years	Being deducted from monthly salary
- Le The Ky	199,500,000	30,000,000	From 2-3 years	Being deducted from monthly salary
- Others	155,920,636	29,808,753		Being deducted from monthly salary
Loans receivable	100,000,000	70,000,000		
- Nguyen Thi Thanh Tuyen	100,000,000	70,000,000	From 6 months to 1 years	Outstanding for long time and hardly recoverable
	309,559,201	135,050,913	From 6 months to 1 years	Outstanding for long time and hardly recoverable
Other receivables				
Total	<u>10,459,258,122</u>	<u>1,637,703,708</u>		

13. Inventories

	31/12/2015		01/01/2015	
	Cost	Provision	Cost	Provision
Materials	50,366,614,359	(16,378,075,728)	179,670,930,506	-
Tools, instruments	5,518,999	-	10,286,030	-
Work in process	147,832,179,424	(1,112,586,362)	39,899,729,784	-
Finished products	29,981,681,905	(2,884,205,978)	15,317,058,489	-
Finished investment property	62,798,142,842	-	62,798,142,842	-
Merchandise goods	264,774,239,891	-	84,068,856,122	-
Total	<u>555,758,377,420</u>	<u>(20,374,868,068)</u>	<u>381,765,003,773</u>	-

- There are no stagnant inventories, inventories with inferior quality which are impossible to be consumed as at 31/12/2015.
- All finished investment property (VND62,798,142,842) has been pledged, mortgaged as security for the loans in the Bank for Investment and Development of Vietnam - Gia Lai Branch.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

14. Prepaid expenses

a. Short term

	31/12/2015	01/01/2015
Tools, instruments pending amortization	557,631,085	87,054,165
Unexpired insurance	196,080,173	167,079,185
Others	447,928,284	710,970,792
Total	1,201,639,542	965,104,142

b. Long term

	31/12/2015	01/01/2015
Tools, instruments pending amortization	1,176,961,260	1,658,159,711
Compensation, site clearance costs	661,090,894	892,053,026
Lease of land and buildings (*)	38,677,217,667	-
Costs of transferring volleyball player	-	569,937,277
Others	959,325,001	956,417,228
Total	41,474,594,822	4,076,567,242

(*) This is the prepaid lease payment for the use of land and buildings in the People's Republic of China and is amortised over the lease period of 50 years on a straight-line basis.

15. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Other fixed assets	Total
Cost						
Beginning balance	166,894,679,820	19,307,795,911	35,154,935,285	625,419,740	-	221,982,830,756
Increase from consolidation	26,064,413,037	251,853,897,666	3,162,426,666	25,318,005,426	-	306,398,742,795
Newly purchased	4,995,806,858	22,124,994,856	2,358,070,910	497,370,088	19,367,407,640	49,343,650,352
Self-constructed	63,480,926,599	20,790,365,000	-	-	2,275,658,995,396	2,359,930,286,995
Difference due to conversion	774,492,620	8,085,244,129	100,019,891	805,892,872	-	9,765,649,512
Sold, disposed	-	-	380,952,381	20,643,936	-	401,596,317
Decrease due to capital divestment	77,663,523,959	30,794,965,925	1,008,226,067	-	271,143,705	109,737,859,656
Other decrease	-	42,857,000	-	-	-	42,857,000
Ending balance	184,546,794,975	291,324,474,637	39,386,274,304	27,226,044,190	2,294,755,259,331	2,837,238,847,437
Depreciation						
Beginning balance	29,225,999,642	6,533,182,111	17,365,793,933	575,531,375	-	53,700,507,061
Increase from consolidation	17,884,500,236	247,769,838,162	3,162,426,666	6,319,509,546	-	275,136,274,610
Charge for the year	9,110,851,224	8,479,679,436	3,964,408,859	993,068,130	20,333,652,795	42,881,660,444
Difference due to conversion	533,266,559	7,899,008,999	100,019,891	210,208,310	-	8,742,503,759
Sold, disposed	-	-	301,587,304	4,730,184	-	306,317,488
Decrease due to capital divestment	6,419,936,738	7,457,564,532	838,840,674	-	18,022,450	14,734,364,394
Other decrease	-	42,857,000	355,870,614	-	-	398,727,614
Ending balance	50,334,680,923	263,181,287,176	23,096,350,757	8,093,587,177	20,315,630,345	365,021,536,378
Net book value						
Beginning balance	137,668,680,178	12,774,613,800	17,789,141,352	49,888,365	-	168,282,323,695
Ending balance	134,212,114,052	28,143,187,461	16,289,923,547	19,132,457,013	2,274,439,628,986	2,472,217,311,059

- As at 31/12/2015, tangible fixed assets with a carrying value of VND2,440,932,973,439 have been pledged and mortgaged as security for loans.
- Cost of tangible fixed assets fully depreciated but still in active use at 31/12/2015 is VND158,022,481,853.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

16. Intangible fixed assets

	Land use rights	Exploitation right of Dak Wei Quarry	Website	Computer software	Development costs	Total
Cost						
Beginning balance	53,536,754,270	617,689,701	-	430,760,792	-	54,585,204,763
Increase in year	-	-	34,760,000	111,510,000	3,561,139,272	3,707,409,272
Newly purchased	-	-	-	61,344,000	-	61,344,000
Increase from consolidation	-	-	-	-	104,550,379,542	104,550,379,542
Difference due to conversion	-	-	-	-	3,345,113,598	3,345,113,598
Decrease in year	-	-	-	80,400,000	-	80,400,000
Ending balance	53,536,754,270	617,689,701	34,760,000	523,214,792	111,456,632,412	166,169,051,175
Amortization						
Beginning balance	23,384,075	32,591,429	-	389,319,394	-	445,294,898
Charge for the year	21,585,300	36,334,680	8,207,219	42,421,772	2,008,711,264	2,117,260,235
Increase from consolidation	-	-	-	-	96,164,406,282	96,164,406,282
Difference due to conversion	-	-	-	-	3,063,128,879	3,063,128,879
Decrease in year	-	-	-	80,400,000	-	80,400,000
Ending balance	44,969,375	68,926,109	8,207,219	351,341,166	101,236,246,425	101,709,690,294
Net book value						
Beginning balance	53,513,370,195	585,098,272	-	41,441,398	-	54,139,909,865
Ending balance	53,491,784,895	548,763,592	26,552,781	171,873,626	10,220,385,987	64,459,360,881

- As at 31/12/2015, intangible fixed assets with a carrying value of VND50,858,987,062 have been pledged and mortgaged as security for loans.
- Cost of intangible fixed assets fully amortized but still in active use at 31/12/2015 is VND103,625,000.

17. Investment property

	Land use rights (*)	Buildings, architectures	Total
Cost			
Beginning balance	66,720,417,973	57,490,038,178	124,210,456,151
Increase in year	-	-	-
Decrease due to capital divestment	-	2,898,571,695	2,898,571,695
Ending balance	66,720,417,973	54,591,466,483	121,311,884,456
Amortization			
Beginning balance	-	11,346,736,286	11,346,736,286
Charge for the year	-	2,238,823,284	2,238,823,284
Decrease due to capital divestment	-	1,201,753,760	1,201,753,760
Ending balance	-	12,383,805,810	12,383,805,810
Net book value			
Beginning balance	66,720,417,973	46,143,301,892	112,863,719,865
Revaluated ending balance	66,720,417,973	42,207,660,673	108,928,078,646

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

As at 31/12/2015, investment property with a carrying value of VND108,928,078,646 has been pledged as security for loans.

