

Refrigeration Electrical Engineering Corporation

Separate financial statements

31 December 2013



EY

Building a better
working world

Refrigeration Electrical Engineering Corporation

CONTENTS

	<i>Pages</i>
General information	1
Report of management	2
Independent auditors' report	3 - 4
Separate balance sheet	5 - 6
Separate income statement	7
Separate cash flow statement	8 - 9
Notes to the separate financial statements	10 - 40

Refrigeration Electrical Engineering Corporation

GENERAL INFORMATION

THE COMPANY

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established in Vietnam in accordance with Business Registration Certificate No. 1506/GP-UB issued on 25 December 1993 by the People's Committee of Ho Chi Minh City and the Business Registration No.0300741143 issued by Department of Planning and Investment of Ho Chi Minh City with the latest amendment on 15 January 2014. The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with License No.01/GPPH issued by the State Securities Commission on 2 June 2000.

The current principal activities of the Company are mechanical and electrical engineering services (M&E), manufacturing, real estate development and management, and strategic financial investments in infrastructure.

The Company's head office is located at 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City, Vietnam.

THE BOARD OF DIRECTORS

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

Madam Nguyen Thi Mai Thanh	Chairwoman	
Mr Dominic Scriven	Deputy Chairman	
Mr David Alexander Newbigging	Deputy Chairman	appointed on 29 March 2013
Mr Nguyen Ngoc Thai Binh	Member	
Mr Dang Hong Tan	Member	appointed on 29 March 2013
Mr Luc Chanh Truong	Member	resigned on 29 March 2013
Mr Quach Vinh Binh	Member	resigned on 29 March 2013

BOARD OF SUPERVISION

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

Madam Do Thi Trang	Head	
Mr Le Anh Tuan	Member	
Mr Nguyen Van Khoa	Member	resigned on 29 March 2013
Ms Nguyen Thi Huong Giang	Member	appointed on 29 March 2013

MANAGEMENT

Madam Nguyen Thi Mai Thanh	General Director	
Mr Quach Vinh Binh	Deputy General Director	
Mr Tran Van Thanh	Deputy General Director	resigned on 1 January 2013
Mr Huynh Thanh Hai	Deputy General Director	appointed on 1 January 2013

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Madam Nguyen Thi Mai Thanh.

AUDITORS

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

Refrigeration Electrical Engineering Corporation

REPORT OF MANAGEMENT

Management of Refrigeration Electrical Engineering Corporation ("the Company") is pleased to present its report and the separate financial statements of the Company for the year ended 31 December 2013.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

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

Management confirmed that it has complied with the above requirements in preparing the accompanying separate financial statements for the year ended 31 December 2013.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2013 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements.

The Company is a parent company with subsidiaries (collectively referred to as "the Group") and the consolidated financial statements of the Group for the year ended 31 December 2013 prepared in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements have been issued separately.

Users of these separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

For and on behalf of the management:



Nguyen Thi Mai Thanh
General Director

5 March 2014

Reference: 60752771/16354018

INDEPENDENT AUDITORS' REPORT

To: The Shareholders and the Board of Directors of Refrigeration Electrical Engineering Corporation

We have audited the accompanying separate financial statements of Refrigeration Electrical Engineering Corporation ("the Company") as prepared on 5 March 2014 and set out on pages 5 to 40 which comprise the separate balance sheet as at 31 December 2013 and the separate income statement and separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of separate 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 separate 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 Company's separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate 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 separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2013, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements.

Other matter

As disclosed in Note 2.1 to the separate financial statements, the Company is a parent company with subsidiaries ("the Group") and that the consolidated financial statements of the Group for the year ended 31 December 2013 prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements have been issued separately. We have audited the said consolidated financial statements and expressed an unqualified opinion thereon in our independent auditors' report dated 5 March 2014.

Ernst & Young Vietnam Limited



Narciso T. Torres, Jr.
Deputy General Director
Audit Practicing Registration Certificate
No. 0868-2013-004-01

Le Vu Truong
Auditor
Audit Practicing Registration Certificate
No. 1588-2013-004-1

Ho Chi Minh City, Vietnam

5 March 2014

SEPARATE BALANCE SHEET
as at 31 December 2013

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		792,278,783,720	1,308,457,203,379
110	I. Cash and cash equivalents	4	462,025,467,713	400,384,783,064
111	1. Cash		21,725,467,713	20,716,329,064
112	2. Cash equivalents		440,300,000,000	379,668,454,000
120	II. Short-term investments	10	252,055,394,285	826,390,764,225
121	1. Short-term investments		342,723,106,627	914,140,537,485
129	2. Provision for diminution in value of investments		(90,667,712,342)	(87,749,773,260)
130	III. Accounts receivable		52,514,049,246	63,375,841,073
131	1. Trade receivables	5	72,688,775,148	70,526,813,124
134	2. Construction contract receivables		27,694,068,191	27,694,068,191
135	3. Other receivables	6	3,233,629,581	19,838,794,150
139	4. Provision for doubtful debts		(51,102,423,674)	(54,683,834,392)
140	IV. Inventories		13,993,000,513	13,993,000,513
141	1. Inventories		13,993,000,513	13,993,000,513
150	V. Other current assets		11,690,871,963	4,312,814,504
152	1. Value-added tax deductible		90,787,766	-
154	2. Tax receivables from the State		113,369,933	4,307,384,576
158	3. Other current assets		11,486,714,264	5,429,928
200	B. NON-CURRENT ASSETS		4,297,104,501,256	3,800,611,017,173
220	I. Fixed assets		17,073,491,971	18,971,544,915
221	1. Tangible fixed assets	7	5,718,293,161	6,563,590,597
222	Cost		19,252,034,845	19,917,973,216
223	Accumulated depreciation		(13,533,741,684)	(13,354,382,619)
227	2. Intangible fixed assets	8	10,927,309,602	12,224,965,110
228	Cost		14,734,772,540	14,734,772,540
229	Accumulated amortisation		(3,807,462,938)	(2,509,807,430)
230	3. Construction in progress		427,889,208	182,989,208
240	II. Investment properties	9	688,047,083,066	741,232,430,884
241	1. Cost		1,012,711,006,936	1,012,898,213,379
242	2. Accumulated depreciation		(324,663,923,870)	(271,665,782,495)
250	III. Long-term investments	10	3,586,061,925,441	3,034,086,113,586
251	1. Investments in subsidiaries		517,752,272,525	517,552,272,525
252	2. Investments in associates and a joint venture		2,297,510,708,221	1,126,508,056,403
258	3. Other long-term investments		844,975,129,605	1,465,500,446,407
259	4. Provision for long-term investments		(74,176,184,910)	(75,474,661,749)
260	IV. Other long term asset		5,922,000,778	6,320,927,788
262	1. Deferred tax assets	22.2	5,922,000,778	6,320,927,788
270	TOTAL ASSETS		5,089,383,284,976	5,109,068,220,552


