



**Hoa Tho Textile-Garment  
Joint Stock Corporation**

Consolidated financial statements for the  
year ended 31 December 2015

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Corporate Information**

**Enterprise Registration**

**Certificate No.** 0400101556 25 June 2015

The Enterprise Registration Certificate of the Corporation has been amended several times, the most recent of which is Enterprise Registration Certificate No. 0400101556 dated 25 June 2015. The Enterprise Registration Certificate was issued by the Da Nang Department of Planning and Investment.

**Board of Management**

Mr. Tran Van Pho	Chairman
Mr. Nguyen Duc Tri	Member
Mr. Pham Van Tan	Member
Mr. Dao Ngoc Phuong	Member
Ms. Doan Thi Xuan	Member

**Board of Supervisors**

Mr. Bui Dinh Thanh	Chairman
Mr. Phan Huu Phu	Member
Ms. Nguyen Thi Phuong Mai	Member <i>(from 25/4/2015)</i>
Ms. Nguyen Thi Kim Dung	Member <i>(until 25/4/2015)</i>

**Board of Directors**

Mr. Nguyen Duc Tri	General Director
Mr. Nguyen Van Hai	Deputy General Director
Ms. Hoang Thuy Oanh	Deputy General Director
Ms. Tran Tuong Anh	Deputy General Director
Mr. Nguyen Ngoc Binh	Deputy General Director
Mr. Tran Dinh Thanh	Deputy General Director <i>(until 1/7/2015)</i>
Mr. Pham Ngoc Trung	Managing Director
Ms. Tran Thi Hoa Chau	Managing Director <i>(from 1/6/2015)</i>
Mr. Phan Van Phuoc	Managing Director <i>(from 2/1/2016)</i>
Mr. Phan Quang Long	Managing Director <i>(from 2/1/2016)</i>
Mr. Nguyen Van Cuong	Chief Accountant

**Registered Office**

36 Ong Ich Duong Street  
Hoa Tho Dong Ward, Cam Le District  
Da Nang City  
Vietnam

**Auditor**

KPMG Limited  
Vietnam

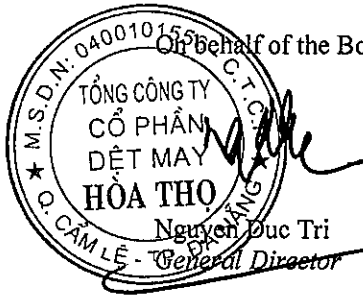
**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Statement of the Board of Directors**

The Board of Directors of Hoa Tho Textile-Garment Joint Stock Corporation ("the Corporation") presents this statement and the accompanying consolidated financial statements of the Corporation for the year ended 31 December 2015.

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

- (a) the consolidated financial statements set out on pages 5 to 49 give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2015, and of the consolidated results of operations and the consolidated cash flows of the Corporation for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Corporation and its subsidiaries will not be able to pay its debts as and when they fall due.

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



Da Nang,

**KPMG Limited**

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## **INDEPENDENT AUDITORS' REPORT**

### **To the Shareholders**

### **Hoa Tho Textile-Garment Joint Stock Corporation**

We have audited the accompanying consolidated financial statements of Hoa Tho Textile-Garment Joint Stock Corporation ("the Corporation"), which comprise the consolidated balance sheet as at 31 December 2015, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Corporation's Board of Directors on 21 March 2016, as set out on pages 5 to 49.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 of material misstatement.

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

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



## Auditors' Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Hoa Tho Textile-Garment Joint Stock Corporation as at 31 December 2015 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited**

Vietnam

Audit Report No. 15-02-473-c



Practicing Auditor Registration  
Certificate No. 0306-2013-007-1  
*Deputy General Director*

Hanoi, 21 March 2016

Le Viet Hung  
Practicing Auditor Registration  
Certificate No. 0296-2013-007-1

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2015**

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

	Code	Note	31/12/2015 VND	1/1/2015 VND Reclassified
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>791,216,857,651</b>	<b>808,683,978,745</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>33,085,486,764</b>	<b>48,335,013,594</b>
Cash	111		29,383,854,282	16,435,013,594
Cash equivalents	112		3,701,632,482	31,900,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>24,374,812,500</b>	<b>3,300,000,000</b>
Held-to-maturity investments	123	6(a)	24,374,812,500	3,300,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>246,070,069,924</b>	<b>299,175,577,947</b>
Accounts receivable from customers	131	7	215,878,171,381	281,801,744,090
Prepayments to suppliers	132		19,966,905,140	10,494,257,970
Loans receivable	135		522,000,000	-
Other receivables	136	8	10,795,048,130	7,551,200,039
Allowance for doubtful debts	137	9	(1,092,054,727)	(925,957,457)
Shortage of assets awaiting resolution	139		-	254,333,305
<b>Inventories</b>	<b>140</b>	<b>10</b>	<b>436,462,209,962</b>	<b>419,442,014,719</b>
Inventories	141		437,222,709,962	420,023,314,209
Allowance for inventories	149		(760,500,000)	(581,299,490)
<b>Other current assets</b>	<b>150</b>		<b>51,224,278,501</b>	<b>38,431,372,485</b>
Short-term prepaid expenses	151	14(a)	6,096,528,518	3,729,395,939
Deductible value added tax	152		45,023,270,514	34,637,172,556
Taxes and other receivables from State Treasury	153	17(a)	104,479,469	64,803,990

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2015 (continued)**

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

	Code	Note	31/12/2015 VND	1/1/2015 VND Reclassified
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 250 + 260)	200		578,139,113,597	475,175,541,528
<b>Accounts receivable – long-term</b>	210		1,468,000,000	1,954,000,000
Loans receivable – long-term	215		1,468,000,000	1,954,000,000
<b>Fixed assets</b>	220		536,743,067,687	429,695,098,251
Tangible fixed assets	221	11	533,109,586,516	428,783,719,620
Cost	222		1,042,446,668,223	864,707,736,359
Accumulated depreciation	223		(509,337,081,707)	(435,924,016,739)
Intangible fixed assets	227	12	3,633,481,171	911,378,631
Cost	228		7,804,216,024	4,185,205,624
Accumulated amortisation	229		(4,170,734,853)	(3,273,826,993)
<b>Long-term work in progress</b>	240		4,286,497,610	7,506,415,354
Construction in progress	242	13	4,286,497,610	7,506,415,354
<b>Long-term financial investments</b>	250		5,833,665,782	15,611,217,113
Investments in associates	252	6(b)	3,258,093,255	4,905,515,113
Equity investments in other entities	253	6(b)	9,355,702,000	10,705,702,000
Allowance for diminution in the value of long-term financial investments	254	6(b)	(6,785,129,473)	-
Held-to-maturity investments	255	6(a)	5,000,000	-
<b>Other long-term assets</b>	260		29,807,882,518	20,408,810,810
Long-term prepaid expenses	261	14(b)	29,037,405,693	19,498,247,290
Goodwill	269	15	770,476,825	910,563,520
<b>TOTAL ASSETS (270 = 100 + 200)</b>	270		<b>1,369,355,971,248</b>	<b>1,283,859,520,273</b>


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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2015 (continued)**

