



Công ty Cổ phần Đầu tư F.I.T

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quận Đống Đa, Hà Nội
Tel: (84-4) 35 430 005

ANNUAL REPORT
FIT INVESTMENT JSC.
2013



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I. OVERVIEW

1. General information

Trade name:	F.I.T Investment Joint Stock Company
Business Registration Number:	0102182140 by Hanoi Planning and Investment Department, initial registration dated of 08/March/2007; 12 th change dated on 23/Jan/2014
Chartered Capital:	VND 157,500,000,000
Owner's Equity:	VND 157,500,000,000
Registered address:	17 The Giao, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
Current Location:	15 th floor, MIPEC tower, 229 Tay Son, NgaTu So, Dong Da, Hanoi
Tel:	(84-4) 3543 0005
Fax:	(84-4) 3543 0003
Website:	www.fitgroup.com.vn

2. Formation and development

F.I.T Investment Joint Stock Company is operating in investment and investment consultancy service. Officially founded on 8th March 2007, F.I.T is a young yet dynamic and fast growing company. Rooted in the very first slogan “.....”, F.I.T leaders have adhered in guiding principles, steering the whole company overcome the 2008’s global economic crisis. The company has affirmed its position in consultancy service segment, developed the professional staff and strengthened its’ compatible value which was far beyond the initial capital investment.

Inspired by the new slogan “FUTURE INVESTMENT TREND”, F.I.T has restlessly searching for diversified investment options which are designated for high return for the company and clients. These investment products have become investment trends which were favored by majority of investors in the market.

After nearly 7 years of development, F.I.T has raised the chartered capital from VND 35 billion to VND 157.5 billion. The company’s shares have been approved for official listing on Hanoi Stock Exchange (HNX) on 26th July 2013. As at 31st. December 2013, F.I.T’s total assets were valued at VND 232.3 billion; the owner’s equity reached VND



193.5 billion. Over 1600 is the number of individuals & organization having business partnership with F.I.T

3. Business lines and trading area

a. Business lines

Fit has been providing Consultancy services, investment activities, investment cooperation, personal financial services, insurance and real estate agency services.

▪ Consulting services

With the well trained, qualified and experienced staff, F.I.T has been providing clients with valuable consultancy services, including:

- Project fund settlement;
Corporate bond issuance
- Repo shares
- M&A
- Corporate brand development consultancy service

▪ Investment activity

F.I.T's Investment activities include:

- Financial investment activities
- Investment activities in real estate projects
- Investment activities in subsidiaries/associated companies

▪ Investment cooperation

With numerous investment opportunities, diversified consulting investment options namely as Repo in shares & real estate, bond, F.I.T has offered the clients the investment opportunities in these products and help them increase profit along with F.I.T.

▪ Personal financial services

Realising the reality of hard approach to the credit source while black market is risky yet offering high lending rate, unsecured pledged assets, F.I.T has introduced the personal financial service to provide working capital to institutions and individuals having secured assets such as cars, motorbikes, etc. with reasonable costs, convenient procedures and disbursement, whereas assets are safely protected. These new financial services of F.I.T



have not only met the market demand but also are up with the world's financial system trend.

▪ **Insurance services**

F.I.T is currently distributing MIC's insurance products including:

- Motorbike insurance
- Automobile insurance (civil liability, material)
- Construction insurance
- Fire and explosion insurance (obligatory & non-obligatory)
- Insurance for pupils/students/teachers.
- Other MIC insurance products

▪ **Real estate service**

With experienced and well trained staff, F.I.T has been providing the best real estate services to customers including:

- Direct investment in Real Estate
- Independent Real Estate project development
- Real Estate consultancy services
- Real Estate management services
- Real Estate evaluation service
- Fund settlement for real estate projects
- Real Estate broker services
- Real estate joint-investment
- Repo Real Estate services (financial funding for enterprises and individuals...)
- Manage and exploit office floor (rent, office leasing...). Currently, F.I.T is managing and exploiting 15th floor – Mipec Tower – 229 Tay Son – Dong Da – Ha Noi.

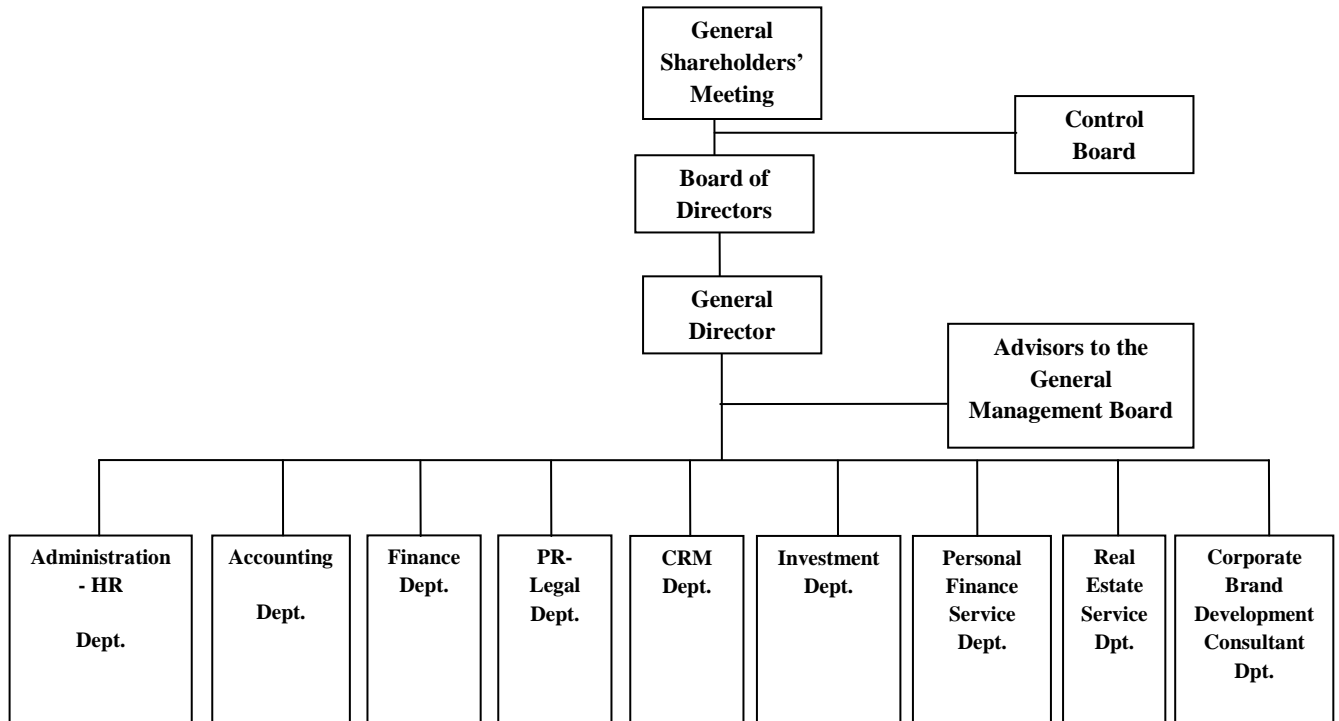
b. Trading area

F.I.T is one of the leading companies in Vietnam having effective investments, providing product chains and qualified consultant services, attracting both domestic and foreign investors.

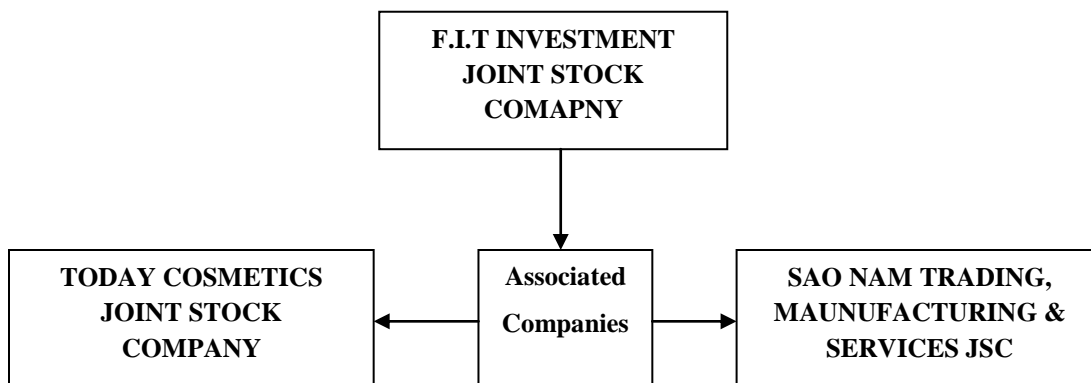


4. Organisational structure and management mechanism

a. Organisational structure



b. Associated company structure



5. Development orientation

a. The company's key objectives



F.I.T to become an effective efficiency Investment Group, contributing to form shareholder's value, making up F.I.T brand by possessing the diversified investment consulting products chain, high quality investment portfolio, and professional people.

b. Mid and long term development strategy

Realising the toughness of financial market, F.I.T Investment JSC leaders have taken their own way, generating the unique differences with other financial companies. These include the focus on financial service segment, particularly, funding settlement, investment authorisation service..., identifying investment opportunities with higher profitability for direct invest as well as offering to customers.

Currently, the company is seeking investment opportunities to become major shareholders in food & cosmetic production & distribution companies.

F.I.T's vision to the year 2020 is to become Group company model with chartered capital up to hundreds of million dollars, growing on year on year basis.

6. Risks

a. Economic risks

The changes of macro-economic variables such as growth rate, inflation, interest rate, exchange rate, government policies implemented to adjust the macro-economic variables, as well as business segment development policies will impose either direct or indirect impact on the operation and business outcome of companies.

Economic growth

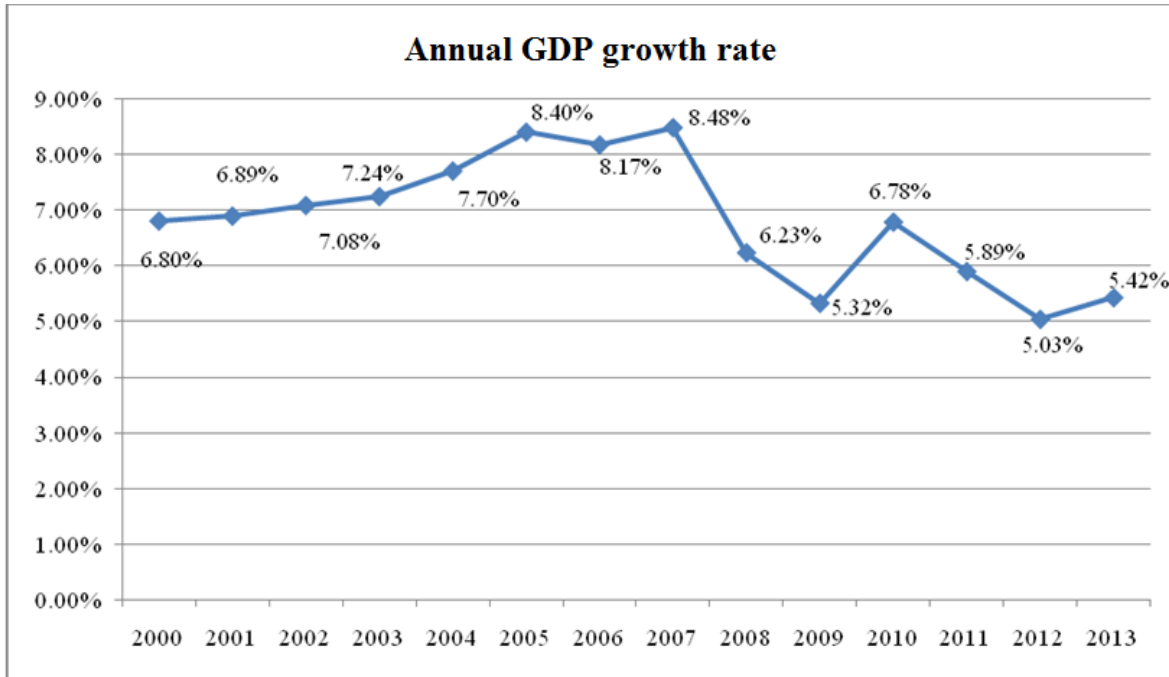
Economic growth rate is one of the important factors affecting the growth of almost all fields, sectors of the economy. Economic growth generally increases the demand of social consumption, promoting the growth of industrial output, helping companies to expand their goods consumption market. In recent years, Vietnam's economy has maintained high and stable growth in comparison with other regional countries as well as in the world. The average GDP growth rate in the period 2004-2007 reached 8.16%, reflecting the country's stable and right development direction which partly revealed the development potential for Vietnam in the following years.

Upon joining the World Trade Organisation (WTO) on 11 January 2007, Vietnam's economy has increasingly integrated with the world's economy. The development of Vietnam's economy has been more and more closely linked with the world's development trend. The world's severe economic recession in 2008 caused significant



impact on Vietnam’s economy: the trade deficit was at peak level, rising unemployment, stock market crash and frozen real estate market. The country’s actual 2008 GDP growth rate reached only 6.23%, much lower than the objective.

Chart 1: Year on Year GDP growth



Source: GSO

2009’s growth rate was lower than 6.23% of 2008, but still higher than the set objective of 5%. The country’s average annual GDP growth for the period 2009-2011 reached 6.00%. In the context of the world’s economic recession, whereas many countries experienced the negative growth, Vietnam’s achievement seemed to be a success. However, the country’s economy has been facing with many difficulties, challenges including the restrictions of macro-economic balances which contain hidden risks; CPI increased at high level; significant import surplus while the foreign investing was decreasing that impacted on the national balance of payment and foreign currency reserve.

In 2012, while the world economy was at risk of global wide economy recession, especially the public debt crisis in Europe, Vietnam’s economy also experienced complicated situation. Nevertheless, the GDP growth rate in 2012 still achieved 5.03%.