(*) Land use right at 97/2 Nguyen Huu Canh, Ward 12, Binh Thanh District, Ho Chi Minh City with cost of VND66,720,417,973; land area is 582.7 m², use duration: long term, use purpose: for lease. This land use right is mortgaged at the Bank for Investment and Development of Vietnam - Gia Lai Branch.

18. Construction in progress

	31/12/2015	01/01/2015
Constructions	460,347,766,841	1,552,703,097,068
- Rubber tree plantation project in IaTiem	12,862,866,305	12,697,390,695
- Rubber tree plantation project in IaBlu (948 ha)	152,666,035,634	134,397,261,417
- Survey costs of iron ore mine	-	542,476,242
- Dong Nai 6 Hydropower Plant Project (*)	11,709,800,729	10,358,518,911
- BOT Project - National Road 14A - from KM 817 to 887	-	640,225,104,804
- Head office of Duc Long Gia Lai Group JSC	109,617,235,333	69,894,206,580
- My Khe Hotel Project	451,262,866	451,262,866
- Chu Mo lead, zinc mine - Azunpa	-	83,489,202,040
- Rubber forest plantation 980 ha Chu Puh (980 ha)	166,941,664,801	145,597,798,606
- Gabro Krong nang Quarry, Krong pa- Gia Lai Province - 9.3 Ha	325,578,104	318,603,104
- BOT Gia Lai Project - HCM Trail - Pleiku section (km 1610)	-	449,524,637,048
- Gabrodiorit stone quarry in IaGraai Commune	1,061,251,741	1,017,796,741
- Cow breeding projects	4,102,047,831	-
- Other constructions	610,023,497	4,188,838,014
Total	460,347,766,841	1,552,703,097,068

Value of the constructions in progress which have been pledged, mortgaged as security for loans as at 31/12/2015 is VND429,224,935,768.

(*) At present, Dong Nai 6 Hydropower Plant Project has been eliminated from the master plan of the Ministry of Industry and Trade. However, in December 2014 the Group submitted a report asking for continuous investment. Up to now, the Group is still waiting for response from the competent authority.

19. Goodwill

	31/12/2015	01/01/2015
Beginning balance	-	-
Increase from consolidation	295,205,416,464	-
Charge for the year	13,809,124,552	-
Effects due to conversion of financial statements	9,187,577,943	-
Ending balance	290,583,869,855	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

20. Short-term trade payables

	31/12/2015	01/01/2015
Hoang Tien Construction Investment JSC	110,811,241,933	24,521,044,313
Phu Thanh Gia Pleiku Co., Ltd	-	33,727,831,408
Thanh Tuan Production - Trading Construction Co., Ltd	24,634,516,704	7,760,963,455
727 Construction & Installation Consultancy Service Co	11,903,315,709	19,005,527,633
Tay Nguyen Materials Supply Co., Ltd	30,191,090,000	25,300,000
Nghia Thanh Construction Co., Ltd	25,572,714,632	14,170,650,603
Truong Thanh Vietnam Development Investment Co., Ltd	50,950,040,000	-
Others	355,083,053,950	106,275,766,719
Total	609,145,972,928	205,487,084,131

In which: Payables to suppliers who are related party:

	Relationship	31/12/2015	01/01/2015
Tay Nguyen Materials Supply Co., Ltd	Associate	30,191,090,000	25,300,000
Total		30,191,090,000	25,300,000

21. Short-term advances from customers

	31/12/2015	01/01/2015
Ho Chi Minh Trail Management Board	-	4,540,182,027
Duc Long Electric Power Investment&Development JSC	34,092,783,000	13,566,000
Nguyen Trung Kien	1,024,113,868	1,108,648,870
Others	5,709,887,046	3,046,501,502
Total	40,826,783,914	8,708,898,399

In which: Advances from customers who are related parties:

	Relationship	31/12/2015	01/01/2015
Duc Long Electric Power Investment and Development JSC	Investee	34,092,783,000	13,566,000
Total		34,092,783,000	13,566,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

22. Taxes and amounts payable to the State Budget

a. Receivable

	balance	be paid in	actually paid	to	balance
CIT	34,907,126	-	-	4,447,653	30,459,473
Land tax, land rental	-	14,005,746	486,355,746	-	472,350,000
Other taxes	3,525,784	8,473,350	7,000,000	-	2,052,434
Total	38,432,910	22,479,096	493,355,746	4,447,653	504,861,907

b. Payable

	Beginning balance	Amount to be paid in the year	Amount actually paid in the year	Change due to consolidation	Effects of conversion	Ending balance
VAT	8,069,724,540	4,625,493,180	6,770,395,759	(4,474,342,569)	-	1,450,479,392
CIT	20,214,721,188	7,073,815,733	15,864,741,825	36,051,812,698	1,280,011,892	48,755,619,686
PIT	1,330,779,201	94,443,211	1,216,148,356	(36,235,988)	-	172,838,068
Natural resource tax	261,546,647	1,245,642,094	1,300,513,417	(89,500,000)	-	117,175,324
Land tax, land rental	102,030,960	2,100,159,747	1,796,869,547	-	-	405,321,160
Other taxes	-	258,961,403	196,350,000	-	-	62,611,403
Fees and charges	1,123,850,730	1,539,862,738	1,852,728,818	(163,500,000)	-	647,484,650
Total	31,102,653,266	16,938,378,106	28,997,747,722	31,288,234,141	1,280,011,892	51,611,529,683

The Group's tax reports would be subject to examination of tax authorities. The tax amounts reported in these financial statements could be changed under decision by the tax authorities.

23. Short-term accrued expenses

	31/12/2015	01/01/2015
Accrued expenses of construction projects	6,308,464,637	15,554,152,183
Accrued interest payable	9,832,973,691	6,318,392,229
Office expenses	8,140,258,755	-
Audit fee	5,705,361,699	-
Sales commission expenses	4,203,866,233	-
Others	10,083,200,859	5,100,000
Total	44,274,125,874	21,877,644,412

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

24. Short-term unearned revenue

	31/12/2015	01/01/2015
Revenue from leasing petrol station	-	28,636,361
Revenue from leasing office	142,128,789	32,727,273
Revenue from road tolls received in advance	354,790,909	-
Other unearned revenue	-	65,964,395
Total	496,919,698	127,328,029

25. Other payables

a. Short term

	31/12/2015	01/01/2015
Trade union fees	7,575,682	3,432,900
SI, HI, UI	673,727,040	1,051,372,443
Interest on convertible bonds payable	1,445,184,450	1,538,316,450
Loan interest payable	74,608,231,551	117,910,771,152
Dividends payable	919,944,792	1,303,163,899
Short-term deposits, collaterals received	14,892,728,340	-
Other payables	20,584,767,781	766,819,710
- Indochina Gateway Co., Ltd	6,923,655,000	-
- Other payables	13,661,112,781	766,819,710
Total	113,132,159,636	122,573,876,554

b. Long term

	31/12/2015	01/01/2015
Long-term deposits, collaterals received	300,000,000	-
Loan interest payable	74,295,230,845	-
Total	74,595,230,845	-