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

	Code	Note	31/12/2015 VND	1/1/2015 VND Reclassified
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,038,793,095,188</b>	<b>994,700,943,965</b>
<b>Current liabilities</b>	<b>310</b>		<b>769,462,993,046</b>	<b>823,952,684,389</b>
Accounts payable to suppliers	311	16	165,084,276,274	203,496,642,554
Advances from customers	312		7,781,720,356	1,103,649,673
Taxes payable to State Treasury	313	17(b)	6,645,100,961	5,556,187,595
Payables to employees	314		152,007,316,535	108,128,046,236
Accrued expenses	315	18	9,341,782,265	6,615,928,121
Other payables – short-term	319	19	16,730,375,923	13,087,786,152
Short-term borrowings	320	20(a)	387,641,706,410	478,328,662,856
Bonus and welfare fund	322	21	24,230,714,322	7,635,781,202
<b>Long-term liabilities</b>	<b>330</b>		<b>269,330,102,142</b>	<b>170,748,259,576</b>
Long-term accounts payable to suppliers	331	16	3,054,133,000	4,579,133,000
Long-term advances from customers	332		21,942,000,000	-
Long-term borrowings	338	20(b)	244,333,969,142	166,169,126,576
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>330,562,876,060</b>	<b>289,158,576,308</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>330,562,876,060</b>	<b>289,158,576,308</b>
Share capital	411	23	157,500,000,000	150,000,000,000
- Ordinary shares with voting rights	411a		157,500,000,000	150,000,000,000
Investment and development fund	418	24	62,951,415,897	53,544,527,763
Retained profits	421		70,764,097,441	58,146,592,474
- Accumulated losses brought forward	421a		(1,354,204,217)	(2,814,084,149)
- Retained profit for the current year	421b		72,118,301,658	60,960,676,623
Non-controlling interest	429		39,347,362,722	27,467,456,071
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>1,369,355,971,248</b>	<b>1,283,859,520,273</b>

Prepared by:



Dang Thi Oanh Nu  
Specialist



Nguyen Van Cuong  
Chief Accountant



Nguyen Duc Tri  
General Director

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



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of income for the year ended 31 December 2015**

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

	Code	Note	2015 VND	2014 VND Reclassified
Revenue from sales of goods and provision of services	01	27	3,005,032,261,516	2,594,988,435,023
Revenue deductions	02	27	3,141,755,291	69,985,487
Net revenue (10 = 01 - 02)	10		3,001,890,506,225	2,594,918,449,536
Cost of sales	11		2,656,956,820,050	2,336,302,159,740
Gross profit (20 = 10 - 11)	20		344,933,686,175	258,616,289,796
Financial income	21	28	21,886,653,636	7,166,219,436
Financial expenses	22	29	66,013,765,043	34,242,653,876
<i>In which: Interest expense</i>	23		24,136,279,449	22,489,392,342
Share of loss in associates	24		(1,647,421,858)	(3,860,661,972)
Selling expenses	25	30	107,898,589,839	82,536,584,432
General and administration expenses	26	31	114,281,016,879	79,717,590,344
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		76,979,546,192	65,425,018,608
Other income	31	32	7,274,051,681	7,336,919,324
Other expenses	32		4,080,844,057	2,265,163,313
Results of other activities (40 = 31 - 32)	40		3,193,207,624	5,071,756,011
Accounting profit before tax (50 = 30 + 40)	50		80,172,753,816	70,496,774,619
Income tax expense – current	51	34	6,154,711,954	6,013,518,434
Net profit after tax (60 = 50 - 51) (see next page)	60		74,018,041,862	64,483,256,185

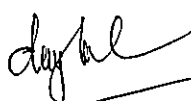
*The accompanying notes are an integral part of these consolidated financial statements*

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of income for the year ended 31 December 2015 (continued)**

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

	Code	Note	2015 VND	2014 VND Reclassified
Net profit after tax (60 = 50 - 51) (continued from previous page)	60		74,018,041,862	64,483,256,185
<b>Attributable to:</b>				
Equity holders of the Company	61		72,118,301,658	60,960,676,623
Non-controlling interest	62		1,899,740,204	3,522,579,562
<b>Earnings per share</b>				
Basic earnings per share	70	35	4,684	4,064

Prepared by:



Dang Thi Oanh Nu  
Specialist

Approved by:



Nguyen Van Cuong  
Chief Accountant



Nguyen Duc Tri  
General Director

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of cash flows for the year ended 31 December 2015**  
**(Indirect method)**

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

	Code	Note	2015 VND	2014 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	01		80,172,753,816	70,496,774,619
Adjustments for				
Depreciation and amortisation	02		85,620,668,153	90,982,889,234
Allowances and provisions	03		7,130,427,253	38,353,608
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		8,527,789,408	1,879,814,067
(Profits)/losses from investing activities	05		(868,193,597)	2,228,288,106
Interest expense	06		24,136,279,449	22,489,392,342
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>204,719,724,482</b>	<b>188,115,511,976</b>
Change in receivables	09		42,569,363,174	(124,168,662,226)
Change in inventories	10		(17,199,395,753)	(95,435,944,764)
Change in payables and other liabilities	11		33,940,729,066	137,729,006,586
Change in prepaid expenses	12		(2,115,182,843)	(5,924,135,409)
			<b>261,915,238,126</b>	<b>100,315,776,163</b>
Interest paid	14		(24,255,153,081)	(22,596,471,800)
Corporate income tax paid	15		(7,233,285,338)	(5,830,174,294)
Other receipts from operating activities	16		652,080,686	117,525,540
Other payments for operating activities	17		(4,469,209,884)	(4,205,099,819)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>226,609,670,509</b>	<b>67,801,555,790</b>


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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of cash flows for the year ended 31 December 2015**  
**(Indirect method - continued)**

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

	Code	Note	2015 VND	2014 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(192,319,681,857)	(144,716,162,811)
Proceeds from disposals of fixed assets and other long-term assets	22		1,561,022,613	958,500,000
Payments for granting loans, purchase of debt instruments of other entities	23		(21,979,812,500)	(3,300,000,000)
Receipts from collecting loans	24		864,000,000	-
Collections on investments in other entities	26		1,777,381,871	-
Receipts of interests and dividends	27		1,366,072,260	938,705,024
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(208,731,017,613)</b>	<b>(146,118,957,787)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from equity issued	31		20,925,100,208	7,881,000,000
Proceeds from borrowings	33		2,307,210,753,833	1,903,342,638,577
Payments to settle loan principals	34		(2,327,917,844,048)	(1,772,710,218,346)
Payments of dividends	36		(33,391,627,383)	(31,215,321,523)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(33,173,617,390)</b>	<b>107,298,098,708</b>
<b>Net cash flows during the year</b> <b>(50 = 20 + 30 + 40)</b>	<b>50</b>		<b>(15,294,964,494)</b>	<b>28,980,696,711</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>5</b>	<b>48,335,013,594</b>	<b>19,317,669,722</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>45,437,664</b>	<b>36,647,161</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>5</b>	<b>33,085,486,764</b>	<b>48,335,013,594</b>

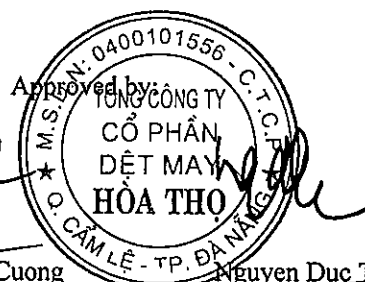
Prepared by:




Dang Thi Oanh Nu  
Specialist



Nguyen Van Cuong  
Chief Accountant



  
Nguyen Duc Tri  
General Director

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

## **Hoa Tho Textile-Garment Joint Stock Corporation**

### **Notes to the consolidated financial statements for the year ended 31 December 2015**

**Form B 09 – DN/HN**

*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

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

## **1. Reporting entity**

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

Hoa Tho Textile-Garment Joint Stock Corporation (“the Corporation”) is incorporated as a joint stock company in Vietnam. The consolidated financial statements of the Corporation for the year ended 31 December 2015 comprise the Corporation and its subsidiaries and their interests in associates.