By the end of 2013, the Vietnam macro-economic conditions had considerably stabilised compared to the volatility period in 2012, the macroeconomic environment was



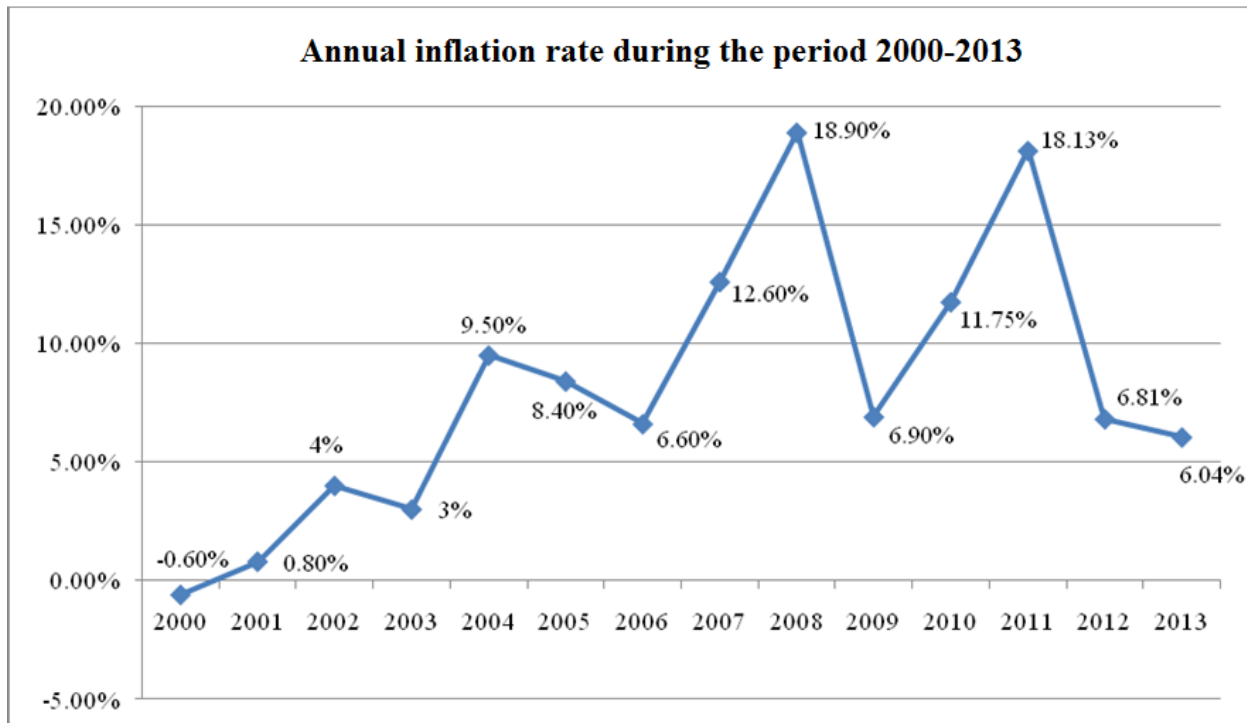
considerably stable thanks to the lower inflation rate, controllable commercial and budget deficit, and improved monetary management policies, the expected GDP growth of 5.42% was more feasible, creating the premise for sustainable development in 2014.

Effective implementation of the government’s macro policies will be one of the risk reducing factors for all companies especially the ones operating in investment and investment consultancy. On the other hand, with the distinctive investment strategies focusing on services, assets structure and reasonable capital structure, the company ensures capital security and the firm development.

Inflation

Financial risks in corporate finance often associates with inflation in the economy. According to public figures, Vietnam has recently been coping with the increase of inflation pressure. The inflation rate during the period 2000-2013 is shown as below:

Chart2: Annual inflation rate



Source: GSO

In the economic development process, Vietnam inflation has experienced significant amplitude uptrend, resulting in the abnormal change of raw materials price, which consequently affecting the corporate revenue and profit.



The 1996-2003 period was considered as deflation one when CPI was very low. The period from 2004 till now has been considered as high inflation period, almost repeatedly the cycle in which after every 2 years of high inflation, there would be 1 year of lower inflation. In 2004, 2005, CPI was 9.5% and 8.4% respectively, and in 2006, it was 6.6%. In 2007, 2008, it CPI was 12.63% and 19.89% respectively, and again in 2009 it was only 6.52%. Repeatedly in 2010 and 2011, CPI was 11.75% and 18.13% respectively.

In 2012, inflation rate was controlled with an increase of 6.81%, which was 1/3 of 2011's one, reaching the target of under 10% which is the Government's set objective for the year 2012

At the end of 2013, the macroeconomic conditions of Vietnam have considerably stabilised compared to the instability of the beginning of 2012's . That was a good sign for domestic enterprises in general and for the Company in particular. Along with the recovery of the economy, the leaders of F.I.T Investment JSC chose it owns way and created the distinguished differences with other finance companies in which the Company still continually maintained its core business: investment, investment services, personal finance and real estate services. However, taking the full advantage of having in hand experienced and professional financial consult staff, F.I.T will especially focus on developing investment and consultant field. Aiming at more controllable risk management, F.I.T will reduce the fixed yield investment cooperation, retaining only reasonable proportion of listed stocks and switching over to long-term investments to grab authority and dominant control in subsidy and associated companies.

Interest rate

For a manufacturing company, the interest rate risk happens when the spending on loan interest is higher than earned profit, and interest risk levels differ from one to another depending on business segment and debt structure..

The tightened monetary policies implemented in 2011 were aimed to cope with inflation. The fact was that in that period, interest rate in the market was high changed dramatically. The loan interest rate was at 20 – 25%/p, causing difficulties for enterprises in mobilizing capital for their business. For the consumer market and economic organisations, the competition in offering over cap rate happened widely in the first 8 months. However, shortly after the State Bank pushed banks to strictly apply the cap rate and imposed punishment on violating banks, the deposit interest rate dropped to around 14%/p.a.



On 27/06/2013, the State Bank of Vietnam (SBV) announced the regulation in decreasing the SBV rates and imposed the cap VND deposit rate for individuals & organisations at all credit institutions and branches of foreign banks in VN. In which, the maximum applicable rate flexi & 1month term deposit dropped from 2%p.a to 1.2% p.a. For term deposit from 1 month to less than 6 months tenor, the deposit rate dropped from 7.5%p.a to 7.0%p.a. The applicable deposit cap rate for 1-6 months tenor at People's credit fund & micro economic organisation was adjusted from 8%p.a to 7.5% p.a. Along with that, the State Bank also adjusted short-term lending rate in VND for a number of priority fields (agriculture in rural areas, export, supporting industries, SME, high-tech...) from 10%/year to 9%/year. The short-term lending rate in VND at People Credit Fund and Micro Finance Organisations decreased from 11%p.a to 10%p.a.

The SBV believes that after deposit interest rate falls to 7%p.a, the expected lending rate will range from 10 – 12%p.a. The monetary market in general and market interest rate has good signal for gradual stability.

Foreign currency exchange rate

This risk happens when economic transactions are paid in by foreign currency, and exchange rate moves unfavourable for companies.

Thanks to the stable operating margin orientation and strict control over foreign exchange transactions, the exchange rate did not increase much in 2012. On 28.June.2013, SBV officially adjusted the exchange rate by 1% (from VND 20.828/USD to 21.036).

Besides, the power to intervene exchange rate has been strongly improved since foreign currency reserve of Vietnam has reached the record level of USD 32bn, sufficient for 12 import-weeks.

The company's business transactions are mostly done in VND so we do not suffer from FX fluctuations.

b. Legal and policy mechanism risk

Legal risk refers to the impact on company operations when there are changes in system of legal documents which directly or indirectly effects to the company's business activities or segments that are relevant to the company's development strategy. The legal system has big impacts on business activities of enterprises. Currently, the Company is governed by the Enterprise Law, the Investment Law, the Enterprise Income Tax Law, the Value Added Tax Law, the Construction Law and the relevant bylaws. When listing



con the stock market, the Company would be affected by Securities Law and the guiding documents.

In order to control legal risks, the Company has constantly updated the changes in the legal environment related to the company operations, thereby adjusting suitable business development plans. Setting up a standard internal management system which complies with the law and regulations is the solution adopted by the Company to prevent negative risk incurs.

c. Typical risks

Risks in financial investment and real estate segment

Financial investment is business field having high risk factor. The increase/decrease in stock exchange market depends on numerous factors: The developments of micro/macro economy, of each sector, enterprise, etc. even the psychology of investors. The ups and downs of the stock market will create instability in the Company's revenue and profit. Thus, in order to minimize the risks in this field, the Company has set up the business plan aiming at diversified portfolio, focusing on high liquidity shares in key business fields and highly potential for development in the future. The decision for kind of shares, time to invest and fund allocation have been selected based on long term development plan plus analysing and evaluating the economic and currency market changes, taking into consideration the potential risks. This has helped minimizing the hidden risk in investment portfolio.

Regarding real estate business, having in hand the team of experienced and qualified staff, the Company has plans to provide the real estate services which could bring the optimum benefits to customers.

Risks in consulting activities

The Company mainly do business in investment and financial & real estate consultancy. Ensuring the highest quality of consulting services for customers is the focal point of the Company's operation and development strategy. The staff's expertise, professionalism and conduct may lead to potential risk relevant to the accuracy and effectiveness of consultancy services. Being aware of this issue, the Company concentrates on expertise training for employees, creating professional and friendly working environment, offering good remuneration policies to attract and maintain the loyalty staff.

d. Other risks



The Company share price is inevitably influenced by Vietnam and the world's stock market changes. . Especially, since the Company share is listed, these factors become more relatively sensitive and directly affect the trading price of the Company share. Besides, the Company business may be affected by other risks such as natural disasters, wars, political instability and other social factors. In case either factor takes place, the risks may cause damage to people, Company's property & possessions or result in down size in number of customers, as well the potential markets. These types of risks if happen will surely cause more or less, direct or indirect impacts on the Company's performance.

II. THE 2013 YEAR PERFORMANCE OVERVIEW

1. The Business & Operation status

The year's performance result of production and business operation

Target	Year 2011 (VND)	Year 2012 (VND)	Year 2013 (VND)	2013/2012 (%)
Total assets value	1,394,266,681,139	1,865,920,113,877	232,255,389,545	(87.55%)
Net revenue	4,764,360,419	18,143,630,740	37,415,123,592	106.22%
Gross profit (sales & service)	2,749,845,632	9,177,662,079	17,912,340,179	95.17%
Revenue from financial deals	136,661,578,955	286,853,546,648	198,800,461,158	(30.70%)
Financial expenses	133,065,498,295	277,536,052,147	164,316,451,809	(40.79%)
Net profit from business	675,238,655	10,692,492,887	44,661,170,881	317.69%
Other profits	49,185,102	(1,687,983)	1,248,488,904	74.063%
Profit before tax	724,423,757	10,690,804,904	45,909,659,785	329.43%
Profit after tax	724,423,757	8,710,650,969	34,342,995,672	294.26%
Dividend (%)	0.00%	86.00%	91.72%	-

*Actual performance vs plan*

In 2013, FIT's performance was positively completed and exceeded the target set by EXCO.

2. Organisation and human resources**a. The Executive Board**

No	Name	Position
1	Nguyen Thi Minh Nguyet	General Director
2	Tran Thi Mai Huong	Chief Accountant

❖ Mrs. Nguyen Thi Minh Nguyet – General Director

Name: **NGUYEN THI MINH NGUYET**
Gender: Female
Date of birth: 15/07/1970
Birth place: Na Noi
Identity card number: 011490956 – Date of issue: 26 February 2007. Place of issue: Ha Noi
Nationality: Vietnam
Ethnic: Kinh
Native origin: Ha Tinh
Permanent address: R505, Apartment 21, Lang Ha street, Dong Da district, Ha Noi
Tel: 0912.464.204
Education level: Master
Qualifications: Finance – Business Administration
Work experience:
- 1993 - 1996 *Admin staff at Mekong Corporation*
- 1996 - 2007 *Purchasing Manager at Shell Gas Vietnam*
- 2007 - 10/12 *Deputy General Director at F.I.T*



- 6/2011 - 02/01/2014
- 10/2012 - Now
- 19/01/2013 - Now

Investment JSC.

Chairman at Nghe An Investment & Development Company

General director at F.I.T Investment JSC.

Vice Chairman cum General Director at F.I.T Investment JSC.

Current position:

Vice Chairman and General Director at F.I.T Investment JSC.

Position in other organisations:

None

Criminal history

None

Interest conflict with the Company:

None

Debts to the Company:

None

Number of shares held:

210,000 shares (1.33% chartered capital)

In which

+ *Private own:*

210,000 shares (1.33% chartered capital)

+ *Authorised representative:*

0 (0% chartered capital)

Number of shares held for relevant people None

❖ Mrs. Tran Thi Mai Huong – Chief Accountant

Name: **TRAN THI MAI HUONG**
Gender: Female
Date of birth: 08/07/1978
Birth place: Dong Anh, Ha Noi
Identity card number: 011943454 Date of issue: 28 January 2005, Place of issue: Ha Noi
Nationality: Vietnam
Ethnic: Kinh
Hometown: Duc Tu, Dong Anh, Ha Noi
Permanent address: Hai Boi, Dong Anh, Ha Noi
Tel: 0989.655.051
Education: Diploma
Qualifications: Accounting and Finance
Work experience:

- 2001 – 2004: *Accountant at Dong Anh Spare part Company*
- 2004 – 2009: *General Accountant, Chief Accountant at*



- 2009 – Now:	<i>Goldsun Group</i>
Current position:	<i>Chief Account at F.I.T Investment JSC.</i>
Criminal history	Chief Account at F.I.T Investment JSC.
Interest conflict with the Company:	None
Debts to the Company:	None
Number of shares held:	0 (0% chartered capital)
In particular	
+ <i>Private own:</i>	<i>0 (0% chartered capital)</i>
+ <i>Authorised representative:</i>	<i>0 (0% chartered capital)</i>
Number of shares held for relevant people	None

b. Executive Board movement

On 19.Jan.2013, F.I.T dismissed the position of Deputy General Director of Mr. Phan Trung Phuong.

c. The number of staff

Workforce status

Staff quality is the key factor deciding the development of the Company. Thus, the Company always has set the priority objective to have professional staff in its development plan. By 31 December 2013, total number of staff is 39, structured as follows:

Company's workforce allocation

By category	Number of staff
Gender	39
▪ Male	20
▪ Female	19
Educational level	39
▪ Graduate and post-graduate	27
▪ College and Intermediate	6
▪ Others	6

Policies



- Continuously build a good team, improving working environment: attracting, training staff to become professional, enthusiastic, qualified and typically reflecting F.I.T's culture.
- Focus on training & coaching highly qualified staff to meet the on-going demand of the Company and society.
- Along with building and training activities, F.I.T keeps focusing on diversifying young & dynamic workforce, helping them to be capable to success and promotion. The Company also developed attractive human resource policies in order to recruit qualified candidates to join and contribute to F.I.T.

