

Refrigeration Electrical Engineering Corporation

Separate financial statements

31 December 2014



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Refrigeration Electrical Engineering Corporation

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Refrigeration Electrical Engineering Corporation

GENERAL INFORMATION

THE COMPANY

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 1506/GP-UB dated 25 December 1993 issued by the People's Committee of Ho Chi Minh City and the latest amended Business Registration Certificate No. 0300741143 issued by the Department of Planning and Investment of Ho Chi Minh City on 18 December 2014.

The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with the 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 sector.

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
Mr Nguyen Ngoc Thai Binh	Member
Mr Dang Hong Tan	Member

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
Ms Nguyen Thi Huong Giang	Member

MANAGEMENT

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

Madam Nguyen Thi Mai Thanh	General Director
Mr Huynh Thanh Hai	Deputy General Director
Mr Quach Vinh Binh	Deputy General Director

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 2014.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of the Company which give a true and fair view of the separate financial position 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.

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 2014 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.

The Company is a parent company of the subsidiaries listed in Note 10.2 of Notes to the separate financial statements and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 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.

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 management:



Nguyen Thi Mai Thanh
General Director

5 March 2015



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Reference: 60752771/16998193

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 2015 and set out on pages 5 to 40, which comprise the separate balance sheet as at 31 December 2014, 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.



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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 2014, 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.

Emphasis of matter

As disclosed in Note 2.1 to the separate financial statements, the Company is a parent company with subsidiaries and that the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 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 2015. Users of the accompanying 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.



Ernst & Young Vietnam Limited

Mai Viet Hung Tran
Deputy General Director
Audit Practicing Registration Certificate
No. 0048-2013-004-1

Pham Thi Cam Tu
Auditor
Audit Practicing Registration Certificate
No. 2266-2013-004-1

Ho Chi Minh City, Vietnam

5 March 2015

SEPARATE BALANCE SHEET
as at 31 December 2014

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		741,226,831,059	792,278,783,720
110	I. Cash and cash equivalents	4	432,394,573,079	462,025,467,713
111	1. Cash		52,194,573,079	21,725,467,713
112	2. Cash equivalents		380,200,000,000	440,300,000,000
120	II. Short-term investments	10	137,140,533,603	252,055,394,285
121	1. Short-term investments		223,903,856,623	342,723,106,627
129	2. Provision for diminution in value of short-term investments		(86,763,323,020)	(90,667,712,342)
130	III. Accounts receivable		171,546,291,917	52,514,049,246
131	1. Trade receivables	5	106,385,885,743	72,688,775,148
132	2. Advances to suppliers		587,107,000	-
134	3. Construction contract receivables based on agreed progress billings		27,694,068,191	27,694,068,191
135	4. Other receivables	6	59,553,970,797	3,233,629,581
139	5. Provision for doubtful debts	5	(22,674,739,814)	(51,102,423,674)
140	IV. Inventories		-	13,993,000,513
141	1. Inventories		-	13,993,000,513
150	V. Other current assets		145,432,460	11,690,871,963
152	1. Value-added tax deductible		-	90,787,766
154	2. Tax receivables from the State		49,659,111	113,369,933
158	3. Other current assets		95,773,349	11,486,714,264
200	B. NON-CURRENT ASSETS		5,177,206,547,593	4,297,104,501,256
220	I. Fixed assets		15,266,787,756	17,073,491,971
221	1. Tangible fixed assets	7	5,053,484,454	5,718,293,161
222	Cost		19,252,034,845	19,252,034,845
223	Accumulated depreciation		(14,198,550,391)	(13,533,741,684)
227	2. Intangible assets	8	9,785,414,094	10,927,309,602
228	Cost		14,890,532,540	14,734,772,540
229	Accumulated amortisation		(5,105,118,446)	(3,807,462,938)
230	3. Construction in progress		427,889,208	427,889,208
240	II. Investment properties	9	635,021,928,112	688,047,083,066
241	1. Cost		1,012,711,006,936	1,012,711,006,936
242	2. Accumulated depreciation		(377,689,078,824)	(324,663,923,870)
250	III. Long-term investments	10	4,520,762,223,155	3,586,061,925,441
251	1. Investments in subsidiaries		1,214,370,876,724	517,752,272,525
252	2. Investments in associates and a joint venture		2,520,289,147,036	2,297,510,708,221
258	3. Other long-term investments		859,839,755,395	844,975,129,605
259	4. Provision for diminution in value of long-term investments		(73,737,556,000)	(74,176,184,910)
260	IV. Other long term asset		6,155,608,570	5,922,000,778
262	1. Deferred tax assets	23.2	6,155,608,570	5,922,000,778
270	TOTAL ASSETS		5,918,433,378,652	5,089,383,284,976


