

**SONADEZI AN BINH  
JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS**  
For the year ended 31 December 2011

## **SONADEZI AN BINH JOINT STOCK COMPANY GENERAL DIRECTOR'S REPORT**

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The General Director of Sonadezi An Binh Joint Stock Company (hereinafter referred to as The Company) hereby presents its report and the audited financial statements of The Company for the year ended 31 December 2011.

### **1. Background**

Sonadezi An Binh Joint Stock Company (previously known as Sonadezi An Binh Construction Joint Stock Company) has been equitized from a state-owned company, No. 1 Construction Enterprise, in accordance with Decision No. 4756/QĐ.CT-UBT dated 23 December 1999 granted by the People's Committee of Dong Nai Province. The Company was established in accordance with Business Registration Certificate No. 3600449307 (the old one numbered as 4703000001) dated 12 January 2000 and other amendment certificates thereafter with the latest one dated 09 April 2010 granted by Dong Nai Province's Department of Planning and Investment.

The Company's head office is located at No. 3, Road No. 3, Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa City, Dong Nai Province.

The charter capital of The Company as stipulated in the Business Registration Certificate are VND 31,125,000,000.

According to the Business Registration Certificate, The Company's principal activities include:

- Designing and performing constructions of industry, residence, traffic, irrigation and water supply and drainage projects;
- Performing constructions of urban technical infrastructures and industrial zones;
- Producing, processing, trading construction materials, construction structures;
- Performing construction consulting services and maintaining constructions of projects of residence, industry, industrial and technical infrastructures;
- Leasing fixed assets and supplying specialized labors;
- Leveling and treating foundation of constructions;
- Processing and installing mechanics, electricity, water, fire protection systems, lightning protection systems, industrial equipment and interior decoration;
- Investing, building and trading housing and residential areas, factories and warehouses;
- Producing commercial concrete, paving bricks, block bricks;
- Surveying topography and geology of projects;
- Preparing feasible and pre-feasible study reports;
- Processing solid waste (activities, industries, hospitals), liquid waste;
- Trading real estate.

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## SONADEZI AN BINH JOINT STOCK COMPANY

### GENERAL DIRECTOR'S REPORT

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#### 2. Members of the Board of Directors, the Control Committee and the Management

Members of the Board of Directors during the year 2011 and on the date of this report include:

<i>Full name</i>	<i>Position</i>
Mr. Pham Xuan Bach	Chairman
Mr. Truong Minh Hoang	Vice Chairman, resigned wef 22 April 2011
Mr. Le Anh Hoan	Vice Chairman, appointed wef 22 April 2011
Mr. Phan Dinh Tham	Member
Mr. Nguyen Minh Huy	Member
Ms. Huynh Hoang Oanh	Member

Members of the Control Committee during the year 2011 and on the date of this report include:

<i>Full name</i>	<i>Position</i>
Ms. Pham Thi Hong	Head
Ms. Phan Thuy Doan	Member
Mr. Nguyen Dinh Cuong	Member

Members of the Management during the year 2011 and on the date of this report include:

<i>Full name</i>	<i>Position</i>
Mr. Le Anh Hoan	General Director
Mr. Nguyen Minh Huy	Vice General Director

#### 3. Financial review

The results of The Company's business operations for the year 2011 are shown on the accompanying financial statements audited by DTL Auditing Company.

#### 4. The General Director's commitment

The General Director is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of The Company and for preparing the financial statements in accordance with the Vietnamese Accounting Standards and System.

The General Director is responsible for safeguarding the assets of The Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As of the date of this report, there are no unusual items that may render any amount stated in the financial statements misleading, and The Company has no guarantees on assets or any contingent liability other than those presented in the financial statements and accounting documents of The Company.

As of the date of this report, The General Director was not aware of any irregularities that render the amounts and disclosures in the financial statements misleading and The Company has ability to pay all debts as they fall due.

## 5. Auditor

## 6. The General Director's statement

*Dong Nai, 16 February 2012*

~~GENERAL DIRECTOR~~





No: 12.148/BCKT-DTL

## INDEPENDENT AUDITORS' REPORT

**To: Members of the Board of Directors**  
**Members of the Management**  
**SONADEZI AN BINH JOINT STOCK COMPANY**

We have audited the accompanying statement of financial position of Sonadezi An Binh Joint Stock Company (hereinafter referred to as "The Company") as at 31 December 2011, and the related income statement and statement of cash flows, accounting policies and explanatory notes to the financial statements for the year then ended prepared on 16 February 2012 as set out from page 05 to page 32. These financial statements are the responsibility of The Company's management. Our responsibility is to express an opinion on the true and fair view of these financial statements based on our audit.