3. Investment & major projects:

Sao Nam Trading, Production and Service Joint Stock Company

Address:	10 Nguyen Chinh, Hoang Mai District, Hanoi
Business area :	Import, export and distribute cosmetic and personal care products
Chartered capital :	VND17,500,000,000
F.I.T's share contribution (as at 31 December 2013)	21.19%
F.I.T's share value (as at 31 December 2013)	VND3,707,580,000

Today Cosmetics Joint Stock Company (Former name: Minh Hao Vietnam Joint Stock Company)

Address:	Block 26, Road 9, Tan Duc industrial zone, Duc Hoa Ha village, Duc Hoa District, Long An province
Business area :	Produce cosmetics, soaps, detergents, polishing and hygiene products
Chartered capital :	VND26,000,000,000
F.I.T's share contribution (as at 31. Dec. 2013)	49%
F.I.T's share value (as at 31. December. 2013)	VND12,740,000,000



4. Financial performance

a. Financial performance

Target	Year 2012 (VND)	Year 2013 (VND)	2013 vs2012 (%)
Total assets	1,865,920,113,877	232,255,389,545	(87.55%)
Net revenue	18,143,630,740	37,415,123,592	106.22%
Gross profit (sales & service)	9,177,662,079	17,912,340,179	95.17%
Financial revenue	286,853,546,648	198,800,461,158	(30.70%)
Financial expenses	277,536,052,147	164,316,451,809	(40.79%)
Business profit	10,692,492,887	44,661,170,881	317.69%
Other profits	(1,687,983)	1,248,488,904	74.063%
Profit before tax	10,690,804,904	45,909,659,785	329.43%
Profit after tax	8,710,650,969	34,342,995,672	294.26%
Dividend (%)	86.00%	91.72%	-

b. Major financial index

Target	Unit	2012	2013
1. Solvency target			
Short term liquidity ratio	Times	0.95	1.07



Target	Unit	2012	2013
Quick liquidity ratio	Times	0.95	1.07
2. Capital structure ratios Target			
Liabilities/Total assets	%	91.69%	83.16%
Liabilities/ Owner's equity	%	1103.04%	493.82%
3. Operating capacity ratios			
Net Revenue/Owner's equity	%	13.39%	21.18%
Net Revenue/Total assets	%	1.11%	3.57%
4. Profitability ratio			
Return on Revenue	%	48.01%	91.79%
Return on Equity	%	6.43%	19.44%
Return on Assets	%	0.53%	3.27%
Operating profit/Revenue	%	58.93%	119.37%
Earnings per share (EPS)	VND/Share	595	2.181

5. Shareholder structure and Owner's changes in investing capital

a. Shares

Criteria	Context
Share name	F.I.T Investment JSC.
Share type	Common
Stock	FIT
Shares in issue	15,750,000

**b. Shareholding structure**

Shareholding structure as at 18 December 2013

No	Shareholder	Number (people)	Share volume	Total par value (VND)	Percentage (%)
I	Domestic shareholders	693	15,750,000	157,500,000,000	100%
1	Institutional	4	91,588	915,880,000	0.58%
	<i>In which: Government's</i>	0	0	0	0.00%
2	Individuals	689	15,658,412	156,584,120,000	99.42%
II	Foreign shareholders	0	0	0	0.00%
1	Institutional	0	0	0	0.00%
2	Individual	0	0	0	0.00%
	Total	693	15,750,000	157,500,000,000	100%

(Source: F.I.T shareholder list issued by VSD on 18/12/2013)

c. The Owner's changes in investment capital

F.I.T has experienced 3 capital raisings, detailed:

- **The 1st time: Increase chartered capital from VND 35bn to VND 110bn**

Issue shares for existing shareholders	
Share holders list consolidation date	27 January 2011
Number of shareholders	33
Allocation rate of right	1:1
Issuance price	VND10,000/share
Issuance date	22 March 2011
Number of issued stocks	3,500,000 shares
Intermediary organisations	None
Approved by	Hanoi Planning and Investment Department



Shares for strategic shareholders	
Share holders list consolidation date	22/03/2011
Number of shareholders	3
Issuance price	VND10,000/share
Issuance price	4,000,000 shares
Approved by	Hanoi Planning and Investment Department
Legal basis	<ul style="list-style-type: none">- <i>Deploying the Decision of Shareholders's meeting dated 22/08/2010;</i>- <i>The capital audit report dated 22 March 2011;</i>- <i>Shareholder record consolidation notice,</i>- <i>The shareholder list before increasing capital;</i>- <i>The shareholder list after increasing capital;</i>

- **The 2nd time: Increase chartered capital from VND 110bn to VND 150bn**

Issue shares for existing shareholders	
Share holders list consolidation date	03 January 2012
Number of shareholders	39
Allocation rate of right	11:4
Issuance price	VND10,000/share
Issuance date	10 February 2012
Number of issuance	4,000,000 shares
Intermediary organisations	None
Approved by	Hanoi Planning and Investment Department
Legal basis	<p><i>Deploying the Decision of Shareholders's meeting dated 01 November 2011</i></p> <ul style="list-style-type: none">- <i>The capital audit report on 10/02/2012</i>- <i>Shareholder record notice</i>- <i>The shareholder list before increasing capital</i>- <i>The shareholder list after increasing capital</i>



F.I.T Investment JSC was approved to become public company on 08 March 2013 according to the decision no. 824/UBCK-QLPH by the State Securities Commission.

- **The 3rd time: Increase chartered capital from VND 150bn to VND 157.5bn**

Divident paid in 2012 by share	
Share holders list consolidation date	23 September 2013
Number of shareholders	238
Allocation rate of right	20:1
Issuance price	VND10,000/share
Issuance date	20 December 2013
Number of issuance	750,000 shares
Intermediary organisations	None
Approval institute	State Security Commission of Vietnam
Legal basis	<i>- By Minute of share holder's meeting No. 01-01/NQ-ĐHĐCĐ/2013 dated 19 January 2013; - Official Letter No. 5432/UBCK-QLPH by SSCVN dated August 2013; - Official Letter No. 6636 / 10.10.2013 UBCK-QLPH by SSCVN dated 10.Oct.2013.</i>

d. Treasury shares transactions

There was no treasury share in the year of 2013.

e. Other certificates

None

III. THE REPORT AND EVALUATION ON BOD'S PERFORMANCE

Share holders list consolidation date OF OPERATION OF THE BOARD OF GENERAL MANAGEMENT

1. Business performance

In 2013, due to deploying new service segment and realising several short-term investments, the Company's revenue increased significantly by 106.22% vs the year



before, achieving VND37bn while the total asset decreased by 88%. The Company had big consulting contracts with Minh Hao Vietnam SJC (Today Cosmetics), BIC Vietnam JSC, etc.

Moreover, the company saved up to 37% its financial expenses vs end of 2012 by reducing loans and short term debts.

Regarding financing activities in 2013, the Company continually decreased financial revenue from the fixed interest investment contracts. The Company also switched to concentrating investment activities in associated companies operating in the field of production, consumer goods distribution, food, etc. The company has started to record revenue, profit from these investments when the associated companies start to allocate profits from 2014 (currently, profits from these companies are retained for reinvestment, and production expansion).

In July 2013, the Company was officially listed on Hanoi Stock Exchange. This has brought huge benefits for company to access capital funds from financial market. The listing of company's shares also helped to boost liquidity and value of FIT share, at the same time expressing the BOD's commitment to increase shareholder's profit.

2. Financial performance

a. Assets

In 2013, the Company assets had considerable change, decreasing from VND 1,865 bio by the beginning of the year to VND 232 bio, which was a decrease of VND 1.632 bio. Asset structure by the end of 2013 was contributed by 60% long-term assets and 40% short-term one. The Company has adjusted asset structure in line with its near future business objective.

b. Liabilities

By the end of 2013, the Company had paid off some of big loans. The year-end payable amount was VND 38.7 bio, sharply decreased compared to the VND 1,706 bio loan amount at the beginning of the year. The liabilities/total assets ratio was approximately 17%. The Company's liabilities structure by the end of 2013 is in line with its business objectives.

c. Assets and liabilities changes evaluation



By the end of 2013, thanks for good business result, the Company has collected big short-term receivables; resulting in redundant cash source which is then used to pay big debts and adjusted the liability/assets structure to safe level.

3. The improvements of organisational structure, management policy

The company has made improvement in structuring the organisation, policies and management which became simple yet effective (the BOM includes the General Director being responsible for general management). Under the BOM are departments having clear functions and specific responsibilities which are monitored controls by department heads. The Company policies comply with Government current laws, HR policies are designed to promote the Company activities. The company's performance based salary policy and competitive remuneration package have helped to recruit really capable staffs who are enthusiastic and dedicated to the company.

Controlling measures: the Company has Supervisory Board consisting of independent members, monitoring financial and non-financial operations.

4. Future development plans

Along with the recovery of the economy, F.I.T still continues to maintain business segments including investment, personal finance and financial services and real estate services. However, with the strengths of professional financial staff, F.I.T will mainly focus on the development of investment and consulting sector.

Consulting segment

F.I.T still continues providing consulting services including corporate finance, fund settlement for projects, bonds... etc. Especially, in 2014, with experienced consultant staff joining in administrative management Subsidiaries/Associated companies, F.I.T will focus on developing consultancy for corporate restructure, M&A, looking for suitable strategic partners to maximise strengths for corporate customers.

Investment sector

F.I.T will reduce the proportion of short-term investments and increase the long-term one to grasp the controlling and monitoring power in developing Subsidiaries/ Associated companies.

To manage risks more strictly, F.I.T will decrease the fixed interest investment cooperation, maintaining a reasonable proportion of listed trading shares and focus more on long-term investments, holding control and monitoring power in Subsidiaries/Associated companies.



F.I.T's short term investment strategy is to keep close track of the market, evaluating and identifying investment opportunities, good shares, analysing the risk and set up flexible time schedule as well as suitable plan to bring back maximum benefits. In 2014, F.I.T realised some positive signals from the general market and forecasting the recovery of stock market with boiling days would be great investment opportunities for F.I.T.

F.I.T's long term vision is to become a leading investment group with chain of Subsidiaries/Associated companies where F.I.T has over 20% ownership. By this, F.I.T could deeply involve in managing, controlling the company by introducing the technology, fund and human resource to restructure the company, targeting at raising up the corporate value.

Currently, long-term investments of the Company accounted for 52.7% owner's equity and it is expected that long-term investments in Subsidiaries/Associated companies will account for 80% owner's equity. This will be the pillar business contributing to F.I.T's future profit and development.

In 2014, the Company will further invest in Subsidiaries/Associated companies in consumer goods field such as Today Cosmetics (Minh Hao), Sao Nam and at the same time looking for other potential opportunities.

F.I.T will focus on investing in potentially high growth companies operating in good development product segments. F.I.T also invests in start-up companies having unique business ideas and high potential growth. F.I.T selects mid-size capitalised companies having good operating platform and potential subsequently contributing capital and restructuring those companies before listing share or selling to partners to recover capital and profit. In addition, F.I.T will seek M&A opportunities with large-scale, qualified and on the growth track companies, together develop those becoming leading ones in the operating field.

F.I.T's ambition in Subsidiaries/Associated companies is not only capable for supplying products for local market but also be able to reach out to other countries and develop world brand products.



IV. THE EXCO'S EVALUATION ON COMPANY PERFORMANCE

1. General evaluation

Despite the unstable macro economy financial instability, F.I.T finally reached the profit of VND34.3 bio, which was more than 3.9 times compared to that of 2012. The result marked a mile stone for F.I.T and reaffirmed the F.I.T's steady development in the future.

2. Evaluation on the Board of Management

In 2013, the Board of Management has taken timely and appropriate actions to ensure the company operations in line with the BOD's approved plans.

3. BOD's plan & orientation:

Objective: F.I.T aims to become efficient Investment Group, contributing to build the value for shareholders, forming F.I.T brand via the chain of diversified investment consulting services, high quality investment portfolio, and professional staff.

Strategy:

- Reasonable and flexible asset allocation.
- Continue to develop finance department for fund management professionally and efficiently.
- Expand the fund settlement consultancy service.
- Effectively control Subsidiaries/Associated companies.
- Search for investment opportunities in potential unlisted companies.
- Maintain real estate business efficiently and safely.
- Conduct professional customer care services
- Apply professional accounting system, generating quick & accurate reports.
- Systemize human resources and administrative works.

V. CORPORATE GOVERNANCE

1. The Board of Directors

a. Members

No	Name	Position
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No	Name	Position
1	Phan Trung Phuong	Chairman
2	Nguyen Thi Minh Nguyet	Vice Chairman
3	Pham Cong Sinh	Member
4	Bui ThanhHuong	Member
5	Duong Minh Tu	Member

b. EXCO's members structure

No	List	Shareholding percentage/ Chartered capital	Position in other organisations
I	EXCO's Independent members		
1	Pham Cong Sinh	0%	CEO of Sao Nam Trading, Production and service JSC
II	Other members		
1	Pham Trung Phuong	5.17%	
2	Nguyen Thi Minh Nguyet	1.33%	
3	Bui ThanhHuong	0.07%	
4	Duong Minh Tu	0.07%	

c. BOD's Sub-committees

The Board of Directors founded Investment Committee on 23 January 2013

d. BOD's activities

Currently, a member of the Board of Directors of F.I.T is also in the Board of General Management (Mrs. Nguyen Thi Minh Nguyet – the General Director) so that reporting issues, providing information of the BOGM activities to the BOD was much easier. The BOD members regularly exchange information, discuss company issues about via email,



phone besides periodical meetings. Monthly report from GM to EXCO's members is an effective form of EXCO's supervision over BOD.

e. The Board of Directors meetings

No	Resolution number	Date	Content
1	01-01/2013/QĐ/HĐQT-FIT	19/01/2013	- Appealing Annual General Shareholder Meeting 2013
2	01-01/2013/NQ-ĐHĐCĐ-FIT	19/01/2013	- Resolution of the AGM 2013 through reports, proposals and vote results for EXCO, Control Board 2013-2018 term
3	04-01/2013/QĐ/HĐQT-FIT	22/01/2013	- Approval of Chairman position for Mr. Phan Trung Phuong - Approval of Deputy Chairman position for Mrs. Nguyen Thi Minh Nguyet - Approval the EXCO's Secretary position for Mrs. Bang Minh Trang
4	05-01/2013/QĐ/HĐQT-FIT	22/01/2013	- Approval for The Head of Supervisory Board position for Mr. Ninh Viet Tien
5	06-01/2013/QĐ/HĐQT-FIT	23/01/2013	- Approval for the Investment Committee election - Approval for Investment Committee's President -Mr. Phan Trung Phuong
6	01-02/2013/QĐ/HĐQT-FIT	01/02/2013	- Amendment and adding the template Instrument based on Circular No. 121/2012 / TT-BTC dated 26/07/2012 of the Ministry of Finance regarding the standard template Charter applicable for public companies.
7	02-02/2013/QĐ/HĐQT-FIT	04/02/2013	- Issuing the company management regulations
8	03-02/2013/QĐ/HĐQT-FIT	05/02/2013	- Issuing the internal information announcement process
9	01-04/2013/QĐ/HĐQT-FIT	18/04/2013	- Approval on amendment of the company's regulation to suit the applicable regulation for listed companies standardized by Circular No. 121/2012 / TT-BTC dated 26/07/2012
10	01-06/2013/NQ/HĐQT-FIT	20/06/2013	- Approval on some parts of 2014's business plan
11	07/2013/NQ/HĐQT-FIT	15/7/2013	- Endorsement for 2013's 2 nd quarter financial statement; audited 2013's half year's annual report. - Execute 3 rd quarter's plan and the second half of 2013.
12	08/2013/NQ/HĐQT-FIT	18/10/2013	Endorsement on 2013's 3 rd quarter financial report and execute 4 th quarter's plan
13	09/2013/NQ/HĐQT-FIT	02/12/2013	- Appeal for unusual General Shareholder Meeting 2014



14	02/12/2013/NQ/HĐQT-FIT	02/12/2013	- 2013's business plan acceptance and 2014 strategy plan set up, planning foreign staff recruitment, share options in 2014
15	10/2013/NQ/HĐQT-FIT	19/12/2013	- Issue standard salary scheme applicable from 01/01/2014.