SEPARATE BALANCE SHEET (continued)
as at 31 December 2014


VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		846,333,146,219	514,327,739,381
310	I. Current liabilities		332,523,886,939	181,616,842,830
311	1. Short-term loans		130,320,523,330	33,543,546,230
312	2. Trade payables	11	122,119,088,433	34,642,713,559
313	3. Advances from customers	12	7,543,899,281	19,761,834,238
314	4. Statutory obligations	13	13,402,038,967	7,096,451,880
315	5. Payables to employees		626,670,000	745,780,000
316	6. Accrued expenses	14	3,097,285,833	2,098,184,741
319	7. Other payables	15	53,933,042,586	82,375,864,673
323	8. Bonus and welfare fund		1,481,338,509	1,352,467,509
330	II. Non-current liabilities		513,809,259,280	332,710,896,551
333	1. Other long-term liabilities	16	103,905,191,318	94,942,627,481
334	2. Long-term loans	17	409,904,067,962	237,768,269,070
400	B. OWNERS' EQUITY	18.1	5,072,100,232,433	4,575,055,545,595
410	I. Capital		5,072,100,232,433	4,575,055,545,595
411	1. Share capital		2,690,705,390,000	2,636,863,850,000
412	2. Share premium		1,043,678,096,786	1,002,650,096,786
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		138,256,803,252	106,682,216,755
420	6. Undistributed earnings		1,136,768,615,055	766,168,054,714
440	TOTAL LIABILITIES AND OWNERS' EQUITY		5,918,433,378,652	5,089,383,284,976

OFF BALANCE SHEET ITEM

ITEM	Ending balance	Beginning balance
Foreign currencies		
- EUR	79	12,847
- USD	1,446,311	825,926


Nguyen Thi Huynh Phuong
Preparer


Ho Tran Dieu Lynh
Chief Accountant


Nguyen Thi Mai Thanh
General Director

5 March 2015

SEPARATE INCOME STATEMENT
for the year ended 31 December 2014

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from rendering of services	19.1	649,394,041,116	537,343,086,468
11	2. Cost from rendering of services	22	(323,127,791,379)	(227,101,540,348)
20	3. Gross profit from rendering of services		326,266,249,737	310,241,546,120
21	4. Finance income	19.2	594,684,400,946	523,744,230,989
22	5. Finance expenses	20	(17,228,083,059)	(52,532,812,928)
23	In which: Interest expense		(19,365,996,035)	(47,592,886,493)
25	6. General and administrative expenses	22	(31,053,294,232)	(92,434,750,299)
30	7. Operating profit		872,669,273,392	689,018,213,882
31	8. Other income	21	56,159,568,944	4,714,888,813
40	9. Other profit		56,159,568,944	4,714,888,813
50	10. Profit before tax		928,828,842,336	693,733,102,695
51	11. Current corporate income tax expense	23.1	(85,213,071,490)	(59,765,095,574)
52	12. Deferred income tax credit (expense)	23.2	233,607,826	(398,927,010)
60	13. Net profit after tax		843,849,378,637	633,569,080,111



Nguyễn Thị Huỳnh Phương
Preparer



Hồ Trần Diệu Linh
Chief Accountant



Nguyễn Thị Mai Thanh
General Director

5 March 2015

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2014

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		928,828,842,336	693,733,102,695
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	7, 8, 9	54,987,619,169	55,287,658,460
03	Reversals of provisions		(32,770,702,092)	(1,961,948,475)
04	Unrealised foreign exchange differences		(195,969,669)	58,402,150
05	Gains from investing activities		(588,658,765,550)	(521,883,292,875)
06	Interest expenses	20	19,365,996,035	47,592,886,493
08	Operating income before changes in working capital		381,557,020,229	272,826,808,448
09	Increase in receivables		(22,911,761,612)	(4,956,697,156)
10	Decrease in inventories		13,993,000,513	-
11	Increase in payables		42,502,087,201	51,171,049,602
13	Interest paid		(18,212,894,943)	(49,782,756,755)
14	Corporate income tax paid	23.1	(79,281,148,963)	(48,660,765,909)
15	Other cash inflows from operating activities		11,512,857,678	10,343,763,084
16	Other cash outflows for operating activities		(3,393,466,236)	(28,198,797,042)
20	Net cash flows from operating activities		325,765,693,867	202,742,604,272
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets	8	(155,760,000)	(1,794,960,488)
25	Payments for investments in other entities and investments in bank term deposits		(1,089,794,493,578)	(1,176,042,665,794)
26	Proceeds from sale of investments in other entities		286,724,998,526	929,811,140,333
27	Interest and dividends received		520,138,484,106	529,058,848,552
30	Net cash flows (used in) from investing activities		(283,086,770,946)	281,032,362,603
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		693,774,322,222	-
34	Repayment of borrowings		(349,643,546,230)	(35,504,034,954)
36	Dividends paid to equity holders	18.3	(416,804,575,920)	(386,733,996,880)
40	Net cash flows used in financing activities		(72,673,799,928)	(422,238,031,834)

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2014

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease) increase in cash and cash equivalents		(29,994,877,007)	61,536,935,041
60	Cash and cash equivalents at beginning of year	4	462,025,467,713	400,384,783,064
61	Impact of exchange rate fluctuation		363,982,373	103,749,608
70	Cash and cash equivalents at end of year	4	432,394,573,079	462,025,467,713



Nguyen Thi Huynh Phuong
Preparer



Ho Tran Dieu Linh
Chief Accountant



Nguyen Thi Mai Thanh
General Director

5 March 2015

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at and for year ended 31 December 2014

1. CORPORATE INFORMATION

Refrigeration Electrical Engineering Corporation ("the Company") is a joint stock company established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 1506/GP-UB dated 25 December 1993 issued by the People's Committee of Ho Chi Minh City and the latest amended Business Registration Certificate No. 0300741143 issued by the Department of Planning and Investment of Ho Chi Minh City on 18 December 2014.