### Basis of opinion

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

### Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Sonadezi An Binh Joint Stock Company at 31 December 2011, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and relevant legislation.

Ho Chi Minh City, 16 February 2012



**LUC THI VAN**  
CPA No. 0172/KTV

**AUDITOR**



**NGUYEN CHANH THANH**  
CPA No. 0544/KTV

**SONADEZI AN BINH JOINT STOCK COMPANY**  
**STATEMENT OF FINANCIAL POSITION**

At 31 December 2011

*Expressed in Vietnam dong unless otherwise stated*

<b>ASSETS</b>	<b>Code</b>	<b>Notes</b>	<b>Ending balance</b>	<b>Beginning balance</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>249,185,387,342</b>	<b>243,992,651,859</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	(5.1)	<b>77,669,199,669</b>	<b>70,047,830,160</b>
1. Cash	111		3,275,199,669	9,903,830,160
2. Cash equivalents	112		74,394,000,000	60,144,000,000
<b>II. Short-term investments</b>	<b>120</b>	(5.2)	<b>10,000,000,000</b>	
1. Short-term investments	121		10,000,000,000	
2. Provision for the diminution in value of short-term securities	129			
<b>III. Accounts receivable</b>	<b>130</b>	(5.3)	<b>46,612,285,695</b>	<b>69,912,011,691</b>
1. Trade receivables	131		35,397,857,412	50,518,637,869
2. Advances to suppliers	132		9,849,420,348	17,915,245,089
3. Inter-company receivables	133			
4. Construction contractor receivables based on agreed progress billings	134			
5. Other receivables	135		1,951,532,845	1,478,128,733
6. Provision for doubtful debts	139		(586,524,910)	
<b>IV. Inventories</b>	<b>140</b>	(5.4)	<b>111,127,901,950</b>	<b>99,006,001,627</b>
1. Inventories	141		111,127,901,950	99,006,001,627
2. Provision for decline in inventory	149			
<b>V. Other current assets</b>	<b>150</b>		<b>3,776,000,028</b>	<b>5,026,808,381</b>
1. Prepaid expenses	151		96,156,476	
2. VAT deductible	152		3,136,761,552	3,529,775,084
3. Tax receivables and other receivables from the State	154			
4. Other current assets	158	(5.5)	543,082,000	1,497,033,297

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**SONADEZI AN BINH JOINT STOCK COMPANY**  
**STATEMENT OF FINANCIAL POSITION**

At 31 December 2011

Expressed in Vietnam dong unless otherwise stated

ASSETS	Code	Notes	Ending balance	Beginning balance
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>148,378,085,080</b>	<b>121,440,566,230</b>
<b>I. Long-term receivables</b>	<b>210</b>			
1. Long-term trade receivables	211			
2. Equity capital allotted to subsidiary	212			
3. Long-term inter-company receivables	213			
4. Other long-term receivables	218			
5. Provision for doubtful long-term receivables	219			
<b>II. Fixed assets</b>	<b>220</b>		<b>64,960,693,517</b>	<b>47,243,625,666</b>
1. Tangible fixed assets	221	(5.6)	6,023,468,959	8,259,594,538
+ Cost	222		20,667,609,467	20,629,443,967
+ Accumulated depreciation	223		(14,644,140,508)	(12,369,849,429)
2. Finance lease assets	224			
+ Cost	225			
+ Accumulated depreciation	226			
3. Intangible fixed assets	227	(5.7)	5,729,490	22,778,030
+ Cost	228		134,989,392	134,989,392
+ Accumulated depreciation	229		(129,259,902)	(112,211,362)
4. Construction in progress	230	(5.8)	58,931,495,068	38,961,253,098
<b>III. Investment properties</b>	<b>240</b>	(5.9)	<b>58,106,928,565</b>	<b>48,815,115,904</b>
+ Cost	241		72,838,402,402	60,024,309,377
+ Accumulated depreciation	242		(14,731,473,837)	(11,209,193,473)
<b>IV. Long-term investments</b>	<b>250</b>	(5.10)	<b>25,261,338,000</b>	<b>25,261,338,000</b>
1. Investments in subsidiaries	251			
2. Investments in associates, joint-ventures	252		3,600,000,000	3,600,000,000
3. Other long-term investments	258		21,661,338,000	21,661,338,000
4. Provision for long-term investments	259			
<b>V. Other long-term assets</b>	<b>260</b>		<b>49,124,998</b>	<b>120,486,660</b>
1. Long-term prepaid expenses	261		49,124,998	107,986,660
2. Deferred income tax assets	262			12,500,000
3. Other long-term assets	268			
<b>TOTAL ASSETS</b>	<b>270</b>		<b>397,563,472,422</b>	<b>365,433,218,089</b>