Activities of the independent EXCO members who does not involve in managing company's activity: Mr. Pham Cong Sinh. Mr Sinh was a knowledgeable and experienced man in financial and monetary business. He used to hold important positions in big multinational organisations such as Procter & Gamble Co. Ltd Viet Nam (P&G Vietnam). The EXCO independent members have actively contributed to build strategic vision, decisions and operation plans of the Company.

Activities of the subcommittees in the BOD: None

2. The Control Board

a. Members & structure

Ninh Viet Tien	- Head of Control Board
Nguyen Thi Hong Anh	- Member
Tran Thi Phuong Thao	- Member

b. Structure

No	Name	Number of shares held	Share percent (%)	Position in other organisations
1	Ninh Viet Tien	10,500	0.07%	None
2	Nguyen Thi Hong Anh	82,500	0.55%	None
3	Tran Thi Phuong Thao	262,500	1.75%	None

c. Control Board's activities:

In 2013, the Supervisory Board of F.I.T Investment JSC (F.I.T) has honestly checked and controlled critical fields as follows



Controlling financial reports: Check the quarter financial statements, audited half year's owner's equity reports, 2013's half year financial report, and the audited 2013 financial statement with all audited financial figures and the completion time.

Control activities: Evaluate risk management in business operations; check and assess working processes of all departments and compliance issues.

3. EXCO, BOD and Control's

Transactions, remuneration and other benefits

a. Salary, bonus, remuneration and benefits:

Implemented the 2011 General Shareholders Meeting's resolution, statistic internal shareholder's shares transactions as at 31 December 2013 is as follows:

**b. Shares transactions of internal shareholders**

No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
1	PhanTrung Phuong		Chairman	R1411, 18T2 Trung Hoa, Nhan Chinh, Ha Noi	012928626	01/12/2007	Ha Noi	815,000	5.17%	005C007766; 080C161366
	Phan The Pha	Father		Thuy Ninh, Thai Thuy, Thai Binh	150116231	03/11/2007	Thai Binh	0		None
	Do Thi Nguyen	Mother		Thuy Ninh, Thai Thuy, Thai Binh	150075966	8/7/2010	Thai Binh	0		None
	Pham ThiNhung	Wife		R1411, 18T2 Trung Hoa, NhanChinh, Ha Noi	012928626	12/01/2007	Ha Noi	0		032C-7777; 080C-161361
	Phan Hoang Tung	Sun		R1411, 18T2 Trung Hoa, Nhan Chinh, Ha Noi				0		None
	Phan An Ha	Daughter		R1411, 18T2 Trung Hoa, Nhan Chinh, Ha Noi				0		None
	PhanThiHien	Sister		Thuy Ninh, Thai Thuy, Thai Binh	150853876	16/05/1983	Thai Binh	0		None



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
	PhanThiHoa	Sister		Thuy Ninh, Thai Thuy, Thai Binh	150899572	07/06/1984	Thai Binh	0		None
	PhanThi Thu Hang	Sister		Keo Lom commune, Dien Bien Dong district, Dien Bien province	040385948	14/09/2007	Dien Bien	0		None
	PhanTrung Duong	Brother		7/Alley 27 Van Bao, Ba Dinh, Ha Noi	013206344	09/06/2009	Ha Noi	0		030C-993326
	Nghe An R&D Co.	General Director, BOM member		10 Hai Thuong Lan Ong street, Hung Loc commune, Vinh city, Nghe An Province	2901365666	18/03/2011	Nghe An Department of Planning and Investment	0		080C-166868
	Educated Map&Picture JSC	BOM member		45 Hang Chuoi, Hai Ba Trung district, Ha Noi city	0102137109	15/06/2011 (3 rd issuance)	Ha Noi Department of Planning and Investment	0		005C-032710
2	Nguyen Thi Minh Nguyet		Vice Chairman cum General Director	R505, Apartment 21, Lang Ha, Dong Da district, Ha Noi	011490956	26/02/2007	Ha Noi	210,000	1.33%	005C001507



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
	Hoang Van Hoa	Husband		R505, Apartment 21, Lang Ha, Dong Da district, Ha Noi	010066908	21/09/2009	Ha Noi	0		None
	Hoang Minh Tam	Child		R505, Apartment 21, Lang Ha, Dong Da district, Ha Noi	013423547	23/06/2011	Ha Noi	0		None
	Hoang Hanh Minh	Child		R505, Apartment 21, Lang Ha, Dong Da district, Ha Noi				0		None
	Nguyen Van Chap	Father		10 Tuong Mai, Hoang Mai, Ha Noi	0420420000 02	01/02/2013	Police Bureau of social order administratio n	0		None
	Do ThiDinh	Mother (dead)						0		None
	Nguyen Thi Thu Nga	Sibling		29 Alley 279, Giang Vo, Dong Da, Ha Noi	0011720001 59	14/01/2013	Police Bureau of social order administratio n	0		005C002859
	Nguyen Xuan Hoang	Sibling		10 Tuong Mai, Hoang Mai, Ha Noi	011719120	28/09/2011	Ha Noi	0		005C322288



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
	Nguyen DuyThanh	Sibling		10 Tuong Mai, Hoang Mai, Ha Noi	001084000300	21/02/2013	Police Bureau of social order administration	0		None
	Nghe An Investment&Development Company	Chairman		10 Hai Thuong Lan Ong street, Hung Loc commune, Vinh city, Nghe An Province	2901365666	18/03/2011	Nghe An Department of Planning and Investment	0		080C-166868
3	Pham Cong Sinh		BOD member	39 Block 39, Mai Dong ward, Hoang Mai, Ha Noi	013005208	28/08/2007	Ha Noi	0	0%	None
	Le ThiHuong	Wife		39 Block 39, Mai Dong ward, Hoang Mai, Ha Noi	012987412	12/07/2007	Ha Noi	0		None
	Pham Anh Minh	Child		39 Block 39, Mai Dong ward, Hoang Mai, Ha Noi						None
	Pham Cong Son	Child		39 Block 39, Mai Dong ward, Hoang Mai, Ha Noi						None
	Pham Cong Lat	Father		Hung Quan, TrongQuan,	151690899	22/08/2011	Thai Binh	0		None



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
				Dong Hung, Thai Binh						
	Nguyen ThiTinh	Mother		Hung Quan, TrongQuan, Dong Hung, Thai Binh	150666003	29/09/2011	Thai Binh	0		None
	Pham ThiLan	Sibling		Hung Quan, TrongQuan, Dong Hung, Thai Binh	151654506	21/05/2003	Thai Binh	0		None
	Pham ThiNhung	Sibling		Hung Quan, TrongQuan, Dong Hung, Thai Binh	013272371	06/02/2010	Ha Noi	0		None
	Sao Nam Commercial Production and Service JSC	Chairman		10 Nguyen Chinh, Hoang Mai, Ha Noi	0104344157	The 1 st registration 22/12/2009 ,1 st revision dated 04/16/2010	Ha Noi	0		None
4	Bui ThanhHuong		BOD member	17/875 Hong Ha, Chuong Duong, Hoan Kiem, Ha Noi	011532410	29/01/2011	Ha Noi	10,500	0.07%	080C161618
	Nguyen NhatSuong	Child		17/875 Hong Ha, Chuong Duong, Hoan Kiem, Ha Noi	013155088	04/02/2009	Ha Noi	0		None
	Nguyen NhatAnh	Child		17/875 Hong				0		None



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No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
				Ha, Chuong Duong, Hoan Kiem, Ha Noi						
	Nguyen Nhat Ha	Child		17/875 Hong Ha, Chuong Duong, Hoan Kiem, Ha Noi				0		None
	Bui Thanh Tung	Father (dead)						0		None
	Nguyen ThiThuan	Mother		22 Ngo Si Lien, Dong Da, Ha Noi	011038109	22/07/2008	Ha Noi	0		None
	Bui Thanh Bach	Older Brother		6955 125a street 69 Avenue, Vancouver, Canada	WG049233 Canadian	30/10/2010	Vancouver, Canada	0		None
	Bui Thanh Tan	Older Brother		22 Ngo Si Lien, Dong Da, Ha Noi	012045372	21/05/2009	Ha Noi	0		None
	Bui ThiThanh Hang	Older Sister		22 Ngo Si Lien, Dong Da, Ha Noi	010235329	05/10/2010	Ha Noi	0		None
	Bui ThiThanhHuyen	Older Sister		22 Ngo Si Lien, Dong Da, Ha Noi	010235328	12/02/2007	Ha Noi	0		None
	Thang Long Hanoi Commercial Ltd.	Deputy Director		7/873 Hong Ha, HoanKiem, Ha Noi	0101352093	The 1 st registration on 03/04/2008	Hanoi Department of Planning and	0		None



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
						, 8 th revision dated 12/12/2011	Investment			
5	Duong Minh Tu		BOD member	11 Tran Phu, Dien Bien ward, Ba Dinh district, Ha Noi	011466424	24/3/2005	Ha Noi	10,500	0.07%	005C026679
	Nguyen Kim Thu	Wife		11 Tran Phu, Dien Bien ward, Ba Dinh district, Ha Noi	011871636	19/04/2010	Ha Noi	0		None
	Duong Minh Thang	Child		11 Tran Phu, Dien Bien ward, Ba Dinh district, Ha Noi				0		None
	Duong Tu Quynh	Child		11 Tran Phu, Dien Bien ward, Ba Dinh district, Ha Noi				0		None
	Duong Minh Phuc	Father		46/29 Lu Gia apartment, 15 ward, 11 District, Ho Chi Minh city	011292747	03/09/1999	Ha Noi	0		None
	Pham Thi Nhung	Mother		46/29 Lu Gia apartment, 15 ward, 11 District, Ho	024274429	12/07/2004	Ho Chi Minh	0		None



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
				Chi Minh city						
	Duong Minh Tuan	Older Brother		46/29 Lu Gia apartment, 15 ward, 11 District, Ho Chi Minh city	025527729	01/12/2011	Ho Chi Minh	0		None
	Duong Minh Hien	Older Sister		84, Road no.3, Lu Gia apartment, 15 ward, 11 District, Ho Chi Minh city	023621694	15/5/2008	Ho Chi Minh	0		None
	FAF Vietnam Commercial Ltd.	Director		11 Tran Phu, Dien Bien ward, Ba Dinh district, Ha Noi	0105427818	28/07/2011	Ha Noi Department of Planning and Investment	0		None
6	Ninh Viet Tien		Head of Supervisory Board	R801, An Lac apartment, 38 Hoang Ngan, Ha Noi	012564465	16/12/2002	Ha Noi	10,500	0.07%	021C043903
	Nguyen Le Thu	Wife		R801, An Lac apartment, 38 Hoang Ngan, Ha Noi	011639003	02/04/2003	Ha Noi	0		None
	Ninh Viet Hoang	Child		R801, An Lac apartment, 38 Hoang Ngan, Ha Noi				0		None
	Ninh Hoang Vy	Child		R801, An Lac				0		None



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
				apartment, 38 Hoang Ngan, Ha Noi						
	Ninh Viet Thai	Father		R1008, C4, My Dinh 1, TuLiem, Ha Noi	013112706	15/08/2008	Ha Noi	0		None
	Pham Thi Chat	Mother		R1008, C4, My Dinh 1, TuLiem, Ha Noi	013112707	15/08/2008	Ha Noi	0		None
	Ninh Viet Doan	Sibling		29/93 QuangTrung, Nam Dinh	162898065	02/03/2012	Nam Dinh	0		None
	Ninh Thanh Xuan	Sibling		77/629 GiaiPhong, Giap Bat, Ha Noi	012733828	12/11/2004	Ha Noi	0		None
	Ninh Thi Phuong	Sibling		R806, 11 floorsapartmen t, Cau Dien, Tu Liem, Ha Noi	013136448	20/12/2008	Ha Noi	0		None
7	Tran Thi Phuong Thao		Member of Supervisory Board	R604, Tower A, 190 Nguyen Tuan, Ha Noi	012321725	5/5/2000	Ha Noi	0	0%	003C104280
	Nguyen To Duy	Husband		R604, Tower A, 190 Nguyen Tuan, Ha Noi	011850463	21/05/2012	Ha Noi	0		000.1003241 (VN Direct Securities Co)