The Company is listed on the Ho Chi Minh City Stock Exchange in accordance with the 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 sector.

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 2014 was 33 employees (31 December 2013: 36 employees).

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

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

Accordingly, 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 of the subsidiaries listed in Note 10.2 of Notes to the separate financial statements and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2014 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.

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 2014

2. BASIS OF PREPARATION (continued)

2.2 *Applied 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 separate financial statements are prepared in VND which is also the Company's accounting currency.

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	- cost of purchase on a first-in, first-out basis.
Construction 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 2014

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

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

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 lease term.

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

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

When intangible 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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Depreciation and amortisation* (continued)

The useful life of the fixed assets and depreciation and amortisation 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.

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 subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognized in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Investments* (continued)

Investments in associates

Investments in associates over which the Company has significant influence are accounted for under the cost method of accounting.

Distributions from the accumulated net profits of the associates arising subsequent to the date of acquisition by the Company are recognized in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs.

Provision for diminution in value of investments

Provision is made for any diminution in value of the investments at the separate balance sheet date in accordance with the guidance under the Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 26 June 2013 issued by Ministry of Finance. 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.

3.12 *Foreign currency transactions*

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 (excluding unrealised exchange gains as at the balance sheet date) 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Appropriation of net profit (continued)

► *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, and presented as a liability on the separate balance sheet.

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:

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 lease term.

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. 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 2014

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 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 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.
- ▶ in respect of deductible temporary 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 tax assets to be recovered.

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

Deferred 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 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 2014

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 issued by the Ministry of Finance on 6 November 2009 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, net of directly attributable transaction costs.

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

Financial instruments – subsequent re-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.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	37,244,072	130,868,256
Cash in banks	52,157,329,007	21,594,599,457
Cash equivalents	380,200,000,000	440,300,000,000
TOTAL	432,394,573,079	462,025,467,713

Cash equivalents mainly represent the 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 ranging from 4% to 5.1% p.a.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2014

5. TRADE RECEIVABLES

		VND
	Ending balance	Beginning balance
Third parties	106,385,885,743	69,073,199,580
A related party	-	3,615,575,568
TOTAL	106,385,885,743	72,688,775,148
Provision for doubtful debts	(22,674,739,814)	(51,102,423,674)
NET	83,711,145,929	21,586,351,474

Details of movements of provision for doubtful debts:

		VND
	Current year	Previous year
Beginning balance	51,102,423,674	54,683,834,392
Less: Reversals of provision during the year	(28,427,683,860)	(3,581,410,718)
Ending balance	22,674,739,814	51,102,423,674

6. OTHER RECEIVABLES

		VND
	Ending balance	Beginning balance
Receivables from related parties (Note 26)	58,838,800,233	1,767,176,774
Interest income receivable	707,544,162	1,452,546,466
Others	7,626,402	13,906,341
TOTAL	59,553,970,797	3,233,629,581

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

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 and ending balances	<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>	<u>3,605,254,100</u>	<u>2,829,963,828</u>	<u>267,767,840</u>	<u>576,470,000</u>	<u>7,279,455,768</u>
Accumulated depreciation:					
Beginning balance	10,026,252,947	2,653,055,869	277,962,868	576,470,000	13,533,741,684
Depreciation for the year	<u>477,223,527</u>	<u>176,631,030</u>	<u>10,954,150</u>	<u>-</u>	<u>664,808,707</u>
Ending balance	<u>10,503,476,474</u>	<u>2,829,686,899</u>	<u>288,917,018</u>	<u>576,470,000</u>	<u>14,198,550,391</u>
Net carrying amount:					
Beginning balance	<u>5,509,589,320</u>	<u>176,907,960</u>	<u>31,795,881</u>	<u>-</u>	<u>5,718,293,161</u>
Ending balance	<u>5,032,365,793</u>	<u>276,930</u>	<u>20,841,731</u>	<u>-</u>	<u>5,053,484,454</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

8. INTANGIBLE ASSETS

	<i>Land use rights</i>	<i>Softwares</i>	<i>VND Total</i>
Cost:			
Beginning balance	11,592,038,449	3,142,734,091	14,734,772,540
Newly purchased	-	155,760,000	155,760,000
Ending balance	11,592,038,449	3,298,494,091	14,890,532,540
<i>In which:</i>			
<i>Fully amortised</i>	-	215,770,773	215,770,773
<i>Collateral (Note 17)</i>	135,576,000	-	135,576,000
Accumulated amortisation:			
Beginning balance	1,884,296,896	1,923,166,042	3,807,462,938
Amortisation for the year	322,001,069	975,654,439	1,297,655,508
Ending balance	2,206,297,965	2,898,820,481	5,105,118,446
Net carrying amount:			
Beginning balance	9,707,741,553	1,219,568,049	10,927,309,602
Ending balance	9,385,740,484	399,673,610	9,785,414,094

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

9. INVESTMENT PROPERTIES

					VND
	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost:					
Beginning and ending balances	774,201,284,293	237,873,019,188	90,250,454	546,453,001	1,012,711,006,936
<i>In which:</i>					
<i>Fully depreciated</i>	15,083,156,719	22,801,892,676	90,250,454	546,453,001	38,521,752,850
<i>Collateral (Note 17)</i>	256,986,489,565	-	-	-	256,986,489,565
Accumulated depreciation:					
Beginning balance	211,608,275,600	112,418,944,815	90,250,454	546,453,001	324,663,923,870
Depreciation for the year	31,518,042,302	21,507,112,652	-	-	53,025,154,954
Ending balance	243,126,317,902	133,926,057,467	90,250,454	546,453,001	377,689,078,824
Net carrying amount:					
Beginning balance	562,593,008,693	125,454,074,373	-	-	688,047,083,066
Ending balance	531,074,966,391	103,946,961,721	-	-	635,021,928,112