### **(b) Principal activities**

The principal activities of the Corporation and its subsidiaries are to produce, trade, import and export clothes, fabric, fibre, equipment, and raw materials for the garment and textile industry.

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

The normal operating cycle of the Corporation and its subsidiaries is generally within 12 months.

### **(d) Corporation structure**

As at 31 December 2015, the Corporation had 6 subsidiaries and 2 associates (1/1/2015: 4 subsidiaries and 2 associates).

As at 31 December 2015, the Corporation and its subsidiaries had 10,025 employees (1/1/2015: 8,564 employees).

## **2. Basis of preparation**

### **(a) Statement of compliance**

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

### **(b) Basis of measurement**

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2015**  
**(continued)**

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

**(c) Annual accounting period**

The annual accounting period of the Corporation and its subsidiaries is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Corporation's and its subsidiaries' accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated financial statement presentation purpose.

**3. Adoption of new guidance on accounting system for enterprises**

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces previous guidance on Vietnamese Accounting System for enterprises under Decision No. 15/2006-QD/BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009. Circular 200 is effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

On the same date of 22 December 2014, the Ministry of Finance also issued Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements ("Circular 202"). Circular 202 replaces previous guidance on preparation and presentation of consolidated financial statements provided in Part XIII of Circular No. 161/2007/TT-BTC dated 31 December 2007 of the Ministry of Finance. Circular 202 is also effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

The Corporation and its subsidiaries have adopted the applicable requirements of Circular 200 and Circular 202 effective from 1 January 2015 on a prospective basis. The significant changes to the Corporation's and its subsidiaries' accounting policies and the effects on the Corporation's and its subsidiaries' consolidated financial statements are disclosed in the note 4(r) to the financial statements - Earnings per share.

**4. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Corporation and its subsidiaries in the preparation of these consolidated financial statements.

**(a) Basis of consolidation**

**(i) Subsidiaries**

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2015**  
**(continued)**

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

**(ii) Non-controlling interests**

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

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

**(iii) Loss of control**

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

**(iv) Associates**

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

**(v) Transactions eliminated on consolidation**

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Corporation’s and its subsidiaries’ interest in the investee.

**(vi) Business combination**

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Corporation. Control exists when the Corporation has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

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**(b) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates. The actual rates of exchange applied to account for foreign currency transaction are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Corporation or its subsidiaries and the bank.
- Exchange rate applied to recognise trade and other receivables is the foreign currency buying rate at the transaction date quoted by the bank through which the Corporation or its subsidiaries receive money from the customer or counterparty.
- Exchange rate applied to recognise trade and other payables is the foreign currency selling rate at the transaction date quoted by the bank through which the Corporation or its subsidiaries intend to make payment for the liability.
- For asset acquisitions or expenses that are settled with immediate payment, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Corporation or its subsidiaries make payment.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at actual rates of exchange ruling at the balance sheet date. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at reporting date are determined as follows:

- For monetary assets (cash on hand and receivables): the foreign currency buying rate at the reporting date quoted by the commercial bank where the Corporation or its subsidiaries most frequently conduct transactions. Cash at bank and bank deposits are retranslated using the foreign currency buying rate of the bank where the Corporation or its subsidiaries deposit the money or maintain those bank accounts.
- For monetary liabilities (payables and borrowings): the foreign currency selling rate at reporting date quoted by the commercial bank where the Corporation or its subsidiaries most frequently conduct transactions.

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

**(c) Cash and cash equivalents**

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



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**(d) Investments**

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

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

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

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

**(e) Accounts receivable**

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

**(f) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Corporation and its subsidiaries apply the perpetual method of accounting for inventories.

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**(g) Tangible fixed assets**

**(i) Cost**

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

**(ii) Depreciation**

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

▪ buildings	10 - 25 years
▪ plant and equipment	5 - 15 years
▪ motor vehicles	5 - 10 years
▪ office equipment	3 - 5 years
▪ others	2 - 5 years

**(h) Intangible fixed assets**

***Software***

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over 3 - 5 years.

**(i) Construction in progress**

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

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

**(i) Tools and instruments**

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

**(ii) Training costs**

Training expenses are recognised as long-term prepayments, initially stated at cost, and are amortised on a straight-line basis over 3 years.

**(iii) Other long-term prepaid expenses**

Other long-term prepaid expenses are initially stated at cost and are amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(k) Goodwill**

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition of a subsidiary is written down to recoverable amount as management determines that it is not fully recoverable.

**(l) Trade and other payables**

Trade and other payables are stated at their cost.

**(m) Share capital**

***Ordinary shares***

Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

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**(n) Taxation**

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

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

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

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

**(o) Revenue and other income**

**(i) Goods sold**

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

**(ii) Processing services**

Revenue from processing services is recognised in the statement of income when the goods have been processed and accepted by the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) Interest income**

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

**(iv) Dividend income**

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognized as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

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**(p) Operating lease payments**

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

**(q) Borrowing costs**

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

**(r) Earnings per share**

The Corporation presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Corporation by the weighted average number of ordinary shares outstanding during the year. At the reporting date, the Corporation does not have any dilutive potential ordinary shares.

Prior to 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Corporation included amounts appropriated to bonus and welfare funds, if any. Effective from 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Corporation is determined after deducting any amounts appropriated to bonus and welfare funds. This change in accounting policy has been applied prospectively.

**(s) Segment reporting**

A segment is a distinguishable component of the Corporation and its subsidiaries that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Management is of the opinion that the Corporation and its subsidiaries operate in one single business segment, which is to trade and provide garment and textile products and services, and one single geographical segment, which is Vietnam.

**(t) Related parties**

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

Related companies refer to the parent company - Vietnam National Textile and Garment Group and its subsidiaries and associates.

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**5. Cash and cash equivalents**

	31/12/2015 VND	1/1/2015 VND
Cash on hand	77,264,882	259,222,234
Cash in banks	29,306,589,400	16,175,791,360
Cash equivalents	3,701,632,482	31,900,000,000
	<hr/> 33,085,486,764	<hr/> 48,335,013,594 <hr/>

**6. Investments**

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

	31/12/2015		1/1/2015 Reclassified	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Held-to-maturity investments - short-term				
▪ term deposits	24,374,812,500	24,374,812,500	3,300,000,000	3,300,000,000
Held-to-maturity investments - long-term				
▪ term deposits	5,000,000	5,000,000	-	-
	<hr/>		<hr/>	

Term deposits include bank deposits with terms ranging from 7 to 60 months and interest rates from 5.2% to 6.75% per annum (2014: 7% to 7.5% per annum).

## Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

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

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## Notes to the consolidated financial statements for the year ended 31 December 2015 (continued)

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(\*) On 27 October 2015, the Corporation's Board of Management issued the Decision No. 803/QĐ-HĐQT on establishment of Hoa Tho Construction Mechanics One-member Co., Ltd. on the basis of Hoa Tho Construction Mechanics Enterprise, a branch of the Corporation. Hoa Tho Construction Mechanics One-member Co., Ltd. was granted the Enterprise Registration Certificate No. 0401705303 dated 12 November 2015 by the Da Nang Department of Planning and Investment. This subsidiary will officially commence its operation from 2016.

The Corporate and its subsidiaries have not determined fair values of these financial instruments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair values of these financial instruments may differ from their carrying amounts.



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Movements of investments in associates are as follows:

	<b>2015 VND</b>	<b>2014 VND</b>
Opening balance	4,905,515,113	8,766,177,085
Share of loss from associate	(1,647,421,858)	(3,860,661,972)
Closing balance	3,258,093,255	4,905,515,113

**7. Accounts receivable from customers**

**(a) Accounts receivable from customers detailed by significant customer**

	<b>31/12/2015 VND</b>	<b>1/1/2015 VND</b>
Motives (Far East) Limited	72,384,107,706	76,891,575,444
Gamal Ibrahim Ahmed Al Okiya	22,025,410,219	-
Destination XL Group Inc.	16,237,124,625	8,370,298,769
Aurora Investment Global Inc	15,642,169,827	40,218,806,703
Supreme International Inc.	15,570,202,788	16,225,679,168
Ashraf Sadek El Sayed El Betar	-	27,644,912,560
Other customers	74,019,156,216	112,450,471,446
	215,878,171,381	281,801,744,090

At 31 December 2015, accounts receivable from customers with a carrying value of VND139,646 million (1/1/2015: VND187,154 million) were used to secure for short-term loans granted to the Corporation (Note 20(a)).

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**(b) Accounts receivable from customers who are related parties**

	31/12/2015 VND	1/1/2015 VND
Associates		
• Hoa Tho – Phu Ninh Garment Joint Stock Company	87,634,800	6,897,000
• Hiep Duc Garment Joint Stock Company	309,939,190	-
Other related companies	507,172,655	3,067,841,337
	904,746,645	3,074,738,337

The trade related amounts due from the associates and other related companies were unsecured, interest free and are due in 30 days from invoice date.

**8. Other receivables**

	31/12/2015 VND	1/1/2015 VND Reclassified
Receivables from employees for social insurance advanced	2,172,172,524	1,881,786,652
Advances	1,837,552,537	1,366,516,736
Short-term deposits	479,963,432	444,333,305
Temporarily paid import tax	1,895,221,076	-
Receivables from Thang Binh District People's Committee for financial support to Binh Phuc Garment Factory Project site levelling	117,466,000	2,377,507,018
Others	4,292,672,561	1,481,056,328
	10,795,048,130	7,551,200,039

**Hoa Tho Textile-Garment Joint Stock Corporation**

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**9. Bad and doubtful debts**

	Overdue period	31/12/2015			Overdue period	1/1/2015		
		Cost VND	Allowance VND	Recoverable amount VND		Cost VND	Allowance VND	Recoverable amount VND
Overdue debts								
Thanh Thu Co., Ltd.	Over 3 years	428,360,000	299,852,000	128,508,000	2 – 3 years	428,360,000	299,852,000	128,508,000
Phong Phu Son Tra								
Investment Joint Stock	Over 3 years	464,924,753	464,924,753	-	2 – 3 years	464,924,753	360,290,002	104,634,751
Company								
Hoang Anh Textile-								
Garment Joint Stock	Over 3 years	96,888,118	96,888,118	-	2 – 3 years	116,888,119	81,821,683	35,066,436
Company	2 – 3 years	246,982,691	230,389,856	-	Over 3 years	190,149,615	183,993,772	6,155,843
Others								
		1,237,155,562	1,092,054,727	128,508,000		1,200,322,487	925,957,457	274,365,030

*Of which:*

Allowance for doubtful debts – short-term	1,092,054,727	925,957,457
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**10. Inventories**

	<b>31/12/2015</b>		<b>1/1/2015</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	52,349,634,767	-	63,875,076,618	-
Raw materials	105,275,963,685	-	133,339,261,485	(347,647,900)
Tools and supplies	324,326,918	-	363,273,332	-
Work in progress	170,360,446,958	-	142,195,933,374	-
Finished goods	82,215,888,201	(730,053,436)	68,667,106,705	(230,728,348)
Merchandise inventories	2,781,824,236	(30,446,564)	1,153,807,546	(2,923,242)
Goods on consignment	23,914,625,197	-	10,428,855,149	-
	<b>437,222,709,962</b>	<b>(760,500,000)</b>	<b>420,023,314,209</b>	<b>(581,299,490)</b>

At 31 December 2015 inventories with a carrying value of VND388,000 million (1/1/2015: VND351,408 million) were pledged at banks to secure for short-term borrowings granted to the Corporation (Note 20(a)).

**Hoa Tho Textile-Garment Joint Stock Corporation**

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**11. Tangible fixed assets**

<b>Cost</b>	<b>Buildings VND</b>	<b>Plant and equipment VND</b>	<b>Motor vehicles VND</b>	<b>Office equipment VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	206,376,893,697	581,098,312,250	29,201,667,899	6,465,275,712	41,565,586,801	864,707,736,359
Additions	4,508,456,779	23,027,880,843	2,078,175,727	1,386,969,628	2,108,917,913	33,110,400,890
Transfer from construction in progress	48,776,536,311	86,169,451,810	1,140,805,374	-	20,296,874,093	156,383,667,588
Disposals	(4,834,840,796)	(6,318,190,108)	-	(127,050,100)	(747,555,580)	(12,027,636,584)
Other movements	-	272,499,970	-	-	-	272,499,970
Closing balance	254,827,045,991	684,249,954,765	32,420,649,000	7,725,195,240	63,223,823,227	1,042,446,668,223
<b>Accumulated depreciation</b>						
Opening balance	66,239,839,228	326,819,022,757	17,305,814,405	4,900,456,800	20,658,883,549	435,924,016,739
Charge for the year	15,007,855,421	59,859,330,609	3,265,752,923	740,585,406	5,710,149,239	84,583,673,598
Disposals	(4,213,936,195)	(6,205,160,610)	-	(127,050,100)	(642,628,390)	(11,188,775,295)
Reclassification	-	(17,789,063)	-	-	17,789,063	-
Other movements	-	18,166,665	-	-	-	18,166,665
Closing balance	77,033,758,454	380,473,570,358	20,571,567,328	5,513,992,106	25,744,193,461	509,337,081,707
<b>Net book value</b>						
Opening balance	140,137,054,469	254,279,289,493	11,895,853,494	1,564,818,912	20,906,703,252	428,783,719,620
Closing balance	177,793,287,537	303,776,384,407	11,849,081,672	2,211,203,134	37,479,629,766	533,109,586,516

Included in tangible fixed assets were assets costing VND163,351 million which were fully depreciated as of 31 December 2015 (1/1/2015: VND157,920 million), but which are still in active use.

At 31 December 2015, tangible fixed assets with a carrying value of VND513,401 million (1/1/2015: VND400,786 million) were pledged at banks to secure for some short-term borrowings (Note 20(a)) and long-term borrowings (Note 20(b)) granted to the Corporation and its subsidiaries.