No	Name	Relationship	Position in company (if any)	Permanent address	ID number/ Passport	Issuance date	Issuance place	Shares held in closing term	Share percentage in closing term (%)	Securities trading account (if any)
	Nguyen Tran Phuong Anh	Child		R604, Tower A, 190 Nguyen Tuan, Ha Noi				0		None
	Nguyen Duy Cuong	Child		R604, Tower A, 190 Nguyen Tuan, Ha Noi				0		None
	Tran ThucNhan	Father		Group 26, cluster 5 Ha Dinh, Thanh Xuan district, Ha Noi	012109359	06/05/1998	Ha Noi	0		None
	Phan Phuong Lan	Mother		Group 26, cluster 5 Ha Dinh, Thanh Xuan district, Ha Noi	012109358	07/02/2013	Ha Noi	0		None
	Tran Hung Nguyen	Younger Brother		Group 26, Cluster 5, Ha Dinh, Thanh Xuan district, Ha Noi	012230791	14/05/1999	Ha Noi	0		None
8	Nguyen Thi Hong Anh		Member of Supervisory Board	10B, Group 9, Cluster 4, Van Phuc Thuong, Cong Vi, Ba Dinh, Ha Noi	012915375	15/09/2006	Ha Noi	0	0%	None
	Truong Tu Tai	Husband		10B, Group 9, Cluster 4, Van Phuc Thuong, Cong Vi, Ba	011828115	07/12/2010	Ha Noi	0		None



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				Dinh, Ha Noi						
	Truong Anh Duc	Child		10B, Group 9, Cluster 4, Van Phuc Thuong, Cong Vi, Ba Dinh, Ha Noi				0		None
	Truong Tien Loc			10B, Group 9, Cluster 4, Van Phuc Thuong, Cong Vi, Ba Dinh, Ha Noi				0		None
	Nguyen Dan Phuong	Father (dead)								
	Bui Thi Phuc	Mother		Vinh Quang, Dong Vinh ward, Vinh city, Nghe An	180209930	25/09/2012	Nghe An	0		None
	Nguyen Nhu Quynh	Sibling		Vinh Quang, Dong Vinh ward, Vinh city, Nghe An	186197122	15/05/2002	Nghe An	57,750	0.37%	005C329696
	Nguyen Viet Dung	Sibling		Vinh Quang, Dong Vinh ward, Vinh city, Nghe An	186456198	31/07/2004	Nghe An	0		None
9	Tran Thi Mai Huong		Chief Accountant	Hai Boi, Dong Anh, Ha Noi	011943454	28/01/2005	Ha Noi	0	0%	005C320807
	Bui Tuan Anh	Spouse		Hai Boi, Dong Anh, Ha Noi	013199924	20/06/2009	Ha Noi	0		None
	Bui Tuan Nghia	Child		Hai Boi, Dong				0		None



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				Anh, Ha Noi						
	Bui Thu Huyen	Child		Hai Boi, Dong Anh, Ha Noi				0		None
	Dam Thi Phuong Vy	Mother		Hai Boi, Dong Anh, Ha Noi	010495011	01/04/2010	Ha Noi	0		None
	Tran Van Ngam	Father		Hai Boi, Dong Anh, Ha Noi	011479934	16/10/2007	Ha Noi	0		None
	Tran Anh Tuan	Sibling		Hai Boi, Dong Anh, Ha Noi	011943455	01/04/2010	Ha Noi	0		None
	Tran Song Tung	Sibling		Hai Boi, Dong Anh, Ha Noi	012202092	19/03/1999	Ha Noi	0		None

**c. Contracts/transactions with internal shareholders and stakeholders**

<i>Transactions with stakeholders</i>	<i>Stakeholder balance on 31/12/2013</i>		
Sales	Induced number	Payment number	Receivable
Sao Nam Trading, Production & Services JSC (Profit from Investment Cooperation Contracts)	1,468,410,507	1,435,166,845	33,243,662
F.I.T Group JSC	14,289,344,000	14,444,872,000	119,472,000
Minh Hao Vietnam SJC	2,250,000,000	2,250,000,000	-
Contracts purchase and services			
F.I.T Group JSC	17,520,470,000	17,520,470,000	-
Sao Nam Trading, Production & Services JSC)	85,750,238	85,750,238	-
Lending in the form of co-funding investment			
PhanTrung Phuong	-	7,200,000,000	-
Sao Nam Trading, Production & Services JSC	5,500,000,000	-	13,051,632,350
F.I.T Group JSC	2,450,000,000	2,450,000,000	-
Receiving fund under co-funding investment			
	Receivable	Payable	Balance
Sao Nam Commercial Production & Services JSC	1,500,000,000	-	6,500,000,000



V. FINANCIAL REPORT

BOD'S REPORT

The Board of General Management of F.I.T Investment JSC (following refer as “the Company”) submitted this report with the financial reports of the Company for the fiscal year ended 31 December 2013.

THE BOARD OF DIRECTORS AND THE BOARD OF GENERAL MANAGEMENT

Members of these boards have governance the Company within this year and until the day of the report preparation including:

The Board of Directors

Mr. Phan Trung Phuong	Chairman	Appointed on 19 January 2013
Mr. Nguyen Van Sang	Chairman	Dismissed on 19 January 2013
Mrs. Nguyen Thi Minh Nguyet	Vice Chairman	Appointed on 19 January 2013
Mr. Duong Minh Tu	Member	Appointed on 19 January 2013
Mrs. Bui Thanh Huong	Member	Appointed on 19 January 2013
Mr. Pham Cong Sinh	Member	Appointed on 19 January 2013

The BOD

Mrs. Nguyen Thi Minh Nguyet	General Director	
Mr. Phan Trung Phuong	Deputy General Director	Resigned on 19 January 2013

THE BOD'S RESPONSIBILITY

The BOD is responsible for preparing annual financial statements which truly & fairly presents the Company's financial and business results in terms of operations and cash flows during the year. The statements are prepared under Vietnam Accounting Standard (VAS) and legal provisions relating to the financial statement preparation and presentation. In preparation of these statements, the BOD is required to:

- Select suitable accounting policies and apply them consistently.
- Give reasonable & prudent judgements and estimations.
- State clearly if suitable accounting policies are followed, whether critical mismatch application is needed to be mentioned and clarified in the financial statements or not.
- Financial statements are prepared based on on-going operation basis unless the Company is estimated to discontinue business operations, and
- Design and implement internal control system effectively for the purpose of preparing reasonable financial statement presentation to minimise risk and fraud.

The Board of General Management is responsible for to ensure that accounting data are reasonably recorded to reflect efficiently the Company's financial status at any given point of time, following VAS's legal provisions relating to the financial statement preparation and presentation. The BOM is also responsible for ensuring the safety for the Company assets and implementing appropriate manners to prevent and detect frauds and breaches.

The BOM confirms that the Company has complied with the above mentioned requirements in preparing the financial statements.



Công ty Cổ phần Đầu tư F.I.T

Tầng 15, MIPEC Tower
quận Đống Đa, Hà Nội
Tel: (84-4) 35 430 005

Represent on behalf of BOD

(Signed)

Nguyễn Thị Minh Nguyệt

General Director

Hanoi, 3 March 2014



Number: /VACO/BCKT.NV2

INDEPENDENT AUDIT REPORT

Dear: Shareholders

The Board of Directors and the Board of General Management

F.I.T Investment Joint Stock Company

We have audited the financial statements of F.I.T Investment JSC (referred to as “the Company”), which are prepared on 03 March 2014, from page 3 to page 26, including the Balance Sheet as at 31 December 2013, Income Statement, Cash Flows Reports for the fiscal year and the notes of the Financial Statements (referred to “Financial Statements”)

The responsibility of the BOD

The Board of General Management has responsibility in preparing true and fair annual financial statements under Vietnam Accounting Standard (VAS) and following the legal provisions relating to the financial statement preparation and presentation. The BOM also has responsibility for internal control which has been defined necessary to ensure that there is no critical mismatch caused by frauds or mistakes.

The responsibility of the Auditor

Our responsibility is to give opinion on financial statements based on the results of auditing session. We have conducted the auditing session based on Vietnam auditing standards. These standards required us to comply with the standards and requirements of code of conduct, plan conduct the audit session to achieve the proper assurance if there’s any critical mismatch in the Company statement.

The audit course included procedures of gathering audit evidences about data and notes presented in the financial statements. The audit procedures are selected from the assessments of the auditors, including risk assessment of critical misstatements due to fraud or mistake.

When giving these assessments, the auditors have reviewed the Company’s internal control relating to the true and fair view of the financial statement preparation in order to design audit procedures which are suitable for actual situation, however, this did not aim to give opinion about the performance for internal control of the Company. The audit session also included evaluating the relevance of accounting policies and the rationality of accounting estimations of the BOD as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have gathered are sufficient and suitable to be the basis of our audit opinion.

The opinion of the Auditor

From our own perspective, the financial statements are presented truly and fairly in accordance with material aspects and financial status of the Company as at 31 December 2013, as well as operating business results and cash flows of the fiscal year ending the same day. The statements are prepared in compliance with Vietnam Accounting Standards, legal provisions relevant to the financial statement preparation and presentation



Công ty Cổ phần Đầu tư F.I.T

Tầng 15, MIPEC Tower
quận Đống Đa, Hà Nội
Tel: (84-4) 35 430 005

(Signed)

(Signed)

Nguyen Minh Hung

Nguyen Phuong Lan

Deputy General Director

Auditor

Certificate No. 0294-2013-156-1

Certificate No. 0917-2013-156-1

On behalf and representative for

VACO AUDIT LTD.

Hanoi, 3 March 2014

**BALANCE SHEET**

As at 31 December 2013

FORM B 01-DN

Unit: VND

ASSETS	CODE	NOTE	31/12/2013	01/01/2013
A. CURRENT ASSETS				
(100 = 110 + 120 + 130 + 150)	100		93,259,774,894	1,689,682,570,770
I. Cash and cash equivalents	110	5	25,199,679,119	870,992,951
1. Cash	111		24,399,679,119	870,992,951
2. Cash equivalents	112		800,000,000	
II. Short-term financial investments	120	6	26,375,218,431	1,588,801,123,526
1. Short-term investments	121		26,375,218,431	1,588,801,123,526
III. Short term receivables	130		40,378,941,015	95,377,418,233
1. Accounts receivable	131	7	34,389,701,998	40,730,727,411
2. Advances to suppliers	132	8	3,837,867,820	19,808,084,420
3. Other receivables	135	9	2,363,434,544	34,892,506,402
4. Provision for doubtful debts	139		(212,063,347)	(53,900,000)
IV. Other current assets	150		1,305,936,329	4,633,036,060
1. Short-term prepaid expenses	151		63,939,095	1,453,290,290
2. Deductible VAT	152		1,231,997,234	3,079,717,770
3. Other current assets	158		10,000,000	100,028,000
B. LONG TERM ASSETS				
(200 = 220 + 240 + 250 + 260)			138,995,114,651	176,237,543,107
I. Fixed Assets	220		7,142,964,199	10,986,144,737
1. Tangible fixed assets	221	10	7,142,964,199	10,986,144,737
Cost	222		8,287,801,511	13,203,736,611
Accumulated depreciation	223		(1,144,837,312)	(2,217,591,874)
II. Investment properties	240	11	29,796,862,812	17,490,430,971
Cost	241		30,603,405,574	17,968,775,679
Accumulated depreciation	242		(806,542,762)	(478,344,708)
III. Long-term financial investments	250		100,933,890,119	146,152,656,667
1. Investments in associates & subsidiaries	252	12	24,975,000,000	27,235,000,000
2. Other long-term investments	258	13	77,448,490,000	118,917,656,667
3. Provision for long-term investments	259	12	(1,489,599,881)	-
IV. Other long term assets	260		1,121,397,521	1,608,310,732
1. Long-term prepaid expenses	261	14	1,109,347,521	1,606,310,732
2. Other long term assets	268		12,050,000	2,000,000
TOTAL ASSETS (270 = 100 +200)	270		232,254,889,545	1,865,920,113,877

**BALANCE SHEET (Cont.)**

As at 31 December 2013

FORM B 01-DN

Unit: VND

EQUITY	CODE	NOTE	31/12/2013	1/1/2013
A. LIABILITIES (300 = 310 + 330)	300		38,775,236,213	1,706,066,401,323
I. Current liabilities	310		37,820,752,415	1,634,177,973,288
1. Short-term loans and borrowings	311	15	1,655,143,852	1,541,853,115,789
2. Trade payables	312	16	17,287,711,293	17,328,997,548
3. Advances from customers	313		156,400,000	398,890,968
4. Statutory obligations	314	17	10,622,587,486	1,400,709,250
5. Payable to employees	315		466,533,935	298,615,449
6. Accrued expenses	316	18	637,234,214	67,406,195,336
7. Other payables	319	19	6,737,391,635	5,491,448,948
8. Bonus and welfare funds	323		257,750,000	-
II. Non-current liabilities	330		954,483,798	71,888,428,035
1. Other long-term payables	333		619,854,875	-
2. Long-term loans and borrowings	334		-	71,676,687,486
3. Unearned revenue	338		334,628,923	211,740,549
B. EQUITY (400 = 410)	400		193,479,653,332	159,853,712,554
I. Owner's equity	410	20	193,479,653,332	159,853,712,554
1. Chartered equity	411		157,500,000,000	150,000,000,000
2. Repurchased shares	414		(40,000)	-
3. R&D fund	417		200,000,000	-
4. Retained earnings	420		35,779,693,332	9,853,712,554
TOTAL EQUITY (440 = 300 + 400)	440		232,254,889,545	1,865,920,113,877

**INCOME STATEMENT**

For fiscal year ended 31 December 2013

FORM B 02-DN

Unit: VND

ITEMS	CODE	NOTE	Year 2013	Year 2012
1 Total revenue	1	21	37,415,123,592	18,143,630,740
2 Revenue from sales of goods and rendering of services	10		37,415,123,592	18,143,630,740
3 Cost of goods sold and service rendering	11	22	19,655,622,591	8,965,968,661
4 Gross profit	20		17,759,501,001	9,177,662,079
5 Financial activities revenue	21	23	198,800,461,158	286,853,546,648
6 Finance expenses	22	24	164,316,951,809	277,536,052,147
- in which: Interest expense	23		153,351,064,818	245,404,192,561
7 Selling expenses	24		772,645,739	-
8 General and administrative expenses	25		6,809,693,730	7,802,663,693
9 Operating profit	30		44,660,670,881	10,692,492,887
10 Other income	31		1,786,383,780	1,301
11 Other expenses	32		537,894,876	1,689,284
12 Other profit (loss)	40		1,248,488,904	(1,687,983)
13 Profit before tax	50		45,909,159,785	10,690,804,903
14 Current corporate income tax expenses	51	25	11,566,539,113	1,980,153,935
15 Profit after tax	60		34,342,620,672	8,710,750,969
16 Basic earnings per share	70	26	2,180	566