SEPARATE BALANCE SHEET (continued)
as at 31 December 2013

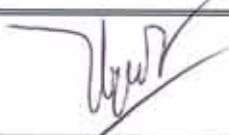
VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		514,327,739,381	1,175,561,882,595
310	i. Current liabilities		181,616,842,830	389,009,713,157
311	1. Short-term loans	11	33,543,546,230	35,504,807,999
312	2. Trade payables	12	34,642,713,559	7,696,671,287
313	3. Advances from customers	13	19,761,834,238	45,595,528,312
314	4. Statutory obligations	14	7,096,451,880	1,824,582,161
315	5. Payables to employees		745,780,000	-
316	6. Accrued expenses	15	2,098,184,741	4,419,701,164
319	7. Other payables	16	82,375,864,673	292,571,341,525
323	8. Bonus and welfare fund		1,352,467,509	1,397,080,709
330	ii. Non-current liabilities		332,710,896,551	786,552,169,438
333	1. Other long-term liabilities	17	94,942,627,481	96,152,462,388
334	2. Long-term loans	18	237,768,269,070	690,257,815,300
338	3. Unearned revenue		-	141,891,750
400	B. OWNERS' EQUITY	19	4,575,055,545,595	3,933,506,337,957
410	i. Capital		4,575,055,545,595	3,933,506,337,957
411	1. Share capital		2,636,863,850,000	2,446,433,850,000
412	2. Share premium		1,002,650,096,786	774,134,096,786
414	3. Treasury shares		(31,342,660)	(31,342,660)
417	4. Investment and development fund		62,722,670,000	62,722,670,000
418	5. Financial reserve fund		106,682,216,755	75,573,265,871
420	6. Retained earnings		766,168,054,714	574,673,797,960
440	TOTAL LIABILITIES AND OWNERS' EQUITY		5,089,383,284,976	5,109,068,220,552

OFF BALANCE SHEET ITEM

ITEM	Ending balance	Beginning balance
Foreign currencies		
- EUR	12,847	12,847
- USD	825,926	668,207
- JPY	-	320,393


 Nguyen Thi Huynh Phuong
 Preparer


 Ho Tran Dieu Lynh
 Chief Accountant

 Nguyễn Thị Mai Thanh
 General Director

5 March 2014

SEPARATE INCOME STATEMENT
for the year ended 31 December 2013

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues	20.1	537,343,086,468	459,283,329,414
11	2. Costs of goods sold and services rendered		(227,101,540,348)	(176,124,019,163)
20	3. Gross profit		310,241,546,120	283,159,310,251
21	4. Finance income	20.2	523,744,230,989	515,808,827,594
22	5. Finance expenses	21	(52,532,812,928)	(139,705,885,252)
23	<i>In which: Interest expense</i>		(47,592,886,493)	(23,955,866,110)
25	6. General and administrative expenses		(92,434,750,299)	(67,057,110,714)
30	7. Operating profit		689,018,213,882	592,205,141,879
31	8. Other income		4,714,888,813	5,438,697,553
32	9. Other expense		-	(3,525,180,353)
40	10. Other profit		4,714,888,813	1,913,517,200
50	11. Profit before tax		693,733,102,695	594,118,659,079
51	12. Current corporate income tax expense	22.1	(59,765,095,574)	(97,598,199,924)
52	13. Deferred income tax (expense) credit	22.2	(398,927,010)	7,555,353,687
60	14. Net profit after tax		633,569,080,111	504,075,812,842



Nguyen Thi Huynh Phuong
Preparer



Ho Tran Dieu Lynh
Chief Accountant



Nguyen Thi Mai Thanh
General Director

5 March 2014

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2013

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		693,733,102,695	594,118,659,079
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	7, 8, 9	55,287,658,460	56,138,010,431
03	(Reversal of provision) provision		(1,961,948,475)	85,239,044,234
04	Unrealised exchange gain		58,402,150	(87,054,205)
05	Gain from investing activities		(521,883,292,875)	(462,945,626,819)
06	Interest expense	21	47,592,886,493	23,955,866,110
08	Operating income before changes in working capital		272,826,808,448	296,418,898,830
09	(Increase) decrease in receivables		(4,956,697,156)	12,144,661,195
10	Increase in inventories		-	(13,696,065,771)
11	Increase (decrease) in payables		51,171,049,602	(2,233,784,879)
13	Interest paid		(49,782,756,755)	(24,188,167,532)
14	Corporate income tax paid	22.1	(48,660,765,909)	(133,775,468,547)
15	Other cash inflows from operating activities		10,343,763,084	25,282,618,842
16	Other cash outflows from operating activities		(28,198,797,042)	(11,844,821,366)
20	Net cash flows from operating activities		202,742,604,272	148,107,870,772
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(1,794,960,488)	(14,564,031,337)
25	Payments for investments in other entities and investments in term deposits		(1,176,042,665,794)	(1,370,062,838,691)
26	Proceeds from sale of investments in other entities		929,811,140,333	815,622,779,855
27	Interest and dividends received		529,058,848,552	201,071,367,618
30	Net cash flows from (used in) investing activities		281,032,362,603	(367,932,722,555)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares		-	83,500,000,000
33	Drawdown of borrowings		-	630,846,000,000
34	Repayment of borrowings		(35,504,034,954)	(13,310,789,660)
36	Dividends paid to equity holders		(386,733,996,880)	(375,751,372,800)
40	Net cash flows (used in) from financing activities		(422,238,031,834)	325,283,837,540

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2013

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash and cash equivalents		61,536,935,041	105,458,985,757
60	Cash and cash equivalents at beginning of year		400,384,783,064	294,968,364,009
61	Impact of exchange rate fluctuation		103,749,608	(42,566,702)
70	Cash and cash equivalents at end of year	4	462,025,467,713	400,384,783,064



Nguyen Thi Huynh Phuong
Preparer



Ho Tran Dieu Linh
Chief Accountant



Nguyen Thi Mai Thanh
General Director

5 March 2014

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

as at and for year ended 31 December 2013

1. CORPORATE INFORMATION

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established in Vietnam in accordance with Business Registration Certificate No. 1506/GP-UB issued on 25 December 1993 by the People's Committee of Ho Chi Minh City and the Business Registration No.0300741143 issued by Department of Planning and Investment of Ho Chi Minh City with the latest amendment on 15 January 2014. The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with License No.01/GPPH issued by the State Securities Commission on 2 June 2000.