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**12. Intangible fixed assets**

	<b>Software VND</b>
<b>Cost</b>	
Opening balance	4,185,205,624
Additions	3,619,010,400
Closing balance	7,804,216,024
<b>Accumulated amortisation</b>	
Opening balance	3,273,826,993
Charge for the year	896,907,860
Closing balance	4,170,734,853
<b>Net book value</b>	
Opening balance	911,378,631
Closing balance	3,633,481,171

Included in intangible fixed assets were assets costing VND2,987 million which were fully amortised as of 31 December 2015 (1/1/2015: VND1,814 million), but which are still in use.

**13. Construction in progress**

	<b>2015 VND</b>	<b>2014 VND</b>
Opening balance	7,506,415,354	14,629,194,742
Additions during the year	162,954,857,983	113,632,621,737
Transfer to tangible fixed assets	(156,383,667,588)	(119,596,876,357)
Transfer to short-term prepaid expenses	-	(91,587,273)
Transfer to long-term prepaid expenses	(9,791,108,139)	(1,051,937,495)
Written off	-	(15,000,000)
Closing balance	4,286,497,610	7,506,415,354

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Major constructions in progress were as follows:

	31/12/2015 VND	1/1/2015 VND
Hoa Tho 1 Garment Factory expansion	610,861,637	44,649,457
Dong Ha Garment Factory expansion	2,248,630,984	149,716,773
Dome of Spinning Workshop No. 1	-	2,138,233,091
Others	1,427,004,989	5,173,816,033
	4,286,497,610	7,506,415,354

**14. Prepaid expenses**

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

	31/12/2015 VND	1/1/2015 VND
Prepaid insurance expenses	406,080,228	258,700,904
Tools and supplies	3,191,214,863	2,398,475,631
Prepaid operating lease expenses	580,017,951	393,484,477
Other short-term prepaid expenses	1,919,215,476	678,734,927
	6,096,528,518	3,729,395,939

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

	Tools and supplies VND	Training cost VND	Others VND	Total VND
Opening balance	14,626,948,129	702,694,029	4,168,605,132	19,498,247,290
Additions	12,214,061,498	-	1,641,048,507	13,855,110,005
Transfer from construction in progress	8,709,643,260	-	1,081,464,879	9,791,108,139
Disposal	(18,724,998)	-	-	(18,724,998)
Amortisation for the year	(11,941,215,748)	(539,067,775)	(1,608,051,220)	(14,088,334,743)
Closing balance	23,590,712,141	163,626,254	5,283,067,298	29,037,405,693

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**15. Goodwill**

	VND
<b>Cost</b>	
Opening and closing balance	1,400,866,953
<b>Accumulated amortisation</b>	
Opening balance	490,303,433
Charge for the year	140,086,695
Closing balance	630,390,128
<b>Net book value</b>	
Opening balance	910,563,520
Closing balance	770,476,825

**16. Accounts payable to suppliers**

**(a) Accounts payable to suppliers detailed by significant suppliers**

	31/12/2015		1/1/2015 Reclassified	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Hultafors Group AB	24,036,163,668	24,036,163,668	9,813,428,167	9,813,428,167
Motives (Far East) Limited	9,574,682,825	9,574,682,825	26,933,597,935	26,933,597,935
Kufner Hongkong Ltd.	9,542,122,310	9,542,122,310	8,847,937,637	8,847,937,637
Cargill Cotton Ltd.	6,473,251,964	6,473,251,964	16,120,683,014	16,120,683,014
Quang Tri Province Infrastructure Management Board	4,579,133,000	4,579,133,000	6,104,133,000	6,104,133,000
Indorama Polyester Industries Pcl.	-	-	15,859,207,584	15,859,207,584
Other suppliers	113,933,055,507	113,933,055,507	124,396,788,217	124,396,788,217
	168,138,409,274	168,138,409,274	208,075,775,554	208,075,775,554



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**(b) Accounts payable to suppliers classified by payment terms**

	31/12/2015		1/1/2015 Reclassified	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Short-term	165,084,276,274	165,084,276,274	203,496,642,554	203,496,642,554
Long-term	3,054,133,000	3,054,133,000	4,579,133,000	4,579,133,000
	168,138,409,274	168,138,409,274	208,075,775,554	208,075,775,554

**(c) Accounts payable to suppliers who are related parties**

	31/12/2015		1/1/2015	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
<i>Associates</i>				
Hiep Duc Garment Joint Stock Company	-	-	1,104,019,297	1,104,019,297
<i>Other related companies</i>				
Dong Phuong Knitting Co., Ltd.	474,198,932	474,198,932	215,783,326	215,783,326
Nha Be Garment Corporation – Joint Stock Company	1,376,675,309	1,376,675,309	4,573,535,775	4,573,535,775
Phong Phu International Joint Stock Company	648,420,366	648,420,366	2,470,685,085	2,470,685,085
Coats Phong Phu Co., Ltd.	890,407,442	890,407,442	1,792,215,323	1,792,215,323
	3,389,702,049	3,389,702,049	10,156,238,806	10,156,238,806

The trade related amounts due to the parent company, associates and other related companies were unsecured, interest free and are payable within 60 days from invoice date.

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**17. Taxes payable to State Treasury**

**(a) Taxes and others receivable from State Treasury**

	<b>1/1/2015 VND</b>	<b>Incurred VND</b>	<b>Received VND</b>	<b>31/12/2015 VND</b>
Corporate income tax	-	9,609,885	-	9,609,885
Personal income tax	33,167,153	79,097,705	(33,167,153)	79,097,705
Other taxes	31,636,837	5,564,195	(21,429,153)	15,771,879
	<b>64,803,990</b>	<b>94,271,785</b>	<b>(54,596,306)</b>	<b>104,479,469</b>

**(b) Taxes and others payable to State Treasury**

	<b>1/1/2015 VND</b>	<b>Incurred VND</b>	<b>Paid/Offset VND</b>	<b>31/12/2015 VND</b>
Value added tax	2,791,513,176	92,786,460,696	(90,585,591,409)	4,992,382,463
Corporate income tax	2,721,681,997	6,154,711,954	(7,223,675,453)	1,652,718,498
Personal income tax	13,991,058	1,233,143,197	(1,247,134,255)	-
Other taxes	29,001,364	11,982,097,657	(12,011,099,021)	-
	<b>5,556,187,595</b>	<b>112,156,413,504</b>	<b>(111,067,500,138)</b>	<b>6,645,100,961</b>

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**18. Accrued expenses**

	<b>31/12/2015</b> <b>VND</b>	<b>1/1/2015</b> <b>VND</b>
Operating costs	8,270,151,703	5,802,541,088
Interest expense	497,224,326	616,097,958
Others	574,406,236	197,289,075
	<hr/>	<hr/>
	9,341,782,265	6,615,928,121
	<hr/>	<hr/>

**19. Other payables – short-term**

	<b>31/12/2015</b> <b>VND</b>	<b>1/1/2015</b> <b>VND</b> <b>Reclassified</b>
Trade union fees	6,484,611,320	5,638,712,706
Social insurance	269,699,220	1,151,215,871
Health insurance	86,371,855	283,824,443
Short-term deposits and collaterals received	41,613,000	-
Excessive payments on behalf payables	4,672,021,554	-
Dividends	354,075,697	618,923,080
Others	4,821,983,277	5,395,110,052
	<hr/>	<hr/>
	16,730,375,923	13,087,786,152
	<hr/>	<hr/>