The fair value of the investment properties was not formally assessed and determined as at 31 December 2014. However, given the present high occupancy rate of these properties, it is management's assessment that these properties' market values are higher than their carrying values as at the balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

10. INVESTMENTS

	VND	
	Ending balance	Beginning balance
Short-term investments		
Marketable equity securities (Note 10.1)	223,653,856,623	205,143,326,709
Trust investments	-	136,179,779,918
Other short-term investments	250,000,000	1,400,000,000
Provision for diminution in value of equity securities	(86,763,323,020)	(90,667,712,342)
Net value of short-term investments	137,140,533,603	252,055,394,285
Long-term investments		
Investments in subsidiaries (Note 10.2)	1,214,370,876,724	517,752,272,525
Investments in associates and a joint venture (Note 10.3)	2,520,289,147,036	2,297,510,708,221
Other long-term equity investments (Note 10.4)	859,839,755,395	844,975,129,605
Provision for diminution in value of long-term investments	(73,737,556,000)	(74,176,184,910)
Net value of long-term investments	4,520,762,223,155	3,586,061,925,441
TOTAL	4,657,902,756,758	3,838,117,319,726

10.1 Investments in marketable securities

Securities	Ending balance		Beginning balance	
	Quantity (shares)	Amount (VND)	Quantity (shares)	Amount (VND)
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	4,060,600	53,193,860,000
Saigon Posts And Telecommunications Service Joint Stock Corporation	1,078,845	48,000,000,000	1,078,845	48,000,000,000
Central Hydropower Joint Stock Company	1,572,000	18,908,410,135	-	-
Vang Danh Coal Joint Stock Company	2,234,377	18,510,277,345	1,329,000	14,039,257,345
R.E.E Power Joint Stock Company	781,599	7,815,990,000	781,599	7,815,990,000
Cuu Long PetroGas Transportation Joint Stock Company	638,180	6,226,146,342	1,151,260	11,231,804,877
Mang Canh Joint Stock Company	500,000	5,000,000,000	500,000	5,000,000,000
Cao Son Coal Joint Stock Company	291,300	3,262,316,629	483,600	5,448,300,210
Cholon Water Supply Joint Stock Company	143,310	2,322,741,895	-	-
Others	41	2,354,277	41	2,354,277
TOTAL	12,791,428	223,653,856,623	10,876,121	205,143,326,709

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

10. INVESTMENTS (continued)

10.2 Investments in subsidiaries

Name of subsidiaries	Ending balance		Beginning balance		Location	Business scope
	% of interest	Amount (VND)	% of interest	Amount (VND)		
Thac Ba Hydropower Joint-Stock Company (*)	58.97	631,618,604,199	-	-	Yen Bai Province – Vietnam	Power
R.E.E Land Corporation	99.92	265,592,000,000	99.90	200,592,000,000	Ho Chi Minh City – Vietnam	Real estate
R.E.E Mechanical and Engineering Joint Stock Company	99.99	149,997,353,000	99.99	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	99.99	149,992,500,000	Ho Chi Minh City – Vietnam	Electric Appliances
R.E.E Real Estate Co., Ltd.	100.00	6,000,000,000	100.00	6,000,000,000	Ho Chi Minh City – Vietnam	Office building management
Trans Orient Pte Ltd.	100.00	5,841,857,500	100.00	5,841,857,500	Singapore	Trading and logistics
Vector Corporation	99.96	5,128,562,025	99.96	5,128,562,025	Ho Chi Minh City – Vietnam	Electric Appliances
Vietnam Clean Water Business and Investment Joint Stock Company	99.97	200,000,000	99.97	200,000,000	Ho Chi Minh City – Vietnam	Water Supply
TOTAL		<u>1,214,370,876,724</u>		<u>517,752,272,525</u>		

(*) The investment in this entity was reclassified from investments in associates following the Company's additional acquisitions to obtain control rights during the year.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