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**SONADEZI AN BINH JOINT STOCK COMPANY**  
**STATEMENT OF FINANCIAL POSITION**

At 31 December 2011

*Expressed in Vietnam dong unless otherwise stated*

RESOURCES	Code	Notes	Ending balance	Beginning balance
<b>A. LIABILITIES</b>	<b>300</b>		<b>313,936,361,233</b>	<b>285,229,962,309</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>266,142,919,366</b>	<b>252,493,528,139</b>
1. Short-term loans and debts	311	(5.11)	127,994,654,994	96,431,796,010
2. Trade payables	312	(5.12)	66,271,506,305	61,194,677,403
3. Advances from customers	313	(5.12)	44,463,523,918	52,141,850,035
4. Statutory obligations	314	(5.13)	2,471,843,497	1,624,993,090
5. Payable to employees	315	(5.14)	830,966,332	2,161,329,240
6. Accruals	316	(5.15)	22,241,391,187	30,037,494,207
7. Inter-company payables	317			
8. Construction contractor payables based on agreed progress billings	318			7,434,392,947
9. Other payables	319		327,162,753	961,698,897
10. Short-term provision	320			
11. Reward and welfare funds	323	(5.16)	1,541,870,380	505,296,310
<b>II. Long-term liabilities</b>	<b>330</b>		<b>47,793,441,867</b>	<b>32,736,434,170</b>
1. Long-term trade payables	331			
2. Long-term inter-company payables	332			
3. Other long-term payables	333	(5.17)	1,650,936,548	1,700,936,548
4. Long-term loans and debts	334	(5.18)	16,529,229,578	27,382,417,578
5. Deferred income tax liabilities	335			
6. Provision for unemployment funds	336		307,971,431	223,603,164
7. Long-term provision	337			
8. Unrealized revenue	338		29,305,304,310	3,429,476,880
9. Scientific and technological development fund	339			
<b>B. OWNER'S EQUITY</b>	<b>400</b>		<b>83,627,111,189</b>	<b>80,203,255,780</b>
<b>I. Equity</b>	<b>410</b>	(5.20.1)	<b>83,627,111,189</b>	<b>80,203,255,780</b>
1. Contributed legal capital (Share capital)	411	(5.20.2)	31,125,000,000	31,125,000,000
2. Capital surplus	412		20,011,875,000	20,011,875,000
3. Other contributed capital	413			
4. Treasury shares	414			
5. Asset revaluation surplus	415			
6. Foreign exchange differences	416			
7. Investment and development fund	417		7,657,652,320	6,884,866,472
8. Financial reserve fund	418		2,936,957,278	2,326,658,027
9. Other funds within owner's equity	419			
10. Undistributed earnings	420	(5.20.5)	21,895,626,591	19,854,856,281
11. Capital expenditure fund	421			
12. Enterprise reorganization support fund	422			
<b>II. Other capital, funds</b>	<b>430</b>			
1. Subsidy funds	432			
2. Funds invested in fixed assets	433			
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>397,563,472,422</b>	<b>365,433,218,089</b>

*The accompanying notes are an integral part of the financial statements*



**SONADEZI AN BINH JOINT STOCK COMPANY****STATEMENT OF FINANCIAL POSITION**

At 31 December 2011

*Expressed in Vietnam dong unless otherwise stated*

<b>OFF STATEMENT OF FINANCIAL POSITION ITEMS</b>	<b>Notes</b>	<b>Ending balance</b>	<b>Beginning balance</b>
1. Assets under operating lease			
2. Goods held under trust or for processing			
3. Goods held by the company on consignment			
4. Bad debts written off			
5. Foreign currencies			
+ USD		167.23	178.04
6. Budgeted operating expenses			