**CASHFLOW STATEMENT****(Indirect method)**

For fiscal year ended 31 December 2013

FORM B 03-DN

Unit: VND

ITEMS	CODE	Year 2013	Year 2012
I. CASH FLOWS FROM OPERATING ACTIVITIES			
<i>1. Profit before tax</i>	<i>1</i>	<i>45,909,159,785</i>	<i>10,690,804,904</i>
<i>2. Adjustments for:</i>			
Depreciation and amortisation	2	447,301,421	974,479,941
Provisions	3	1,647,763,228	(5,525,190,312)
(Gain)/Loss from disposal of equity investments in other entities	5	(192,077,220,424)	(100,623,089,007)
Interest expenses	6	153,351,064,818	245,404,192,561
<i>3. Operating profit before changes in working capital</i>	<i>8</i>	<i>9,278,068,828</i>	<i>150,921,198,087</i>
(Increase)/decrease in receivables	9	58,671,939,409	15,662,934,446
Increase/(decrease) in payables (not include interest payable, enterprise tax payable)	11	1,869,431,680	(771,275,844,014)
(Increase)/decrease in prepaid expenses	12	1,886,314,406	(1,004,005,139)
Loan interest paid	13	(220,120,025,940)	(216,616,764,386)
Corporate income tax paid	14	(2,341,265,358)	(585,452,150)
Other cash inflows from operating activities	15	79,978,000	129,289,710,729
Other cash outflows from operating activities	16	(458,929,894)	(111,957,410,286)
<i>Cash flows from operating activities</i>	<i>20</i>	<i>(151,134,488,869)</i>	<i>(805,565,632,713)</i>
II. CASH FLOWS FROM INVESTMENT ACTIVITIES			
1. Purchase, construction of fixed assets and other long-term assets	21	(24,031,516,234)	(6,364,230,088)
2. Earnings from disposals of fixed assets and other non-current assets	22	13,295,360,000	
3. Disbursement of loans, debt instruments purchasing of other entities	23	(214,495,216,257)	(498,305,503,042)
4. Earnings from loans, reselling other entities' debt	24	1,818,390,288,019	823,137,123,514
5. Spending on investments in other entities	25	(2,940,000,000)	-
6. Earnings from investment in other entities	26	5,200,000,000	-
7. Proceeds from loan interest, dividend and profit sharing	27	191,918,918,932	75,117,151,518
<i>Cash flows from investing activities</i>	<i>30</i>	<i>1,787,337,834,460</i>	<i>393,584,541,902</i>
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Inflow from issuing shares, receiving capital from the Company owners	31	-	40,000,000,000
2. Short-term and long-term borrowing received	33	1,366,522,922,957	2,439,090,288,556
3. Expenditure on loan interest	34	(2,978,397,582,380)	(2,069,120,518,769)
<i>Cash flows from financing activities</i>	<i>40</i>	<i>(1,611,874,659,423)</i>	<i>409,969,769,787</i>
Cash flows during the year	50	24,328,686,168	(2,011,321,024)
Cash and cash equivalents at the beginning of the year	60	870,992,951	2,882,313,975



Cash and cash equivalents at the end of the year

70

25,199,679,119

870,992,951

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Capital ownership forms

F.I.T Investment JSC (referred to “the Company”) was established in Vietnam in accordance with the certificate of business registration number 0103016102 dated 08 March 2007 issued by Hanoi Department of Planning and Investment and was changed for the 11th time on 28 January 2013.

The chartered capital of the Company based defined in the 11th change Certificate of business registration dated 28 January 2013 was VND 150,000,000,000. List of founders according to the Certificate as follows:

Founder	Chartered capital in the certificate of business registration		
	VND	No. of shares	Percentage (%)
Nguyen Van Sang	28,305,080,000	2,830,508	18.87
Phan Trung Phuong	17,583,140,000	1,758,314	11.72
Nguyen Thi Minh Nguyet	11,084,440,000	1,108,444	7.39
Le Xuan Thang	489,920,000	48,992	0.33
Tran Thanh Mai	10,000,000	1,000	0.01
Total	57,472,580,000	5,747,258	38.32%

The total number employees of the Company as at 31 December 2013 was 47 (at 31 December 2012 was 38)

Business lines and principal activities

Registered business lines are: Office rental services; Real estate business; Services: car parking and public works; Investment consulting, M&A consulting, equitisation consulting, corporate governance consulting, market development consulting (not including legal and finance advisory); Business management consulting, human resource development consulting (not including legal and finance advisory); real estate broker; And other business.

2. BASIS OF FINANCIAL STATEMENT PREPARATION AND ACCOUNTING PERIOD

Basis of financial statement preparation

The financial statement currency unit is Vietnamese (VND), calculation was made based on original cost concept and in accordance with Vietnam Accounting Standards, Enterprise accounting system and relevant legal provisions.

The accounting period

The fiscal year of the Company starts on 1 January and ends on 31 December inclusive every year.

Accounting form

The Company applied the accounting form of ledger.

Stakeholders

The stakeholders which are identified as related parties to the Company include:



- The Associated companies: PVV Industrial Civil Construction JSC, Sao Nam Commercial Product and Service JSC, Minh Hao Vietnam JSC (Today Cosmetic), F.I.T Group.
- The capital contributors, members of the EXCO and BOD of the Company.

3. NEW ACCOUNTING GUIDANCE ADOPTION

The new guidance about management policy, usage and provisions of depreciation of fixed assets

On 25 April 2013, the Ministry of Finance issued the Circular No. 45/2013 / TT-BTC ("Circular 45") to guide the management policy, provisions for fixed assets depreciation. This Circular replaced Circular No. 203/2009 / TT-BTC ("Circular 203") dated 20 October 2009 of the Ministry of Finance guiding regime of management, provisions of depreciation of fixed assets. The Circular 45 was effective from 10 June 2013 and applicable for the fiscal year of 2013 onwards.

The new guidance about provisions for diminution in value of long-term investments in enterprise

On 28 June 2013, the Ministry of Finance issued Circular No. 89/2013 / TT-BTC ("Circular 89") amending and supplementing Circular No. 228/2009 / TT-BTC of 07 December 2009 guiding the provisions for diminution in value of inventory, loss of financial investments, doubtful debts and warranty for products, goods and constructions built at enterprises. The Circular 89 was effective from 26 July 2013.

4. THE SUMMARY OF PRIMARY ACCOUNTING POLICIES

Following are the main accounting policies applied by the Company in preparation of the Company's financial statements:

Accounting estimation

The preparation of financial statements in compliance with the VAS, Enterprise accounting system and the relevant legal provisions, requested the BOM to have estimations and assumptions which affect the reported data on liabilities, assets and presentation of liabilities and inherent assets as the ending date of the accounting year as well as the data on revenue and expenses during the fiscal year. Although the accounting estimation is made by the best understanding of the BOM, actual results might be different from estimations and assumptions set out.

Investments in the associated companies

Associated company is the one where the Company has significant impact but is not subsidiaries or joint venture to the Company. Significant impact is expressed under the involvement right to make decisions on financial policies and activities of investees but has no effect on control or dual control over those policies.

Business results, assets and liabilities of associated companies are consolidated in financial statements using the equity method. Capital contribution is presented in the balance sheet based on original costs which are adjusted for the changes in the Company's capital contribution after acquisition date. The losses of associated companies that exceeds the Company's capital contribution in that associated company (including any long-term capital contributions which actually constitute the Company's net investment in associated companies) are not recorded.

In case a member company of the Company implementing transactions with a company affiliated with the Company, unearned gains/losses which are not implemented corresponding to the capital contribution of the Company to associated company, are eliminated from the consolidated financial statements.

Financial instruments



Initial recognition

Financial assets: At the date of initial record, financial assets are recorded at original cost plus direct transaction fees related to purchasing of those financial assets. The financial assets of the Company include cash, cash equivalents, account receivables, other receivables, deposits and financial investments.

Financial liabilities: At the date of initial record, financial liabilities are recorded at original cost minus direct transaction fees related to the issuance of financial liabilities. Financial liabilities of the Company include the accounts payables to suppliers, other payables, accrued expenses, financial leasing, loans.

Re-evaluation after initial recognition

So far, there has been no regulation for reevaluation on financial instruments after initial record. Accordingly, the Company has not evaluated the reasonable value of financial assets and liabilities at the ending date of the accounting year under Circular No.210/2009 / TT-BTC issued by the Ministry of Finance dated 06 November 2009 (“Circular 210”) as well as current regulations which have not had specific guidance about the determination of the reasonable value of financial assets and liabilities. Circular 210 requires applying International Accounting and Reporting Standards on financial statements preparation and information notes toward financial instruments, however, it does not provide comparable guidance for evaluation and recognition of financial instruments including reasonable value in order to comply with International Accounting and Reporting Standards.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, non-term deposits, short-term investments having maturity less than 3 months, with high liquidity, which is easily convertible to cash and low risk related to the fluctuation in value.

Short-term financial investments

Short-term financial investments of the Company include short-term securities investments, fixed rate investments and securities investments through contracts signed with individuals.

These investments are recorded starting from acquisition date of securities and are determined initial value at original costs and expenses related to the purchasing transactions of securities investments. In the next accounting period, the securities investments are determined at initial value minus diminution.

Provisions for diminution in value from securities investments are recorded according to current accounting regulations. Based on that, the Company is allowed to make provision for securities investments which are freely exchange and have book value higher than market value as at the end of the accounting year.

Provisions for bad debts

Provisions for bad debts are made for receivables which are over six months overdue, or debtors are likely to lose solvency capacity due to liquidation, bankruptcy or similar problems.

Tangible fixed assets and depreciation

Tangible fixed assets are measured at cost minus accumulated depreciation. The costs of tangible fixed assets consist of the purchase price and all other related costs which directly attribute to bring assets into ready for use status.

The original cost of tangible fixed assets from self-construction including construction costs actual incurred production costs plus the cost of installation and trial operation.

Tangible fixed assets are depreciated using the straight-line method over estimated useful time as follows:



2013

(No. of year usage)

Buildings, architectural structures	25-40
Transportation means	5-10
Equipment and management tools	2-5
Other fixed assets	5

Other long-term investments

The other long-term investments include investments in shares which is less than 20% of the chartered capital of the joint stock company. Other long term investments are reflected at original cost.

Provision for diminution of long-term investments is made according to current accounting regulations. Based on that, the Company is allowed to reserve provision for long-term investments when actual contributed capital of the Company in the subsidiaries, joint-venture partners, associated companies and other long-term investments is higher than actual owner equity at the ending date of the accounting year. The percentage of provision is based on the ratio between the total investment capital of the parents company and the total contributed capital of parties in these entities.

Long-term prepaid expenses

Long-term prepaid expenses include tools, instruments, tools and spare parts awaiting for allocation. These expenses are allocated to business result report, use the straight-line method within 2 years.

Accrued expenses

The accrued expenses which has not been incurred but accrued to production costs, sales in the period to ensure actual costs incurred do not cause unexpected change for production, business costs on to the basis of assuring the matching principle between revenue and expenses. Then those expenses incur, if there is any discrepancy with the provision, accountants should record the additional or reducing costs equal to the discrepancy.

Accrued expenses in the period are expenses which are reserved before paying for contracts that the Company received money from investment contracts of organisations, individuals.

Revenue record

Sales of service providing transactions are recorded when the outcome of those transactions can be determined reliably. If services providing transactions are related to several periods, revenue can be recorded in the period based on the results of works completed at the date of the Balance Sheet of the respective period. The outcomes of service providing transactions are recorded upon satisfying all four (4) following conditions:

- (a) Revenue is determined relatively firm.
- (b) It is possible to gain economic benefits from the particular service providing transaction.
- (c) Completed work is defined at the date of the Balance Sheet; and
- (d) Costs incurred and cost for completing these service providing transactions are defined.

Deposit interest is recorded on the accrual basis and is determined based on the balance of deposit accounts and applicable interest rate.

Interest from investments is recorded when the Company has right to receive interest.



Foreign Currency

The Company applies processing rate difference under the guidance of Vietnam Accounting Standard No. 10 (VAS 10) “Effects of change in exchange rates”. Accordingly, transactions arising in foreign currencies are converted at the exchange rate at the date of transactions occurred. The balance of monetary assets and liabilities receivable and payable, denominated in foreign currencies at the day ended accounting year, is converted at the exchange rate at that day. Foreign currency exchange discrepancy incurred is accounted for in the statement of operating business result. Interest rate discrepancy due to the reevaluation of the balances at the ending date of the accounting year is not used to divide for owners.

Borrowing costs

Borrowing costs are recorded in operating business results covering all loans interest which are calculated on the Company receiving the investment cooperation from organisations, individuals.

Provisions

Provisions are recorded when the Company has present debt obligation as a result of an event that has happened and the Company has capacity to accomplish this obligation. Provisions are determined based on the estimated basis of the BOM about necessary expenditure to handle this obligation at the ending date of the accounting year.

Tax

Corporate income tax represents the total value of current tax payable and deferred tax.

The current tax payable is measured base on taxable income for the period. Taxable income is different from net profit presented on the statement of operating business result because it excludes income or taxable expenses, or deductible in other years (including loss brought forward, if any) and additionally, it excludes non-taxable and tax deductible items.

Deferred income tax is calculated based on the difference between book value of the assets based on balance sheet. Deferred income tax payable has to be recorded for all temporary differences while deferred taxable assets are only recorded when it definitely has enough taxable profit in the future to use the temporary differences which are deductible.

Deferred income tax is determined in accordance with tax rate expected to apply to periodical withdrawn assets , or liabilities which are collected. Deferred income tax is recorded in business result and it is only recorded in equity if it is related to \directly charged equity items.

Deferred income tax assets and deferred income tax liabilities payable are offset when the Company is entitled to offset between current income tax assets and current income tax payable and when deferred income tax assets and deferred income tax liabilities payable related to corporate income tax which are managed by the same taxation authority, and the Company intends to pay current income tax based on the net basis.

The payable corporate income tax payable of is based on current taxation regulations. However, these regulations change time to time and the final corporate income tax depends on the inspection results by the tax authorities.

Other taxes are applied based on the current taxation laws in Vietnam.