DUC LONG GIA LAI GROUP JSC

02 Dang Tran Con, Tra Ba Ward, Pleiku City, Gia Lai Province

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31/12/2015

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

26. Loans and finance lease liabilities
a. Short term

	Beginning balance	Increase in the year	Decrease in the year	Increase from consolidation	Effects of conversion of financial statements	Ending balance
Short-term loans						
- VietinBank_Gia Lai Branch	102,787,138,318	797,619,630,059	808,528,940,912	102,494,167,230	3,267,057,486	197,639,052,181
- BIDV_Gia Lai Branch	35,260,000,000	80,976,000,000	83,273,000,000			32,963,000,000
- Vietcombank_Gia Lai Branch	51,042,138,318	522,903,426,115	560,865,349,040			13,080,215,393
- Eximbank_Tan Son Nhat Branch	11,335,000,000	48,735,000,000	21,570,000,000			38,500,000,000
- Standard Chartered Bank (HK) Ltd - USD	4,500,000,000	8,000,000,000	8,500,000,000			4,000,000,000
- Standard Chartered Bank (HK) Ltd - HKD	-	-	-	22,512,000,000	712,000,000	23,224,000,000
Other lenders	650,000,000	134,815,203,944	132,460,591,872	79,982,167,230	2,555,057,486	84,891,836,788
Current portion of long-term loans	45,550,100,000	2,190,000,000	1,860,000,000			980,000,000
- VietinBank_Gia Lai Branch	2,000,000,000	118,398,436,614	45,450,034,800			118,498,501,814
- BIDV_Gia Lai Branch	39,180,000,000	80,000,000,000	2,000,000,000			8,000,000,000
- Techcombank - Gia Lai Branch	162,500,000	80,200,000,000	39,180,000,000			80,200,000,000
- National Citizen Bank	1,287,600,000	150,000,000	162,500,000			150,000,000
- Sacombank_Gia Lai Branch	2,800,000,000	1,629,130,000	1,429,210,000			1,487,520,000
- Sacombank_Ho Chi Minh Branch	-	3,500,000,000	2,558,324,800			3,741,675,200
- HD Bank - Dak Lak Branch	120,000,000	24,799,306,614	-			24,799,306,614
Current portion of issued bonds	404,500,000	120,000,000	120,000,000			120,000,000
Borrowings	103,190,041,542	86,680,198,030	188,642,078,472			379,600,000
- Do Thanh Nhan	40,975,000,000	-	40,975,000,000			-
- Nguyen Thanh Lam	32,351,705,095	85,000,000,000	117,351,705,095			-
- Vo Thi Thu Hang	22,503,153,000	-	22,503,153,000			-
- Others	7,360,183,447	1,680,198,030	7,812,220,377			1,228,161,100
Total	251,931,779,860	1,002,698,264,703	1,042,645,954,184	102,494,167,230	3,267,057,486	317,745,315,095

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***b. Long-term loans**

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Long-term loans				
- VietinBank_Gia Lai Branch (i.1)	1,841,092,133,424	1,072,884,740,000	373,068,215,703	2,540,908,657,721
- BIDV_Gia Lai Branch (i.2)	501,075,000,000	427,694,000,000	2,000,000,000	926,769,000,000
- Sacombank Gia Lai Branch (i.3)	1,042,481,447,295	622,069,340,000	366,798,180,903	1,297,752,606,392
- Sacombank Ho Chi Minh Branch (i.4)	42,536,720,000	21,421,400,000	2,558,324,800	61,399,795,200
- Techcombank - Gia Lai Branch (i.5)	247,993,066,129	-	-	247,993,066,129
- HD Bank - Dak Lak Branch (i.6)	462,500,000	-	162,500,000	300,000,000
- National Citizen Bank (i.7)	480,000,000	-	120,000,000	360,000,000
- Nguyen Thanh Lam	6,063,400,000	1,000,000,000	1,429,210,000	5,634,190,000
Issued bonds	-	700,000,000	-	700,000,000
	(4,583,000,000)	500,000,000,000	1,814,614,532	493,602,385,468
Total	1,836,509,133,424	1,572,884,740,000	374,882,830,235	3,034,511,043,189
In which:				
- Long-term loans repayable within 1 year	45,550,100,000			118,498,501,814
- Current portion of issued bonds	404,500,000			379,600,000
Long-term loans and finance lease liabilities	1,790,554,533,424			2,915,632,941,375

(i.1) Long-term loans from Vietinbank - Gia Lai Branch as follows:

- Long-term Credit Contract No. 220/HDTD dated 19/07/2010 and amendment and supplement document dated 20/06/2014 with the loan period of 10 years as from the first drawdown date. The grace period is 2 years, loan facility is VND89,000,000,000. The interest rate is applied under the floating interest rate (the floating interest rate = base interest rates + margin of 4% per year). The loan is used for the purpose of paying costs of implementing the investment project to build inter-provincial bus terminal in the South of Danang. This loan is secured by the value of use rights of land and assets attached to land formed in the future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Credit Contract No. 45/HDTD dated 26/02/2011 and amendment and supplement document dated 11/05/2013 with the loan facility of VND825,000,000. The interest rate is applied in accordance with the adjusted interest rate. Loan period is 12 years as from the first drawdown date. Borrowing purpose: paying costs of implementing the investment project to upgrade and extend National Road 14A - section from Km 817 to 887 in BOT form. The entire loan amount (including, but not limited to: principal, interest, overdue interest, other fees...) arising from this Contract is secured by assets formed in the future including property rights arising from BOT Contract No. 01/HDBOT dated 01/09/2010 and attached appendices signed by and between the People's Committee of Dak Nong Province and Duc Long Dak Nong BOT & BT Joint stock Company; The entire right to exploit and collect tolls at toll stations of section from Km 817 to 887 of National Road 14 Dak Nong Province; other assets formed from investment incentives under BOT contract.

(i.2) Borrowings from BIDV - Gia Lai Branch are as follows:

- Long Medium-term Credit Contract No. 01/2008/HDTD dated 16/05/2008 with the term of 60 years from the first drawdown date. Loan facility is VND55,000,000,000. Interest rate is floating rate: equivalent to 12-month saving interest rate announced by BIDV - Gia Lai Branch plus bank charge of 4% per year, but the minimum interest rate after adjustment may not be lower than the interest rate applicable at the time of borrowing and not lower than the FTP interest rate during the same period + 2%. The loan is for the purpose of funding Duc Long Tower Gia Lai Project. The loan is secured by assets formed from using this loan. According to Amendment and Supplement Document of Credit Contract No. 57/2013/BSHD dated 16/10/2013, the loan period is adjusted to 168 months, from 14/08/2008 to 14/08/2022. The interest rate is fixed at 12% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 168-month FTP interest rate announced by the Bank at each period plus bank charge of 3% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of borrowing.
- Long-term Credit Contract No. 02/2009/HD dated 30/12/2009 and amendment and supplement document No. 01/2012/HD dated 16/01/2012 with the loan period of 144 months as from the first drawdown date. Grace period is 72 months. Loan amount is VND96,000,000,000. Interest rate is floating rate: equivalent to 12-month saving interest rate announced by BIDV - Gia Lai Branch plus bank charge of 4.2% per year in accordance with the regulations of the State Bank of Vietnam and BIDV in the given period. The loan is for the purpose of funding the Project of planting rubber trees in 744 ha out of 948.5 ha of rubber in IaBlu Commune, Chu Se District, Gia Lai Province. The loan is secured by assets formed from using this loan.
- Long-term Credit Contract No. 01/2012/HD dated 30/06/2012 and amendment and supplement document No. 56/2013/BSHD dated 16/10/2013 with the loan period of 168 months from 30/06/2012 to 30/06/2026. Loan amount is VND62,800,000,000. The interest rate is fixed at 12% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 168-month FTP interest rate announced by the Bank at each period plus bank charge of 2.5% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of giving the loan. Overdue interest rate is 150% of due interest rate. The loan is for the purpose of restructuring the enterprise finance in order to redress the financial imbalance for Duc Long Tower Gia Lai Project. The loan is secured by assets formed from using this loan.
- Long-term Credit Contract No. 02/2013/HD dated 01/10/2013 with the term of 76 months from the date of signing the credit contract to 31/12/2019. Loan amount is VND58,200,000,000. Interest rate is fixed at 12.5% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 76-month FTP interest rate announced by the Bank at each period plus bank charge of 3.0% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of borrowing. Overdue interest rate equals to 120% in-term interest rate. The loan is for the purpose of funding the Project of mining and processing lead and zinc ores in Chu Mo Commune, Iapa District, Gia Lai Province. The loan is secured by assets formed from

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

using this loan.