10. INVESTMENTS (continued)

10.3 Investments in associates and a joint venture

Name	Ending balance		Beginning balance		Business scope
	% of interest	Amount (VND)	% of interest	Amount (VND)	
Associates					
Pha Lai Therma Power Joint Stock Company	22.35	719,477,528,423	22.37	719,898,599,438	Power
Thu Duc Water B.O.O Corporation	42.10	409,901,420,000	42.10	409,901,420,000	Water supply
Thac Mo Hydropower Joint-Stock Company	39.02	306,317,903,232	35.48	276,730,483,765	Power
Song Ba Ha Hydropower Joint-Stock Company	25.00	368,000,000,000	-	-	Power
Srok Phu Mieng Hydropower Joint-Stock Company	34.30	173,265,171,175	33.85	171,263,421,175	Power
Vietnam Infrastructure and Real Estate Joint Stock Company	46.37	170,195,680,000	46.37	170,195,680,000	Real estate
Thu Duc Water Supply Joint Stock Company	43.11	66,116,662,345	43.11	66,010,670,705	Water supply
Nui Beo Coal Joint Stock Company	23.81	59,389,030,169	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	28.87	54,457,202,000	Real estate
Deo Nai Coal Joint Stock Company	24.01	46,029,841,350	24.01	46,029,841,350	Coal Mining
Saigon Water Investment and Trading Joint Stock Company	30.00	45,000,000,000	30.00	45,000,000,000	Water supply
Tan Hiep Water Investment Joint Stock Company.	32.00	24,000,000,000	-	-	Water supply
Trung An Water Supply Joint-Stock Company	29.00	22,623,120,000	-	-	Water supply
Thac Ba Hydropower Joint-Stock Company (Note 10.2)	-	-	23.97	223,379,420,325	Power
Joint venture					
Building at 41B Ly Thai To, Hanoi city	-	-	40.00	248,112,952	Real estate
TOTAL		2,520,289,147,036		2,297,510,708,221	

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

10. INVESTMENTS (continued)

10.4 Other long-term equity investments

Name	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
Dong Nai Water Supply Company Limited	6,846,633	76,682,289,600	-	-
Others	11,676,888	128,634,571,595	16,431,798	190,452,235,405
TOTAL	71,072,374	859,839,755,395	68,980,651	844,975,129,605

11. TRADE PAYABLES

	VND	
	Ending balance	Beginning balance
Related parties (Note 26)	121,460,072,819	33,883,926,682
Third parties	659,015,614	758,786,877
TOTAL	122,119,088,433	34,642,713,559

12. ADVANCES FROM CUSTOMERS

	VND	
	Ending balance	Beginning balance
Third parties	7,430,663,869	19,761,834,238
A related party (Note 26)	113,235,412	-
TOTAL	7,543,899,281	19,761,834,238

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

13. STATUTORY OBLIGATIONS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Corporate income tax (Note 23.1)	12,778,526,727	6,846,604,200
Personal income tax	203,341,725	249,847,680
Value-added tax	420,170,515	-
TOTAL	13,402,038,967	7,096,451,880

14. ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest expense	2,221,124,895	1,222,023,803
Others	876,160,938	876,160,938
TOTAL	3,097,285,833	2,098,184,741

15. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Dividends payables	17,651,563,056	12,562,318,176
Warranty expenses	5,267,988,735	5,267,988,735
Bond interest payables	3,154,000,000	3,000,000,000
Payable to purchase of securities	1,390,836,375	1,384,577,000
Other payables to related parties (Note 26)	3,431,902,195	5,267,030,681
Performance bonus	20,761,158,358	52,351,701,802
Others	2,242,764,436	2,542,248,279
TOTAL	53,933,042,586	82,375,864,673

16. OTHER LONG-TERM LIABILITIES

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

17. LONG-TERM LOANS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Convertible bonds (*)	63,682,000,000	138,900,000,000
Long-term loans from banks (**)	476,542,591,292	132,411,815,300
TOTAL	540,224,591,292	271,311,815,300
<i>In which:</i>		
Current portion	130,320,523,330	33,543,546,230
Non-current portion	409,904,067,962	237,768,269,070

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

17. LONG-TERM LOANS (continued)

(*) Convertible bonds:

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% p.a. paid in arrears. The bonds will be automatically converted into shares when there is a room for foreign ownership in R.E.E 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 3,419,000 new shares at the price of VND 22,000 per share to convert 75,218 out of 138,900 convertible bonds on 5 December 2014.

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

Facility No.	Ending balance	Maturity date	Interest rate	Description of collateral
	VND			
HSBC Bank (Vietnam) Ltd				
VNM 140408CM	433,674,322,222	26 August 2019	7.0% p.a.	Land use rights; building and amount receivable from office lease of REE Tower at 9 Doan Van Bo Street, District 4, Ho Chi Minh City ("REE Tower")
Commonwealth Bank of Australia – Ho Chi Minh City Branch				
HĐTD5001120 36/FL-CBAVN	42,868,269,070	7 March 2017	6.2% p.a.	Assets at 180 Pasteur Street, Ben Nghe Ward, District 1, Ho Chi Minh City
TOTAL	476,542,591,292			
<i>In which</i>				
<i>Current portion</i>	66,638,523,330			

On 21 July 2014, the Company signed a loan agreement with HSBC Bank (Vietnam) Ltd ("HSBC") for a VND 550 billion credit facility to repay the loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam which was to finance the construction of the REE Tower and to support investment activities. The term of the loan is 60 months from the date of the first drawdown which was made on 25 August 2014. The loan will be repaid on a 6-month basis in accordance with the repayment schedule approved by HSBC to be issued after the grace period of 12 months expires from the first drawdown. The loan is secured by assets at 9 Doan Van Bo District 4, Ho Chi Minh City. The loan bears an interest rate equal to the basic loan rate for the same period announced by HSBC plus 0.5% p.a.