5. CASH AND CASH EQUIVALENTS



	31/12/2013	01/01/2013
	VND	VND
Cash on hand	28,547,198	480,906,071
Bank deposit	24,371,131,921	390,086,880
Cash equivalents	800,000,000	-
	25,199,679,119	870,992,951

6. SHORT-TERM FINANCIAL INVESTMENTS

	31/12/2013	01/01/2013
	VND	VND
Short-term investments	26,375,218,431	1,588,801,123,526
Short-term securities investments:	7,631,870,000	338,206,476,587
- Listed securities investments (i)	7,631,870,000	20,733,294,000
- Unlisted securities investments	-	317,473,182,587
Other short-term investments (ii)	18,743,348,431	1,250,594,646,939
Provision for diminution of short-term investments	-	-
	26,375, 218,431	1,588,801,123,526

Notes:

(i) As at 31 December 2013, the Company's listed securities waiting for being officially listed on stock market was worth VND 7,631,870,000. These shares have been deposited and approved for transactions by the Securities Commission, pending for official transaction date. Thus, the Company has not had basis to reserve provision, and the original cost was recorded.

(ii) Other short-term investments are the ones presented under the form of fund shared cooperation contracts with individuals and organisations with total value of approximately VND 18.743.348.431. The contract term was less than 12 months and the Company would receive a fixed return rate based on the percentage (%) of contributed capital despite the business result of the contract partners.

7. RECEIVABLES FROM CLIENTS

	31/12/2013	01/01/2013
	VND	VND
Hoa Sen Vietnam Commercial Investment JSC	33,070,000,000	-
BIDV Securities Company	559,873,568	1,776,249
Manh Hieu Ltd.	317,356,700	317,356,700
EUROCAPITAL Securities Company (ECC)	136,463,174	127,301,674
FIT Group	119,472,000	275,000,000
MB Securities Company	54,454,929	1,214,880,000
Do Thi Na	-	4,350,000,000
Hoang Quoc Thuy	-	2,914,783,406
Nguyen Thuy Ha	-	14,385,000,000
Ninh Thanh Xuan	-	2,224,046,551
Vo Thi Phuong Thao	-	14,385,000,000
Others	132,081,627	535,582,831

**34,389,801,998****40,730,727,411****8. PREPAID TO SUPPLIERS**

	31/12/2013	01/01/2013
	VND	VND
Dao Anh Tuan	3,784,694,120	4,284,694,120
Hoa Binh Construction & Real Estate Corporation	-	12,878,700,000
Investment and Construction Joint Stock Company No4	-	2,618,000,000
Others	53,173,700	26,690,300
	3,837,867,820	19,808,084,420

9. OTHER RECEIVABLES

	31/12/2013	01/01/2013
	VND	VND
Receivables from interest of cooperation investment contracts (i)	1,186,965,789	33,715,383,647
Temporary un-invoiced VAT	1,176,468,755	1,177,122,755
	2,363,434,544	34,892,506,402

Notes: (i) is accrued interest up to 31 December 2013 which had not been collected from the investment contracts with individuals and organisations which were presented in the “Financial short-term investments” (Note 06) of Notes to the financial statements.

10. TANGIBLE FIXED ASSETS*Unit: VND*

	Buildings, architectural structures	Transportation	Equipment, management tools	Other fixed assets	Total
ORIGINAL COST					
At 01/01/2013					
(Restated)	8,998,585,714	3,573,811,387	607,244,752	24,094,758	13,203,736,611
New purchase	-	-	54,534,546	-	54,534,546
Increase from Real Estate Investments (ii)	209,587,916	-	-	-	209,587,916
Liquidation disposals (i)	-	(1,456,601,387)	-	-	(1,456,601,387)
Transfer to Real Estate Investments (ii)	(3,069,391,210)	-	-	-	(3,069,391,210)
Reclassification (iii)	-	-	(629,970,207)	(24,094,758)	(6,540,564,965)



At 31/12/2013	6,138,782,420	2,117,210,000	31,809,091	-	8,287,801,511
ACCUMULATED DEPRECIATION					
At 01/01/2013 (Re stated)	195,621,432	1,556,325,881	461,058,788	4,585,773	2,217,591,874
Depreciation within year	199,523,442	250,324,306	32,489,263	2,007,895	484,344,906
Increase from Real Estate Investments	1,220,649				1,220,649
Liquidation disposals	-	(930,360,476)	-	-	(930,360,476)
Transfer to Real Estate Investments	(132,121,841)	-	-	-	(132,121,841)
Reclassification	-	-	(489,244,132)	(6,593,668)	(495,837,800)
At 31/12/2013	264,243,682	876,289,711	4,303,919	-	1,144,837,312
RESIDUAL VALUE					
At 01/01/2013	8,802,964,282	2,017,485,506	146,185,964	19,508,985	10,986,144,737
At 31/12/2013	5,874,538,738	1,240,920,289	27,505,172	-	7,142,964,199

Notes:

(i) During the year, F.I.T Investment JSC sold 2 cars under the Liquidation Decision No.07/2013/QĐ-FIT and Purchasing Contract No. 01-31052013/HĐMB dated 31/05/2013; the Liquidation Decision No. 21/2013/QĐ-FIT and Purchasing Contract No. 01-12/2013/HĐMB-FIT.

(ii) Please refer to Not No 11 for the increase or decrease during the year from real estate investments converted to fixed assets and vice versa.

(iii) According to Circular No. 45/2013 / TT-BTC dated 06 October 2013 of the Ministry of Finance, the Company implemented reclassification of assets which had original cost under VND 30,000,000 and has not yet fully depreciated, to monitor long-term prepaid expenses for further allocation.

11. REAL ESTATE INVESTMENTS

	Building, Architectural Structures
ORIGINAL COST	
At 01/01/2013 (Restated)	17,968,775,679
- New purchase (i)	24,631,046,652
- From fixed assets (ii)	3,069,391,210
- Liquidation disposals (i)	(14,856,220,052)
- Transfer to Real Estate Investments (iii)	(209,587,915)
At 31/12/2013	30,603,405,574
ACCUMULATED DEPRECIATION VALUE	
At 01/01/2013 (Restated)	478,344,708



- Depreciation provision	458,794,315
- Converted from fixed assets	132,121,841
- Liquidation disposals	(261,497,453)
- Converted to Real Estate Investments	(1,220,649)
At 31/12/2013	806,542,762
RESIDUAL VALUE	
At 01/01/2013	17,490,430,971
At 31/12/2013	29,796,862,812

(i)

According to the minutes of meeting dated 27 February 2013 by F.I.T Investment JSC and the office lease contract between F.I.T Investment JSC and ALEX Paint Vietnam Ltd dated 27 February 2013 regarding the leasing of the whole 1st floor, Tower CT1 Me Tri, the Company decided to transfer investment contracted value of VND 12,878,700,000 to Real Estate Investments.

In March 2013, according to the Decision No. 03-02/2013/QĐ-FIT, the Company has transferred the leased area at 15th floor, MIPEC building, to FIT Group JSC by the contract no. 01-2013-BDS/FIT-HĐKT dated 01 March 2013 with the contract value of VND 14,050,400,000 (VAT included).

In September 2013, the Company acquired the area at 15th floor, MIPEC building from FIT Group JSC by contract no. 01-2013-BDS/FG-HĐKT dated 03 September 2013 with the contracted value of VND 12,904,537,500 (VAT included).

(ii) According to the Company minutes dated 31 August 2013 and the contract between F.I.T Investment JSC and FIT Group JSC dated 31 August 2013 in which the Company leased 100m² at 15th floor, MIPEC building to FIT Group JSC from 01 September 2013 to 31 August 2016. By this, the Company classified fixed assets to real estate investments respectively of the mentioned leasing 100 m².

(iii) As at 1 January 2013, the Company owned the total area of 800 m² at 15th floor, MIPEC tower, including: 300 m² office area as fixed assets and 500 m² of real estate investment including toilets. On 1 March 2013, the Company sold 500 m² currently booked under real estate investment to FIT Group JSC based on the above mentioned contract above and the toilets area are allocated by relevant area proportion. The remaining was transferred to fixed assets.

12. INVESTMENTS IN ASSOCIATED, JOINT VENTURE COMPANIES

	Quantity	31/12/2013 Value (VND)	Quantity	01/01/2013 Value (VND)
Investments in associated, joint venture companies	1,644,758	24,975,000,000	1,870,758	27,235,000,000
Industrial Civil Construction JSC – PVV	-	-	1,000,000	10,000,000,000
Sao Nam Commercial Production and Services JSC	370,758	12,235,000,000	370,758	12,235,000,000
Minh Hao Vietnam JSC	1,274,000	12,740,000,000	500,000	5,000,000,000
Provisions for diminution of investments in associated, joint venture companies	-	(1,489,599,881)	-	-
Minh Hao Vietnam JSC	-	(1,489,599,881)	-	-



1,644,758	23,485,400,119	1,870,758	27,235,000,000
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Detailed information about the associated companies of the Company as at 31/12/2013 is as follows:

Name	Founded place	Ownership percentage	Voting rights percentage	Major operations
Sao Nam Commercial Production and Services JSC	Hanoi	21.186%	21.186%	Consumer goods sales
Minh Hao Vietnam JSC (Today Cosmetic)	Long An	49%	49%	Produce cosmetic, soap, etc.

The voting rights percentage is allocated in accordance with the Company's ownership in the associated companies.

13. OTHER LONG-TERM INVESTMENTS

	31/12/2013	01/01/2013
	VND	VND
Contributing capital to FIT Group JSC (i)	38,000,000,000	30,640,000,000
Others(ii)	39,448,490,000	88,277,656,667
	77,448,490,000	118,917,656,667

(i) Was contributed capital to establish FIT Group JSC according to the EXCO'S meeting minute dated 10 October 2012. The Company's capital contributed value of as at 31 December 2013 was VND 38 mio (accounting for 10.41% of the chartered capital of FIT Group JSC). The Company fully completed capital contribution duty to FIT Group JSC.

(ii) Other long-term investments consisted of cooperation investments with individuals, the Company would receive a fixed profit rate regardless the operating results of the investment partner. Secured asset for these investments are land use rights. On 31 December 2013, the Company had not mentioned the recoverability of these investments as well as a provision (if any) since investment contracts were not ended.

14. LONG-TERM PREPAID EXPENSES

15. LOANS AND SHORT-TERM BORROWINGS

	31/12/2013	01/01/2013
	VND	VND
Opening balance	1,606,310,732	211,568,220
Incurring in term	240,590,204	1,660,007,260
Carry to costs	737,553,415	265,264,748
Closing balance	1,109,347,521	1,606,310,732

	31/12/2013	01/01/2013
	VND	VND
PV2 Investment JSC	655,143,852	2,470,990,785
Sinh Thai Investment & Development JSC	-	377,136,000,000



Vinaconex – Viettel Finance JSC	-	300,000,000,000
Phu Gia Real Estate Ltd	-	165,485,000,000
VINPEARL MTV Ltd	-	300,000,000,000
Ecocons Ha Noi	-	395,000,000,000
Due long-term debts	-	711,125,004
Others	1,000,000,000	1,050,000,000
	1,655,143,852	1,541,853,115,789

Short term loans are presented as short terms loans to individuals, organisations under fixed return rate cooperation investment, with payable rate ranges from 12-14% pa, depending on specific contracts. Since the loans were performed under cooperation investment, no secured assets are required.

16. SUPPLIER PAYABLES

	31/12/2013	01/01/2013
	VND	VND
MB Securities JSC	-	112,284,000
Military Insurance Company (MIC)	17,034,960,000	17,034,960,000
Modemform Ltd	70,016,168	77,210,168
MEDELAB Vietnam Ltd	58,994,500	-
Others	123,740,625	104,543,380
	17,287,711,293	17,328,997,548

17. TAXATIONS AND STATUTORY OBLIGATIONS

	31/12/2013	01/01/2013
	VND	VND
Corporate income tax	10,620,141,774	1,394,868,019
Personal income tax	2,445,712	5,841,231
	10,622,587,486	1,400,709,250

18. ACCRUED EXPENSES

	31/12/2013	01/01/2013
	VND	VND
PV2 Investment JSC	546,914,771	508,114,771
Sinh Thai Investment & Development JSC	-	5,998,726,222
Vinaconex Constructing Investment JSC	-	16,788,333,333
Thanh Pho Xanh Development JSC	-	21,116,666,700
Vinaconex – Viettel Finance JSC	-	4,200,000,000
Phu Gia Real Estate Ltd	-	1,608,881,900
MTV VINPEARL Ltd	-	9,800,000,000
Ecocons Ha Noi	-	6,893,055,600
Others	90,319,443	492,416,810
	637,234,214	67,406,195,336



Accrued expenses presents the balance of accrued interest expense payable to the day 31 December 2013 of contracts in which the Company received from organisations, individuals under the form of investment cooperation.

19. OTHER PAYABLES

	31/12/2013	01/01/2013
	VND	VND
Trade union fee, casualty, social and health insurance	199,933,878	69,013,525
Sao Nam Commercial Production & Services JSC (i)	6,500,000,000	5,000,000,000
Other payables	37,457,757	422,435,423
	6,737,391,635	5,491,448,948

- (i) Is a prepayment of Sao Nam Trading, Production & Services JSC under the Contract of securities investment cooperation no. 21/12/2012/HĐĐT/F.I.T dated 21 December 2012 and no. 01 August 2013/HĐĐT/F.I.T dated 01 August 2013. By these contracts, Sao Nam authorized F.I.T to find a consumer goods production company in Vietnam to contribute capital in 5 years term. The company has been in the process seeking investment partner for Sao Nam.

20. EQUITY

Changes in owner's equity:

Unit: VND

	Chartered equity	Treasury shares	Investment & Development fund	Undistributed profit	Total
The balance at 01/01/2012	110,000,000,000	-	-	1,143,061,585	111,143,061,585
Contributed capital	40,000,000,000	-	-	-	40,000,000,000
Interest	-	-	-	8,710,650,969	8,710,650,969
The balance at 31/12/2012	150,000,000,000	-	-	9,853,712,554	159,853,712,554
Interest	-	-	-	34,342,620,672	34,342,620,672
Bonus shares distribution	7,500,000,000	(40,000)	-	(7,500,000,000)	(40,000)
Distribution in year	-	-	200,000,000	(500,000,000)	(300,000,000)
Other decrease	-	-	-	(416,639,894)	(416,639,894)
The balance at 31/12/2013	157,500,000,000	(40,000)	200,000,000	35,779,693,332	193,479,653,332



(i) According to the Resolution of the General Shareholder Meeting no. 01-01/NQ-ĐHĐCĐ/2013 dated 19 January 2013, the Company implemented profit distribution in 2012 as follow: Investment & Development Fund provision – VND 200,000,000; Bonus and Welfare Fund provision - VND 300,000,000, paid dividend for 2012 in shares with the issuance of shares was 750,000, the ratio 20:1 (each shareholder holding 20 shares would receive 1 bonus share). On 13 December 2013, Hanoi Stock Exchange officially approved the first trading day of bonus shares transaction starting 20 December 2013.