- Borrowing Contract No. 01/2011/HD dated 14/10/2011. Borrowing purpose: Investing in the Project of planting 980.4 ha of rubber trees. Loan facility: VND130,862,000,000. Borrowing term: 120 months as from the first drawdown date, interest rate: as agreed. Time for repayment of principal: starting from 2019. The loan is secured by assets formed from using this loan.

(i.3) Borrowings from Sacombank – Gia Lai Branch are as follows:

- Credit Contract No. LD 1029900097 dated 26/10/2010 with the borrowing term of 108 months, the grace period is 24 months as from the first drawdown date (30/01/2011). Loan amount is VND40,000,000,000. The interest rate applied for the 1st drawdown is 1.3% per month. For other following disbursements, the interest rate is specified by Sacombank at the time of disbursement. The time to receive the loan is based on the execution progress. The loan is for the purpose of investing in the project to build Duc Long Gia Lai Group Operation Center. This loan is secured by the entire value of buildings, architectures and assets attached to land formed from the loan under the Company's ownership right in the future. According to Amendment Agreement No. 01-LD 1029900097 dated 14/01/2014, the borrowing term is adjusted to 14/12/2023 (maturity date is 14/12/2023) and the 1st grace time is on 26/06/2015.
- Credit Contract No. LD 1401400008 dated 14/01/2014 with the borrowing term of 120 months, the grace period is 12 months as from the first drawdown date. Loan amount is VND44,957,100,000. The interest rate applied for the 1st drawdown is 1.0% per month. For other following disbursements, the interest rate is specified by Sacombank at the time of disbursement. The time to receive the loan is based on the execution progress. The loan is for the purpose of investing in the project to build Duc Long Gia Lai Group Operation Center. This loan is secured by the entire value of buildings, architectures and assets attached to land formed from the loan.

(i.4) Borrowing from Sacombank – Ho Chi Minh Branch under Credit Contract No. LD 1134100059 dated 05/01/2012 with the borrowing term of 36 months as from the first drawdown date. Loan amount is VND248,000,000,000. The interest rate applicable for the first 3 months is 20% per year (applicable to the first drawdown). From the 4th month onwards, interest rate for the outstanding loan shall be adjusted every 3 months in accordance with the interest rate determined by Sacombank at the time of adjustment in line with the regulations on interest rate of the State Bank. The time to receive the loan is based on the execution progress. The loan is for the purpose of paying costs of planting 1,834.5 hectare of rubber in IaBlu Commune, Chu Puh District, Gia Lai Province. This loan is secured by the entire income generated from latex, seeds, trunk of the above-mentioned rubber trees, the right to quarry bazar stones for manufacturing construction materials, the right to quarry granite stones in Nghia Hung Commune. According to Amendment Agreement No. 03/LD1134100059 dated 25/06/2013, the borrowing term is adjusted to 31/12/2020 (maturity date is 31/12/2020) and the 1st grace time is on 30/06/2016.

(i.5) Borrowing from Techcombank – Gia Lai Branch under Borrowing Contract No. 1682/HDCV/PN/TCB-PLU dated 26/12/2013 to buy car. Accordingly, the total amount of loan is VND600,000,000 - secured by asset formed from the loan, the maximum borrowing term is 48 months as from the first drawdown date (27/12/2013); interest rate is 13.9% per year and is fixed for 3 months as from the first drawdown date and will be adjusted since the 4th month.

(i.6) Borrowing from HD Bank - Dak Lak Branch under Credit Contract No. 0282/13/HDTD-TH dated 25/10/2013 with the loan facility of VND600,000,000 which is secured by the asset formed from the loan. Interest rate is applied in accordance with the adjusted interest rate. The borrowing term is 60 months as from the first drawdown date. Borrowing purpose: buying Toyota Fortuner 2.5G.

(i.7) Long-term borrowings from National Citizen Commercial Joint Stock Bank – Main Transaction Office:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- Credit Contract No. 079/14/HDTD/101-63 dated 08/10/2014 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND780,000,000. The interest rate as from the first drawdown date is 9.5% per year. During the effective period of the contract, the interest rate will be adjusted in the following cases: after every 12 months as from the first drawdown date or when the interest rate goes up as a result of changes in the regulations related to the borrowing interest rate of Vietnam law. Borrowing purpose: purchasing brand new 7-seat Toyota Fortuner V. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 015/15/HDTD/101-63 dated 05/02/2015 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND500,000,000. The interest rate as from the first drawdown date is 9.5% per year. Overdue interest rate is 150% of due interest rate. Borrowing purpose: purchasing brand new 5-seat Ford Ranger XLT. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 096/15/HDTD/101-63 dated 22/06/2015 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND500,000,000. The interest rate as from the first drawdown date is 9.5% per year. Overdue interest rate is 150% of due interest rate. Borrowing purpose: purchasing brand new 5-seat Ford Ranger XLT. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 080/HDTD/101-63 dated 08/10/2014 with the borrowing term of 6 years as from the first drawdown date (08/10/2014). The interest rate effective at the time of signing the credit contract is 9.5% per year and after that will be adjusted after every 12 months as from the first drawdown date or when the interest rate goes up as a result of changes in the regulations related to the borrowing interest rate of Vietnam law. Borrowing purpose: purchasing brand new 5-seat Toyota Camry 2.5G. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 051/14/HDTD/ 101-63 dated 20/8/2014 with the maximum borrowing term of 60 months as from the first drawdown date (20/08/2014). The interest rate as from the first drawdown date is 9.5% per year and will be changed after 12 months as from the first drawdown date or when the interest rate goes up as a result of changes in the regulations related to the borrowing interest rate of Vietnam law (may be applicable as regulated by law). Borrowing purpose: purchasing 4-seat Land Rover. The loan is secured by the asset formed from using the loan.

27. Issued bonds

a. Ordinary bond

	31/12/2015				
	Cost of bonds	Total costs of issuance	Issuance costs amortized in year	Ending value of bonds	Interest rate
Issued bonds by par value					
- 5-year term bonds	366,000,000,000	6,491,086,494	1,298,217,299	360,807,130,805	11%/year in the 1st year and floating from the 2nd year onwards
- 3-year term bonds	134,000,000,000	2,376,518,006	792,172,669	132,415,654,663	11%/year in the 1st year and floating from the 2nd year onwards
- Bonds payable due to not being converted from the issuance dated 01/04/2011	379,600,000	-	-	379,600,000	13%/year
Total	500,379,600,000	8,867,604,500	2,090,389,968	493,602,385,468	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Convertible bonds

	Issue date	Original term	Remaining term	Quantity	Par value	Nominal interest rate	Conversion rate	Discount rate	Principal at the issue date	Total costs of issuance	Costs of		Value of principal	Option	
											issuance and bond interest	amortized			
Beginning balance															
Convertible bonds															
Newly-issued in the year															
Convertible bonds	10/04/2015	24 months		5,000,000	100,000	0%	1 : 8,333	11%	405,811,216,622	100,000,000	32,399,555,636	438,110,772,258	94,188,783,378		
Converted to shares in the year															
Convertible bonds				-	-										
Matured, not converted to shares in the year															
Convertible bonds				-	-										
Beginning balance															
Convertible bonds	10/04/2015	24 months	15 months	5,000,000	100,000	0%	1 : 8,333	11%	405,811,216,622	100,000,000	32,399,555,636	438,110,772,258	94,188,783,378		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

28. Provision for long-term payables

	31/12/2015	01/01/2015
Provision for restructure (*)	26,920,520,535	-
Total	26,920,520,535	-

(*) This is the provision arising at the subsidiary (Mass Noble Investments Limited). Upon the closing of acquisition of Mass Noble by Duc Long Gia Lai Group JSC, it is agreed to undergo the business restructuring exercise to streamline the assembly lines and business reorganisation to improve the operating efficiency and effectiveness, so as to increase the synergy value to the shareholders in the coming 12-24 months.