The Company's principal activities are mechanical and electrical engineering services (M&E), manufacturing, real estate development and management, and strategic financial investments in infrastructure sectors.

The Company's head office is located at 364 Cong Hoa Street, Ward 13, Tan Binh District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2013 was 36 (31 December 2012: 35).

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

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

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

The accompanying separate balance sheet, separate income statement, separate cash flow statement and related notes, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

The Company is a parent company with subsidiaries (collectively referred to as "the Group") and the consolidated financial statements of the Group for the year ended 31 December 2013 prepared in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements have been issued separately.

Users of these separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

2. BASIS OF PREPARATION (continued)

2.2 Registered accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

The Company maintains its accounting records in VND.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 Inventories

Inventories are stated at the lower of cost which comprises all costs of purchase and other direct costs incurred in bringing each product to its present location and condition, and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, consumables and goods for resale	- cost of purchase on a first-in, first-out basis.
Finished goods and work-in-process	- cost of direct materials and labour plus attributable overheads based on the normal level of activities on a first-in, first-out basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement.

3.3 Receivables

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 *Leased assets*

Where the Company is the lessor

Assets subject to operating leases are included as the Company's fixed assets in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred.

Lease income is recognised in the separate income statement on a straight-line basis over the lease term.

Where the Company is the lessee

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

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

Land use rights

The land use right represents the cost to acquire the right to use land and is amortised over the remaining useful life of the land of 36 years and three months starting from August 2007.

3.7 *Depreciation and amortisation*

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

Buildings & structures	5 - 50 years
Motor vehicles	6 years
Office equipment	3 - 5 years
Software	1 - 3 years
Others	4 years

The useful life of the fixed assets and depreciation rates are reviewed periodically to ensure that the method and the period of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Investment properties*

Investment properties are buildings or part of a building or both and infrastructure held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services; administration purposes or sale in the ordinary course of business.

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

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

Depreciation of investment properties is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings & structures	5 - 50 years
Machinery & equipment	5 - 10 years
Office equipment	3 - 6 years
Others	2 years

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

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are directly attributable to the acquisition, construction or production of any qualified assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the separate income statement when incurred.

3.10 *Investments*

Investments in securities, subsidiaries, associates, joint venture and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the marketable investments at the balance sheet date. Increases and decreases to the provision balance are recorded as finance expense in the separate income statement.

3.11 *Payables and accruals*

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Foreign currency transactions

The Company follows the guidance under Vietnamese Accounting Standard No.10 – Effects of Changes in Foreign Exchange Rates (the "VAS 10") and Circular 179/2012/TT-BTC providing guidance on recognition, measurement treatment for foreign exchange differences issued by the Ministry of Finance on 24 October 2012 ("Circular 179") in relation to foreign currency transactions as applied consistently in prior year.

Transactions in currencies other than the Company's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the year, monetary assets and liabilities denominated in foreign currencies are translated at buying exchange rate announced by the commercial bank where the Company maintains bank accounts at the balance sheet date. All realised and unrealised foreign exchange differences are taken to the separate income statement.

3.13 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.14 Appropriation of net profit

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

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

▶ *Financial reserve fund*

This fund is set aside to protect the Company's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.

▶ *Investment and development fund*

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

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition

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

Sale of goods

Revenue from the sale of goods is recognised in the separate income statement when the significant risks and rewards of ownership have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue is recognised when services have been rendered.

Revenue from supply and installation contracts

Where the outcome of a construction contract can be estimated reliably and certified by customers, revenue and costs are recognised by reference to the amount of work completed at the balance sheet date. Variations in contract work and claims are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are probable will be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

Difference between the cumulative revenue of a construction contract recognised to date and the cumulative amount of progress billings of that contract was presented as construction contract receivable based on agreed progress billings in the separate balance sheet.

Office rental income

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

Revenue from Business Co-operation Contract ("BCC")

Revenue is recognised when the BCC declares the profit available to parties.

Interest income

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

Investment gains

Gains from investments are recognised as income when the investment is sold.

Dividends

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

Bonus shares or stock dividends

Income is not recognised when the Company is entitled as an investor to receive bonus shares or stock dividends. However, the number of shares received as bonus or dividends is disclosed on the relevant note to the separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation

Current income tax

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

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

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

Deferred income tax

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

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

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current income tax assets against current income tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority or when the Company intends either settle current tax liabilities and assets on a net basis.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Financial instruments

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the separate financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

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

The Company's financial assets include cash and short-term deposits, trade and other receivables, loan receivables and investments.

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the separate financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

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

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Financial instruments – subsequent measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2013

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	130,868,256	170,996,902
Cash in banks	21,594,599,457	20,545,332,162
Cash equivalents	440,300,000,000	379,668,454,000
TOTAL	<u>462,025,467,713</u>	<u>400,384,783,064</u>

Cash equivalents mainly represent short-term bank deposits with maturity of less than three months which are readily convertible into known amounts of cash without any significant risk of changes in value, and earn an average interest rate at 7% p.a.

5. TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Amount due to third parties	69,073,199,580	63,067,962,278
- Amount due to a related party (Note 25)	3,615,575,568	7,458,850,846
TOTAL	<u>72,688,775,148</u>	<u>70,526,813,124</u>

6. OTHER RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Amount due from related parties (Note 25)	1,767,176,774	10,920,861,813
Interest income receivables	1,452,546,466	7,532,212,043
Others	13,906,341	1,385,720,294
TOTAL	<u>3,233,629,581</u>	<u>19,838,794,150</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

7. TANGIBLE FIXED ASSETS

	<i>Buildings & structures</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Others</i>	<i>VND Total</i>
Cost:					
Beginning balance	15,535,842,267	2,829,963,829	975,697,120	576,470,000	19,917,973,216
Decreases	-	-	(665,938,371)	-	(665,938,371)
<i>Disposal</i>	-	-	(68,273,265)	-	(68,273,265)
<i>Reclassification</i>	-	-	(597,665,106)	-	(597,665,106)
Ending balance	<u>15,535,842,267</u>	<u>2,829,963,829</u>	<u>309,758,749</u>	<u>576,470,000</u>	<u>19,252,034,845</u>
<i>In which:</i>					
<i>Fully depreciated</i>	3,605,254,100	999,015,783	267,767,840	576,470,000	5,448,507,723
Accumulated depreciation:					
Beginning balance	9,549,029,420	2,347,897,861	880,985,338	576,470,000	13,354,382,619
Charges for the year	477,223,527	305,158,008	22,273,599	-	804,655,134
Disposal	-	-	(68,273,265)	-	(68,273,265)
Reclassification	-	-	(557,022,804)	-	(557,022,804)
Ending balance	<u>10,026,252,947</u>	<u>2,653,055,869</u>	<u>277,962,868</u>	<u>576,470,000</u>	<u>13,533,741,684</u>
Net carrying amount:					
Beginning balance	<u>5,986,812,847</u>	<u>482,065,968</u>	<u>94,711,782</u>	-	<u>6,563,590,597</u>
Ending balance	<u>5,509,589,320</u>	<u>176,907,960</u>	<u>31,795,881</u>	-	<u>5,718,293,161</u>

During the year, the Company has reclassified assets that no longer satisfy recognition criteria of fixed assets as required by Circular 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 to long-term prepaid expenses.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

8. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Softwares</i>	<i>VND Total</i>
Cost:			
Beginning balance and ending balance	<u>11,592,038,449</u>	<u>3,142,734,091</u>	<u>14,734,772,540</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	215,770,773	215,770,773
Accumulated amortisation:			
Beginning balance	1,562,295,827	947,511,603	2,509,807,430
Charges for the year	<u>322,001,069</u>	<u>975,654,439</u>	<u>1,297,655,508</u>
Ending balance	<u>1,884,296,896</u>	<u>1,923,166,042</u>	<u>3,807,462,938</u>
Net carrying amount:			
Beginning balance	<u>10,029,742,622</u>	<u>2,195,222,488</u>	<u>12,224,965,110</u>
Ending balance	<u>9,707,741,553</u>	<u>1,219,568,049</u>	<u>10,927,309,602</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

9. INVESTMENT PROPERTIES

	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Office equipment</i>	<i>Others</i>	<i>VND</i> <i>Total</i>
Cost:					
Beginning balance	774,201,284,293	237,915,983,788	215,692,297	565,253,001	1,012,898,213,379
Reclassification	-	(42,964,600)	(125,441,843)	18,800,000	(187,206,443)
Ending balance	<u>774,201,284,293</u>	<u>237,873,019,188</u>	<u>90,250,454</u>	<u>546,453,001</u>	<u>1,012,711,006,936</u>
<i>In which:</i>					
Fully depreciated	15,083,156,719	22,801,892,676	90,250,454	546,453,001	38,521,752,850
Collateral (Note 18)	9,437,896,861	-	-	-	9,437,896,861
Accumulated depreciation:					
Beginning balance	180,061,167,794	90,823,669,403	215,692,297	565,253,001	271,665,782,495
Charges for the year	31,547,107,806	21,638,240,012	-	-	53,185,347,818
Reclassification	-	(42,964,600)	(125,441,843)	(18,800,000)	(187,206,443)
Ending balance	<u>211,608,275,600</u>	<u>112,418,944,815</u>	<u>90,250,454</u>	<u>546,453,001</u>	<u>324,663,923,870</u>
Net carrying amount:					
Beginning balance	<u>594,140,116,499</u>	<u>147,092,314,385</u>	<u>-</u>	<u>-</u>	<u>741,232,430,884</u>
Ending balance	<u>562,593,008,693</u>	<u>125,454,074,373</u>	<u>-</u>	<u>-</u>	<u>688,047,083,066</u>

During the year, the Company has reclassified assets that no longer satisfy recognition criteria of the investment properties as required by Circular 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 to long-term prepaid expenses.

The fair value of the investment properties was not formally assessed and determined as at 31 December 2013. However, given the present high occupancy rate of these properties, it is management's assessment that these properties' market values are much higher than their carrying value as at the balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

10. INVESTMENTS

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Short-term investments		
Marketable equity securities (Note 10.1)	205,143,326,709	133,207,392,410
Term deposits	-	401,300,000,000
Trust investments	136,179,779,918	138,607,415,075
Other short-term investments	1,400,000,000	241,025,730,000
Provision for diminution in value of equity securities	(90,667,712,342)	(87,749,773,260)
Net value of short-term investments	<u>252,055,394,285</u>	<u>826,390,764,225</u>
Long-term investments		
Investments in subsidiaries (Note 10.2)	517,752,272,525	517,552,272,525
Investments in associates and a joint venture (Note 10.3)	2,297,510,708,221	1,126,508,056,403
Other long-term equity investments (Note 10.4)	844,975,129,605	1,465,500,446,407
Provision for diminution in value of long-term investments	(74,176,184,910)	(75,474,661,749)
Net value of long-term investments	<u>3,586,061,925,441</u>	<u>3,034,086,113,586</u>
TOTAL	<u>3,838,117,319,726</u>	<u>3,860,476,877,811</u>

10.1 Investments in marketable securities

<i>Securities</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Quantity</i> <i>(shares)</i>	<i>Amount</i> <i>(VND)</i>	<i>Quantity</i> <i>(shares)</i>	<i>Amount</i> <i>(VND)</i>
Ut Xi Aquatic Products Processing Joint Stock Company	1,491,176	60,411,760,000	1,491,176	60,411,760,000
Khanh Hoa Water Supply Joint Stock Company	4,060,600	53,193,860,000	-	-
Saigon Postel Corp	1,078,845	48,000,000,000	1,078,845	48,000,000,000
Vang Danh Coal Joint Stock Company	1,329,000	14,039,257,345	-	-
Cuu Long PetroGas Transportation Joint Stock Company	1,151,260	11,231,804,877	1,211,250	11,817,073,170
Ree Power Joint Stock Company	781,599	7,815,990,000	781,599	7,815,990,000
Cao Son Coal Joint Stock Company	483,600	5,448,300,210	5,000	58,587,750
Mang Canh Joint Stock Company	500,000	5,000,000,000	500,000	5,000,000,000
Others	41	2,354,277	24,791	103,981,490
TOTAL	<u>10,876,121</u>	<u>205,143,326,709</u>	<u>5,092,661</u>	<u>133,207,392,410</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

