**TCT: Explanation for Retroactive Adjustments**

On 04/03/2015, Tay Ninh Cable Car Tour Joint Stock Company announced the explanation for retroactive adjustments as follows:

As at Article 25 part: “financial statement demonstration”:

“*The average number of issued share in 2013 was retroactively adjusted according to regulations as at Vietnam auditing standard No.30. Accordingly, the average number of issued share in 2013 was determined by average number of issued share in 2014 (12,788,000 shares)*

Reason of retroactive adjustments:

According to Auditing Standard No.30 of basic interest counting on shares

*Number of shares to count basic interest on share*

*24. The weighted average number of issuing common shares during the current period and all presented periods must be adjusted for events (excluding the conversion of potential common shares) to create change in number of common shares that do not lead to any changes in capital*

*25. Common share can be increased or decreased without the equivalent changes in capital. Examples:*

*a. capitalizing or issuing common shares (some cases are dividend payment by share)*

*b. Issuing common shares in reward form.*

*c. dividing shares*

*d. grossing shares*

*26. Capitalizing, issuing reward shares or dividing shares are issue of common shares for existing shareholders that enterprises not receive any amounts. So, number of issuing common share increases without the increasing of capital. Number of issuing common share before the event is adjusted by the ratio equivalent with the number of changes of issuing common shares with the hypothesis that event occurred at the beginning of the report period.*

***Retroactive adjustment***

*62. Basic interest on share and decreasing interest on share for all report periods will be retroactively adjusted if number of common share or issuing potential common shares increase due to capitalizing, reward shares issue, dividing shares or decreasing because of grossing shares. If these changes are occurred after the end of year auditing period but before the issuing financial statement day, data is counted on each share of current period and each previous period on financial statement is re-counted that based on number of new shares. Enterprises must present the results on each share to reflect the change of share number.*

In the basis of above regulations as at Vietnam auditing standard No. 30, number of issuing common shares in the beginning of period will be retroactively adjusted, equivalent with the number of increasing shares due to capitalizing.