On 3 March 2012, the Company signed a loan agreement with Commonwealth Bank of Australia ("CBA") - Ho Chi Minh City Branch - for a VND 73 billion credit facility to finance the construction of the REE Tower. The term of the loan is 60 months from the date of the first drawdown 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. The loan bears an interest rate equal to the 3-month deposit rate announced by CBA plus 2.5% p.a.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

							VND
	Share capital	Share premium	Treasury shares	Investment and development fund	Financial reserve fund	Undistributed earnings	Total
Previous 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
Net 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>
Current year:							
Beginning balance	2,636,863,850,000	1,002,650,096,786	(31,342,660)	62,722,670,000	106,682,216,755	766,168,054,714	4,575,055,545,595
Net profit for the year	-	-	-	-	-	843,849,378,637	843,849,378,637
Issue ESOP shares	19,651,540,000	-	-	-	-	-	19,651,540,000
Conversion of convertible bonds	34,190,000,000	41,028,000,000	-	-	-	-	75,218,000,000
Fund contribution	-	-	-	-	31,574,586,497	(31,574,586,497)	-
Dividend declared	-	-	-	-	-	(421,893,820,800)	(421,893,820,800)
Appropriation to bonus and welfare funds	-	-	-	-	-	(19,780,410,999)	(19,780,410,999)
Ending balance	<u>2,690,705,390,000</u>	<u>1,043,678,096,786</u>	<u>(31,342,660)</u>	<u>62,722,670,000</u>	<u>138,256,803,252</u>	<u>1,136,768,615,055</u>	<u>5,072,100,232,433</u>

Based on confirmation of available room for foreign ownership in REE shares as at 18 November 2014 from Vietnam Securities Depository No. 6006/CNVSD-DK dated 24 November 2014 and convertible bond subscription agreement, the Company issued 34,190,000 new shares at the price of VND 22,000 per share to convert 75,218 out of 138,900 convertible bonds on 1 December 2014. Accordingly, the Company's share capital has been increased from VND 2,656,515,390,000 to VND 2,690,705,390,000, which was subsequently approved by the Department of Planning and Investment of Ho Chi Minh City through the issuance of the 23rd amended Business Registration Certificate on 18 December 2014.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

18. OWNERS' EQUITY (continued)

18.2 Shares

	Number of shares	
	Ending balance	Beginning balance
Issued shares		
Issued and paid-up shares	269,070,539	263,686,385
Ordinary shares	269,070,539	263,686,385
Treasury shares		
Ordinary shares	(2,747)	(2,747)
Shares in circulation		
Ordinary shares	269,067,792	263,683,638

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.

18.3 Capital transactions with shareholders and distribution of dividends

	VND	
	Current year	Previous year
Contributed capital		
Beginning balance	2,636,863,850,000	2,446,433,850,000
Issue ESOP shares	19,651,540,000	-
Conversion of convertible bonds	34,190,000,000	190,430,000,000
Ending balance	2,690,705,390,000	2,636,863,850,000
Dividends		
Dividends declared	421,893,820,800	391,425,020,800
Dividends paid	416,804,575,920	386,733,996,880

19. REVENUES

19.1 Revenue from rendering of services

	VND	
	Current year	Previous year
Gross and net revenues	649,394,041,116	537,343,086,468
Of which:		
Revenue from services (office leasing and related services)	484,606,232,601	472,154,485,567
Revenue from supply and installation services	164,787,808,515	65,188,600,901

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

19. REVENUES (continued)

19.2 Finance income

		VND
	Current year	Previous year
Dividends income	557,069,726,685	461,411,014,192
Interest income	19,216,115,117	61,613,902,116
Gains from divestments of equity securities	13,891,363,242	246,613,309
Foreign exchange gains	4,507,195,902	472,591,530
Others	-	109,842
TOTAL	594,684,400,946	523,744,230,989

20. FINANCE EXPENSES

		VND
	Current year	Previous year
Interest expense	19,365,996,035	47,592,886,493
(Reversal) provision for diminution in value of investments	(4,343,018,232)	1,619,462,243
Loss from divestments of equity securities	1,518,439,494	1,388,236,742
Foreign exchange losses	324,728,229	297,723,858
Others	361,937,533	1,634,503,592
TOTAL	17,228,083,059	52,532,812,928

21. OTHER INCOME

		VND
	Current year	Previous year
Reversal of the 2013's performance bonus	52,351,701,802	-
Others	3,807,867,142	4,714,888,813
NET PROFIT	56,159,568,944	4,714,888,813

22. OPERATION COST

		VND
	Current year	Previous year
Expenses for external services	269,742,779,357	173,556,335,462
Depreciation and amortisation (Notes 7,8 and 9)	54,987,619,169	55,328,300,762
Salary and related benefits' cost	14,297,768,188	13,886,037,534
Performance bonus	20,761,158,358	52,351,701,802
Reversal of provision for doubtful debts	(28,427,683,860)	-
Others	22,819,444,399	24,413,915,087
TOTAL	354,181,085,611	319,536,290,647

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

23. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 22% 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.

23.1 Current tax

The current tax payable is based on taxable profit for the current 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.