10. INVESTMENTS (continued)

10.2 Investments in subsidiaries

Name of subsidiaries	% Interest	Cost of investments		Location	Business
		Ending balance VND	Beginning balance VND		
Trans Orient Pte Ltd.	100.00	5,841,857,500	5,841,857,500	Singapore	Trading and logistics
R.E.E Real Estate Co., Ltd.	100.00	6,000,000,000	6,000,000,000	Ho Chi Minh City – Vietnam	Building management
R.E.E Mechanical and Engineering Joint Stock Company	99.99	149,997,353,000	149,997,353,000	Ho Chi Minh City – Vietnam	Mechanical & Engineering
R.E.E Electric Appliances Joint Stock Company	99.99	149,992,500,000	149,992,500,000	Ho Chi Minh City – Vietnam	Electric Appliances
R.E.E Land Corporation	99.90	200,592,000,000	200,592,000,000	Ho Chi Minh City – Vietnam	Real estate
Vector Corporation	99.96	5,128,562,025	5,128,562,025	Ho Chi Minh City – Vietnam	Electric Appliances
Saigon Clean Water Business and investment Joint Stock Company	99.97	200,000,000	-	Ho Chi Minh City – Vietnam	Water Supply
TOTAL		517,752,272,525	517,552,272,525		

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

10. INVESTMENTS (continued)

10.3 Investments in associates and joint venture

Name	Ending balance		Beginning balance		Business
	% Interest	Amount (VND)	% Interest	Amount (VND)	
Associates					
Pha Lai Thre-mo Electricity Joint Stock Company (*)	22.37	719,898,599,438	-	-	Power
Thu Duc Water B.O.O Corporation	42.10	409,901,420,000	42.10	385,501,820,000	Water supply
Thac Mo Hydropower Joint-Stock Company	35.48	276,730,483,765	35.48	274,057,456,308	Power
Thac Ba Hydropower Joint-Stock Company	23.97	223,379,420,325	23.97	223,379,420,325	Power
Srok Phu Mieng Hydropower Joint-Stock Company	33.85	171,263,421,175	-	-	Power
Vietnam Infrastructure and Real Estate Joint Stock Company	46.37	170,195,680,000	46.37	129,925,000,000	Real estate
Thu Duc Water Supply Joint Stock Company (*)	43.11	66,010,670,705	-	-	Water supply
Nui Beo Coal Joint Stock Company (*)	23.62	58,880,268,169	-	-	Coal Mining
Ninh Binh Thermal Power Joint-Stock Company	24.61	55,515,588,342	24.61	55,515,588,342	Power
Saigon Real Estate Joint Stock Company	28.87	54,457,202,000	27.96	39,756,602,000	Real estate
Deo Nai Coal Joint Stock Company (*)	24.01	46,029,841,350	-	-	Coal Mining
Saigon Water Investment and Trading Joint Stock Company	30.00	45,000,000,000	30.00	18,000,000,000	Water supply
Joint venture					
Building at 41B Ly Thai To, Ha Noi	40.00	248,112,952	40.00	372,169,428	Real estate
TOTAL		<u>2,297,510,708,221</u>		<u>1,126,508,056,403</u>	

(*) The investments in these entities were reclassified from other long-term investments following additional acquisitions to obtain significant influence over these entities during the year.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

10. INVESTMENTS (continued)

10.4 Other long-term equity investments

Securities	Ending balance		Beginning balance	
	Quantity (shares)	Amount (VND)	Quantity (shares)	Amount (VND)
Quang Ninh Thermal Power Joint Stock Company	42,085,353	470,646,304,200	42,085,353	470,646,304,200
Sonadezi Chau Duc Shareholding Company	10,463,500	183,876,590,000	10,463,500	183,876,590,000
Others	16,431,798	190,452,235,405	65,672,036	810,977,552,207
TOTAL	68,980,651	844,975,129,605	118,220,889	1,465,500,446,407

11. SHORT-TERM LOANS

	VND	
	Ending balance	Beginning balance
Short-term loan	-	6,916,623,299
Current portion of long-term loans (Note 18)	33,543,546,230	28,588,184,700
TOTAL	33,543,546,230	35,504,807,999

12. TRADE PAYABLES

	VND	
	Ending balance	Beginning balance
Trade payables	758,786,877	2,602,805,393
Amount due to related parties (Note 25)	33,883,926,682	5,093,865,894
TOTAL	34,642,713,559	7,696,671,287

13. ADVANCES FROM CUSTOMERS

Advances from customers represent mostly the advances for the supply and installation contracts.

14. STATUTORY OBLIGATIONS

	VND	
	Ending balance	Beginning balance
Corporate income tax (Note 22.1)	6,846,604,200	-
Personal income tax	249,847,680	250,774,428
Value-added tax	-	749,267,440
Other fees and obligations	-	824,540,293
TOTAL	7,096,451,880	1,824,582,161

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

15. ACCRUED EXPENSES

	VND	
	Ending balance	Beginning balance
Interest expense	1,222,023,803	2,911,894,065
Salary expense	-	630,452,000
Others	876,160,938	877,355,099
TOTAL	<u>2,098,184,741</u>	<u>4,419,701,164</u>

16. OTHER PAYABLES

	VND	
	Ending balance	Beginning balance
Performance bonus	52,351,701,802	-
Dividends payable	12,562,318,176	7,871,294,256
Warranty expenses	5,267,988,735	5,267,988,735
Other payable to a related party (Note 25)	5,267,030,681	5,525,879,428
Interest payables	3,000,000,000	3,500,000,000
Payable to purchase of securities	1,384,577,000	269,064,029,376
Others	2,542,248,279	1,342,149,730
TOTAL	<u>82,375,864,673</u>	<u>292,571,341,525</u>

17. OTHER LONG-TERM LIABILITIES

Other long-term liabilities represent mainly deposits received from tenants.