The overall restructuring plan mainly covers the major parts:

- First phase: Re-organise the production line by streamline the task to increase the automatic operation by minimising the extra temporary or spare factory staff;
- Second phase: Re-structure the organisation and its function, such as, closure of R&D department to Vietnam, or relocation to Vietnam;
- Third phase 3: Increase the automation productivity and reallocate the high-level labour work to Vietnam. Hence, a number of staff are expected to be reallocated their productivity or under redundancy.

The Management has estimated the anticipated cost to the corporate restructuring plan, including the staff redundancy and compensation. Long-term provision for restructuring is made at 15/07/2015.

At 31/12/2015, the Company re-assessed the long-term provision, based upon the current condition of the Company and the updated business situation. Certain adjustments have been taken into account whereas the Company has stable sales orders with continuing growth from the customers. The scale of restructuring plan is planned to be reduced to the feasible level to maintain its quality and efficiency of the operation, such as, staff redundancy was scaled down.

Therefore, Mass Noble Management reduces the estimated restructuring cost by around 40% as at 31/12/2015. A reversal of long term provision HK\$6.6m is made at 31/12/2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***29. Owners' equity****a. Statement of changes in owners' equity**

	Share capital	Share premium	Option of convertible bonds	Other owners' equity	Exchange rate difference	Development		Financial reserve fund	Undistributed profit after tax
						investment fund	fund		
As at 01/01/2014	697,448,980,000	49,922,262,000	-	-	-	13,778,680,446	4,329,972,378	43,001,361,482	
Increase in the year	795,086,100,000	-	-	-	-	-	-	54,023,571,963	
Decrease in the year	-	49,103,180,000	-	-	-	6,974,110,000	-	42,859,183,520	
As at 31/12/2014	1,492,535,080,000	819,082,000	-	-	-	6,804,570,446	4,329,972,378	54,165,749,925	
Balance transferred (*)						4,329,972,378	(4,329,972,378)		
As at 01/01/2015	1,492,535,080,000	819,082,000	-	-	-	11,134,542,824	-	54,165,749,925	
Increase in the year	199,326,090,000	49,831,522,500	94,188,783,378	8,977,680,000	10,031,813,727	-	-	82,680,971,121	
Decrease in the year	-	722,500,000	-	-	-	-	-	3,366,644,162	
As at 31/12/2015	1,691,861,170,000	49,928,104,500	94,188,783,378	8,977,680,000	10,031,813,727	11,134,542,824	-	133,480,076,884	

(*) Outstanding balance of the financial reserve fund is transferred to the development investment fund under Circular 200/2014/TT-BTC dated 22/12/2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Capital transactions with the owners and dividend payment/profit appropriation

	Year 2015	Year 2014
- Share capital		
- Beginning balance	1,492,535,080,000	697,448,980,000
- Increase in the year	199,326,090,000	795,086,100,000
- Decrease in the year	-	-
- Ending balance	1,691,861,170,000	1,492,535,080,000
Dividend paid	-	-

c. Shares

	31/12/2015 Shares	01/01/2015 Shares
Number of shares authorized to be issued	169,186,117	149,253,508
Number of shares issued publicly	169,186,117	149,253,508
- <i>Common shares</i>	169,186,117	149,253,508
- <i>Preferred shares (classified as owners' equity)</i>	-	-
Number of shares bought back (treasury shares)	-	-
- <i>Common shares</i>	-	-
- <i>Preferred shares (classified as owners' equity)</i>	-	-
Number of outstanding shares	169,186,117	149,253,508
- <i>Common shares</i>	169,186,117	149,253,508
- <i>Preferred shares (classified as owners' equity)</i>	-	-
Par value of outstanding shares: VND10,000 each		

d. Undistributed profit

	Year 2015	Year 2014
Profit brought forward	54,165,749,925	43,001,361,482
Profit after CIT	82,680,971,121	52,796,969,817
Increase/Decrease in profit after tax	(3,366,644,162)	1,226,602,146
Appropriation of prior year profit	-	42,859,183,520
- <i>Reward and welfare fund</i>	-	1,014,973,520
- <i>Share dividends</i>	-	41,844,210,000
Temporary appropriation of current year profit	-	-
Undistributed profit	133,480,076,884	54,165,749,925

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

30. Off balance sheet item

ITEMS	31/12/2015	01/01/2015
Foreign currencies		
- USD	190,938.27	2,724.07
- EUR	1,828	-
- RMB	983,931	-

31. Revenue from sales and service provision

	Year 2015	Year 2014
Sales revenue	1,528,745,361,421	933,605,039,609
- Sales of goods, finished products	718,768,189,452	374,494,330,069
- Revenue from toll stations	37,079,922,728	-
- Sales of wood and wooden products	104,907,782,055	323,447,420,562
- Sales of fertilizers	278,590,832,931	155,677,219,999
- Sales of apartments	-	9,065,000,000
- Sales of stones	79,030,679,021	9,162,518,979
- Sales of farm produce	310,367,955,234	61,758,550,000
Service revenue	56,695,835,534	50,312,431,622
- Leasing assets	7,576,339,395	4,989,120,933
- Rendering services	28,231,434,463	22,025,518,988
- Bus and bus terminal services	20,888,061,676	23,297,791,701
Revenue from construction contracts	59,643,772,728	21,891,732,335
- Construction revenue recognized in the year	59,643,772,728	21,891,732,335
Total	1,645,084,969,683	1,005,809,203,566

32. Revenue reduction

	Year 2015	Year 2014
Trade discounts	1,463,433,344	-
Sales rebates	5,906,446,064	-
Total	7,369,879,408	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

33. Cost of sales

	Year 2015	Year 2014
Cost of sales	1,386,920,241,166	844,281,272,812
- Cost of goods, finished products sold	631,301,355,124	352,580,492,342
- Cost of toll stations	20,808,715,965	-
- Cost of wood and wooden products sold	98,485,794,229	300,568,115,999
- Cost of fertilizers sold	275,138,338,021	149,914,775,320
- Cost of apartments sold	-	13,779,776,180
- Cost of stones sold	72,724,820,993	8,268,071,049
- Cost of farm produce sold	288,461,216,834	19,170,041,922
Cost of service rendered	38,646,999,719	35,640,354,936
- Cost of leasing assets	6,311,887,162	2,531,900,004
- Cost of services rendered	21,684,340,568	16,031,947,358
- Cost of bus and bus terminal service rendered	10,650,771,989	17,076,507,574
Cost of construction contracts	54,453,058,158	20,104,994,606
Provision for decline in value of inventories	1,028,466,072	-
Total	<u>1,481,048,765,115</u>	<u>900,026,622,354</u>