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**20. Borrowings**

**(a) Short-term borrowings**

	1/1/2015			Movement during the year			31/12/2015	
	Carrying amount VND	Amount within repayment capacity VND		Addition VND	Decrease VND	Carrying amount VND	Amount within repayment capacity VND	
Short-term borrowings	425,558,276,900	425,558,276,900		2,184,542,580,126	(2,286,317,162,900)	323,783,694,126	323,783,694,126	
Current portion of long-term borrowings	52,770,385,956	52,770,385,956		52,824,657,565	(41,737,031,237)	63,858,012,284	63,858,012,284	
	478,328,662,856	478,328,662,856		2,237,367,237,691	(2,328,054,194,137)	387,641,706,410	387,641,706,410	

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

	Currency	Annual interest rate	31/12/2015 VND	1/1/2015 VND
Joint Stock Commercial Bank for Investment and Development of Vietnam – Da Nang Branch (i)	USD	1.3% - 1.45%	68,973,312,499	114,566,066,151
Joint Stock Commercial Bank for Foreign Trade of Vietnam (ii)	USD	1.3% - 1.45%	64,757,770,302	94,748,488,430
Vietnam Joint Stock Commercial Bank for Industry and Trade (i)	USD	1.3% - 1.55%	47,299,070,820	74,028,853,760
Military Commercial Joint Stock Bank (i)	USD	1.3%	36,988,157,420	7,896,882,939
Joint Stock Commercial Bank for Investment and Development of Vietnam – Tay Ho Branch - Hanoi (i)	VND	6.0%	36,317,988,504	-
Indovina Bank (i)	USD	1.35%	19,732,663,024	22,642,685,571
Vietnam International Commercial Joint Stock Bank - Da Nang Branch (i)	USD	1.3% - 1.4%	16,679,548,566	11,796,186,091
Vietnam Technological and Commercial Joint Stock Bank (i)	USD	1.35% - 1.4%	11,382,179,448	15,952,814,055
HSBC Bank (i)	USD	1.3% - 1.55%	9,527,919,809	22,698,393,653
ANZ Bank (i)	USD	1.5%	5,531,334,757	17,822,856,945
Joint Stock Commercial Bank for Foreign Trade of Vietnam (ii)	VND	4.5%	3,500,000,000	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Da Nang Branch (i)	VND	4%	2,993,748,977	-
Borrowing from Retirement Liaison Committee (ii)	VND	10%	100,000,000	132,171,000
Far East National Bank – Ho Chi Minh City Branch (ii)	USD	1.8% - 1.95%	-	42,834,926,305
Military Commercial Joint Stock Bank – Quang Nam Branch (i)	VND	7.00%	-	437,952,000
			323,783,694,126	425,558,276,900

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- (i) These borrowings are secured over certain receivables (Note 7), inventories (Note 10) and tangible fixed assets of the Corporation and its subsidiaries (Note 11).  
(ii) These borrowings are unsecured.

**(b) Long-term borrowings**

	31/12/2015 VND	1/1/2015 VND
Long-term borrowings		
Repayable within twelve months	308,191,981,426 (63,858,012,284)	218,939,512,532 (52,770,385,956)
Repayable after twelve months	244,333,969,142	166,169,126,576

Terms and conditions of outstanding long-term borrowings were as follows:

	Currency	Annual interest rate	Year of maturity	31/12/2015 VND	1/1/2015 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	USD	4.5%	2023	72,088,692,522	-
Vietnam Development Bank – Da Nang Branch	VND	8.4%	2019	47,607,635,988	47,607,635,988
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	USD	4.5%	2021	44,675,540,010	48,393,758,568
Military Commercial Joint Stock Bank – Quang Nam Branch	VND	8% - 9.5%	2021	25,192,897,946	-
Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch	USD	6.0%	2018	23,057,712,546	34,049,396,187
Military Commercial Joint Stock Bank – Da Nang Branch	USD	4.0%	2020	19,783,990,413	-
Indovina Bank – Da Nang Branch	USD	5.5%	2018	15,306,828,577	22,568,863,161
Indovina Bank – Da Nang Branch	USD	5.5%	2020	13,436,827,701	16,481,960,397
Indovina Bank – Da Nang Branch	USD	5.0%	2021	6,742,413,378	-

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	Currency	Annual interest rate	Year of maturity	31/12/2015 VND	1/1/2015 VND
Kuraray Trading Co., Ltd.	USD	3.0%	2017	6,310,920,000	8,972,460,000
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	VND	6.0%	2019	5,146,340,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch	USD	6.0%	2018	5,136,547,944	7,623,301,098
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	VND	9.2%	2019	5,026,160,000	6,959,360,000
Vietnam Joint Stock Commercial Bank for Foreign Trade – Quang Nam Branch	VND	7.1%	2020	3,800,000,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch	USD	4.0%	2020	3,748,843,126	-
Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch	USD	4.0%	2018	1,691,795,371	-
Military Commercial Joint Stock Bank– Quang Nam Branch	VND	10.5% - 10.7%	2018	1,483,287,800	9,900,239,780
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	USD	5.2%	2016	1,409,975,829	3,842,294,918
Military Commercial Joint Stock Bank– Quang Nam Branch	VND	9.5%	2018	1,336,205,098	1,878,205,098
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	VND	10.6%	2016	1,299,990,000	4,549,995,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Quang Nam Branch	VND	8.26%	2020	1,170,000,000	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	VND	8.5%	2021	887,140,000	1,013,875,000
Military Commercial Joint Stock Bank– Quang Nam Branch	VND	10.5%	2019	539,825,000	-
ANZ Bank – Ho Chi Minh City Branch	USD	5.2%	2016	484,791,351	2,182,619,684
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Quang Nam Branch	VND	8.26%	2018	416,500,000	-
Indovina Bank – Da Nang Branch	USD	5.0%	2017	288,846,751	589,673,703
Indovina Bank – Da Nang Branch	USD	5.5%	2016	122,274,075	463,577,100
Joint Stock Commercial Bank for Investment and Development of Vietnam – Da Nang Branch	VND	0%	2015	-	1,158,386,000
Vietnam International Commercial Joint Stock Bank – Da Nang Branch	USD	5.8%	2015	-	703,910,850
				308,191,981,426	218,939,512,532

Long-term borrowings are secured by certain tangible fixed assets of the Corporation and its subsidiaries. (Note 11).