18. LONG-TERM LOANS

	VND	
	Ending balance	Beginning balance
Convertible bonds (*)	138,900,000,000	557,846,000,000
Long-term loans from banks (**)	132,411,815,300	161,000,000,000
TOTAL	<u>271,311,815,300</u>	<u>718,846,000,000</u>

In which:

Current portion (Note 11)	33,543,546,230	28,588,184,700
Non-current portion	237,768,269,070	690,257,815,300

(*) In accordance with the Board Resolution No.10/2012/HĐQT-NQ-REE dated 14 November 2012 and the approval by the State Securities Commission of Vietnam through its official letter No. 4963/UBCK-QLPH dated 7 December 2012, on 20 December 2012, the Company issued 557,846 3-year convertible bonds totaling VND 557,846,000,000 to Platinum Victory Pte. Ltd with interest at 6% per annum paid in arrears. The bonds will be automatically converted into shares when there is a room for foreign ownership in REE shares at conversion date. The conversion price is VND 22,000 per share which will be subject to conversion adjustments as set out in schedule of convertible bond subscription agreement.

The Company issued 19,043,000 new shares at the price of VND 22,000 per share to convert 418,946 out of 557,846 convertible bonds on 19 December 2013 (Note 19.1).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

18. **LONG-TERM LOANS** (continued)

(**) Details of the long-term loans from banks are as follows:

<i>Facility No.</i>	<i>Ending balance</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
<i>VND</i>				
<i>Joint Stock Commercial Bank for Foreign Trade of Vietnam</i>				
HĐTD0003/DTDA/1 OCD	72,000,000,000	1 Jun 2018	10.30% pa	Unsecured
<i>Commonwealth Bank of Australia</i>				
HĐTD500112036/ FL-CBAVN	60,411,815,300	7 March 2017	8.1% pa	Assets at 180 Pasteur, Ben Nghe Ward, District 1, HCMC
TOTAL	<u>132,411,815,300</u>			
<i>In which</i>				
Current portion	33,543,546,230			

On 31 March 2010, the Company signed an agreement with Vietcombank for a VND 200 billion credit facility to finance the construction of the Ree Tower at 9 Doan Van Bo Street, District 4, HCMC. The term of the borrowing is 96 months from the date of the first draw down which was made on 1 June 2010. The loan will be repaid on a quarterly basis in accordance with the repayment schedule approved by Vietcombank to be issued after the grace period of 24 months expires from the first drawdown. The loan is unsecured and bears an interest rate equal to the 12-month deposit rate announced by Vietcombank plus 2.8% per annum for amounts drawn in Vietnamese Dong or at Vietcombank 12-month deposit rate plus 2.5% per annum for amounts drawn in United States dollar.

On 3 March 2012, the Company signed an agreement with Commonwealth Bank of Australia ("CBA") - Ho Chi Minh City Branch - for a VND 73 billion to finance the construction of the Ree Tower at 9 Doan Van Bo Street, District 4, HCMC. The term of the borrowing is 60 months from the date of the first draw down which was made on 7 March 2012. The loan will be repaid on a quarterly basis in accordance with the repayment schedule approved by CBA to be issued after the grace period of 12 months expires from the first drawdown. The loan is secured by assets at 180 Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City amounting to VND 9,437,896,861 (Note 9). The loan bears an interest rate equal to the 3-month deposit rate announced by CBA plus 2.5% per annum.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

19. OWNERS' EQUITY

19.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Financial reserve fund	Retained earnings	VND Total
Previous year:							
Beginning balance	2,446,433,850,000	747,682,985,150	(57,080,231,024)	62,722,670,000	57,678,364,048	476,758,931,344	3,734,196,569,518
Profit for the year	-	-	-	-	-	504,075,812,842	504,075,812,842
Re-issued treasury shares	-	26,451,111,636	57,048,888,364	-	-	-	83,500,000,000
Fund contribution	-	-	-	-	17,894,901,823	(17,894,901,823)	-
Dividend declared	-	-	-	-	-	(383,425,020,800)	(383,425,020,800)
Appropriation to bonus and welfare funds	-	-	-	-	-	(4,841,023,603)	(4,841,023,603)
Ending balance	<u>2,446,433,850,000</u>	<u>774,134,096,786</u>	<u>(31,342,660)</u>	<u>62,722,670,000</u>	<u>75,573,265,871</u>	<u>574,673,797,960</u>	<u>3,933,506,337,957</u>
Current year:							
Beginning balance	2,446,433,850,000	774,134,096,786	(31,342,660)	62,722,670,000	75,573,265,871	574,673,797,960	3,933,506,337,957
Profit for the year	-	-	-	-	-	633,569,080,111	633,569,080,111
Conversion of convertible bonds	190,430,000,000	228,516,000,000	-	-	-	-	418,946,000,000
Fund contribution	-	-	-	-	31,108,950,884	(31,108,950,884)	-
Dividend declared	-	-	-	-	-	(391,425,020,800)	(391,425,020,800)
Appropriation to bonus and welfare funds	-	-	-	-	-	(19,540,851,673)	(19,540,851,673)
Ending balance	<u>2,636,863,850,000</u>	<u>1,002,650,096,786</u>	<u>(31,342,660)</u>	<u>62,722,670,000</u>	<u>106,682,216,755</u>	<u>766,168,054,714</u>	<u>4,575,055,545,595</u>

Based on announcement of Vietnam Securities Depository No. 9444/VSD-DK dated 29 November 2013 to confirm available room for foreign ownership in REE shares as at 29 November 2013 and convertible bond subscription agreement, the Company issued 19,043,000 new shares at the price of VND 22,000 per share to convert 418,946 out of 557,846 convertible bonds on 19 December 2013. Accordingly, the Company's share capital has been increased from VND 2,446,433,850,000 to VND 2,636,863,850,000, which was subsequently approved by Department of Planning and Investment of Ho Chi Minh City in the 21st amended Business Registration Certificate on 15 January 2014. On 26 December 2013, the Company submitted the report on result of this share issuance which was acknowledged by the State Securities Commission on 31 December 2013.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

19 OWNERS' EQUITY (continued)

19.2 Shares

	<i>Number of shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Issued shares		
Issued and paid-up shares	263,686,385	244,643,385
<i>Ordinary shares</i>	263,686,385	244,643,385
Treasury shares		
<i>Ordinary shares</i>	(2,747)	(2,747)
Shares in circulation		
<i>Ordinary shares</i>	263,683,638	244,640,638