34. Financial income

	Year 2015	Year 2014
Loan interest, deposit interest	80,512,956,065	57,412,376,777
Dividends, profit received	177,660,000	3,951,756,853
Foreign exchange gains from payment	122,082,976	27,000
Foreign exchange gains from revaluation of year-end balances	1,135,421	6,234,704
Gains on disposal of investments	23,679,622,606	19,324,980,448
Total	<u>104,493,457,068</u>	<u>80,695,375,782</u>

35. Financial expenses

	Year 2015	Year 2014
Interest expenses	76,133,805,207	101,318,290,886
Bond interest	83,946,777,858	-
Provision for financial investments	(2,803,458,944)	1,939,450,075
Losses on disposal of investments	51,611,086	-
Foreign exchange losses on payment	-	300,400
Other financial expenses	-	25,272,909
Bond issue fee	2,126,501,079	-
Total	<u>159,455,236,286</u>	<u>103,283,314,270</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

36. Selling expenses and administrative expenses

a. Selling expenses incurred in the year

	Year 2015	Year 2014
Commission expenses	3,124,242,260	697,758,248
Labor costs	793,075,585	711,808,322
Depreciation expenses	142,517,884	129,904,142
Transportation expenses	6,495,626,956	-
Others	3,965,637,366	855,296,636
Total	<u>14,521,100,051</u>	<u>2,394,767,348</u>

b. Administrative expenses

	Year 2015	Year 2014
Staff costs	26,219,832,557	11,163,515,182
Depreciation expenses	5,235,533,819	2,335,904,792
Allowance for doubtful debts	2,291,754,824	3,334,623,219
Amortization of goodwill	13,809,124,552	-
Reversal of costs	(8,178,766,720)	-
Others	24,808,551,189	16,488,549,377
Total	<u>64,186,030,221</u>	<u>33,322,592,570</u>

37. Other income

	Year 2015	Year 2014
Income from leasing assets, leasing office	-	218,181,818
Gains from bargain-purchase of subsidiary	63,650,351,496	-
Unclaimed bond interest of previous years	-	6,862,635,650
Penalties received	200,000,000	-
Sales of calendars	9,189,091	-
Other income	170,304,747	91,397,785
Total	<u>64,029,845,334</u>	<u>7,172,215,253</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

38. Other expenses

	Year 2015	Year 2014
Penalties, taxes in arrears	217,060,222	408,293,749
Expenses on disposal of fixed assets	220,862,749	75,553,237
Unqualified expenses	2,223,999,152	921,809,953
Other expenses	1,760,426,438	586,188,279
Total	4,422,348,561	1,991,845,218

39. Current corporate income tax expense

	Year 2015	Year 2014
Accounting profit before tax	82,809,404,620	52,609,492,314
- From real estate activities	-	(4,714,776,180)
- From operating activities	82,809,404,620	57,324,268,494
Adjustments to taxable income	(11,953,975,731)	12,561,004,239
Increasing adjustments	75,969,794,779	23,125,535,553
- Penalties	1,215,072,651	824,208,545
- Amounts not charged to other expenses	4,977,106,770	2,432,635,983
- Interest expense corresponding to uncontributed capital	-	93,927,371
- Gains/Losses in associates	(204,492,177)	48,160,527
- Losses in subsidiaries	13,288,346,845	2,940,688,108
- Unrealized intra-company profit	56,693,760,690	16,785,915,019
Decreasing adjustments	87,923,770,510	10,564,531,314
- Profit, dividends received	177,660,000	3,951,756,853
- Unrealized foreign exchange gains	1,135,421	6,234,704
- Realized intra-company profit	-	159,950,125
- Adjustment of provision	8,385,590,328	(13,134,217,732)
- Gains from capital divestment	118,121,520	19,324,980,448
- Adjustment of depreciation of self-constructed fixed assets	629,916,955	-
- Loss of subsidiaries brought forward	735,794,896	255,826,916
- Gains from bargain-purchase of subsidiary	63,650,351,496	-
- Other decrease	14,225,199,894	-
Total taxable income	70,855,428,889	65,170,496,553
- From real estate business activities	-	(4,714,776,180)
- From activities entitled to tax exemption	20,052,146,693	42,124,327,761
- From principle activities (20%)	2,157,434,584	5,813,887,145
- From principle activities (22%)	48,645,847,612	21,947,057,827
Current corporate income tax expense	7,073,815,733	5,002,675,960
<i>In which:</i>		
- Current CIT expense of current year (20%)	431,486,917	1,162,777,427
- Current CIT expense of current year (22%)	10,702,086,475	3,791,101,963
- CIT expense paid in arrears of previous year	29,752,069	48,796,570
- Reduced CIT expense of Mass Noble Investments Limited	(4,089,509,728)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

40. Earnings per share

	Year 2015	Year 2014
Profit after tax attributable to shareholder of the parent company	82,680,971,121	52,796,969,817
Adjustments increasing or decreasing profit after tax	-	-
- Increases	-	-
- Decreases (appropriation to reward and welfare fund)	-	-
Profit or loss attributable to common shareholders	82,680,971,121	52,796,969,817
Weighted average number of common shares outstanding	158,482,579	99,099,774
Earnings per share	<u>522</u>	<u>533</u>

41. Production and business expenses by elements

	Year 2015	Year 2014
Materials expenses	276,105,300,986	28,655,458,472
Labor costs	167,329,641,572	41,551,189,978
Depreciation expenses	45,374,998,120	11,006,030,027
Externally hired services	93,429,604,851	65,568,878,255
Other cash expenses	28,010,659,799	8,559,814,557
Total	<u>610,250,205,328</u>	<u>155,341,371,289</u>

42. Financial instruments

a. Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

b. Financial risk management

Financial risk includes market risk (comprising exchange rate risk, interest rate risk and commodity risk), credit risk and liquidity risk.

Market risk management: The Group's activities expose it primarily to the financial risks of changes in exchange rates, interest rates and commodity prices.

Exchange rate risk management

Since the Group undertakes goods sale and purchase transactions in foreign currencies, it is exposed to risk of exchange rate fluctuations. The Group has hedged risks related to exchange rate fluctuations by maintaining appropriate debt structure in VND and foreign currencies, optimizing the time for settlement of debts, selecting the appropriate time to purchase and make payment in foreign currencies, projecting future exchange rates and optimizing the utilization of existing funds to balance the exchange rate risk and liquidity risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

The carrying amounts of foreign currency financial instruments are as follows:

	31/12/2015	01/01/2015
Financial assets		
Cash		
- USD	190,938.27	2,724.07
- EUR	1,828	-
- RMB	983,931	-
Trade receivables (USD)	53,600.81	53,600.81

Interest rate risk management

The Group's interest rate risks mainly derive from loans which are arranged. To minimize these risks, the Group has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management acknowledges that uncontrollable risks arising from fluctuations of interest rates are insignificant.

Commodity risk management

The Group implements the policy of diversifying supply sources of materials and goods through setting up business relationship with many suppliers to search for those who offer the most reasonable prices. Furthermore, the Group regularly maintains its relationship with traditional suppliers who have good reputation in market to ensure the stability of the input for its production and business activities.