**CHIEF ACCOUNTANT****LE VAN BINH**

Dong Nai, 16 February 2012

**GENERAL DIRECTOR**  
**LE ANH HOAN**

*Expressed in Vietnam dong unless otherwise stated*

*Dong Nai, 16 February 2012*

## CHIEF ACCOUNTANT

**GENERAL DIRECTOR**

LE VAN BINH

LE ANH HOAN



**SONADEZI AN BINH JOINT STOCK COMPANY**  
**STATEMENT OF CASH FLOWS (indirect method)**

For the year ended 31 December 2011

*Expressed in Vietnam dong unless otherwise stated*

ITEMS	Code	Notes	Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Net profit/(loss) before taxes	01		15,616,597,303	12,315,912,179
<b>2. Adjustment to reconcile operating profit/(loss)</b>				
Fixed asset depreciation	02		3,997,344,517	6,184,740,467
Provisions	03		586,524,910	
Unrealized foreign exchange gains/losses	04		(112,413)	
Gains/losses from investment	05		(14,290,858,172)	(8,284,580,552)
Interest expenses	06		5,856,484,936	1,919,626,505
<b>3. Operating profit/(loss) before adjustments to working capital</b>	<b>08</b>		<b>11,765,981,081</b>	<b>12,135,698,599</b>
Increase or decrease in accounts receivable	09		23,641,570,027	(14,081,920,351)
Increase or decrease in inventory	10		(12,121,900,323)	(31,037,824,640)
Increase or decrease in accounts payable (excluding interest expenses payable and corporate income tax payable)	11		(2,377,803,392)	40,422,547,140
Increase or decrease prepaid expenses	12		(37,294,814)	51,940,004
Interest expenses paid	13		(5,450,367,089)	(8,970,860,696)
Corporate income tax paid	14		(2,614,726,997)	(11,757,269,302)
Other cash inflows	15		880,000,000	69,502,000
Other cash outflows	16		(1,293,986,336)	(1,083,956,692)
<b>Net cash from/(used in) operating activities</b>	<b>20</b>		<b>12,391,472,157</b>	<b>(14,252,143,938)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Purchase in fixed assets and other long-term assets	21		(22,807,770,905)	(37,305,271,051)
2. Proceeds from disposals of fixed assets and other long-term assets	22			
3. Loans to other entities and payments for purchase of debt instruments of other entities	23		(10,000,000,000)	
4. Repayments from borrowers and proceeds from sales of debts instruments of other entities	24			
5. Investments in other entities	25			(84,418,809)
6. Proceeds from sales of investments in other entities	26			
7. Interest and dividends received	27		13,829,454,060	5,474,729,949
<b>Net cash from/(used in) investing activities</b>	<b>30</b>		<b>(18,978,316,845)</b>	<b>(31,914,959,911)</b>

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**SONADEZI AN BINH JOINT STOCK COMPANY**  
**STATEMENT OF CASH FLOWS (indirect method)**

For the year ended 31 December 2011

*Expressed in Vietnam dong unless otherwise stated*

ITEMS	Code	Notes	Current year	Previous year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Capital contribution	31			
2. Capital redemption	32			
3. Borrowings	33		267,069,144,567	92,402,190,764
4. Loan repayment	34		(246,359,473,583)	(43,488,736,620)
5. Finance lease principal paid	35			
6. Dividends paid	36		(6,501,569,200)	(5,315,100,000)
<b>Net cash from/(used in) financing activities</b>	<b>40</b>		<b>14,208,101,784</b>	<b>43,598,354,144</b>
<b>Net increase/(decrease) in cash</b>	<b>50</b>		<b>7,621,257,096</b>	<b>(2,568,749,705)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>60</b>		<b>70,047,830,160</b>	<b>72,616,579,865</b>
Impact of exchange rate fluctuation	61		112,413	
<b>Cash and cash equivalents at end of year</b>	<b>70</b>		<b>77,669,199,669</b>	<b>70,047,830,160</b>

CHIEF ACCOUNTANT



LE VAN BINH

Dong Nai, 16 February 2012

GENERAL DIRECTOR



LE ANH HOAN