The Company's shares are issued with par value of VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

20. REVENUES

20.1 Revenues from sales of goods and rendering of services

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross and net revenues	537,343,086,468	459,283,329,414
<i>Of which:</i>		
<i>Revenue from office leasing and related services</i>	472,154,485,567	435,759,920,554
<i>Revenue from supply and installation services</i>	65,188,600,901	23,523,408,860

20.2 Finance income

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Dividends income	461,411,014,192	129,466,628,754
Interest income	61,613,902,116	77,030,750,909
Gains from divestments of equity securities	246,613,309	307,451,406,397
Foreign exchange gains	472,591,530	1,860,041,534
Others	109,842	-
TOTAL	523,744,230,989	515,808,827,594

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

21. FINANCE EXPENSES

		<i>VND</i>
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	47,592,886,493	23,955,866,110
Provision for diminution in value of investments	1,619,462,243	62,638,925,449
Loss from divestments of equity securities	1,388,236,742	51,003,159,241
Foreign exchange losses	297,723,858	1,802,877,976
Others	1,634,503,592	305,056,476
TOTAL	<u>52,532,812,928</u>	<u>139,705,885,252</u>

22. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 25% of taxable profits earned from all operations.

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

22.1 *Current CIT*

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

22. CORPORATE INCOME TAX (continued)

22.1 Current CIT (continued)

A summary of CIT computation is presented below:

	VND	
	Current year	Previous year
Profit before tax	693,733,102,695	594,118,659,079
Adjustments to increase (decrease) accounting profit		
Dividends income not subject to CIT	(462,930,104,220)	(129,466,628,754)
Taxable dividend income from Trans Orient Pte. Ltd.	1,645,522,307	1,353,771,349
Cost of bonus shares and share dividends disposed (*)	-	(81,510,734,975)
Other non-deductible expenses	3,707,271,192	3,320,877,055
Provision for investment	3,240,693,367	-
Depreciation	(249,019,790)	(189,952,245)
Unrealized foreign exchange (gain) loss	(16,663,769)	1,119,521,967
Accrued interest expenses on convertible bonds	(837,892,000)	1,115,692,000
Provision for doubtful debts	(1,744,157,817)	23,260,305,254
Others	1,750,300,000	-
Estimated current taxable profit	238,299,051,965	413,121,510,730
Estimated current CIT expense	59,574,762,991	103,280,377,682
Dividend income from Trans Orient Pte. Ltd. had been taxed by Singapore Government	(126,432,279)	(111,222,503)
Adjustment for under accrual of tax from CIT finalization in 2007	316,764,862	-
Cost of bonus shares and share dividends disposed during the period from 2008 to 2011 (*)	-	(5,570,955,255)
Current CIT expense	59,765,095,574	97,598,199,924
CIT (receivable) payable at beginning of the year	(4,257,725,465)	31,919,543,158
CIT paid during the year	(48,660,765,909)	(133,775,468,547)
CIT payable (receivable) at end of the year	6,846,604,200	(4,257,725,465)

(*) In accordance with official letter No 1909/TCT-CS dated 5 June 2012 issued by General Tax Department, the Company was allowed to claim as deductible expenses the cost of disposed bonus shares and share dividends at par value of VND 10,000 per share.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

22. CORPORATE INCOME TAX (continued)

22.2 *Deferred CIT*

The following are the deferred tax assets and liabilities recognised by the Company, and the movements thereon, during the current and previous year.

	<i>Separate balance sheet</i>		<i>(Expense) credit to separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
<i>VND</i>				
<i>Deferred tax assets (liabilities) on</i>				
Provision for doubtful debt	4,939,014,595	6,048,556,040	(1,109,541,445)	6,048,556,040
Provision for investment	1,448,575,561	835,935,250	612,640,311	835,935,250
Accrued interest expenses	61,116,000	278,923,000	(217,807,000)	278,923,000
Depreciation	43,827,483	112,058,906	(68,231,423)	112,058,906
Unrealized foreign exchange difference	(22,824,913)	(21,771,460)	(1,053,453)	279,880,491
Accrued cost of sales	20,178,282,452	20,178,282,452	-	-
Unbilled contract revenue	(21,111,056,400)	(21,111,056,400)	-	-
Others	385,066,000	-	385,066,000	-
Net deferred income tax assets (liabilities)	5,922,000,778	6,320,927,788		
Net deferred income tax (expense) benefit			(398,927,010)	7,555,353,687

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise loans, borrowings, convertible bonds, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loan trade and other receivables, trade and other receivables and cash and short-term deposits that arise directly from its operations. The Company also hold available-for-sale investment. In addition, the Company issued convertible bonds to finance its investment activities.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for managing each of these risks which are summarized below.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include bond, loans and borrowings, deposits and available-for-sale investments.

The sensitivity analyses in the following sections relate to the position as at 31 December 2013 and 31 December 2012.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

In calculating the sensitivity analyses, management assumed that the statement of the balance sheet relates to available-for-sale debt instrument; the sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2013 and 31 December 2012.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's cash and short-term deposits, loans and bonds.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favourable for its purposes within its risk management limits.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of cash, bank term-deposit, loans and borrowings. With all other variables held constant, the Company's profit before tax is affected as follows:

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Interest rate sensitivity (continued)

	<i>Increase/decrease in interest rate (%)</i>	<i>VND Effect on profit before tax</i>
For the year ended 31 December 2013		
VND	+2%	6,587,427,880
US\$	+1%	(1,289,041)
TOTAL		<u>6,586,138,839</u>
VND	-2%	(6,587,427,880)
US\$	-1%	1,289,041
TOTAL		<u>(6,586,138,839)</u>
For the year ended 31 December 2012		
VND	+3%	18,616,476,198
US\$	+1%	128,628,391
TOTAL		<u>18,745,104,589</u>
VND	-3%	(18,616,476,198)
US\$	-1%	(128,628,391)
TOTAL		<u>(18,745,104,589)</u>

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (certain expenses, incomes, loans of the Company are denominated in currencies other than the VND). The Company considers that the exposure to foreign currency risk is insignificant.