A summary of CIT computation is presented below:

	VND	
	Current year	Previous year
Profit before tax	928,828,842,336	693,733,102,695
Adjustments to increase (decrease) accounting profit		
Other non-deductible expenses	4,608,853,109	3,707,271,192
Taxable dividend income from Trans Orient Pte. Ltd.	3,578,996,386	1,645,522,307
Change in provision for diminution in value of investments	410,626,141	3,240,693,367
Change in provision for doubtful debts	(23,987,053)	(1,744,157,817)
Depreciation	(199,215,832)	(249,019,790)
Unrealized foreign exchange gains	(260,232,765)	(16,663,769)
Dividends income not subject to CIT	(557,069,726,685)	(462,930,104,220)
Others	1,134,663,105	912,408,000
Estimated current taxable profit	381,008,818,742	238,299,051,965
Estimated current CIT	83,821,940,123	59,574,762,991
Dividend income from Trans Orient Pte. Ltd. had been taxed by Singapore Government	(205,704,515)	(126,432,279)
Adjustment for CIT in prior years	1,596,835,882	316,764,862
Current CIT expenses	85,213,071,490	59,765,095,574
CIT payable (receivable) at beginning of year	6,846,604,200	(4,257,725,465)
CIT paid during the year	(79,281,148,963)	(48,660,765,909)
CIT payable at end of year (Note 13)	12,778,526,727	6,846,604,200

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

23. CORPORATE INCOME TAX (continued)

23.2 *Deferred tax*

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

			VND	
	<i>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provision for doubtful debts	4,933,737,444	4,939,014,595	(5,277,152)	(1,109,541,445)
Provision for diminution in value of investments	1,538,913,312	1,448,575,561	90,337,751	612,640,311
Accrued interest expenses	66,787,588	61,116,000	5,671,588	(217,807,000)
Depreciation	-	43,827,483	(43,827,483)	(68,231,423)
Unrealized foreign exchange differences	(80,076,122)	(22,824,913)	(57,251,209)	(1,053,453)
Profit, not taxable yet	(932,773,948)	(932,773,948)	-	-
Others	629,020,296	385,066,000	243,954,296	385,066,000
Net deferred tax assets	6,155,608,570	5,922,000,778		
Net deferred income tax credit (expense) to separate income statement			233,607,791	(398,927,010)

24. 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.

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

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 bonds, loans and borrowings, deposits and available-for-sale investments.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

The sensitivity analyses in the following sections relate to the position as at 31 December 2014 and 31 December 2013.

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 separate balance sheet relates to available-for-sale debt instrument; the sensitivity of the relevant separate 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 2014 and 31 December 2013.

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, bonds and loans.

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. A sensitivity analysis is not performed for interest rate risk as the Company's exposure to interest-rate risk is minimal at reporting date

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of cash, bank term-deposits, loans and borrowings.

With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

	Increase/decrease in interest rate (%)	Effect on profit before tax VND
<i>Current year</i>		
VND	+2%	(1,501,443,910)
USD	+1%	309,221,275
		(1,192,222,635)
VND	-2%	1,501,443,910
USD	-1%	(309,221,275)
		1,192,222,635
<i>Previous year</i>		
VND	+2%	6,587,427,880
USD	+1%	(1,289,041)
		6,586,138,839
VND	-2%	(6,587,427,880)
USD	-1%	1,289,041
		(6,586,138,839)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

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 2014, the exposure to listed and unlisted equity securities at fair value was VND 954,297,597,592 (31 December 2013: VND 1,065,787,578,781). A decrease of 10% on the price of the securities could have an impact of approximately VND 95,429,759,759 (31 December 2013: VND 106,578,757,878) 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 95,429,759,759 (31 December 2013: VND 106,578,757,878).

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.

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 as low.

Other financial instruments

Management evaluates 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 22,674,739,814 as at 31 December 2014 (31 December 2013: VND 51,102,423,674).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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.

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

	Less than 3 months	From 3 to 12 months	From 1 to 5 years	VND Total
Ending balance				
Loans and borrowings	-	66,638,523,330	409,904,067,962	476,542,591,292
Convertible bonds	-	63,682,000,000	-	63,682,000,000
Trade payables	122,119,088,433	-	-	122,119,088,433
Accrued expenses and other payables	56,997,498,988	-	103,905,191,318	160,902,690,306
	179,116,587,421	130,320,523,330	513,809,259,280	823,246,370,031
Beginning 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
Accrued expenses and other payables	84,469,599,814	-	94,942,627,481	179,412,227,295
	119,112,313,373	33,543,546,230	332,710,896,551	485,366,756,154

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 2014

25. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the separate financial statements.

					VND	
	Carrying amount				Fair value	
	Ending balance		Beginning balance		Ending balance	Beginning balance
	Cost	Provision	Cost	Provision		
Financial assets						
Listed shares	114,766,818,218	(3,136,533,512)	282,007,922,884	(7,890,177,885)	142,935,139,300	318,450,984,800
Unlisted shares	968,726,793,800	(157,364,345,508)	904,290,313,348	(156,953,719,367)	811,362,448,292	747,336,593,981
Trade receivables	106,385,885,743	(22,674,739,814)	72,688,775,148	(51,102,423,674)	83,711,145,929	21,586,351,474
Other receivables	87,248,038,988	-	30,927,697,772	-	87,248,038,988	30,927,697,772
Cash and cash equivalents	432,394,573,079	-	462,025,467,713	-	432,394,573,079	462,025,467,713
TOTAL	1,709,522,109,828	(183,175,618,834)	1,751,940,176,865	(215,946,320,926)	1,557,651,345,588	1,580,327,095,740

					VND	
	Carrying amount		Fair value			
	Ending balance	Beginning balance	Ending balance	Beginning balance		
Financial liabilities						
Loans and borrowings	540,224,591,292	271,311,815,300	540,224,591,292	271,311,815,300		
Trade payables	122,119,088,433	34,642,713,559	122,119,088,433	34,642,713,559		
Other payables	160,902,690,306	179,412,227,295	160,902,690,306	179,412,227,295		
TOTAL	823,246,370,031	485,366,756,154	823,246,370,031	485,366,756,154		

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

25. 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 or their average trading price in Hanoi Stock Exchange 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 2014 and 31 December 2013. 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.