Credit risk management

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. Particularly, the risk related to receivables from construction activities, BOT projects is quite high due to the general impact of the current difficulties in capital construction investment; the risk related to receivables from the sale of goods with the regular customers is at controllable level. To manage this risk the Group has appropriate credit policies and regular monitors to assess the level of credit risk in order to take measures to restrict credit risk at the lowest level.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Group believes can generate within that period. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash, borrowings and capital committed to be contributed by owners to meet its liquidity requirements in the short and longer term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

The Group's aggregate financial liabilities are categorized in accordance with their maturity as follows:

31/12/2015	Within 1 year	Over 1 year	Total
Trade payables	609,145,972,928	-	609,145,972,928
Accrued expenses	44,274,125,874	-	44,274,125,874
Loans and finance lease liabilities	317,745,315,095	2,915,632,941,375	3,233,378,256,470
Other payables	112,450,856,914	74,595,230,845	187,046,087,759
Total	1,083,616,270,811	2,990,228,172,220	4,073,844,443,031
01/01/2015	Within 1 year	Over 1 year	Total
Trade payables	205,487,084,131	-	205,487,084,131
Accrued expenses	21,877,644,412	-	21,877,644,412
Loans and finance lease liabilities	251,931,779,860	1,790,554,533,424	2,042,486,313,284
Other payables	121,519,071,211	-	121,519,071,211
Total	600,815,579,614	1,790,554,533,424	2,391,370,113,038

The Management assesses that the Group is not exposed to any short-term liquidity risks and believes it can generate sufficient resources to meet its maturing obligations.

The Company's available financial assets are drawn up on a net asset basis as follows:

31/12/2015	Within 1 year	Over 1 year	Total
<i>Currency: VND</i>			
Cash and cash equivalents	220,107,949,123	-	220,107,949,123
Financial investments	264,000,000,000	13,486,261,636	277,486,261,636
Held-to-maturity investments	573,264,666,667	1,400,000,000	574,664,666,667
Trade receivables	415,224,159,179	-	415,224,159,179
Loans receivable	699,209,157,372	157,343,713,318	856,552,870,690
Other receivables	96,224,325,929	25,364,989,405	121,589,315,334
Total	2,268,030,258,270	197,594,964,359	2,465,625,222,629
01/01/2015	Within 1 year	Over 1 year	Total
Cash and cash equivalents	106,621,225,448	-	106,621,225,448
Financial investments	-	56,949,102,692	56,949,102,692
Held-to-maturity investments	340,000,000,000	4,400,000,000	344,400,000,000
Trade receivables	242,687,327,881	-	242,687,327,881
Loans receivable	496,590,171,148	219,267,747,218	715,857,918,366
Other receivables	67,826,019,914	393,000,000	68,219,019,914
Total	1,253,724,744,391	281,009,849,910	1,534,734,594,301

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

43. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the relevant guidelines, the Company is required to have segment reporting. Accordingly, a business segment is a distinguishable component of the Company that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment. The Company's management assessed that significant decisions made by the Company depend mostly on the provision of the Company's lines of the products or services. Therefore, the Company presents segment reporting mainly according to business segment.

Segment report according to business segment:

Segment report for the year ended 31/12/2015

Items	Sales of goods, finished products	Sales of wood, wooden products, rubber and agricultural products	Trading fertilizers	Construction works and toll stations	Bus and bus terminal services	Stone exploitation	Other services: hotels, leasing assets,...	Total
Net revenue from sales	711,398,310,044	415,275,737,289	278,590,832,931	96,723,695,456	20,888,061,676	79,030,679,021	35,807,773,858	1,637,715,090,275
Cost of segment	632,329,821,196	386,947,011,063	275,138,338,021	75,261,774,123	10,650,771,989	72,724,820,993	27,996,227,730	1,481,048,765,115
Operating profit	79,068,488,848	28,328,726,226	3,452,494,910	21,461,921,333	10,237,289,687	6,305,858,028	7,811,546,128	156,666,325,160
Segment assets as at 31/12/2015	876,815,851,279	2,452,449,491,686	53,940,931,185	2,906,077,515,930	43,429,333,896	40,746,344,860	362,785,577,651	6,736,245,046,487
Unallocated assets							79,362,441,187	6,815,607,487,674
Total assets								
Segment liabilities as at 31/12/2015	435,535,828,280	1,749,567,422,836	31,458,682,730	2,356,357,883,861	4,326,864,238	-	70,000,616,250	4,647,247,298,195
Unallocated liabilities							11,920,102,227	4,659,167,400,422
Total liabilities								
Depreciation and allocated expenses	11,514,546,679	5,111,268,807	377,570,557	21,511,479,884	5,048,051,809	761,015,412	5,517,019,616	49,840,952,764
- Depreciation	11,332,132,747	4,617,099,034	377,570,557	21,125,647,022	3,937,456,263	678,393,630	5,169,444,710	47,237,743,963
- Allocated expenses - Acct.142,242	182,413,932	494,169,773	-	385,832,862	1,110,595,546	82,621,782	347,574,906	2,603,208,801

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form part of and should be read in conjunction with the financial statements)***Segment report for the year ended 31/12/2014**

In: VND

Items	By business segment							Total
	Sales of goods, finished products	Sales of wood, wooden products, rubber and agricultural products	Trading fertilizers	Construction works	Bus and bus terminal services	Stone exploitation	Other services: hotels, leasing assets,...	
Net revenue from sales	385,947,886,639	385,205,970,562	155,677,219,999	21,891,732,335	23,297,791,701	6,773,962,409	27,014,639,921	1,005,809,203,566
Cost of segment	368,525,017,547	319,738,157,921	149,914,775,320	20,104,994,606	17,076,507,574	6,103,322,024	18,563,847,362	900,026,622,354
Operating profit	17,422,869,092	65,467,812,641	5,762,444,679	1,786,737,729	6,221,284,127	670,640,385	8,450,792,559	105,782,581,212
Segment assets as at 31/12/2014	96,265,621,196	2,024,606,858,037	74,736,305,811	1,604,213,203,486	44,044,924,689	47,357,240,974	174,621,482,695	4,065,845,636,888
Unallocated assets								40,818,668,425
Total assets								4,106,664,305,313
Segment liabilities as at 31/12/2014	22,031,818,480	1,304,870,274,095	756,199,185	1,022,233,158,960	11,118,345,430	-	65,339,871,595	2,426,349,667,745
Unallocated liabilities								13,209,966,399
Total liabilities								2,439,559,634,144
Depreciation and allocated expenses	88,707,880	2,809,472,128	-	955,669,643	964,910,981	-	1,798,968,527	6,617,729,159
- Depreciation	88,707,880	2,682,860,923	-	555,086,322	964,910,981	-	1,534,310,012	5,825,876,118
- Allocated expenses - Acct.142, 242	-	126,611,205	-	400,583,321	-	-	264,658,515	791,853,041

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

44. Related party information

a. Related parties

Company's names	Relationship
Duc Long Dung Quat Co., Ltd	Having the same big shareholder with significant impact
Tay Nguyen Materials Supply Co., Ltd	Associate
Gia Lai Transport Consulting and Construction JSC	Associate
Duc Long Tay Nguyen JSC	Associate
Tay Binh Tay Son Security Service JSC	Investee
Nam Nguyen Construction Investment JSC	Investee
Duc Sang Gia Lai Mineral Exploitation Co., Ltd	Investee
Duc Long Gia Lai Power Investment & Development JSC	Investee
Duc Long Gia Lai Real Estate Investment and Trading JSC	Investee
Duc Long Bao Loc Public Services JSC	Investee
CP Bamboo Capital JSC	Having same BOD Members

b. Significant transactions with related parties

	Year 2015	Year 2014
Revenue from leasing assets	4,038,639,138	4,895,523,708
Duc Sang Gia Lai Mineral Exploitation Co., Ltd	41,448,762	898,333,332
Duc Long Bao Loc Public Services JSC	3,997,190,376	3,997,190,376
Revenue from sales of goods, finished products	403,272,471,400	422,815,044,064
Tay Nguyen Materials Supply Co., Ltd	397,932,471,400	412,875,180,124
Duc Sang Gia Lai Mineral Exploitation Co., Ltd	5,340,000,000	475,059,564
Nam Nguyen Construction Investment JSC	-	9,464,804,376
Revenue from construction	16,496,011,818	-
Duc Long Gia Lai Power Investment & Development JSC	16,496,011,818	-
Total	423,807,122,356	427,710,567,772