The Company manages its foreign currency exposure by considering the prevailing and expected market situation when it plans for future transactions denominated in foreign currencies.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages equity price risk by placing a limit on equity investments. The Company's Board of Directors reviews and approves all equity investment decisions.

As at 31 December 2013, the exposure to listed and unlisted equity securities at fair value was VND 1,065,787,578,781 (31 December 2012: VND 2,454,839,736,700). A decrease of 10% on the price of the securities could have an impact of approximately VND 106,578,757,878 (31 December 2012: VND 245,483,973,670) on the Company's profit before tax, depending on whether or not the decline is significant or prolonged. An increase of 10% in the value of the listed and unlisted equity securities would increase Company's profit before tax by VND 106,578,757,878 (31 December 2012: VND 245,483,973,670).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks.

Trade receivables

Customer credit risk is managed by the Company based on its established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Company seeks to maintain strict control over its outstanding receivables and has a credit control personnel to minimize credit risk. In view of the aforementioned and the fact that the Company's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposit is as low.

Other financial instruments

The Company's management evaluate all financial assets are neither past due nor impaired as they related to recognized and creditworthy counterparties except for the receivables which were past due and made provision of VND 51,102,423,674 as at 31 December 2013 (31 December 2012: VND 54,683,834,392).

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents and bank loans deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	<i>Less than 3 months</i>	<i>From 3 to 12 months</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>VND Total</i>
Ending balance					
Loans and borrowings	-	33,543,546,230	98,868,269,070	-	132,411,815,300
Convertible bonds	-	-	138,900,000,000	-	138,900,000,000
Trade payables	34,642,713,559	-	-	-	34,642,713,559
Other payables and accrued expenses	62,122,347,612	-	94,942,627,481	-	157,064,975,093
	<u>96,765,061,171</u>	<u>33,543,546,230</u>	<u>332,710,896,551</u>	<u>-</u>	<u>463,019,503,952</u>
Beginning balance					
Loans and borrowings	6,916,623,299	28,588,184,700	44,411,815,300	88,000,000,000	167,916,623,299
Convertible bonds	-	-	557,846,000,000	-	557,846,000,000
Trade payables	7,696,671,287	-	-	-	7,696,671,287
Other payables and accrued expenses	296,991,042,689	-	96,152,462,388	-	393,143,505,077
	<u>311,604,337,275</u>	<u>28,588,184,700</u>	<u>698,410,277,688</u>	<u>88,000,000,000</u>	<u>1,126,602,799,663</u>

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

24. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair value of listed shares/bonds have been determined based on their closing price in the Ho Chi Minh Stock Exchange ("HOSE") or their average trading price in Hanoi Stock Exchange ("HNX") as at the balance sheet date.

Fair value of un-listed shares, which have active market, are the average price quoted by three independent securities companies as at the balance sheet date.

Except for items noted in preceding paragraph the fair value of the financial assets and liabilities had not yet been formally assessed and determined as at 31 December 2013 and 31 December 2012. However, it is management's assessment that the fair values of these financial assets and liabilities are approximately the same as their carrying value as at balance sheet date.

25. TRANSACTIONS WITH RELATED PARTIES

Related company transactions include all transactions undertaken with other companies to which the Company is related, either through the investor, investee relationship or because they share a common investor and thus are considered to be a part of the same corporate company.

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
R.E.E Mechanical and Engineering Joint Stock Company	Subsidiary	Sales of supply and installation services	65,188,600,901
		Cost of supply and installation services	(65,188,600,901)
		Dividends income	195,732,016,059
		Rental income	1,712,815,560
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Rental income	1,432,533,518
		Dividend income	26,853,541,179
R.E.E Real Estate Co., Ltd	Subsidiary	Dividends income	481,284,684
		Management expenses	(45,053,372,520)
		Rental income	18,906,272,205
R.E.E Land Corporation	Subsidiary	Rental charge and utilities charge	1,415,409,347
		Dividends income	11,288,700,000
Trans Orient Pte. Ltd.	Subsidiary	Dividends income	1,519,090,028
Vector Corporation	Subsidiary	Interest	611,338,267
Thu Duc Water B.O.O Corporation	Associate	Dividends income	37,020,060,000
Thac Mo Hydropower Joint-Stock Company	Associate	Dividends income	37,248,345,000
Thac Ba Hydropower Joint-Stock Company	Associate	Dividends income	25,873,809,600

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Amount due to and due from related party at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Receivable/ (Payable)</i>
Trade receivable			
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Rental & Services income	<u>3,615,575,568</u>
Other receivables			
R.E.E Real Estate Co., Ltd.	Subsidiary	Services income	1,602,363,837
R.E.E Land	Subsidiary	Services income	2,579,375
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Management charge	32,255,225
R.E.E Mechanical and Engineering Joint Stock Company	Subsidiary	Management charge	84,245,004
Vector Corporation	Subsidiary	Interest	<u>45,733,333</u>
TOTAL			<u>1,767,176,774</u>
Trade payables			
R.E.E Mechanical and Engineering Joint Stock Company	Subsidiary	Management charge	(30,173,626,059)
R.E.E Real Estate Co., Ltd.	Subsidiary	Management charge	<u>(3,710,300,623)</u>
			<u>(33,883,926,682)</u>
Other payable			
R.E.E Real Estate Co., Ltd.	Subsidiary	Management charge	<u>(5,267,030,681)</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2013

26. CONTINGENT ASSET

On 28 September 2011, the Company entered into a Restructuring Deed to transfer all of its ownership in Vung Ang II Thermo Electricity Company ("VAPCO"). According to this deed, all risks and rewards of the Company in VAPCO were passed to the buyer on 14 November 2011. Proceeds from disposal amounting to VND 153,323,885,510 were fully collected and this amount is non-refundable in any circumstances.


Also in accordance with this agreement, the Company may receive US\$ 3,779,832 in addition to said proceed upon the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company. All parties will complete related administrative procedures at the completion date of the Deed. Accordingly, management accounted this amount as contingent asset and accordingly disclosed in the consolidated financial statements in accordance with Vietnamese Accounting Standard No. 18 - "Provision, Contingent assets and liabilities".

27. EVENTS AFTER THE BALANCE SHEET DATE

There has been no other significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the separate financial statements.



Nguyen Thi Huynh Phuong
Preparer



Ho Tran Dieu Lynh
Chief Accountant



Nguyen Thi Mai Thanh
General Director



5 March 2014