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**21. Bonus and welfare fund**

This fund is established by appropriating from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Corporation's and its subsidiaries' employees in accordance with the Corporation's and its subsidiaries' bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	<b>2015</b> <b>VND</b>	<b>2014</b> <b>VND</b>
Opening balance	7,635,781,202	3,346,342,084
Appropriation	20,412,062,318	8,377,013,397
Other additions	652,080,686	117,525,540
Utilisation	(4,469,209,884)	(4,205,099,819)
Closing balance	24,230,714,322	7,635,781,202

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**22. Changes in owners' equity**

	Share capital VND	Investment and development fund VND	Financial reserve VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1 January 2014</b>	150,000,000,000	33,456,594,220	10,104,631,290	45,204,925,742	18,239,426,871	257,005,578,123
Share capital issued	-	-	-	-	7,881,000,000	7,881,000,000
Net profit for the year	-	-	-	60,960,676,623	3,522,579,562	64,483,256,185
Appropriation to equity funds	-	7,508,539,889	2,474,762,364	(9,983,302,253)	-	-
Dividends (Note 25)	-	-	-	(30,000,000,000)	(1,834,244,603)	(31,834,244,603)
Appropriation to bonus and welfare fund	-	-	-	(8,035,707,638)	(341,305,759)	(8,377,013,397)
<b>Balance at 31 December 2014</b>	150,000,000,000	40,965,134,109	12,579,393,654	58,146,592,474	27,467,456,071	289,158,576,308
<b>Balance at 1 January 2015</b>	150,000,000,000	53,544,527,763	-	58,146,592,474	27,467,456,071	289,158,576,308
<i>Balance at 1 January 2015 – as previously stated</i>	150,000,000,000	40,965,134,109	12,579,393,654	58,146,592,474	27,467,456,071	289,158,576,308
<i>Impact of adoption of Circular 200 (Note 3)</i>	-	12,579,393,654	(12,579,393,654)	-	-	-
Share capital issued	7,500,000,000	-	-	-	13,425,100,208	20,925,100,208
Net profit for the year	-	-	-	72,118,301,658	1,899,740,204	74,018,041,862
Appropriation to equity fund	-	9,406,888,134	-	(9,406,888,134)	-	-
Dividends (Note 25)	-	-	-	(30,000,000,000)	(3,126,780,000)	(33,126,780,000)
Appropriation to bonus and welfare funds	-	-	-	(20,093,908,557)	(318,153,761)	(20,412,062,318)
<b>Balance at 31 December 2015</b>	157,500,000,000	62,951,415,897	-	70,764,097,441	39,347,362,722	330,562,876,060



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**23. Share capital**

The Corporation's authorised and issued share capital are:

	31/12/2015		1/1/2015	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	15,750,000	157,500,000,000	15,000,000	150,000,000,000
<b>Issued share capital</b>				
Ordinary shares	15,750,000	157,500,000,000	15,000,000	150,000,000,000
<b>Shares in circulation</b>				
Ordinary shares	15,750,000	157,500,000,000	15,000,000	150,000,000,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Corporation. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Corporation's residual assets.

Movements in share capital during the year were as follows:

	2015		2014	
	Number of shares	VND	Number of shares	VND
Balance at the beginning of the year	15,000,000	150,000,000,000	15,000,000	150,000,000,000
Shares issued during the year	750,000	7,500,000,000	-	-
Balance at the end of the year	15,750,000	157,500,000,000	15,000,000	150,000,000,000

**24. Investment and development fund**

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

**25. Dividends**

The General Meeting of Shareholders of the Corporation on 25 April 2015 resolved to distribute dividends in cash amounting to VND30,000 million for 2014 (equivalent to 20% of the charter capital as at 31 December 2014), (2014: VND30,000 million for 2013, equivalent to 20% of the charter capital as at 31 December 2013).

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**26. Off balance sheet items**

**(a) Assets, materials and goods held for processing**

	<b>31/12/2015</b> <b>VND</b>	<b>1/1/2015</b> <b>VND</b>
Materials and goods held for processing	45,335,207,630	80,423,759,927

**(b) Foreign currencies**

	<b>31/12/2015</b>		<b>1/1/2015</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	414,336	9,303,116,128	282,815	6,041,772,504
EUR	1,781	43,562,201	338	8,751,961
		<hr/> 9,346,678,329 <hr/>		<hr/> 6,050,524,465 <hr/>

**(c) Capital expenditure commitments**

At 31 December 2015 the Corporation had the following outstanding capital commitments approved but not provided for in the consolidated balance sheet:

	<b>31/12/2015</b> <b>VND</b>	<b>1/1/2015</b> <b>VND</b>
Approved but not contracted	83,405,408,000	201,000,000,000

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

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

Net revenue comprised:

	<b>2015 VND</b>	<b>2014 VND Reclassified</b>
Total revenue from sales of goods and provision of services	3,005,032,261,516	2,594,988,435,023
Less sales deductions		
▪ Sales discounts	-	(10,282,950)
▪ Sales allowances	-	(59,702,537)
▪ Sales returns	(3,141,755,291)	-
	(3,141,755,291)	(69,985,487)
Net sales	3,001,890,506,225	2,594,918,449,536

**28. Financial income**

	<b>2015 VND</b>	<b>2014 VND</b>
Interest income from deposits and loans	1,340,072,260	257,705,024
Gain on disposal of financial investments	427,381,871	-
Dividends	26,000,000	681,000,000
Realised foreign exchange gains	20,043,947,905	6,169,958,956
Other financial income	49,251,600	57,555,456
	21,886,653,636	7,166,219,436

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**29. Financial expenses**

	<b>2015 VND</b>	<b>2014 VND</b>
Interest expense	24,136,279,449	22,489,392,342
Realised foreign exchange losses	26,564,566,713	9,873,393,412
Unrealised foreign exchange losses	8,527,789,408	1,879,814,067
Allowance for diminution of investments	6,785,129,473	-
Other financial expense	-	54,055
	<hr/> 66,013,765,043	<hr/> 34,242,653,876 <hr/>

**30. Selling expenses**

	<b>2015 VND</b>	<b>2014 VND</b>
Staff costs	5,623,359,010	4,406,905,652
Supplies and packaging	6,279,725,015	2,929,243,186
Instruments and equipment	4,451,175,465	2,856,598,719
Depreciation of fixed assets	175,770,861	805,151,434
Outside services	82,542,277,926	65,688,377,266
Other selling expenses	8,826,281,562	5,850,308,175
	<hr/> 107,898,589,839	<hr/> 82,536,584,432 <hr/>

**31. General and administration expenses**

	<b>2015 VND</b>	<b>2014 VND</b>
Staff costs	64,983,287,984	43,240,940,887
Office supplies	18,654,969	167,709,622
Office equipment	3,602,582,852	2,283,250,822
Depreciation of fixed assets	3,975,365,232	3,953,566,284
Taxes, fees and charges	3,334,321,780	2,914,992,491
Outside services	15,228,565,155	8,871,259,356
Other selling expenses	23,138,238,907	18,285,870,882
	<hr/> 114,281,016,879	<hr/> 79,717,590,344 <hr/>

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**32. Other income**

	<b>2015 VND</b>	<b>2014 VND Reclassified</b>
Proceeds from disposals of fixed assets	722,161,324	708,668,842
Debts written off	4,952,111,038	4,266,606,499
Others	1,599,779,319	2,361,643,983
	<hr/> 7,274,051,681	<hr/> 7,336,919,324 <hr/>

**33. Production and business costs by element**

	<b>2015 VND</b>	<b>2014 VND</b>
Raw material costs included in production costs	1,504,139,991,627	1,402,430,654,469
Staff costs	733,492,138,586	565,208,173,696
Depreciation	85,620,668,153	90,982,889,234
Outside services and other expenses	580,184,144,256	435,426,402,023
	<hr/>	<hr/>

**34. Income tax**

**(a) Recognised in the consolidated statement of income**

	<b>2015 VND</b>	<b>2014 VND</b>
<b>Current tax expense</b>		
Current year	5,943,955,071	6,013,518,434
Under provision in prior years	210,756,883	-
	<hr/> 6,154,711,954	<hr/> 6,013,518,434 <hr/>