26. TRANSACTIONS AND BALANCES 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	Cost of supply and installation services	(151,272,413,460)
		Dividend income	140,565,624,283
		Rental income	1,701,862,446
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Dividend income	25,789,735,586
		Rental income	1,252,077,630
R.E.E Real Estate Co., Ltd	Subsidiary	Management charge	(41,997,572,245)
		Rental income	21,711,852,703
R.E.E Land Corporation	Subsidiary	Loan drawdown and repayment	100,000,000,000
		Capital contribution	(65,000,000,000)
		Dividend income	5,594,400,000
		Loan interest	(1,245,833,333)
		Rental income	34,954,997
Trans Orient Pte. Ltd.	Subsidiary	Dividend income	3,373,291,871
Vector Corporation	Subsidiary	Interest income	39,433,334
Thac Ba Hydropower Joint-Stock Company	Subsidiary	Capital contribution	(408,239,183,874)
		Dividend income	51,687,843,200
Thac Mo Hydropower Joint Stock Company	Associate	Capital contribution	(29,587,419,467)
		Dividend income	54,630,220,000
Nui Beo Coal Joint Stock Company	Associate	Capital contribution	(508,762,000)
		Dividend income	9,260,438,600

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Amounts</i>
Song Ba Ha Hydropower Joint Stock Company	Associate	Capital contribution	(368,000,000,000)
Tan Hiep Water Investment Joint Stock Company	Associate	Capital contribution	(24,000,000,000)
Trung An Water Supply Joint-Stock Company	Associate	Capital contribution	(22,623,120,000)
Srok Phu Mieng Hydropower Joint-Stock Company	Associate	Capital contribution	(2,001,750,000)
Thu Duc Water Supply Joint Stock Company	Associate	Capital contribution Dividend income	(105,991,640) 4,397,664,000
Pha Lai Therma Power Joint Stock Company	Associate	Dividend income	163,627,965,000
Thu Duc Water B.O.O Corporation	Associate	Dividend income	54,873,768,000
Ninh Binh Thermal Power Joint Stock Company	Associate	Dividend income	4,115,930,000
Deo Nai Coal Joint Stock Company	Associate	Dividend income	3,457,890,000
Saigon Real Estate Joint Stock Company	Associate	Dividend income	1,905,094,000

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND Receivables/ (Payables)</i>
Other receivables			
Pha Lai Therma Power Joint Stock Company	Associate	Dividend income	56,892,360,000
R.E.E Real Estate Co., Ltd.	Subsidiary	Services income	1,798,880,805
R.E.E Mechanical and Engineering Joint Stock Company	Subsidiary	Services income Advance	91,814,731 21,183,966
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Services income	31,645,047
R.E.E Land	Subsidiary	Services income	2,915,684
			58,838,800,233

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

26. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amount due to and due from related parties at the balance sheet date were as follows:
(continued)

			VND
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Receivables/ (Payables)</i>
<i>Advance from customer</i>			
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Rental & services income	<u>(113,235,412)</u>
<i>Trade payables</i>			
R.E.E Mechanical and Engineering Joint Stock Company	Subsidiary	Installation service	(118,180,605,001)
R.E.E Real Estate Co., Ltd.	Subsidiary	Management charge	<u>(3,279,467,818)</u>
			<u>(121,460,072,819)</u>
<i>Other payables</i>			
R.E.E Real Estate Co., Ltd.	Subsidiary	Management charge	(3,429,379,195)
R.E.E Electric Appliances Joint Stock Company	Subsidiary	Advance	(2,523,000)
			<u>(3,431,902,195)</u>

27. COMMITMENTS

Payment guarantees

The Company has guaranteed for the Contract Guarantee and Payment Guarantee of Trans Orient Limited Company-its subsidiary at HSBC Bank (Vietnam) Ltd to a maximum amount of VND 41,944,927,444.

The Company also has guaranteed for the Payment Guarantee for the limited credit of R.E.E Mechanical and Engineering Joint Stock Company-its subsidiary at Joint Stock Commercial Bank For Foreign Trade Of Vietnam to an amount of VND 60 billion.

Operating lease commitment

The Company lets out assets under operating lease arrangements. The future minimum rental receivables as at the balance sheet dates under the operating lease agreements is as follows:

	VND	
	Ending balance	Beginning balance
Less than one year	265,034,579,803	230,355,166,498
From one to five years	198,349,283,003	216,620,954,258
TOTAL	463,383,862,806	446,976,120,756

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2014

28. 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 the said proceeds 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 separate financial statements in accordance with Vietnamese Accounting Standard No. 18 - "Provision, Contingent assets and liabilities".


29. EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the Resolution of the Board of Directors No. 04/2015/NQ-HDQT dated 2 February 2015, the Company's Board of Directors approved the interim cash dividend of 16% per ordinary share.

There has not been any other matter or circumstance that has arisen since the balance date that has affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.



Nguyen Thi Huynh Phuong
Preparer



Ho Tran Dieu Linh
Chief Accountant





Nguyen Thi Mai Thanh
General Director

5 March 2015