(ii) Reducing profit based on the declaration of corporate income tax in year 2012.

Chartered equity

In the Certificate of Business Registration, the Chartered capital of the Company was VND 150,000,000,000. On 31 December 2013, the detailed chartered capital contribution is as follows:

	Chartered capital contributed at 31/12/2013		Chartered capital contributed at 01/01/2013	
	VND	%	VND	%
Nguyen Van Sang	10,000,000,000	6.7%	28,305,080,000	18.9%
Phan Trung Phuong	3,000,000,000	2.0%	17,583,140,000	11.7%
Vinaconex - PCC Investment & Construction JSC	-	0.0%	15,000,000,000	10.0%
Nguyen Thi Minh Nguyet	2,000,000,000	1.3%	11,084,440,000	7.4%
Do Van Khac	2,000,000,000	1.3%	11,761,000,000	7.8%
Nghe An Investment & Development JSC	-	0.0%	7,916,090,000	5.3%
Nguyen Tuan Khai	2,455,080,000	1.6%	6,455,080,000	4.3%
Others	102,294,920,000	68.2%	51,895,170,000	34.6%
	150,000,000,000	100%	150,000,000,000	100%

Issuance of shares

	Unit	2013	2012
Ordinary shares			
+ Approved share to be issued	Share	15,750,000	15,000,000
+ Issued and fully contributed capital	Share	15,750,000	15,000,000
+Par value of share	VND/share	10,000	10,000
	Share	15,750,000	15,000,000

21. REVENUE FROM RENDERING OF SERVICES

	Year 2013 VND	Year 2012 VND
Revenue from rendering services	19,982,100,268	9,615,411,388
Revenue from rendering IPO consulting	2,295,385,070	1,089,224,820
Revenue from rendering real estate business	12,795,900,000	6,561,341,826
Revenue from rendering real estate investment business	1,327,569,374	877,652,706
Others	1,014,168,880	

**37,415,123,592****18,143,630,740****22. COST OF SERVICE**

	Year 2013	Year 2012
	VND	VND
Cost of rendering services	3,773,637,169	1,980,137,118
Cost of rendering IPO consulting	352,560,147	190,484,368
Cost of rendering real estate business	14,594,722,598	6,528,267,918
Cost of rendering real estate investment business	535,320,123	267,079,257
Others	399,382,554	-
	19,655,622,591	8,965,968,661

23. REVENUE FROM FINANCIAL ACTIVITIES

	Year 2013	Year 2012
	VND	VND
Interest from lending, deposits	159,200,990,311	100,359,289,388
Interest from short-term securities investment, financial investments	39,376,043,677	186,230,457,641
Dividend, earned profit	189,510,763	263,799,619
Others	33,916,407	-
	198,800,461,158	286,853,536,648

24. FINANCE EXPENSES

	Year 2013	Year 2012
	VND	VND
Loans interest	153,351,054,818	245,404,192,561
Loss from long-term securities investments	7,967,584,098	32,083,692,235
Others	2,998,302,893	48,167,351
	164,316,951,809	277,536,052,147

25. CORPORATE INCOME TAX EXPENSES

	Year 2013	Year 2012
	VND	VND
Profit/(Loss) before tax	45,909,159,785	10,690,804,904
Adjusted taxable income	(189,510,763)	(2,959,910,168)
Less: Loss brought forward 2011	-	(2,696,110,549)
Less: Non-taxable revenue	(189,510,763)	(263,799,619)
More: Non-deductible expenses	546,597,429	189,721,004
Taxable income	46,266,156,451	7,920,615,740
Tax rate	25%	25%



Current corporate income tax expense

11,566,539,113**1,980,153,935****26. BASIC EARNINGS PER SHARE**

During the year, the Company implemented paying dividend in shares and this led to the retroactive adjustment for the weighted average number ordinary shares as below:

	Year 2013	Year 2012
	VND	VND
Weighted average shares issued in the beginning of year	15,000,000	11,000,000
The impact of additional share issuance	-	3,636,196
The impact of dividend payment in shares	750,000	750,000
The weighted average number of ordinary shares	15,750,000	15,386,196

27. FINANCE EXPENSES BY CATEGORIES

	Year 2013	Year 2012
	VND	VND
Labour cost	4,933,198,971	3,774,366,875
Fixed assets depreciation cost	943,139,221	1,015,039,132
Outsourcing services cost	6,243,468,801	11,646,892,790
Others	395,415,673	312,561,057
	12,515,258,666	16,749,859,854

28. FINANCIAL INSTRUMENTS**Capital risk management**

The Company managed capital in order to ensure that the Company's continual operation and at the same time maximize the benefits of owners by retaining optimum balance between capital and liabilities.

The capital structure of the Company includes net debts (including loans minus cash and cash equivalents) and owner's equity (including capital, reserves, and after tax undistributed profit).

The financial leverage ratio of the Company at the day ended the accounting year as below:

	31/12/2013	01/01/2013
	VND	VND
Loans (i)	1,655,143,852	1,613,529,803,275
Less: Cash and cash equivalents	(25,199,679,119)	(870,992,951)
Net debt	-	1,612,658,810,324
Owner's equity	193,479,653,332	159,853,712,554
Debt/Equity ratio	-	10.09

Notes:

(i) Loans included short-term borrowings and long-term ones



The financial leverage ratio of the Company is rated as low. The Company has refined using external sponsors with interest conditions for its investment activities. The company has carried strictly supervision on external loan flows and cash flows for investment which with conditions that maturity date should relatively match the original funding. By doing this, the BOD could control the financial risks about liquidity and earn more profit for the company.

Critical accounting policies

Detail of the accounting policies and methods being applied for the Company (including criteria for recording, valuation and the basic criteria for recording income and expenses) for each type of financial assets, financial liabilities are presented in Note 3.

Types of financial instruments

	Book value	
	31/12/2013	01/01/2013
	VND	VND
Assets		
Cash and cash equivalents	25,199,679,119	870,992,951
Short-term financial investments	26,375,218,431	1,588,801,123,526
Short-term payables	40,378,941,015	95,377,418,233
Other current assets	10,000,000	100,028,000
Total assets	91,963,838,565	1,685,149,562,710
Liabilities		
Loans	1,655,143,852	1,613,529,803,275
Supplier payable and other payables	18,063,966,168	17,727,888,516
Expenses payable	637,234,214	67,406,195,336
Total liabilities	20,356,344,234	1,698,663,887,127

The Company has not evaluated the reasonable value of financial assets and liabilities as at the ending date for the accounting year based on the Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 (“Circular 210”) as well as current regulations which have not had specific guidance on determining the reasonable value of financial assets and liabilities. The Circular requires applying International Financial Reporting Standards to financial instruments but does not provide comparable guidance for the assessment and recording of financial instruments including reasonable value applicable in order to comply with International Financial Reporting Standards.

Objectives of financial risk management

The Company has developed risk management system in order to detect and evaluate risks which the company could deal with, setting up policies and procedures to control the risk at acceptable levels. The risk management system is reviewed regularly to reflect updated changes of market conditions and company operations.

Financial risks include market risk, credit risk and liquidity risk.



Market risk

Interest risk management

The Company has suffered by interest risks arising from contracted loans. The Company will manage this risk by maintaining acceptable interest loans and analyzing the market competitive condition to obtain the best benefit from reasonable loan sources.

Shares price risk management

Shares held by the Company were affected by market risk arisen from uncertainty of future value of the investment securities. The Company managed share price risk by setting investment limits, determining loss limit. The EXCO considered and approved investment decisions in shares, taking into consideration the business and the company to invest.

The Company suffered from price risk of capital instruments arising from investments in associated companies. The EXCO considered and approved investment decisions in associated companies based on the business sectors and the company performance. Investments in associated companies are not merely for commercial purpose, but aiming at long-term strategic goals. The Company does not intend to sell these investments in the near future.

Credit risk

Credit risk occurs when a customer or partner cannot perform contracted obligations leading to financial loss of the Company. The Company has suitable credit policies and regularly monitors situation to evaluate the credit risk level. The Company does not have any significant credit risk with customers or partners because receivables are from a big number of customers in different business and in various geographical areas.

Liquidity risk management

Liquidity risk management aims to ensure sufficient capital to meet current & future financial obligations. The Company manages liquidity to ensure the surplus between maturity liabilities and assets in relevant term at the controllable level for the capital amount which is believed to be generated.

The policy of the Company is to regularly monitor current & future liquidity in order to ensure the Company maintains enough reserves of cash, loans and capital which owners committed for contribution, satisfying the regulations on short-term and long-term liquidity.

The following tables present detail the maturities of remaining contracts toward as agreed non-derivative financial assets and liabilities and payment term. These tables are presented based on the undiscounted cash flows of financial assets including interest from those assets, if any, and undiscounted cash flows of financial liabilities calculated according to the earliest pay day. These tables present cash flows of the original accounts and interest. The presentation of non-derivative financial asset information is necessary to understand the liquidity risk management of the Company when liquidity is managed on the basis of the net assets and liabilities.



Assets	Under 1 year VND	1-5 years VND	Total VND
At 31/12/2013			
Cash and cash equivalents	25,199,679,119	-	25,199,679,119
Securities business	7,631,870,000	-	7,631,870,000
Other short-term financial investments	18,743,348,431	-	18,743,348,431
Long-term financial investments	-	100,933,890,119	100,933,890,119
Short-term receivables	40,378,941,015	-	40,378,941,015
Total assets	91,953,838,565	100,933,890,119	192,887,728,684
Liabilities			
At 31/12/2013			
Suppliers payable and other payables	23,944,111,293	-	23,944,111,293
Short-term loans	1,655,143,852	-	1,655,143,852
Accrued expenses	637,234,214	-	63,234,214
Others long-term payables	-	619,854,875	619,854,875
Total liabilities	26,236,489,359	619,854,875	26,282,344,234
The difference of net liquidity	65,717,349,206	100,314,035,244	166,605,384,450

Assets	Under 1 year VND	1-5 years VND	Total VND
At 01/01/2013			
Cash and cash equivalents	870,992,951	-	870,992,951
Securities business	338,206,476,587	-	338,206,476,587
Other short-term financial investments	1,250,594,646,939	-	1,250,594,646,939
Long-term financial investments	-	146,152,656,667	146,152,656,667
Short-term receivables	95,377,418,233	-	95,377,418,233
Total assets	1,685,049,534,710	146,152,656,667	1,831,202,191,377
Liabilities			
At 01/01/2013			
Suppliers payable and other payables	22,727,888,516	-	22,727,888,516
Short-term loans	1,541,853,115,789	-	1,541,853,115,789
Accrued expenses	67,406,195,336	-	67,406,195,336
Others long-term payables	-	71,676,687,486	71,676,687,486
Total liabilities	1,631,987,199,641	71,676,687,486	1,703,663,887,127
The difference of net liquidity	53,062,335,069	74,475,969,181	127,538,304,250



As at 31 December 2013, the difference of net liquidity of the Company was positive, showing the liquidity capacity of the Company was rated relatively good. However, this difference was mainly from the discrepancy between external borrowings and the amounts the Company used for investments, meanwhile, cash and cash equivalents were maintained at low level compared to the business characteristics of the Company. Accordingly, the BOM closely monitored the external loan cash flows and cash flows used for investments satisfying the condition consisting of the maturity being similar to original investment and profit, and the BOM considered the Company had capacity of financial control to minimise the impact of volatility of cash flows.

29. TRANSACTIONS WITH RELATED PARTIES

<i>Transactions with related parties</i>	<i>The balance of related parties as at 31/12/2013</i>		
Sales			
	Periodic arising	Periodic payments	Balance receivables
Profit from investment cooperation contracts with Sao Nam Commercial Production & Services JSC	1,468,410,507	1,435,166,845	33,243,662
FIT Group JSC	14,289,344,000	14,444,872,000	119,472,000
Minh Hao Vietnam JSC	2,250,000,000	2,250,000,000	-
Purchasing goods and receiving services			
FIT Group JSC	17,520,470,000	17,520,470,000	-
Sao Nam Commercial Production & Services JSC	85,750,238	85,750,238	-
Rending under the form of transferring cooperation investment money			
Phan Trung Phuong	-	7,200,000,000	-
Sao Nam Commercial Production & Services JSC	5,500,000,000	-	13,051,632,350
FIT Group JSC	2,450,000,000	2,450,000,000	-
The Company received cooperation investment money			
	Investment money received	Investment money paid	The balance of individual money payable
Sao Nam Commercial Production & Services JSC	1,500,000,000	-	6,500,000,000
Income of BOD and BOM			
	Year 2013	Year 2012	
	VND	VND	
Salary and remuneration of the Board of General Management	797,691,247	834,039,499	

**30. EVENTS AFTER CUT-OFF DATE**

There was no significant event, occurred after cut-off date till the time releasing this report, having material influence and needed to be presented in the financial statements for the fiscal year ended 31 December 2013 of the Company.

31. COMPARATIVE DATA

Comparative data is data which are audited on Financial Statements dated 31 December 2012. Few indicators in the beginning of the period are restated to appropriate to comparative data in this period as below:

Unit: VND

Items	Code	As at 31/12/2012 (audited)	As at 01/01/2013 (restated)	Difference	
Tangible fixed assets	221	13,618,168,797	10,986,144,737	(2,632,024,060)	
- <i>Cost</i>	222	16,106,704,323	13,203,736,611	(2,902,967,712)	{1}
- <i>Accumulated depreciation</i>	223	(2,488,535,526)	(2,217,591,874)	270,943,652	{1}
Real estate investments	240	14,858,406,911	17,490,430,971	2,632,024,060	
- <i>Cost</i>	241	15,065,807,967	17,968,775,679	2,902,967,712	{1}
- <i>Accumulated depreciation</i>	242	(207,401,056)	(478,344,708)	(270,943,652)	{1}

{1} According to Working Minutes dated 02 January 2013 of F.I.T Investment JSC and the contract for leasing apartment on 12 December 2012 between F.I.T Investment JSC and Social, Economic and Environmental Research Institute at apartment No. 21A2 COPAC SQUARE, 12 Ton Dang, Ward 13, District 4, Ho Chi Minh city, the Company has re-presented original cost and depreciation of this apartment from tangible fixed asset to real estate investment.

Units: All audited Financial Statements 2013 were posted in the website:
www.fitgroup.com.vn

Hanoi, 25 March 2014

F.I.T Investment JSC

(Signed)

General Director

Nguyen Thi Minh Nguyet