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

	2015 VND	2014 VND
Accounting profit before tax	80,172,753,816	70,496,774,619
Tax at the Corporation's tax rate	8,017,275,382	7,049,677,462
Tax incentives	(3,602,812,509)	(2,956,203,509)
Effect of different tax rates in subsidiaries	396,100,565	591,802,543
Effect of different tax rate applied to other income	915,291,789	955,487,390
Non-deductible expenses	204,842,660	342,060,072
Tax exempt income	(2,600,000)	(68,100,000)
Tax reduction	(322,872,000)	(380,662,586)
Unrecognised temporary differences	338,729,184	479,457,062
Under provision in prior years	210,756,883	-
	6,154,711,954	6,013,518,434

**(c) Applicable tax rates**

**(i) For the Corporation**

Under the terms of Income Tax Law, the Corporation has an obligation to pay the Government income tax at the rate of 10% of taxable profits for 15 years starting from the year of 2007 (2007 – 2021) and 20% for the succeeding years. The current income tax regulations allow the Corporation to be exempt from income tax for 4 years starting from the first year it generates a taxable profit (2007 - 2010), and entitled to a 50% reduction in CIT for the 9 succeeding years (2011 - 2019). All the above tax exemption and reduction are not applicable to other income which is taxed at a rate of 22% for 2015 (2014: 22%) and 20% from 2016.

**(ii) For the subsidiaries**

Under the terms of Income Tax Law, the Corporation's subsidiaries have obligations to pay the Government income tax at the rate of 22% for 2015 (2014: 22%) and 20% from 2016.

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**35. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2015 was based on the profit attributable to ordinary shareholders, effective from 1 January 2015, after deducting the amounts appropriated to bonus and welfare fund, and a weighted average number of ordinary shares outstanding, calculated as follows:

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

	2015 VND	2014 VND
Net profit for the year	72,118,301,658	60,960,676,623
Appropriation to bonus and welfare fund (*)	-	-
Net profit attributable to ordinary shareholders	72,118,301,658	60,960,676,623

(\*) As at 31 December 2015, the Corporation was unable to estimate reliably the profit for the year ended 31 December 2015 to be allocated to the bonus and welfare fund due to the uncertainty about the results of operations of the whole year 2015. Had the Corporation provided bonus and welfare fund for the year ended 31 December 2015, net profit attributable to ordinary shareholders would have decreased.

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

	2015	2014
Issued ordinary shares at the beginning of the year	15,000,000	15,000,000
Effect of ordinary shares issued during the year (*)	396,575	-
Weighted average number of ordinary shares for the year	15,396,575	15,000,000

(\*) During 2015, the Corporation issued another 750,000 shares to its existing shareholders at the par value of VND10,000 per share. The issuance of shares at par value, instead of market value, led to changes in share capital with bonus element. Therefore, the Corporation will have to adjust its number of shares in circulation for computation of basic earnings per share for 2014 and 2015. However, due to the unavailability of market price information of the Corporation's shares, the weighted average number of shares for computation of earnings per share has not yet been adjusted due to the effect of this issuance.

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**36. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Corporation had the following significant transactions with related parties during the year:

	2015 VND	2014 VND
<b>Parent company - Vietnam National Textile and Garment Group</b>		
Dividends declared and paid	21,484,964,000	21,484,964,000
Sales of goods and services	1,569,394,471	-
Purchase of goods and services	4,019,534,493	-
<b>Related companies</b>		
<b><i>Hoa Tho — Phu Ninh Garment Joint Stock Company</i></b>		
Purchase of goods and services	37,268,322,827	24,116,718,688
<b><i>Hiep Duc Garment Joint Stock Company</i></b>		
Purchase of goods and services	17,139,652,934	1,006,653,907
<b>Other related companies</b>		
<b><i>Nha Be Garment Corporation - Joint Stock Company</i></b>		
Sale of goods and services	621,508,713	3,009,359,373
Purchase of goods and services	3,947,872,807	4,110,449,797
<b><i>Phong Phu International Joint Stock Company</i></b>		
Sale of goods and services	-	966,199,296
Purchase of goods and services	1,472,085,108	3,123,800,484
<b><i>Coats Phong Phu Co., Ltd.</i></b>		
Purchase of goods and services	16,807,835,906	15,410,011,604
<b><i>Phong Phu Fabric Joint Stock Company</i></b>		
Sale of goods and services	-	11,306,208,292
<b><i>Dong Phuong Knitting Company Limited</i></b>		
Sale of goods and services	-	1,836,567,545
Purchase of goods and services	8,676,800,390	6,257,921,055
<b><i>Vinatex Huong Tra Garment Limited Company</i></b>		
Sale of goods and services	-	3,318,107,500
Purchase of goods and services	-	313,536,000
<b>Members of Board of Management and Board of Directors</b>		
Salary and bonus	9,835,554,839	7,022,201,650



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**37. Non-cash investing and financing activities**

	<b>2015</b>	<b>2014</b>
	<b>VND</b>	<b>VND</b>
Purchase of fixed assets not yet paid	7,364,587,416	-

**38. Post balance sheet event**

**Dividends declared after the year end**

Subsequent to the balance sheet date, on 23 February 2016, the Board of Management of the Corporation resolved to advance the dividend for 2015 in cash at the ratio of VND3,000 per share. The advance of dividend will begin after 16 May 2016.

**39. Corresponding figures**

As described in Note 3, the Corporation and its subsidiaries adopted Circular 200 and Circular 202 effective from 1 January 2015. As a result, the presentation of certain financial statement captions has been changed. Certain corresponding figures as at 1 January 2015 and for the year ended 31 December 2014 have been reclassified to conform to the requirements of Circular 200 and Circular 202 in respect of financial statement presentation. In addition, certain corresponding figures have been reclassified to conform with the current year's presentation. A comparison of the amounts previously reported and as reclassified is as follows:

**(a) Consolidated balance sheet**

	<b>1/1/2015</b>	<b>1/1/2015</b>
	<b>(as reclassified)</b>	<b>(as previously reported)</b>
	<b>VND</b>	<b>VND</b>
Held-to-maturity investments	3,300,000,000	-
Short-term investments	-	3,300,000,000
Other receivables	7,551,200,039	7,930,779,575
Other current assets	-	1,810,850,041
Shortage of assets awaiting resolution	254,333,305	-
Loans receivable – long-term	1,954,000,000	-
Accounts payable to suppliers - short-term	203,496,642,554	201,971,642,554
Other payables – short-term	13,087,786,152	13,069,882,424
Short-term borrowings	478,328,662,856	479,853,662,856
Long-term accounts payable to suppliers	4,579,133,000	-
Other long-term liabilities	-	4,579,133,000
Investment and development fund	53,544,527,763	40,965,134,109
Financial reserve	-	12,579,393,654


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**(b) Consolidated statement of income**

	<b>2014</b> <b>(as reclassified)</b>	<b>2014</b> <b>(as previously</b> <b>reported)</b>
	<b>VND</b>	<b>VND</b>
Revenue from sales of goods and provision of services	2,594,988,435,023	2,593,477,506,972
Other income	7,336,919,324	9,097,678,533
Other expenses	2,265,163,313	2,514,994,471

Prepared by:



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*General Director*