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the financial statements)

	Particulars	Year 2015	Year 2014
Selling goods and rendering services			
Tay Nguyen Mineral and Metallurgy JSC	Purchasing stones	8,627,000,000	6,493,335,600
	Purchasing fertilizers	98,367,411,000	
Nam Nguyen Construction Investment JSC	Construction of projects	10,545,454,546	17,688,216,212
Duc Sang Gia Lai Mineral Exploitation Co., Ltd	Construction of plants	1,411,828,182	21,134,600,693
	Purchasing stones	10,243,841,715	2,777,275,000

	Particulars	Year 2015	Year 2014
Other transactions			
Duc Sang Gia Lai Mineral Exploitation Co., Ltd	Receiving loan interest	-	1,773,713,334
Nam Nguyen Construction Investment JSC	Receiving loan interest	-	4,377,835,724
Duc Long Dung Quat Co., Ltd	Long-term borrowings	23,801,911,800	13,926,741,346
	Receiving loan interest	7,630,118,110	6,752,752,348
Gia Lai Transport Consulting and Construction JSC	Dividends received	177,660,000	189,504,000
Tay Binh Tay Son Security Service JSC	Dividends received	-	475,012,500
Bamboo Capital JSC	Value of investment capital transfer	101,876,190,000	-
	Loan interest	486,426,667	-

45. Subsequent events

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.

46. Corresponding figures

Corresponding figures were taken from the financial statements for the year ended 31/12/2014 which had been audited by AAC. Some corresponding figures have been re-classified in order to ensure the comparability with current year's figures and to conform to the regulations on financial statement preparation of Circular No. 200/2014/TT-BTC dated 22/12/2014 by the Ministry of Finance. Details are as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

Balance sheet	At 01/01/2015		At 31/12/2014		Difference	Remark
	Code	Amount	Code	Amount		
Short-term investments		-	121	793,657,261,554	(793,657,261,554)	(1)
Held-to-maturity investments	123	340,000,000,000			340,000,000,000	(1)
Short-term loans receivable	135	496,620,171,148			496,620,171,148	(1), (2)
Other short-term receivables	136	203,252,605,452	135	210,817,446,916	(7,564,841,464)	(2)
Shortage of assets pending resolution	139	9,202,813	158		9,202,813	(3)
Other current assets			158	35,407,270,943	(35,407,270,943)	(2), (3)
Long-term loans receivable	215	219,267,747,218			219,267,747,218	(4)
Other long-term receivables	216	393,000,000	268		393,000,000	(5)
Equity investments in other entities	253	62,017,800,000			62,017,800,000	(4)
Held-to-maturity investments	255	4,400,000,000			4,400,000,000	(4)
Other long-term investments			258	285,685,547,218	(285,685,547,218)	(4)
Long-term prepaid expenses	261	4,076,567,242	261	9,064,067,242	(4,987,500,000)	(6)
Other long-term assets	268		268	393,000,000	(393,000,000)	(5)
Short-term unearned revenue	318	127,328,029			127,328,029	(7)
Other short-term payables	319	122,573,876,554	319	225,763,918,096	(103,190,041,542)	(8)
Short-term loans and finance lease liabilities	320	251,931,779,860	311	148,741,738,318	103,190,041,542	(8)
Long-term loans and finance lease liabilities	338	1,790,554,533,424	334	1,795,542,033,424	(4,987,500,000)	(6)
Unearned revenue			338	127,328,029	(127,328,029)	(7)
Development investment fund	418	11,134,542,824	417	6,804,570,446	4,329,972,378	(9)
Financial reserve fund			418	4,329,972,378	(4,329,972,378)	(9)

Income statement	Year 2014 (Re-sated)		Year 2014		Difference	Remark
	Code	Amount	Code	Amount		
Other income	31	7,172,215,253	31	7,194,942,526	(22,727,273)	(10)
Other expenses	32	1,991,845,218	31	2,014,572,491	(22,727,273)	(10)

- (1) Item "Short-term investments" as at 31/12/2014 decreased VND793,657,261,554 due to:
- Deposits with the remaining term of not more than 12 months (VND340,000,000,000) were transferred to the item "Held-to maturity investments" (Code 123).
 - Loans with recovery term of not more than 12 months (VND453,657,261,554) were transferred to the item "Short-term loans receivable" (Code135).
- (2) Item "Other short-term receivables" decreased VND7,564,841,464 due to:
- Decreasing loans given by VND42,962,909,594 and increasing the item "Short-term loans receivable" (Code 135).
 - Increase of VND35,398,068,130 which is the outstanding balance of advances transferred from the item "Other current assets".
- (3) Item "Other current assets" decreased VND35,407,270,943 due to:
- Decrease of VND35,398,068,130 due to transferring the outstanding balance of advances as presented at (2).
 - Decrease of 9,202,813 due to transferring the balance of shortage of assets pending resolution to item "Shortage of assets pending resolution" (Code 139).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- (4) Item "Other long-term investments" as at 31/12/2014 decreased VND285,685,547,218 due to:
- Increasing the item "Long-term loans receivable" by VND219,267,747,218 which is the long-term loan given over 12 months.
 - The investments amounting to VND62,017,800,000 in other entities with voting rights under 20% were transferred to the item "Equity investments in other entities".
 - Deposits with the remaining term over 12 months (VND4,400,000,000) were transferred to the item long-term "Held-to-maturity investments".
- (5) The item "Other long-term assets" decreased VND393,000,000 due to transferring the balance of long-term collaterals to the item "Other long-term receivables".
- (6) The item "Long-term prepaid expenses" decreased VND4,987,500,000 and the item "Long-term loans and finance lease liabilities" increased by the same amount due to adjustment of the recording of bond issue expenses in accordance with Circular No. 200/2014/TT-BTC. Accordingly, these expenses were recorded as a decrease in the debt component of the issued bonds while the old regulations require to record these expenses as long-term prepaid expenses and amortize them over the issued bonds' term.
- (7) The item "Short-term unearned revenue" as at 01/01/2015 increased by VND61,363,634; the item "Unearned revenue" as at 31/12/2014 decreased by the same amount due to re-stating the amounts of unearned revenue not more than 12 months which Decision No. 15/2006/QD-BTC does not classify as short-term unearned revenue.
- (8) The item "Other short-term payables" decreased by VND103,190,041,542 due to the fact that the cash borrowings were re-stated in the item "Short-term loans and finance lease liabilities" (Code 320).
- (9) Under Circular 200, the financial reserve fund is no longer used. Outstanding balance amounting to VND4,329,972,378 as at 31/12/2014 of this fund was transferred to the investment and development fund.
- (10) Decreasing other income and other expenses by the same amount, VND22,727,273 due to offsetting the proceeds and expenses on disposal of fixed assets as regulated by Circular No. 200/TT-BTC.



Phạm Anh Hưng
General Director

Gia Lai Province, 20 March 2016

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer