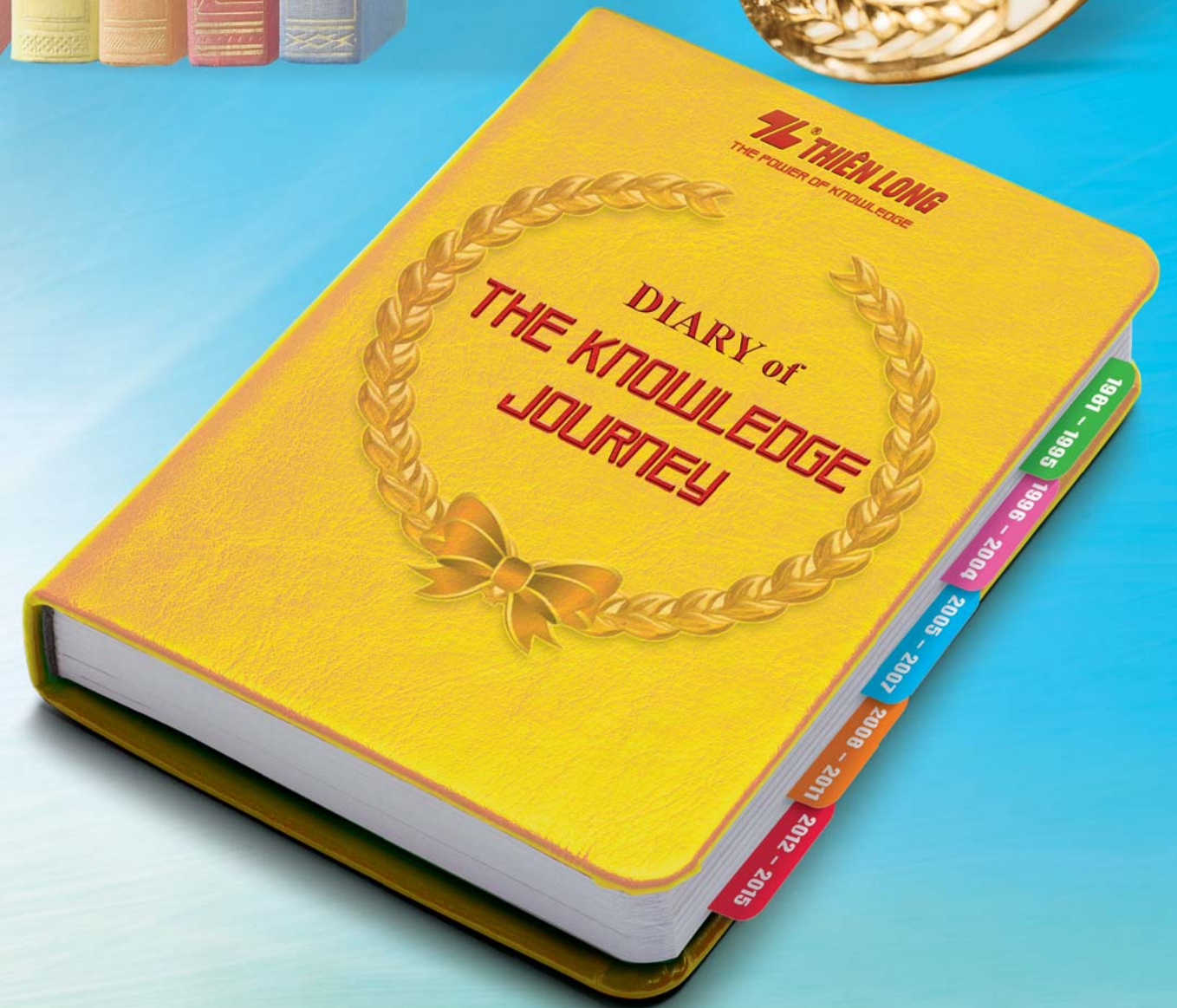


35
YEARS

THE JOURNEY
OF KNOWLEDGE



THE JOURNEY OF KNOWLEDGE

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Dear Valued Shareholders,

Thien Long Group has undergone 35 years of development with spectacular achievements. Looking back on that journey, we are proud that Thien Long still upholds its core values despite significant macroeconomic fluctuations within the country and the whole region. Facing extreme changes of the market and potential difficulties and risks of the business environment, Thien Long has always seen opportunities for development based on the competitive advantages of its own internal capacity.

In 1981, Thien Long was founded with the first products of pen. Nowadays, Thien Long has become the leading brand and the No.1 Stationery Group in Viet Nam with powerful 100%-owned subsidiaries: Thien Long Long Thanh Manufacturing and Trading Co., Ltd, Thien Long Global Trading and Service Co., Ltd and the Tan Luc Chain with total assets of nearly VND 1,300 billion. Conjointly, the export business has been considerably expanded, penetrating into 45 countries and gaining a firm foothold in the international markets.

During the 35 years in operation, Thien Long has been continuously investing in research and development, renewing production technology and constantly improving the quality management system.

This coherent path is also the way in which the Group nurtures and develops the management team and high-skilled workforce to meet the increasing demands in challenging manufacturing and trading environment.

On top of that, Thien Long always considers business as an inherent part of the society with strong commitment in community contribution activities and environment protection. "The Power of Knowledge" has always been the consistent message spread by Thien Long throughout various social and community activities characterized as profound humanity.

With the Group's reliable long-established fundamentals, relentless efforts of Thien Long management and staff, as well as the enthusiastic supports from our valued customers, domestic and foreign partners, shareholders, I believe that Thien Long will continue to reach new peaks in the future, to confirm not only the prime position and leading brand in Southeast Asia, but also being a company with global reach.

Dear Valued Shareholders,

The Board of Management and I myself commit whole-heartedly to the sustained development of Thien Long. With your continuous and valuable support for the journey ahead, we are totally confident to overcome all challenges to win even greater success, lifting Thien Long to the new heights, protecting and increasing the long-term interests of the Shareholders and making more contributions to the community.

Thank you and best regards,

On behalf of the Board of Management

Chairman



Co Gia Tho

THE YEAR 2015 CONTINUED TO MARK THE SUCCESS OF THIEN LONG IN MANY ASPECTS

Profit after tax

187.9

VND billion

Increased **27.4%** compared to 2014

Total equity

821.6

VND billion

Increased **12.2%** compared to 2014



I. COMPANY OVERVIEW



SUSTAINABLE FOUNDATION
DRIVING TO A BETTER FUTURE



1. GENERAL INFORMATION



Company Name: Thien Long Group Corporation
Transaction Name: Thien Long Group
Stock Symbol: TLG
Logo:  THIÊN LONG
THE POWER OF KNOWLEDGE
Charter Capital: VND 294,714,640,000
Headquarters: Lot 6-8-10-12, Road No.3, Tan Tao Industrial Park,
Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Viet Nam
Telephone: (84-8) 3750 5555
Fax: (84-8) 3750 5577
Email: info@thienlonggroup.com
Website: www.thienlonggroup.com
Business Registration Certificate: No. 4103003187, first registered on
14 Mar 2005, latest registration amendment (11th) on 31 Jul 2015

MISSION

Thien Long is determined to serve studying activities and conquer the peak of knowledge as a supplier of writing instruments and stationery goods.

CORE VALUES

We aim to pioneer in technology and innovation, to create breakthrough products for consumers. We focus on building a sustainably thriving Thien Long community of humanity.

BUSINESS SCOPE

Thien Long Group specializes in manufacturing and trading these four main product lines:

- Writing Instruments
- Office Supplies
- School Supplies
- Art Supplies

Available in ample designs, Thien Long's high quality products with brand recognition and reasonable prices are ready to meet the diverse needs of consumers, from kindergartens to elementary schools, high schools and colleges as well as employees and executives.

DISTRIBUTION SYSTEM

Thien Long has built and continuously broadened a thorough distribution network within the domestic market. This distribution network from North to South, with more than 57,600 retail outlets, helps to bring Thien Long's products to consumers across all 63 provinces of the country.

In addition, Thien Long also sets up other sales channels, such as a direct sales channel for schools, businesses (B2B), supermarkets, chain stores, shopping malls, bookstores and online sales, in order to promote sales and pioneer into distribution trends as well as modern consumption. Conjointly, Thien Long invests in expanding export markets, bringing the brand FlexOffice and Colokit to 45 countries across six continents.



2. ESTABLISHMENT AND DEVELOPMENT



1981 - 1995

Thien Long was founded. The ballpoint pen site gradually invested in equipment and penetrated into the domestic pen market.



1996 - 2004

Thien Long Manufacturing and Trading Company Ltd was founded in 1996, marking a new stage of development for improving product quality, production capacity and diversification of product models and developing markets nationwide.



2005 - 2007

Thien Long Manufacturing and Trading Company Ltd officially converted into Thien Long Manufacturing and Trading Corporation with a charter capital of VND 100,000,000,000 in 2005, increasing to VND 120,000,000,000 in 2006. During that period, Thien Long brand and products were strongly promoted.



2008 - 2011

Thien Long Manufacturing and Trading Corporation was renamed into Thien Long Group Corporation. TLG shares were listed on the Ho Chi Minh Stock Exchange in 2010. Within that time frame, Thien Long increased its charter capital from VND 120,000,000,000 to VND 176,500,000,000. Meanwhile, Thien Long products dominated the domestic market and it started export business.

2012 - 2015

After the issuance of shares in the form of dividends and bonus shares, the charter capital of Thien Long Group Corporation increased to VND 294,714,640,000. During those recent years, Thien Long brand was the No.1 stationery brand in Viet Nam.

3. PRODUCT PORTFOLIO



OFFICE SUPPLIES (FLEXOFFICE)

With the strategic goal of becoming the number one stationery group in Viet Nam and the leader in Southeast Asia, Thien Long has been promoting production and trade of office supplies. In addition to paying close attention to quality, Thien Long also invests strategically to continuously improve the product range. These essential products for offices, such as files and folders, whiteboard markers, permanent markers, ink cartridge and more, share the FlexOffice brand name and are very popular in domestic and overseas markets.



PREMIUM WRITING INSTRUMENTS (BIZNER)

The Bizner premium writing instruments is a product line for businessmen and people of exquisite taste and high income. Unlike common pens, Bizner pen, with its unique, luxurious design and refined detail crafted by masterful hands, defines the value and allure of this product.



WRITING INSTRUMENTS (TL)

Writing instruments are Thien Long's traditional products, accounting for over 65% of the domestic market share. For many years, this range has proven to be the major product category, creating a foundation for the development of Thien Long. Thien Long's writing instruments are now available in a great variety of designs and forms: ball point pens, gel pens, rollerball pens, fineliners and many more. The main raw materials are imported from Germany and Switzerland, in order to guarantee stability and best quality for consumers.



SCHOOL SUPPLIES (TEN MARKS)

Thien Long's school supplies category is very diverse, including: mini boards, chalk, rulers, pencils, erasers, glue, scissors, notebooks, etc. They are designed in accordance with standards set by the Ministry of Education and consistent with students' needs and purposes. The clever products of the school supplies such as calligraphy pen, washable fountain pen ink and dustless chalk have contributed to Thien Long's school supplies unique, abundantly useful and diverse.



ART SUPPLIES (COLOKIT)

Colokit is the brand of Thien Long's art supplies. Colokit consists of products serving the creative art such as play dough, crayons, colored pencils and watercolors. These products are environmentally friendly and available in a great variety of colors, helping children unleash their creativity and develop broad skills. Certified to meet the European non-toxic and safety standard of EN 71/3, Colokit products are enthusiastically welcomed by parents around the globe.

4. SUBSIDIARIES



LIST OF SUBSIDIARIES

No.	Name	Specialization	Headquarters	Charter Capital (VND)	% owned by the Group
01	Thien Long Long Thanh Manufacturing and Trading Company Limited	Manufacturing and trading stationery	Road No.7, Long Thanh Industrial Park, Dong Nai Province	80 billion	100%
02	Thien Long Global Trading and Service Company Limited	Trading and distributing stationery	Lot 6-8-10-12, Road No.3, Tan Tao Industrial Park, Binh Tan District, Ho Chi Minh City	20 billion	100%
03	Tan Luc South Trading and Service Company Limited	Trading stationery	19-21, Lot B, Truong Son Street, Ward 15, District 10, Ho Chi Minh City	20 billion	100%
04	Tan Luc North Trading and Service One Member Company Limited	Trading stationery	2nd Floor, Lot 9B, Dai Kim Urban Zone, Dai Kim Ward, Hoang Mai District, Hanoi	10 billion	100%
05	Tan Luc Middle Trading and Service Company Limited	Trading stationery	Lot 07, Ha Huy Tap Street, Xuan Ha Ward, Thanh Khe District, Da Nang	10 billion	100%



THIEN LONG LONG THANH MANUFACTURING AND TRADING COMPANY LIMITED

In late 2006, Thien Long Long Thanh was established in the Long Thanh Industrial Zone, Dong Nai Province, covering an area of 3 ha. Since its foundation, the Thien Long Long Thanh plant has constantly increased the production output. Production capacity of Thien Long Long Thanh reached over 166 million units in 2015, an increase of 6.5% compared to the previous year, accounting for nearly 30% of the total production volume of Thien Long Group. With the advantage of facility base and many more, Thien Long Long Thanh continues to be the spearhead site for improving the production capacity of Thien Long Group effectively in the long term.



THIEN LONG GLOBAL TRADING AND SERVICE COMPANY LIMITED

Thien Long Global has charter capital of VND 20 billion and is 100% owned by Thien Long Group.

In 2015, net revenue of Thien Long Global reached VND 1,271 billion, 7.1% higher than that in 2014 and hence accounted for a largest proportion of Thien Long Group's total revenue. With expertise in trading activities and services, Thien Long Global has functioned well in sales and customer care, actively supported Thien Long Group in strategic investment and developing new products. Thien Long Global helps to build an important foundation for the sustainable development of Thien Long Group.



TAN LUC CHAIN

Tan Luc Chain is comprised of three companies: Tan Luc South, Tan Luc North and Tan Luc Middle, with total charter capital of VND 40 billion and 100% ownership by the parent company. Tan Luc Chain specializes in business-to-business (B2B) sales, online sales and advertisement-printing products sales.

In 2015, net revenue of Tan Luc reached VND 490 billion, an increase of 38.1% compared to the net revenue in 2014. The establishment of Tan Luc Middle Trading and Service Company Limited in late 2015 marked a new milestone of development for the Tan Luc Chain in keeping ahead of new consumer trends, gradually embracing all distribution channels, professionalizing distribution, affirming Thien Long Group's dominant domestic market.

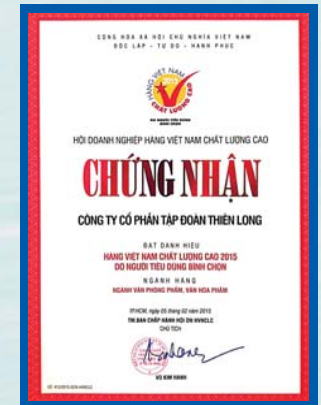
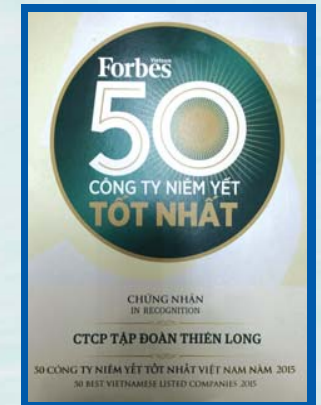
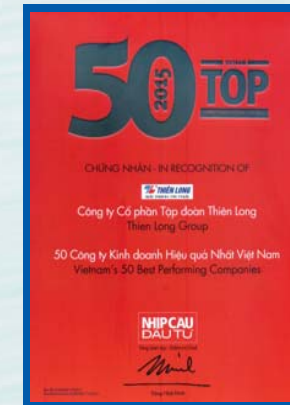
5. TYPICAL AWARDS



- **FIRST PRIZE "GLOBAL PERFORMANCE EXCELLENCE AWARD"**
- **TOP 10 BUSINESSES ACTIVELY OPERATING THROUGHOUT THE ASEAN ECONOMIC COMMUNITY**
- **ONE OF THE VIET NAM'S TOP 50 PERFORMING COMPANIES**
- **THE 50 BEST VIETNAMESE LISTED**
- **VIET NAM TOP 100 BRANDS IN INTERNATIONAL INTEGRATION**
- **AWARD "HO CHI MINH CITY REPRESENTATIVE ENTERPRISE"**
- **AWARD "VIETNAMESE ENTERPRISE THAT HAS HIGH QUALITY PRODUCTS" FOR THE 19th CONSECUTIVE YEAR**
- **"VIET NAM GOLDEN STAR" AWARD FOR SEVEN CONSECUTIVE TIMES**

In 2015, Thien Long Group was honored to win the following awards:

- First Prize (World Class Award) in the **"Global Performance Excellence Award"** by Asia Pacific Quality Organization;
- Named in the **Top 10 Businesses** actively operating throughout the ASEAN Economic Community, awarded for achievements in innovation and creativity in developing domestic markets as well as covering regional ASEAN markets;
- **"Vietnamese Enterprise That Has High Quality Products"** award for the 19th consecutive year (from 1997 to 2015);
- **"Viet Nam Golden Star"** award for seven consecutive times from 2003 to present and featured in the Viet Nam Top 100 Brands in International Integration;
- One of the Viet Nam's **Top 50 Performing Companies** for three years in a row, organized by Nhip Cau Dau Tu Magazine;
- One of **The 50 Best Vietnamese Listed Companies** for 3 consecutive years voted by Forbes;
- **"Well Performance of Social Accountability and Welfare"** award in 2015 granted by the Ministry of Planning and Investment;
- **"Ho Chi Minh City Representative Enterprise"** award granted by People's Committee of Ho Chi Minh City;
- Having many achievements in participating in the project "Improving the productivity and quality of products and goods of enterprises in Ho Chi Minh City for the period of 2013 – 2015 and actively contributing to the emulation movement of the city" awarded by the People's Committee of Ho Chi Minh City;
- Having outstanding achievements in the environmental protection and winning the Environment Award of Ho Chi Minh City;
- "University Entrance Exam Support" and "Sharing with Teachers" programs were voted into the Top 10 typical events and activities of the youth movement in 2015 by the Central Executive Committee of Youth Union.



6. OBJECTIVES FOR THE ENVIRONMENT, SOCIETY AND COMMUNITY

OPERATING THE CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM

ISO 14001:2004

OBJECTIVES FOR ENVIRONMENT

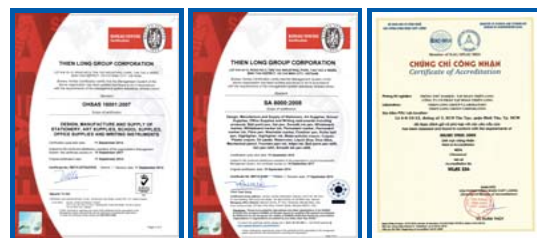
Since going into operation, Thien Long has been in compliance with the Government's environmental protection requirements for businesses: a certified registration for environmental standard since 2004, signing consulting contracts, establishing environmental protection projects, registering and reporting on hazardous waste management, operating the certified environmental management system ISO 14001:2004...

Through advocacy activities of energy saving to limit the climate change, Thien Long has taken energy-saving solutions that helped reduce energy consumption in operations significantly as well as save more than VND 1.6 billion each year. In addition, it has built a system for collecting and sorting waste for recycling and properly handling besides planting trees around the production areas.

SOCIAL AND COMMUNITY OBJECTIVES

Thien Long has been certified and is now operating the integrated management system in accordance with international standards:

- Quality Management System - ISO 9001:2008.
- Environmental Management System - ISO 14001:2004.
- Social Accountability Management System - SA 8000:2008.
- Occupational Health and Safety Management - OHSAS 18001:2007.
- Calibration and Testing Laboratories Control - ISO/IEC 17025:2005.



WITH THE SLOGAN OF "THE POWER OF KNOWLEDGE", THIEN LONG ALWAYS PIONEERS IN ACTIVITIES CENTRED IN EDUCATION AND TRAINING ENVIRONMENT

In addition, Thien Long has also been granted with ICTI certificate on safety standards and social accountability in children toy industry.

Through the standards above, Thien Long has shown a strong commitment to maintaining and ensuring effective management and quality of each product brought to consumers, particularly paying attention to consumers' and workers' health and safety.

With the slogan of "The Power of Knowledge", Thien Long always pioneers in activities centred in education and training environment. From focusing primarily on pupils and students, in 2015, Thien Long has extended the support programs to teachers with the program "Sharing with Teachers", in order to appreciate the great values brought about by teachers and advocate respect towards teachers. In addition, various annual social programs such as University Entrance Exam Supports, Exam Consultation, Full-moon Night, education promoting activities, natural disaster victim support ... have received much appraisal nationwide.



Sharing with Teachers

Program "Sharing with Teachers"

Being held for the first year, the program "Sharing with Teachers" has received strong support from society and people across the country. 64 representative teachers from 64 needy districts nationwide have been honored for their course of "bringing knowledge to mountainous areas". Through this program, these "local" teachers have found recognition by the society for their great contribution to Viet Nam's talent, youth, and enthusiasm.





University Entrance Exam Support Program

2015 is the 14th year that the University Entrance Exam Support program has accompanied students and parents in the University entrance exams. The program represents Thien Long's slogan "The Power of Knowledge" in many educational activities to which Thien Long has committed.



Other Activities

In addition to annual community activities, Thien Long dedicates a budget for participating in many other financing activities. In 2015, Thien Long sponsored volunteer programs such as "Sunshine in the Border Areas", "Run to Future", and various other volunteer and charity programs.



II. REPORT OF THE BOARD OF MANAGEMENT

ASSERTING POSITION WITH EFFECTIVE INVESTMENT STRATEGIES



1. REMARKS ON THE GROUP OPERATIONS



THE YEAR 2015 CONTINUED TO MARK THE SUCCESS OF THIEN LONG IN MANY ASPECTS.

Net revenue

1,883.7
VND billion

Increased 16.7% compared to the previous year

Profits after tax

187.9
VND billion

Increased 27.4% compared to the previous year

Total equity

821.6
VND billion

Increased 12.2% compared to the previous year

The year 2015 marked the revival of the domestic economy with a stabilized macroeconomic situation, low inflation and tremendous improvements in production and consumptions. GDP growth reached 6.68% in 2015, much higher than the projected target at 6.2%. In particular, the industrial production index increased by 9.8% compared to 2014, being the key driver for GDP growth. Inflation was at a mere 0.6%, the lowest since 2001. As for the second consecutive year, as reported by the World Economic Forum (WEF), Viet Nam increased in its rank of competitiveness and improved business conditions as voted by the World Bank.

In this context, the year 2015 continued to mark the success of Thien Long in many aspects. Net revenue reached VND 1,883.7 billion, increasing 16.7% compared to the previous year. Profits after tax reached VND 187.9 billion, achieving a remarkable 27.4% increase compared to the figure recorded in 2014 and exceeded the target set at the Annual General Meeting of Shareholders (AGM) by 13.9%. In 2015, Thien Long recorded the net profit margin of 10%, the highest margin since becoming a listed company in 2010. Total asset as at 31/12/2015 was recorded at VND 1,293 billion, up 16.7% year on year. Total equity, as reflected on the balance sheet in 2015, rose by 12.2%, valuing at VND 821.6 billion. Total liabilities over owner equity ratio was within safe parameter, cash resource was abundant, liquidity increased, and the financial indicators were increasingly better.

In terms of corporate administration, Thien Long has maintained transparency in trading and production by applying state-of-the-art business standards. In 2015, Thien Long continued to effectively maintain the Integrated Management Systems such as ISO 9001-2008, OSHAS 18001:2007, ISO 14001:2004 and ERP-SAP system. Thien Long also adjusted the organizational and management structures of the International Business Development Division, Marketing Division, and Information Technology Division to enhance efficiency and productivity. The criteria for assessment of performance efficiency was also reviewed and revised to improve the activities of sales, expand distribution and raise productivity. To ensure proper and elaborate risk management, new internal auditing system and mechanism were put in place, contributing to completion and improvement of risk management in Thien Long production and trading.

In particular, by the end of 2015, Thien Long officially established Tan Luc Middle Trading and Service Company Limited, marking a milestone in Thien Long strategy to embrace all distribution channels and professionalize distribution activities.

2. REMARKS ON THE BOARD OF DIRECTORS' PERFORMANCE

THE ACHIEVEMENTS IN 2015 WERE THE RESULTS OF COLLECTIVE INTELLECT AND POWER, SETTING A SOLID FOUNDATION FOR THE NEXT ROADMAP WITH AMBITIONS FOR NEW ACHIEVEMENTS AND HEIGHTS.



With sound, flexible, timely, and effective solutions, the Board of Directors (BOD) of Thien Long Group successfully completed the tasks and achieved the targets set in the business plans over the past years. The Board of Management (BOM) recognizes and appreciates the BOD's efforts in exceeding the targets approved in the AGM and acting in compliance with the Charter, the Regulations of Internal Governance as well as with the BOM's resolutions.

The BOD members are highly qualified professionals, competent and virtuous, knowledgeable of the assigned fields, loyal and dedicated throughout the long course of Thien Long development.

The achievements in 2015 were the results of collective intellect and power, setting a solid foundation for the next roadmap with ambitions for new achievements and heights.

The Board believes that Thien Long Group will be able to complete the business plan set out for 2016 with excellent results.



3. DEVELOPMENT PLAN AND ORIENTATION

THIEN LONG GROUP'S BOARD OF MANAGEMENT (BOM) WILL BE SUBMITTING TO AND SEEKING APPROVAL FROM THE GENERAL MEETING OF SHAREHOLDERS FOR THE TARGETS PLANNED FOR THE YEAR OF 2016 AS FOLLOWS:

Net revenue

2,150
VND billion

Profit after tax

215
VND billion

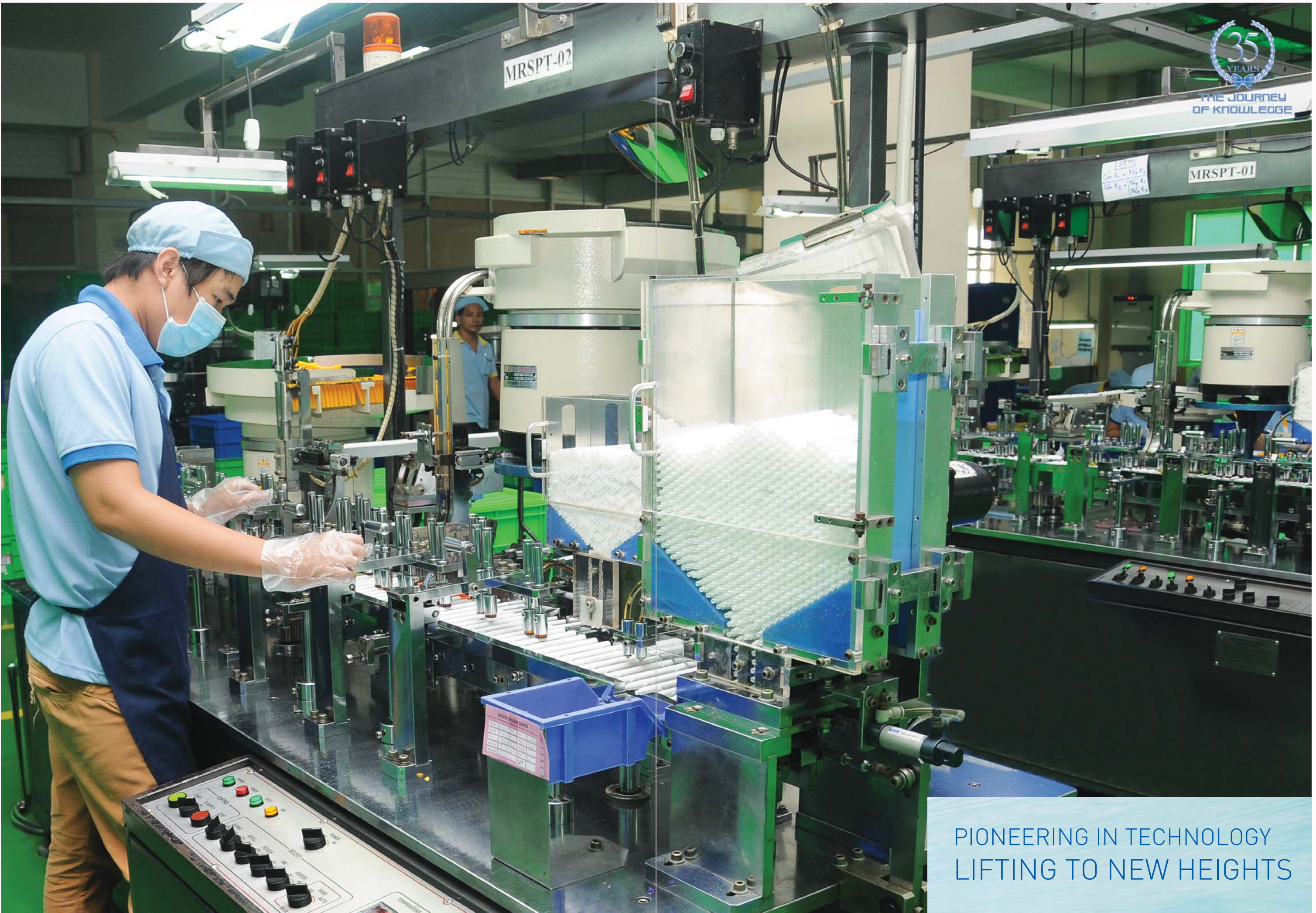
Dividend

20%

5-YEAR (2016 – 2020) STRATEGIC OBJECTIVES:



- 1 To become the number one company in Southeast Asia and an Asian market leader in manufacturing and trading stationery.
- 2 To professionalize and automate manufacturing, To develop research and development activities.
- 3 To professionalize wholesaling and specialize in retailing, To fully develop domestic trade channels and international business.
- 4 To become one of the leading companies in Viet Nam bringing the most benefit to employees, customers, the company, and shareholders.



PIONEERING IN TECHNOLOGY
LIFTING TO NEW HEIGHTS

III. REPORT OF THE BOARD OF DIRECTORS

1. FINANCIAL AND OPERATION REVIEW 2015

Key financial information (Unit: millions of VND)	2013	2014	2015
Net revenue	1,406,208	1,613,577	1,883,742
Gross profit	517,373	595,775	726,202
Gross profit/Net revenue	36.8%	36.9%	38.6%
Expenses (finance, selling, general and admin)	363,753	421,913	493,225
Expenses/Net revenue	25.9%	26.1%	26.2%
Profit before tax	165,550	191,453	249,203
Profit before tax/Net revenue	11.8%	11.9%	13.2%
Profit after tax	116,563	147,398	187,858
Profit after tax/Net revenue	8.3%	9.1%	10.0%
Total assets	1,009,189	1,108,203	1,292,998
Total equity	629,589	732,174	821,643
Total equity/Total assets	62.4%	66.1%	63.5%
Earning per share (VND) (*)	2,738	3,463	4,413

Annual growth	2013	2014	2015	Average
Net revenue	15.6%	14.8%	16.7%	15.7%
Profit before tax	22.0%	15.6%	30.2%	22.6%
Profit after tax	16.4%	26.4%	27.4%	23.4%
Total assets	4.8%	9.8%	16.7%	10.4%
Total equity	14.1%	16.3%	12.2%	14.2%

(*) Earnings per share was restated in accordance with Accounting Standard 30 VAS: the number of ordinary shares circulating prior to the issuance of shares for capital increase is adjusted with assumption that the event happened at the beginning of the reporting period.

REVENUE GROWTH

Net revenue in 2015 reached VND 1,883.7 billion, a year-on-year increase of 16.7%, achieving 104.7% of the 2015 target. Writing Instruments accounted the highest proportion of total net revenue (45.8%), followed by Office Supplies (32.1%), School Supplies (10.4%) and Art Supplies (11.7%).

Writing Instruments (TL, Bizner)

In 2015, the net revenue of Writing Instruments was valued at VND 863,047 million, equivalent to 45.8% of Thien Long Group's net total revenue and up 9.3% compared to 2014.

Writing Instruments, with over 65% of the domestic market share, have always been demonstrating their strategic role in maintaining and creating a well-established basis for Thien Long's development. New products have been continually launched and gradually proved their position in the market with various improvements in terms of advanced technology, user friendliness, superior utility and cost-effectiveness.

Office Supplies (FlexOffice)

Not only contributing an increasing proportion of net revenue, Office Supplies also have recorded remarkable growth in recent years, affirming the success of Thien Long Group's strategy to become the No.1 Stationery Group in Viet Nam. With an annual average growth rate of over 22%, Office Supplies made up as much as 29.0% of total net revenue in 2013, rising to 31.0% in 2014 and 32.1% in 2015.

School Supplies (Ten Marks)

The direct penetration of this product category into schools and the development of new products have enabled the brand to become increasingly popular to students and teachers in Viet Nam.

The School Supplies recorded the net revenue of VND 196,892 million, equivalent to 10.4% of Thien Long Group's net revenue, up by 12.0% compared with 2014. Net revenue from this product category is expected to achieve high growth in the upcoming years.

Art Supplies (Colokit)

The year 2015 is the second consecutive year of success for Art Supplies, which recorded the highest growth rate among the four product categories. Net revenue of Art Supplies increased by 48.5% compared to 2014, valuing at VND 219,767 million, accounting for 11.7% of Thien Long Group's net revenue.

Certified to meet the European standard of EN 71/3, Colokit products also have superior features such as being user-friendly, washable, non-toxic, child-safe and available in a great variety. Therefore, Colokit is expected to persistently post remarkable growth in both domestic and export markets in the coming years.

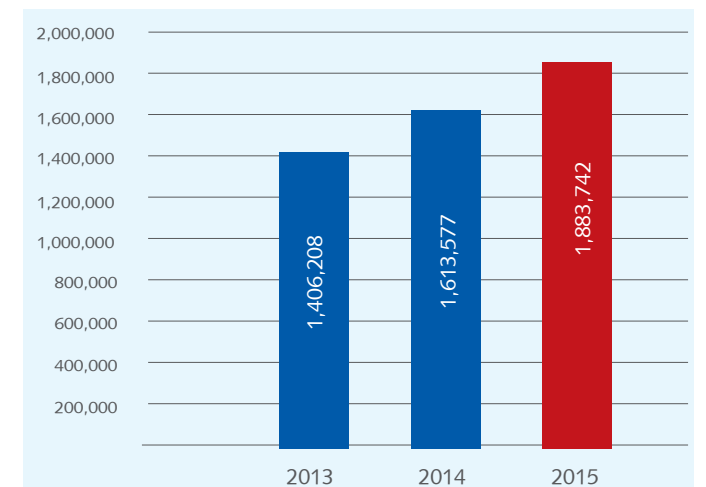
Net revenue breakdown

Product categories	2013	2014	2015
Writing Instruments	51.4%	48.9%	45.8%
Office Supplies	29.0%	31.0%	32.1%
School Supplies	11.2%	10.9%	10.4%
Art Supplies	8.4%	9.2%	11.7%
Total	100.0%	100.0%	100.0%

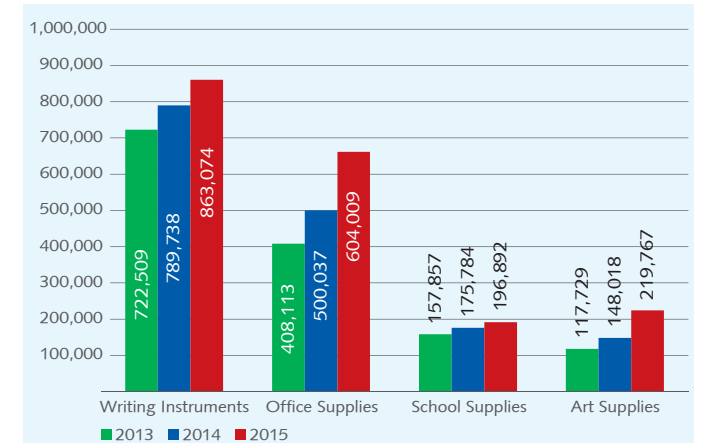
Growth as compared to previous year

Product categories	2013	2014	2015
Writing Instruments	8.8%	9.3%	9.3%
Office Supplies	23.0%	22.5%	20.8%
School Supplies	37.9%	11.4%	12.0%
Art Supplies	10.8%	25.7%	48.5%

Net revenue (millions of VND)



Net revenue by product category (millions of VND)



PROFITABILITY

In 2015, Thien Long continued to enhance automation and production cost control system, reduce damaged products and optimize production capacity. With effective solutions, despite continuous increase of labor cost generating considerable pressure on production cost, Thien Long has successfully attempted to keep the cost of goods sold at the lowest, amidst its labor-intensive production. The ratio of cost of goods sold to net revenue in 2015 reduced to 61.4%, compared to over 63% in the previous two years. Additionally, the ratio of total cost and expenses to net revenue was stable at 26% for the past three years.

Financial ratios	2013	2014	2015	Average 2013-2015
Cost of goods sold/Net revenue	63.2%	63.1%	61.4%	62.6%
Expenses/Net revenue, in which:	25.9%	26.1%	26.2%	26.1%
<i>Selling expenses/Net revenue</i>	13.6%	15.0%	15.2%	14.6%
<i>General and administration expenses/Net revenue</i>	10.4%	10.1%	10.0%	10.2%
<i>Financial expenses/Net revenue</i>	1.8%	1.1%	1.0%	1.3%
Total cost and expenses/Net revenue	89.1%	89.2%	87.6%	88.6%

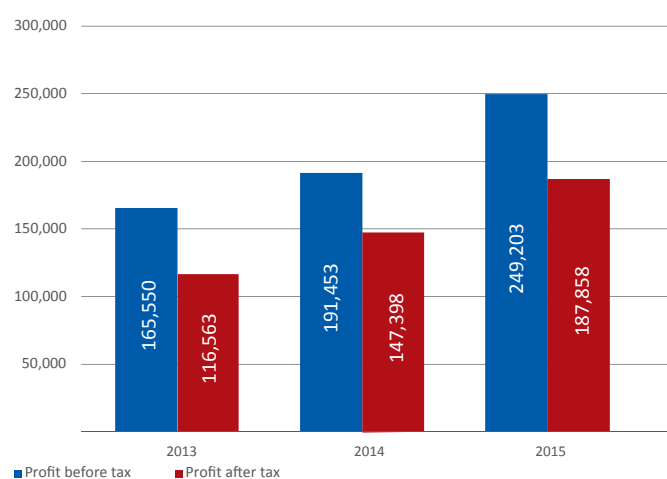
As revenue has seen a steady increase over the years and the proportion of total costs and operating expenses on net revenue have decreased significantly, the profit after tax has recorded an impressive growth rate with 27.4% increase over 2014 and 61.2% higher than the corresponding figure in 2013, achieving VND 187,858 million for Thien Long in 2015.

In addition to outstanding business results, the investment efficiency in 2015 was notable with the net profit margin reaching 10%, highest since 2010 and well above the net margin of 9.1% in 2014 and 8.3% in 2013.

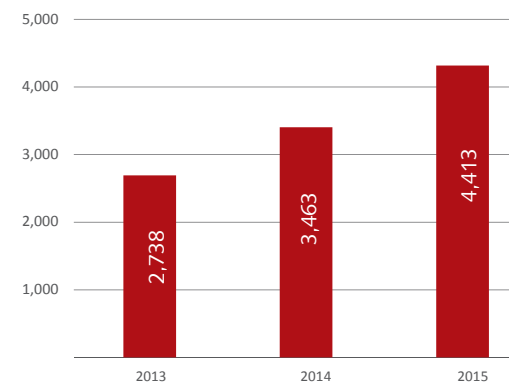
Financial ratios	Unit	2013	2014	2015
Profitability ratio				
- Net profit/Total Equity	%	19.7%	21.6%	24.2%
- Net profit/Total Assets	%	11.8%	13.9%	15.6%
- Operating profit/Net revenue	%	11.6%	11.5%	13.3%
- Net profit/Net revenue	%	8.3%	9.1%	10.0%

Besides, Thien Long Group has achieved Return on Total Assets (ROA) and Return on Equity (ROE) of 15.6% and 24.2% respectively. The earnings per share (EPS) increased significantly compared to the previous years, reaching VND 4,413/share.

Profit before/after tax (millions of VND)



Earnings per share (VND)



(* Earnings per share was restated in accordance with Accounting Standard 30 VAS: the number of ordinary shares circulating prior to the issuance of shares for capital increase is adjusted with assumption that the event happened at the beginning of the reporting period

ASSETS

Financial ratios	Unit	2013	2014	2015
Total Assets	VND million	1,009,189	1,108,203	1,292,998
- Non-Current Assets	VND million	274,753	269,760	334,749
- Current Assets	VND million	734,436	838,443	958,249
Assets structure				
- Long-term assets/Total assets	%	27.2%	24.3%	25.9%
- Short-term assets/Total assets	%	72.8%	75.7%	74.1%

Long-term assets at the end of 2015 were valued at VND 334,749 million, of which fixed assets accounted for 59.1%. Short-term assets reached VND 958,249 million, an increase of 14.3% against the previous and 30.5% compared to the end of 2013, in line with higher cash balances and better inventory control. Specifically, total cash and short-term deposits as at the end of 2015 were 1.3 times higher than the figure in 2014, whereas inventories reduced by 1.1% compared to the previous year. These positive changes have led to increasingly better turnover and solvency ratio.

Financial ratios	Unit	2013	2014	2015
1 Solvency				
- Quick ratio	times	0.8	1.2	1.3
- Current ratio	times	2.1	2.5	2.4
2 Turnover				
- Inventory turnover	Turnover	2.0	2.3	2.7
- Fixed asset turnover	Turnover	1.4	1.5	1.6

CAPITAL

Total equity rose from VND 732,173 million to VND 821,643 million, up 12.2% over 2014, in which the charter capital increased from VND 267,924 million to VND 294,714 million through the issuance of 2,679,038 shares for dividend payment. In addition, undistributed earnings reached VND 320,422 million as at 31st December, 2015, up 17.6% compared to the beginning of the year.

Increasing investment in preparation for the development plans of the next years and taking the advantage of attractive market borrowing rates, Thien Long actively raised the bank borrowing balances in 2015.

Financial ratios	Unit	2013	2014	2015
Liabilities	VND million	379,601	376,029	471,355
- Current liabilities	VND million	349,239	339,641	404,618
- Non-Current liabilities	VND million	30,362	36,388	66,737
- Owners' Equity	VND million	629,589	732,174	821,643
Capital structure				
- Total liabilities/Total equity	%	60.3%	51.4%	57.4%
- Total liabilities/Total assets	%	37.6%	33.9%	36.4%

CASH FLOW

Abundant funds obtained from the sales of goods helped cash flow from operating activities to achieve VND 151,031 million. The cash flow was not only sufficient to fund the investment in machineries and equipment, long-term land lease for warehousing, payment of dividends to shareholders, but significantly increased the accumulated cash as well. As at the end of 2015, cash and cash equivalents increased by VND 109,154 million compared to that at the end of 2014, reaching VND 426,351 million and accounting for 33.0% of total assets, ready to finance future investment projects of Thien Long Group.

Cash flows (VND million)	2013	2014	2015
Cash flows from operating activities	79,357	219,055	151,031
Cash flows from investing activities	-9,396	-15,474	-32,881
Cash flows from financing activities	-44,777	-62,827	-8,936
Net increase in cash and cash equivalent	25,184	140,754	109,214

2. INVESTMENT REVIEW

20%

TOTALLY NEW PRODUCTS

PRODUCT RESEARCH AND DEVELOPMENT

Started as a family-owned factory producing ballpoint pen, Thien Long has now become a giant leading stationery group in the region thanks to its ongoing investment in research, development and innovation. As the society becomes more developed, people are increasingly concerned on safety for themselves and for the environment. Consequently, in addition to product quality, Thien Long always focuses on the user safety, especially for children when developing new products. Thien Long products always conform to the standards and regulations of Viet Nam as well as international standards such as European EN and American ASTM.

Each year, Thien Long introduces dozens of new products, over 20% of which are brand-new. The number of new products researched and launched has constantly increased over the years, meeting the increasing and diverse demands of consumers. Typical products successfully researched and developed in 2015 include:

- "LARIS" ballpoint pen: Features thin lines and fine ink, smooth writing performance together with a unique pop-up mechanism.
- Gel pen Gel-026: Features very thin lines, bold and bright colors and smooth writing performance with the scented smell emanating from usage on paper attractive to consumers.
- Bowling PCR-04 plastic crayon: Shape of crayons produced by injection technology is diverse, the crayons are hard to be broken and can be erased. Being designed in model of a Bowling game, this product enables children to color while entertaining with engaging games at the same time.

Thien Long products always conform to the standards and regulations of Viet Nam as well as international standards such as European EN and American ASTM. Thien Long introduces dozens of new products, over 20% of which are brand-new. The number of new products researched and launched has constantly increased over the years, meeting the increasing and diverse demands of consumers.



ENDLESS INNOVATIONS
ENHANCING PRODUCT QUALITY



Reservoir
automatically
retracts when
Laris being put
into your pocket



LARIS

TL-095  0.5mm

*Writing smoothly on paper
till the last ink drop*



PRODUCTION TECHNOLOGY DEVELOPMENT

In 2015, Thien Long's total net revenue was VND 1,883,742 million to 3,081 on employees. As such, the average revenue per employee was approximately VND 611 million/person, up 16.5% over the corresponding figures in 2014.

Following spectacular achievements over the past years, in 2015, the Machinery Workshop continued to accelerate the process of automation in manufacturing thoroughly and comprehensively, in all stages of the manufacturing process, including injecting, pouring and mixing, printing, assembling, inspection and packaging. The Machinery Workshop designed and manufactured more than 20 lines of machinery and equipment for internal usage in both Tan Tao and Long Thanh Factories in 2015, significantly enhancing the labor productivity of Thien Long Group.

Specifically in 2015, Thien Long's total net revenue was VND 1,883,742 million to 3,081 on employees. As such, the average revenue per employee was approximately VND 611 million/person, up 16.5% over the corresponding figures in 2014. In the five-year period (2011-2015), accumulated revenue growth was 80.5% while the number of employees rose by only 11.1%, achieving Thien Long strategic target of accelerated automation.

Furthermore, Thien Long Group has also designed and developed its own molds instead of importing expensive ones from high-technology nations in order to reduce costs while improving production capacity for the coming years. Precise mechanical equipment was invested in 2015 with the aim of improving mold production capacity, machining complex mold elements and achieving high production accuracy. The hot runner mold application technology was well researched and successfully implemented.

Besides developing machinery for its own uses, the Machinery Workshop successfully researched and developed production technology of feeding hopper and various other instruments available for sales to selective partners in 2015.

INPUT MATERIAL RESOURCE DEVELOPMENT

Along with the enhancement of research and design of new products, Thien Long has also focused on investing and developing alternative sources of raw materials. In addition to importing materials from famous countries such as Switzerland for ballpoint pen tip and Germany and Japan for ink, Thien Long has also researched, produced ink with increasingly better quality. This has helped Thien Long not only to meet the demand for increasingly diverse product categories, but also to be proactive for material resources, reducing costs, controlling and ensuring consistent quality of materials.

In 2015, with a view to gradual self-provision of materials, Thien Long developed and produced various types of ink, such as premium fountain pen ink, gel pen ink and scent gel pen ink, and smooth ballpoint pen ink to meet the needs of new product development of Thien Long Group. Self-provision of raw materials also enables Thien Long to swiftly respond to the requirements of international customers, such as improving quality and ink colors to suit each export market. The introduction of Fineliner Pen Ink Fashion Colors, Permanent Marker Ink Fashion Colors has been among these typical developments.



ACCELERATING GROWTH EXPANDING MARKET



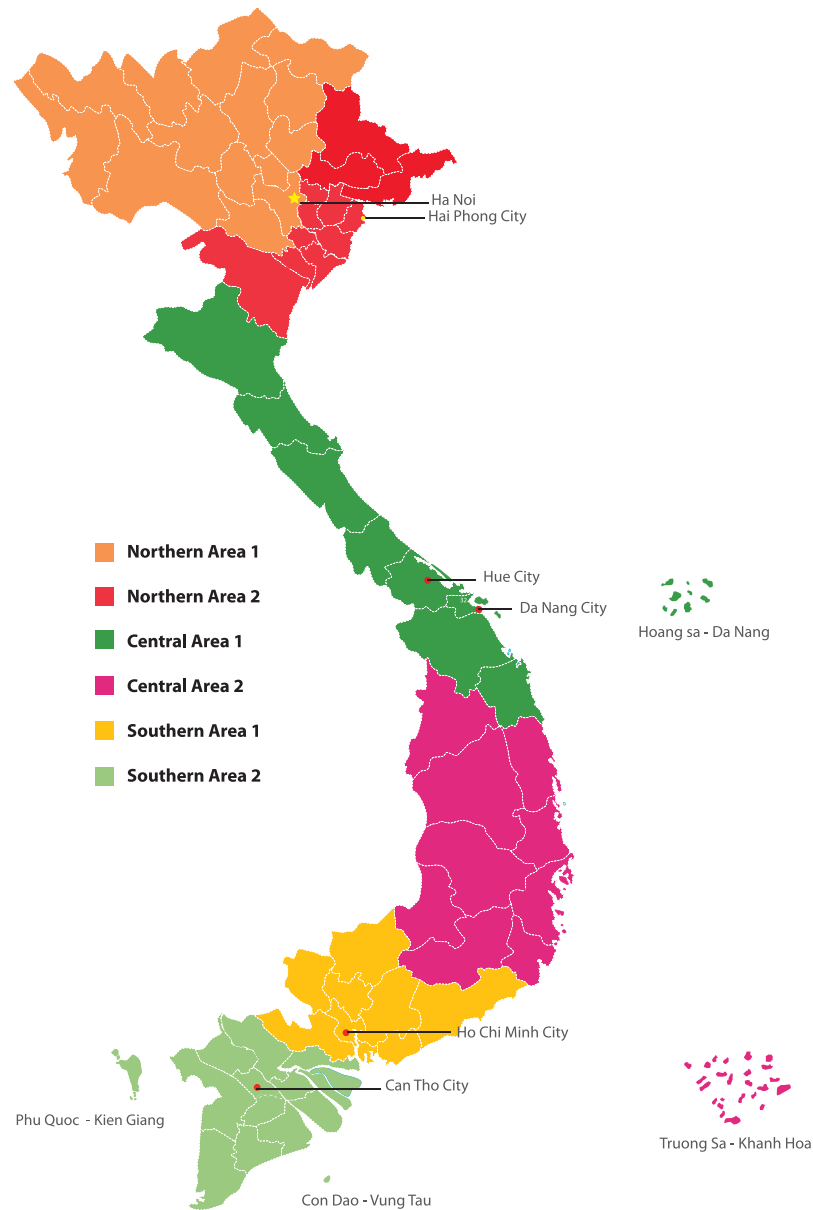
DEVELOPMENT OF DOMESTIC SALES CHANNELS

In 2015, Thien Long continued to develop its distribution systems through re-arrangement, optimization of the efficiency of traditional distribution channels; enhancement of the modern distribution systems; and investment in warehousing to meet the increasing consumption demand and timely provide products to distribution channels and to end-users with more than 57,600 retail outlets, covering 63 provinces and cities nationwide.

The modern sales channels have accounted for increasingly high proportions of Thien Long's total revenue. Thien Long's products are sold in most supermarkets, convenience store chains and large bookstores nationwide. In particular, revenue from businesses-to-business (B2B) sales and retail stores continued to rise. Thien Long was in making changes to welcome and assimilate the new consumers' trends.

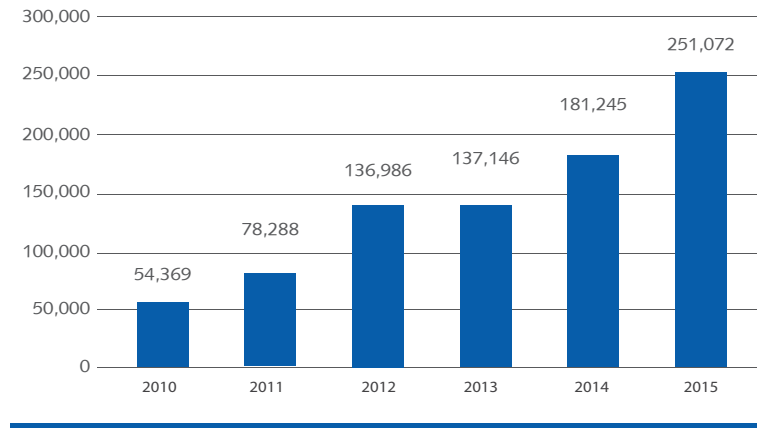
More than
57,600
Retail outlets

Covering
63
Provinces and cities nationwide



BUSINESS EXPANSION IN INTERNATIONAL MARKETS

Export revenue (millions of VND)



Export revenue

251,072

Grew at 38.5% compared to 2014

VND million

In 2015, amidst the volatile world economy, particularly the US dollar and other currency exchange rate fluctuations, Thien Long export revenue continued to increase, reaching VND 251,072 million, growing at 38.5% compared to 2014, accounting for 13.3% of Thien Long Group net revenue.

In addition to high-standard existing customer care, the search and development of new customers in many different countries was stepped up a notch. Many new products were successfully developed, based on the actual needs of each market, meeting the increasingly diverse needs of consumers as well as updating the general trend of the stationery industry in the world.

During the past year, in addition to participating in the annual fairs such as Paperworld Frankfurt, Paperworld UAE, London Stationery Show and International Stationery and Office Products Fair Tokyo (ISOT)..., Thien Long also showcased its products at La Habana Fair - Cuba, Insights-X (NürnbergMesse, Germany), and Kazakhstan. As for Cuba, Thien Long's products that have been presented in this market since March 2015 have been receiving high trust levels from local consumers. Also, Thien Long has successfully held a Customer Conference in Cambodia, marking 20 years of Thien Long's presence in this country.

In 2015, Thien Long strongly invested in selling activities and brand development in countries such as Myanmar, Philippines, Cambodia, Thailand, Brunei and Malaysia. The FlexOffice and Colokit brands have become popular to international consumers, especially those in the Southeast Asia. Sales in each region have also recorded impressive growth.

THE FLEXOFFICE AND COLOKIT BRANDS HAVE BECOME POPULAR TO INTERNATIONAL CONSUMERS, ESPECIALLY THOSE IN THE SOUTHEAST ASIA.



Exhibition in Germany



Exhibition in England



Exhibition in Japan



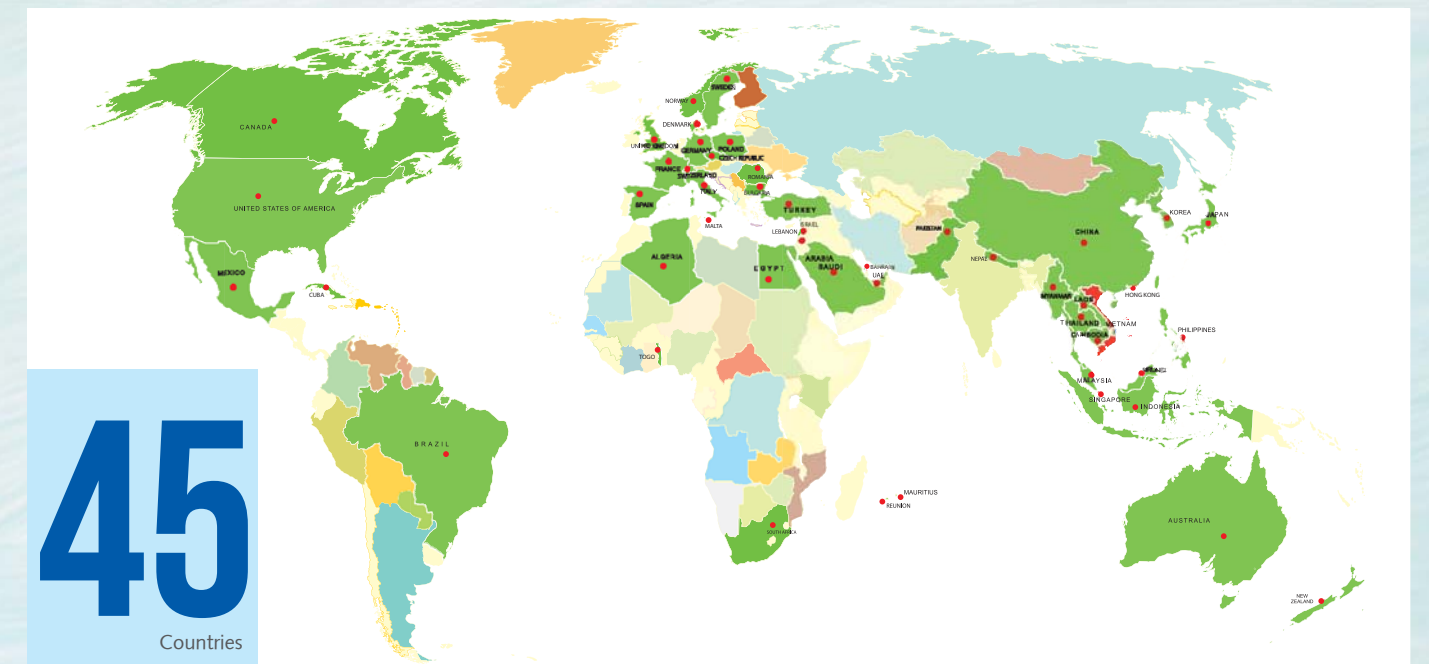
Exhibition Insights - X (in Germany)



Exhibition in Kazakhstan



Exhibition in Cuba



Myanmar market



Philippines market



Thailand market



Cambodian market

3. DEVELOPMENT PLAN



Profile Projector PJ-A3000



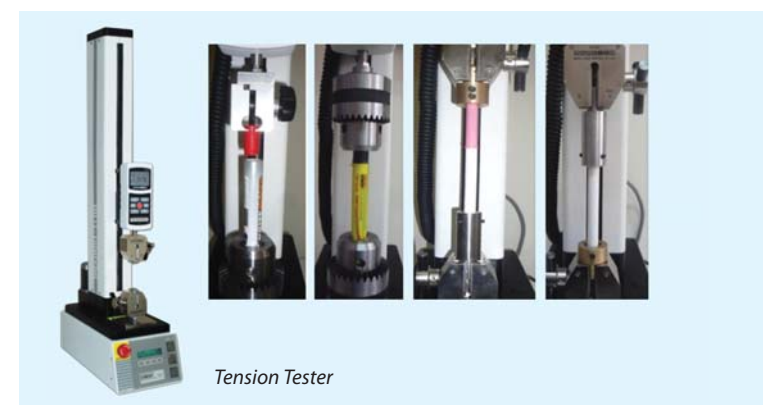
Microscopes



Hutt machine



Cass test machine



Tension Tester

EXPANSION OF VALUE CHAIN

Strategically moving further towards professionalized and automated production, Thien Long has been constantly investing in machinery and equipment, modern production lines, efficient and advanced manufacturing processes in order to raise productivity and capacity of the factories. Accelerating production automation continues to be implemented extensively and comprehensively with the following focus:

- To minimize the manual production stages and so further standardize product quality;
- To phase out old machineries, replace them with state-of-the-art technologies and focus on the technological processes in order to save operating labors, space and energy consumption;
- To continuously improve and develop advanced technologies; to gradually standardize machine structures and clusters according to standards of industry leading countries in Asia, such as Korea and Japan. Designing and manufacturing in sync with the standards have enabled Thien Long to easily replace and change equipment, especially alter machinery function to produce other products, to support the development of new products and to meet the flexible requirements of an increasingly globalized customer base.

Furthermore, the development of molds and machinery is also aimed at business partners at home and abroad, not just limited to satisfying the demand for Thien Long production.

In the long term, this strategy enables the Mold and Machinery Workshop to increase capacity, competitiveness and integration, while continuing to lift Thien Long to new heights, scaling and diversifying business tied to core competencies. The achievements in mold and machinery development and the orientation to accelerate production automation are expected to pave the way for breakthroughs in Thien Long's business in the upcoming years.

Along with the above strategy, Thien Long continues to gradually increase self-provision of input materials, particularly further develop ink production technology. Thanks to the cooperation of in-house qualified and experienced team and domestic and foreign experts, Thien Long will make continuous improvements for ink quality and ink variability. Meanwhile, Thien Long will proactively self-provide certain materials for ink production and invest in the automation of ink production systems to increase productivity, meeting the increasing production demand of Thien Long Group.

PRODUCTION CAPACITY ENHANCEMENT AND NEW PRODUCT DEVELOPMENT

As a result of automation and molding development, capacity improvement of the two plants under Thien Long Group Corporation and Thien Long Long Thanh Manufacturing and Trading Company is effectively implemented through several stages. Instead of massive procurement of molds and equipment, Thien Long has been investing in accordance with the schedule to optimize the efficiency of capital and assets and at the same time adequately and properly meet the required future annual capacity.

In the coming years, Thien Long will strategically focus on growth through product diversification. Thien Long has relentlessly focused on product research and development to continuously increase product quality and to meet the increasing demand of the dynamic market. With the goal to "always be innovative and creative", Thien Long has constantly created high-quality products at reasonable price.

The Research and Development Department (R&D) will invest increasingly in both human resources and modern machinery and equipment to better enhance research and testing activities. Taking another important step forward, Thien Long has also cooperated and partnered with foreign experts to shorten the research and testing processes, efficiently and optimally exploit the external resources to closely understand the international consumption needs, tastes, and trends.





DEVELOPMENT OF DISTRIBUTION SYSTEMS

Thien Long will develop new distribution channels along with new product development. In 2016, Thien Long will continue to improve its distribution network for retailers through the increase of the number of retailers and employing more qualified sales staff to better serve the needs of retailers. By doing so, it will promote the consumption of high-efficiency products, strategic products, and, especially, the new products for the domestic market.

Following the recent success of the Southeast Asian markets, in 2016, Thien Long will continue to promote strong distribution and sales channels in these countries. Marketing activities and sales supports for Colorkit and FlexOffice will continue to be promoted so that those brands become more popular with overseas consumers.

Besides, Thien Long will focus on further developing new products and new markets, particularly in Europe and America through participation in international fairs in the new target regions, as well as the traditional ones. In 2016, the signing of the Trans-Pacific Partnership (TPP) Agreement and the Free Trade Agreements (FTA) will open up more opportunities for Thien Long to reach new export markets and enhance its competitiveness and position in the world's stationery industry.



HUMAN RESOURCE MANAGEMENT AND BUSINESS EFFICIENCY IMPROVEMENT

Recognizing the essential of human resources to the development of Thien Long in the future, Thien Long Group will continue to build effective remuneration policies and innovative solutions for talent attraction and retention. Thien Long will focus on recruiting, developing successors, improving the staff skills and qualifications, particularly in the departments such as Sales and Marketing, Production, Accounting, ERP – SAP, and enhancing operational coordination among divisions and departments. Product trainings and professional development seminars will frequently be held for employees to update changes in regulations and policies of the State and to keep up with the world trends.

Following the success in 2015, Thien Long plans to invest in ERP – SAP system to optimize the applications of advanced management software into planning, control and evaluation and thereby to enhance the operational efficiency throughout the enterprise. Especially, in 2016, Thien Long will focus on ERP – SAP sales module development in order to closely connect Thien Long with the nationwide distribution systems to professionalize the distribution system management in both existing and new distribution channels.

To ensure the business efficiency improvement, Thien Long will continue to:

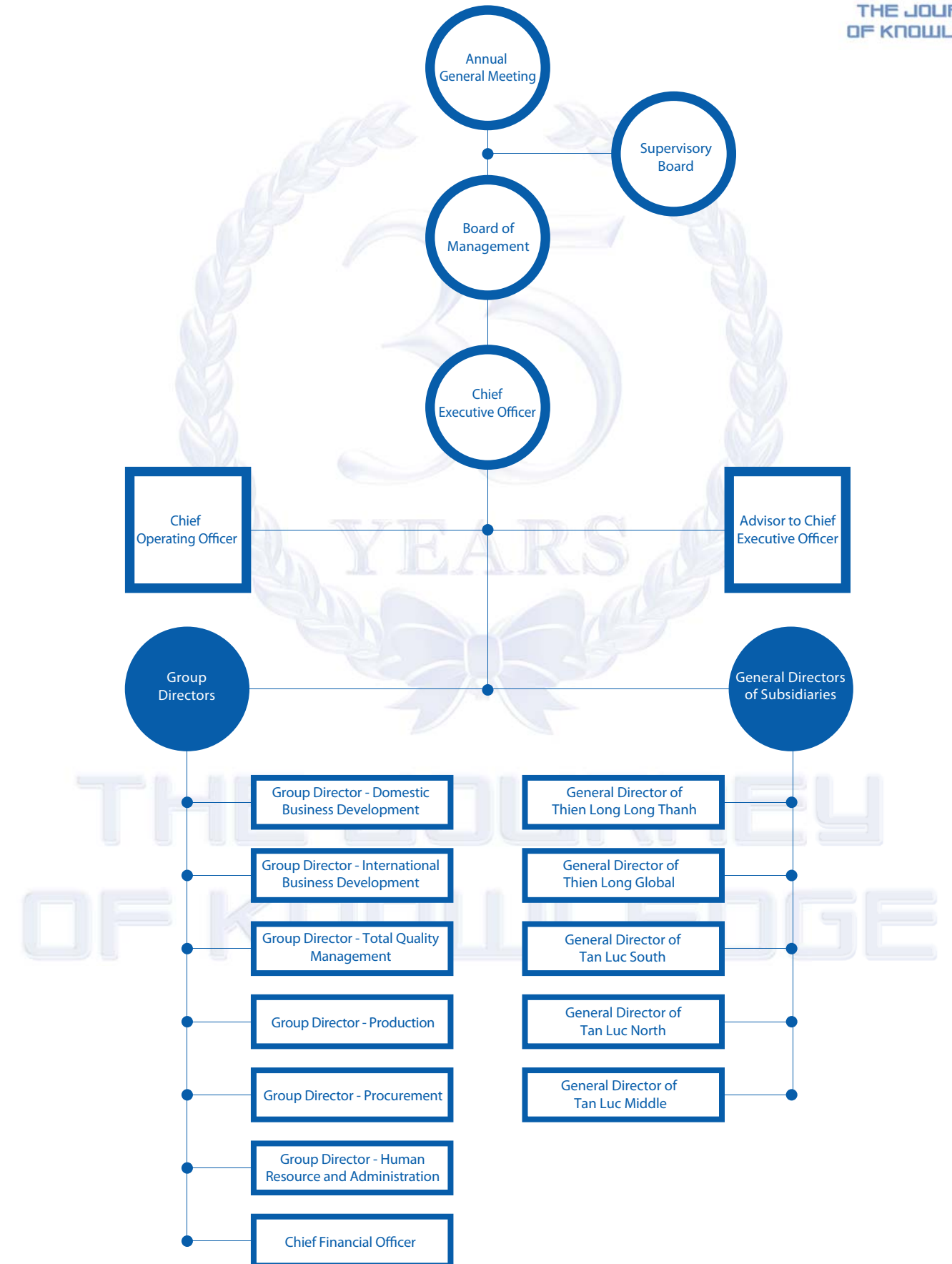
- Effectively control over bank loans;
- Optimize inventory level;
- Effectively manage operating expenses;
- Tight control over production manufacturing processes;
- Enhance internal audit system;
- Strengthen risk management activities.

IV. ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCES

TOGETHER IN THE JOURNEY OF KNOWLEDGE



1. ORGANIZATIONAL STRUCTURE



THE BOARD OF MANAGEMENT



THE JOURNEY
OF KNOWLEDGE



Mr. CO GIA THO
Chairman



MR. TRAN KIM THANH
Vice Chairman – Independent Member of BOM



MR. TRAN LE NGUYEN
Independent Member of BOM



MR. HUYNH VAN THIEN
Independent Member of BOM



MS. TRAN THAI NHU
Member of BOM



MS. CO NGAN BINH
Member of BOM



DR. VO VAN THANH NGHIA
Member of BOM



MS. CO CAM NGUYET
Member of BOM



MR. TRAN VAN HUNG
Independent Member of BOM



THIÊN LONG
THE POWER OF KNOWLEDGE

THE JOURNEY OF KNOWLEDGE



THE BOARD OF DIRECTORS



DR. VO VAN THANH NGHIA
Chief Executive Officer



MR. NGUYEN DINH TAM
Chief Operating Officer
Group Director - Production



MR. NGUYEN THUNG VIET
Group Director - Domestic Business Development



MR. TRAN TRUNG HIEP
Group Director - International Business Development



MR. BUI VAN HUONG
Group Director - Total Quality Management
Group Director - Human Resource and Administration



MR. PHAN NHAT PHUONG
Group Director - Procurement



MR. HO NGOC CANH
Chief Financial Officer
Chief Accountant



MR. TA QUANG THIEN
General Director - Thien Long Long Thanh



MR. TRUONG ANH HAO
General Director - Thien Long Global



MR. HUYNH DUC NGHIA
General Director - Tan Luc South



MR. DANG THANH CANH
General Director - Tan Luc North



MR. NGUYEN DUONG TRUNG HAU
General Director - Tan Luc Middle

THE SUPERVISORY BOARD



MS. NGUYEN THI BICH NGA
Head of the Supervisory Board



MR. TA HOANG SON
Member of the Supervisory Board



MR. LY VAN DU
Member of the Supervisory Board

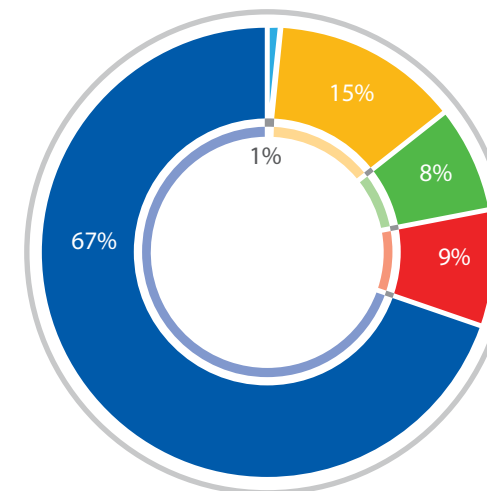
2. HUMAN RESOURCES AND PERSONNEL POLICY

EMPLOYEE STATISTICS

Statistics of total workforce of Thien Long through the years



Chart of Labor Structure



The total number of employees of Thien Long as of December 31st, 2015 was 3,081, of which:

- Graduate: 16
- Undergraduate: 470
- College: 257
- Technical/ Vocational: 266
- High school: 2,072

The total number of employees of Thien Long as of 31st December, 2015 was:

3,081



SALARY AND BONUS POLICY

Thien Long has always surveyed, studied, and analyzed the labor market, wage level of each sector in various areas, and current regulations in order to build suitable policies on salary, bonus, and allowance. In doing so, employees feel secure and loyal to Thien Long, thus improving morale, productivity and efficiency.

The payroll was built on the basis of the following criteria: contributed value; commensuration to work performance; labor market competition; encouragement of work efficiency and quality; equality and transparency.

Depending on each position and duty undertaken, besides the exact number of basic salary agreed mutually in the labor contract, staff and employees are entitled to bonuses and allowances for complying with Thien Long's rules, working productively, maintaining occupational efficiency as well as reimbursement of travelling, living allowances or expenses... Thien Long reviews the general wage levels annually to assess the staff performance for appropriate salary adjustments.

In addition to the 13th-month and holiday bonus, employees are considered for annual reward at the end of the year and when Thien Long exceeds the profit target, based on both the overall performance of Thien Long's business and the assessment of employees' performance. Besides, the employees are also rewarded for their innovations or improvements for increasing labor productivity, and achievements in fighting against negativeness and waste to encourage them to contribute more to Thien Long.

WELFARE POLICY

To create the best working environment for the employees amidst its goals and strategies and compliance with the provisions of laws, Thien Long has applied management systems in accordance with international standards such as Occupational Health and Safety Management (OHSAS 18001), Social Accountability (SA 8000) and International Council of Toy Industries (ICTI).

In addition to the compulsory insurance regime, Thien Long also provides all the employees with 24/24 accidental insurance to partially support the medical costs, as well as the declines of working capacity of staff in case of any risks occurred.

Thien Long caters mid-shift meals and uniforms to employees, supports childcare expenses for young female employees who have children at pre-school age, organizes family activities such as Children's Day and Mid-Autumn Festival celebration, assists in training, and provides scholarships to employees' children who have achieved excellent study results. Besides, Thien Long grants annual vacation leave entitlement to employees and organizes music and sports competitions to enhance teamwork, working spirit, and wellness in and among the employees.



TRAINING POLICY

Thien Long has always devoted significant budget to training activities aimed at developing highly qualified manpower to meet the requirements of business expansion. The annual training plans have always been prepared clearly and specifically for each department and positions in various forms of training such as sending staff to outside classes, inviting trainers to Thien Long, organizing internal self-training...

IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE AND MANAGEMENT POLICIES DURING THE YEAR

Retention and development of human resources are the core values for a stable and sustainable development. Being aware of the importance of the invaluable resources, Thien Long has continuously improved the human resource management system from setting up a system of regulations and policies to the implementation of advanced international standards in human resource management. Thien Long's leadership always directs to the harmony of interests of all employees both in prosperous time and in difficulties. Even in the most challenging times, the policies for salary, allowances, social insurance, health care, training and development of human resources, and reward are always guaranteed. Some important achievements in 2015 were:

- Expertise and soft skills were improved, and knowledge was gradually applied in practice;
- Performance of sales, distribution, and productivity was improved;
- Work performance rating system for divisions, especially for the sales force was improved;
- Arts and sports activities, holidays, and annual leave for employees and community activities were strengthened;
- The workforce remained stable thanks to Thien Long's working environment.



V. CORPORATE GOVERNANCE REPORT

THE POWER OF KNOWLEDGE
REACHING NEW HEIGHTS



1. REPORT OF THE SUPERVISORY BOARD



Operational Status of the Supervisory Board in 2015

In the past year, the Supervisory Board (SB) executed its duties in accordance with the provisions of laws, the Charter of Thien Long Group, plans on inspection and monitoring of management, and direction of Thien Long's activities.

In 2015, the implementation of inspection and supervision of the SB was focused on the following issues:

- Supervising the Board of Management (BOM) and Board of Directors (BOD) in the management of production and trading activities;
- Inspecting and monitoring the deployment and implementation of the resolutions of The Annual General Meeting of Shareholders, the resolutions by the BOM, the compliance, and operation organization in accordance with the Charter and the provisions of laws;
- Verifying quarterly and annual financial statements; and
- Monitoring the implementation of the business plan of 2015.

Results of Operational and Financial Monitoring in 2015

Results of Monitoring Members of the BOM, BOD and Coordination of Activities between the BOM and the BOD:

The BOM has performed its role well in directing, monitoring, supporting the BOD in running the business operations. The resolutions and decisions made by the BOM are orderly and appropriate in accordance with the Charter and regulations of the laws.

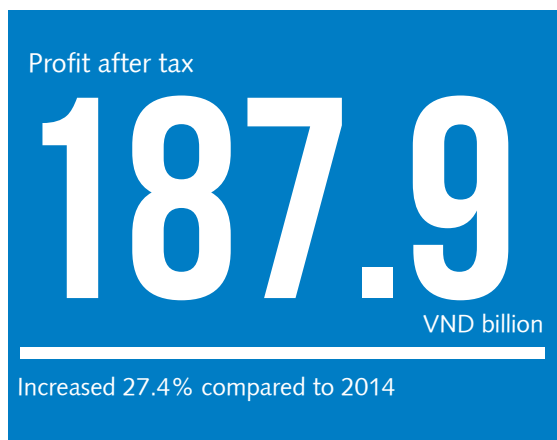
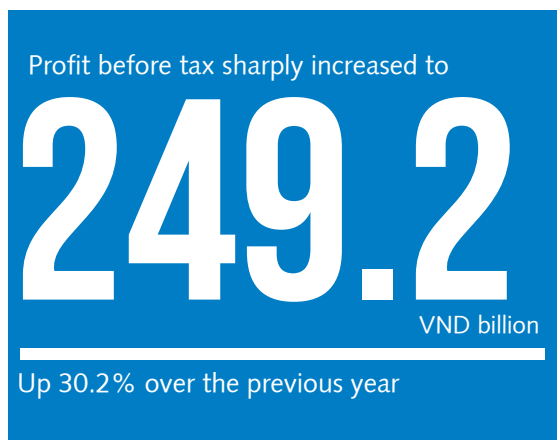
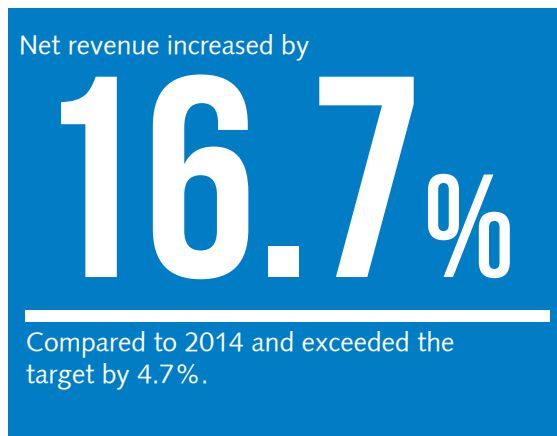
The BOD monitored and managed the business operation in accordance with responsibilities while actively offering solutions and recommendations to the BOM on matters under the jurisdiction of the BOM. With the dedication and experience of its members, the BOD succeeded in fulfilling the targets set for the past year.

Coordination between the BOM, the BOD and the SB

The BOM, BOD, and SB regularly exchanged, shared information, and updated the operational situation of Thien Long. The functional relationships among BOM, BOD, and SB were made in accordance with the provisions of the Enterprise Law and Thien Long's Charter.

The BOM and BOD have always supported and facilitated the SB in completing the SB's tasks and duties.

THE YEAR 2015 MARKED THE SUCCESS OF THIEN LONG IN MANY ASPECTS.



Report on the Financial Situation and Operational Results in 2015

Based on the 2015 financial statements audited by Ernst & Young Vietnam, the SB acknowledges the 2015 financial statements reasonably and truthfully reflected the financial situations of Thien Long Group.

In 2015, Thien Long achieved remarkable success. In particular, net revenue increased by 16.7% compared to 2014 and exceeded the target by 4.7%.

Thanks to effective cost control, profit before tax sharply increased to VND 249.2 billion, up 30.2% over the previous year. Profit after tax amounted to VND 187.9 billion, increasing 27.4% compared with 2014 and 13.9% higher than the target.

Efficiency also increased with the gross margin and net margin increased to 38.6% and 10% respectively. Thanks to increasingly effective production, operational system and cost control, the ratio of total cost and expenses to net revenue was stable at 26%. Besides, Return on Total Assets (ROA) and Return on Equity (ROE) also improved remarkably.

Total asset as at the year end was valued at VND 1,292.9 billion, increased VND 184.8 billion, equivalent of a growth rate of 16.7% year-on-year. Short-term asset increased by VND 119.8 billion while long-term asset rose by VND 65 billion. In 2015, intensifying investment in preparation for the development plans of the next years and taking the advantage of attractive market borrowing rates, Thien Long increased the financial leverage through increasing liabilities by VND 95.3 billion compared to 2014.

In addition to fulfilling the financial targets set out for the year, the BOM and the BOD also accomplished the tasks assigned by The General Meeting of Shareholders in the fiscal year of 2014 as follows:

- Distributed 2014 profits: Paying 2014 cash dividend (20%), properly transferring profits to appropriate funds and reserves, paying bonuses for exceeding profit target and remunerating the BOM and SB in accordance with the AGM resolution;
- Listed additional 2,679,038 shares which were bonus share payment for 2014 on 28/08/2015;
- Revised the Charter in accordance with the new chartered capital to VND 294.7 billion from VND 267.9 billion;
- Advanced 2015 dividends in cash (10%).

On 31/12/2015, Thien Long completed the obtaining of shareholders' opinion in writing on the plan for issuance of shares for raising share capital from the Owners' equity at the rate of 30%.

2. RISK MANAGEMENT REPORT

In nearly 35 years of operation with constant creativity and innovation, Thien Long has made spectacular developments to become the No. 1 Stationery Group in Viet Nam and leading company in the region thanks to its proactiveness and flexibility in its development strategies and policies.

With its position as a large-scale enterprise and as one of the most effective companies within the industry for several years, Thien Long Group has paid much attention to risk management for the entire business activities in order to ensure operational efficiency, as well as sustainable development in the future.

Management of Risks Related to Growth Rate and Technological Change

In an increasingly fierce competitive environment with diverse and demanding needs of customers, the business activities are facing the greatest risks such as competitiveness declination and improper capture of market requirements and trends. Therefore, Thien Long Group has always focused on enhancing its management capacity and competitiveness, as well as its every single member. For doing so, it builds long-term strategies and specific business plans for each field on the basis of market analysis, the competitors, opportunities, as well as application of modern and comprehensive management tools.

The most intense competition area is currently the design and product quality. Therefore, Thien Long has significantly invested into Research and Development (R&D) and advanced production technologies to ensure product quality and diversification and meet the changing requirements of consumers. Currently, all the stages of production from researching and engineering to testing and quality control are invested with state-of-the-art technologies.

Management of Risks Related to Exchange Rate and Price of Raw Materials

Since Thien Long has to import the majority of raw materials from abroad, particularly plastic resins, the production cost has been largely affected by fluctuations in exchange rates and oil prices. To mitigate these risks, Thien Long Group is always proactive in preparing its financial plans such as investment plans, short-term and long-term cash flow plans, especially foreign currency cash flow, to ensure the balance of source of foreign exchange is in consistency with its business plan.

In addition, its long-term experience in the industry and strong traditional relationships with major suppliers enable Thien Long to control the production and business operations in the event of raw material price fluctuations.

Thien Long actively uses tools for exchange rate insurance and foreign reserve increase through export development, along with gradual reduction of import rate by actively researching, capturing and transferring technology to self-provision machinery and proactively preparing input materials.

Management of Risks Related to Production Activities of the Factories

Appreciating the importance of safe and efficient factory production activities, the entire staff of Thien Long, from the highest levels of leaders and managers to each factory's front-line workers is fully aware of and raises the sense of responsibility for safe and efficient management and operation of the factories. In addition, Thien Long has periodic repair and maintenance plans in order to maintain safe and efficient production.

Management of Risks Related to Product Quality

Fake and shoddy goods account for a large number in the market, impacting on the reputable manufacturers. To stand and claim the role as a leading manufacturer and trader of writing instruments and stationery in Viet Nam and the region, Thien Long has built a close product quality control process at all stages of purchasing, production, packaging, and circulation. These quality assurance measures won the trust and support of consumers.

Management of Risks Arising from Investment Activities

Risks arising from inefficient investment activities will entail many implications for capital and business results. Therefore, Thien Long has always placed tight control over investment activities at the feasibility assessment stage to avoid unforeseen risks which may affect business results and its assets. Major projects must be comprehensively analyzed based on market demands, competitiveness, business efficiency, finance and technology to identify risks involved as well as the impact of each factor, and must be approved by Thien Long's Board of Investment.



3. STOCK INFORMATION

Listing Information

Chartered Capital: VND 294,714,640,000

Stock Symbol: TLG

Stock Exchange: HOSE

First Listing Date: 26/03/2010

Number of Shares Listed: 29,471,464

Treasury/ Restricted/ Non-Transferable Shares: 0

Number of Shares in Circulation : 29,471,464

Information on Dividends

- 2013 Dividend: VND 500/share, 15% stock dividend
- 2014 Dividend: VND 2,000/share, 10% stock dividend
- 2015 Dividend: 20% (planned); 30% bonus share

Changes in Share Capital

On August 28th 2015, Thien Long listed additional 2.679.038 bonus shares. Except from this issuance, Thien Long did not have any other treasury transaction or other stock issuance during the year 2015.

Shareholders Structure (as of 02/12/2015)

Shareholders	Number of Shareholders	Share Volume	Percentage
Domestic Shareholders			
Organization	25	15,503,122	52.60%
Individual	450	7,828,019	26.56%
Foreign Shareholders			
Organization	19	6,071,096	20.60%
Individual	26	69,227	0.24%
Total	520	29,471,464	100.00%

List of Shareholders Holding over 5% of Thien Long's Shares (as of 02/12/2015)

No.	Shareholders	No. of Shares	Percentage
1	Thien Long An Think Investment Corporation Represented by: Mr. Co Gia Tho	15,455,354	52.44%
2	Vietnam Holding Limited	1,940,821	6.59%
3	Mr. Co Gia Tho	1,901,191	6.45%
Total		19,297,366	65.48%

Share Transactions by Major and Insider Shareholders

No.	Shareholders	Classification	Start of Period		End of Period		Reasons for Changes
			No. of Shares	Percentage	No. of Shares	Percentage	
1	Thien Long An Think Investment Corporation	Major shareholder	14,050,322	52.44%	15,455,354	52.44%	Bonus share
2	Vietnam Holding Limited	Major shareholder	2,997,381	11.19%	1,940,821	6.59%	Sold + Bonus share
3	Mr. Co Gia Tho	Chairman	1,728,356	6.45%	1,901,191	6.45%	Bonus share
4	Mr. Huynh Van Thien	BOM	760,897	2.84%	836,986	2.84%	Bonus share
5	Ms. Tran Thai Nhu	BOM	355,069	1.33%	390,575	1.33%	Bonus share
6	Ms. Co Ngan Binh	BOM	303,600	1.13%	333,960	1.13%	Bonus share
7	Mr. Vo Van Thanh Nghia	BOM	976,929	3.65%	1,074,621	3.65%	Bonus share
8	Mr. Tran Van Hung	BOM	113,850	0.42%	125,234	0.42%	Bonus share
9	Ms. Co Cam Nguyet	BOM	151,800	0.57%	208,725	0.71%	Inheritance + Bonus share
10	Mr. Nguyen Dinh Tam	Group Director	159,126	0.59%	175,037	0.59%	Bonus share
11	Mr. Phan Nhut Phuong	Group Director	192,786	0.72%	212,064	0.72%	Bonus share
12	Mr. Bui Van Huong	Group Director	40,024	0.15%	44,026	0.15%	Bonus share
13	Mr. Nguyen Thuong Viet	Group Director	85,395	0.32%	93,934	0.32%	Bonus share
14	Mr. Ho Ngoc Canh	Group Director	22,911	0.09%	25,202	0.09%	Bonus share
15	Mr. Tran Trung Hiep	Group Director	20,746	0.08%	22,820	0.08%	Bonus share
16	Ms. Tran Phuong Nga	Finance Director	12,650	0.05%	16,126	0.05%	Bought + Bonus share
17	Ms. Nguyen Thi Bich Nga	Head of SB	19,430	0.07%	21,373	0.07%	Bonus share
18	Mr. Ly Van Du	SB Member	506	0.001%	556	0.001%	Bonus share
19	Mr. Ta Hoang Son	SB Member	3,036	0.01%	3,339	0.01%	Bonus share

VI. CONSOLIDATED FINANCIAL STATEMENTS



Thien Long Group Corporation

Consolidated financial statements
31 December 2015

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GENERAL INFORMATION

THE COMPANY

Thien Long Group Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103003187 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 March 2005 and the following amended Business Registration Certificates:

<u>Amended Business Registration Certificate:</u>	<u>Date</u>
2 nd amendment	6 April 2007
3 rd amendment	15 October 2007
4 th amendment	28 March 2008
5 th amendment	5 July 2011
6 th amendment	11 August 2011
7 th amendment	18 December 2012
8 th amendment	23 September 2013
9 th amendment	21 November 2013
10 th amendment	30 January 2015
11 th amendment	31 July 2015
12 th amendment	21 March 2016

The Company was listed on the Ho Chi Minh Stock Exchange in accordance with Decision No. 20/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 2 February 2010.

The current principal activities of the Company and its subsidiaries ("the Group") are to manufacture and trade stationeries, class room equipment, plastic teaching instruments, plastic household appliances, printing stamps and performing screen-printing and pressing on packing and products.

The Company's head office and factory are located at Lot 6-8-10-12, Road No. 3, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Co Gia Tho	Chairman
Mr Tran Kim Thanh	Vice Chairman
Mr Tran Le Nguyen	Member
Mr Huynh Van Thien	Member
Ms Tran Thai Nhu	Member
Ms Co Ngan Binh	Member
Mr Vo Van Thanh Nghia	Member
Ms Co Cam Nguyet	Member
Mr Tran Van Hung	Member

BOARD OF SUPERVISION

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

Ms Nguyen Thi Bich Nga	Head
Mr Ly Van Du	Member
Mr Ta Hoang Son	Member

GENERAL INFORMATION (continued)

MANAGEMENT

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

Mr Vo Van Thanh Nghia	Chief Executive Officer
Mr Nguyen Dinh Tam	Deputy General Director
Mr Bui Van Huong	Deputy General Director
Mr Phan Nhut Phuong	Deputy General Director
Mr Nguyen Thuong Viet	Deputy General Director
Mr Ho Ngoc Canh	Deputy General Director
Mr Tran Trung Hiep	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Co Gia Tho.
Mr Vo Van Thanh Nghia is authorised by Mr Co Gia Tho to sign the consolidated financial statements for the year ended 31 December 2015.

AUDITORS

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

REPORT OF MANAGEMENT

Management of Thien Long Group Corporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2015.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial period which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the period. In preparing those consolidated financial statements, management is required to:

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

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

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2015 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements.

For and on behalf of management:



Vo Van Thanh Nghia
Chief Executive Officer

28 March 2016



Ernst & Young Vietnam Limited
28th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, A.R. of Vietnam

Tel: +84 8 3824 5252
Fax: +84 8 3824 5250
ey.com

Reference: 60858419/17794648-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Thien Long Group Corporation

We have audited the accompanying consolidated financial statements of Thien Long Group Corporation ("the Company") and its subsidiaries ("the Group") as prepared on 28 March 2016 and set out on pages 71 to 103, which comprise the consolidated balance sheet as at 31 December 2015, and the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2015, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.



Ernst & Young Vietnam Limited



Duong Le Anthony
Deputy General Director

Audit Practicing Registration Certificate
No. 2223-2013-004-1

Ho Chi Minh City, Vietnam
28 March 2016

Ngo Hong Son
Auditor

Audit Practicing Registration Certificate
No. 2211-2013-004-1

CONSOLIDATED BALANCE SHEET
as at 31 December 2015B01-DN/HN
VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		958,248,997,265	838,442,975,633
110	I. Cash and cash equivalents	4	426,351,225,090	317,197,238,004
111	1. Cash		162,351,225,090	74,197,238,004
112	2. Cash equivalents		264,000,000,000	243,000,000,000
130	II. Current accounts receivable		99,927,269,298	85,990,844,721
131	1. Short-term trade receivables	5.1	75,881,388,348	74,640,938,924
132	2. Short-term advances to suppliers	5.2	20,865,661,875	8,692,873,056
136	3. Other short-term receivables	6	4,824,515,845	4,174,955,558
137	4. Provision for short-term doubtful receivables	5.1	(1,644,296,770)	(1,517,922,817)
140	III. Inventories	7	420,294,380,388	424,791,836,427
141	1. Inventories		447,230,376,821	449,134,826,209
149	2. Provision for obsolete inventories		(26,935,996,433)	(24,342,989,782)
150	IV. Other current assets		11,676,122,489	10,463,056,481
151	1. Short-term prepaid expenses	8	3,436,331,283	5,952,006,356
152	2. Value-added tax deductible		4,439,482,783	704,793,098
153	3. Tax and other receivables from the State		3,800,308,423	3,806,257,027
200	B. NON-CURRENT ASSETS		334,749,277,255	269,759,563,384
210	I. Long-term receivable		2,469,355,128	1,776,891,500
216	1. Other long-term receivables	6	2,469,355,128	1,776,891,500
220	II. Fixed assets		197,960,192,119	196,706,822,186
221	1. Tangible fixed assets	9	165,367,270,000	165,333,282,624
222	Cost		469,572,480,392	445,994,232,828
223	Accumulated depreciation		(304,205,210,392)	(280,660,950,204)
227	2. Intangible assets	10	32,592,922,119	31,373,539,562
228	Cost		50,604,022,826	44,639,426,826
229	Accumulated amortisation		(18,011,100,707)	(13,265,887,264)
240	III. Long-term asset in progress		6,505,835,232	5,929,140,901
242	1. Construction in progress	11	6,505,835,232	5,929,140,901
250	IV. Long-term investments	12	20,169,810,624	20,891,812,096
253	1. Investment in other entities		30,685,000,000	30,685,000,000
254	2. Provision for long-term investments		(10,515,189,376)	(9,793,187,904)
260	V. Other long-term assets		107,644,084,152	44,454,896,701
261	1. Long-term prepaid expenses	8	83,015,094,668	16,631,173,071
262	2. Deferred tax assets	25.3	24,628,989,484	27,823,723,630
270	TOTAL ASSETS		1,292,998,274,520	1,108,202,539,017

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2015B01-DN/HN
VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		471,354,785,048	376,028,839,621
310	I. Current liabilities		404,618,283,947	339,641,010,692
311	1. Short-term trade payables		91,698,607,820	70,426,481,868
312	2. Short-term advances from customers		9,422,715,397	8,054,176,599
313	3. Statutory obligations	13	16,827,178,655	16,275,251,949
314	4. Payables to employees		12,900,426,298	11,506,827,864
315	5. Short-term accrued expenses	14	34,435,692,139	29,269,266,467
319	6. Other short-term payables	15	33,071,555,894	16,810,627,107
320	7. Short-term loans	16	199,022,130,814	182,258,394,872
322	8. Bonus and welfare fund		7,239,976,930	5,039,983,966
330	II. Non-current liabilities		66,736,501,101	36,387,828,929
337	1. Long-term receivables		75,500,000	-
338	2. Long-term loans	16	43,881,628,801	15,967,242,929
342	3. Other long-term provisions	17	22,779,372,300	20,420,586,000
400	D. OWNERS' EQUITY		821,643,489,472	732,173,699,396
410	I. Capital	18	821,643,489,472	732,173,699,396
411	1. Share capital		294,714,640,000	267,924,260,000
411a	- Shares with voting rights		294,714,640,000	267,924,260,000
412	2. Share premium		128,217,023,000	128,217,023,000
418	3. Investment and development fund		78,290,097,498	63,550,321,702
421	4. Undistributed earnings		320,421,728,974	272,482,094,694
421a	- Undistributed earnings up to the end of prior period		174,256,301,661	148,413,327,294
421b	- Undistributed earnings of current period		146,165,427,313	124,068,767,400
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,292,998,274,520	1,108,202,539,017


Bui Thi Cam Loan
Preparer

Ho Ngoc Canh
Chief AccountantVo Van Thanh Nghia
Chief Executive Officer

28 March 2016

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2015

B02-DN/HN

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods	20.1	1,914,545,057,539	1,647,967,680,135
02	2. Deductions	20.1	(30,803,467,082)	(34,390,771,170)
10	3. Net revenue from sale of goods	20.1	1,883,741,590,457	1,613,576,908,965
11	4. Cost of goods sold		(1,157,540,036,355)	(1,017,801,890,106)
20	5. Gross profit from sale of goods		726,201,554,102	595,775,018,859
21	6. Finance income	20.2	17,608,842,128	11,227,392,757
22	7. Finance expenses	21	(19,113,326,491)	(17,406,903,143)
23	<i>In which: Interest expense</i>		(11,131,608,073)	(14,851,757,462)
25	8. Selling expenses	22	(285,632,790,806)	(242,030,871,518)
26	9. General and administrative expenses	22	(188,479,071,476)	(162,474,939,545)
30	10. Operating profit		250,585,207,457	185,089,697,410
31	11. Other income	23	3,361,401,215	7,029,460,029
32	12. Other expenses	23	(4,743,951,243)	(665,833,501)
40	13. Other (losses) profit	23	(1,382,550,028)	6,363,626,528
50	14. Accounting profit before tax		249,202,657,429	191,453,323,938
51	15. Current corporate income tax expense	25.2	(58,149,936,958)	(48,711,764,990)
52	16. Deferred income tax (expenses) income	25.3	(3,194,734,146)	4,656,199,011
60	17. Net profit after tax		187,857,986,325	147,397,757,959
61	18. Net profit after tax attributable to shareholders of the parent		187,857,986,325	147,397,757,959

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2015

B02-DN/HN

70	19. Basic earnings per share	19	4,413	3,463
71	20. Diluted earnings per share	19	4,413	3,463


Bui Thi Cam Loan
Preparer

28 March 2016


Ho Ngoc Canh
Chief AccountantVo Van Thanh Nghia
Chief Executive Officer

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2015

B03-DN/HN

VND

Code	ITEMS	Notes	Current year	Previous year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Accounting profit before tax		249,202,657,429	191,453,323,938
<i>Adjustments for:</i>				
02	Depreciation and amortisation		39,215,228,057	37,430,439,520
03	Provisions		3,441,382,076	10,553,132,947
04	Foreign exchange differences arisen from revaluation of monetary accounts denominated in foreign currency	20.2, 21	313,476,488	(41,391,928)
05	Profits from investing activities		(9,312,179,794)	(9,533,961,890)
06	Interest expense	21	11,131,608,073	14,851,757,462
08	Operating profit before changes in working capital		293,992,172,329	244,713,300,049
09	(Increase) decrease in receivables		(18,784,355,165)	6,207,635,660
10	Decrease in inventories		1,904,449,388	21,030,063,420
11	Increase in payables		32,435,930,538	29,841,551,369
12	Increase in prepaid expenses		(62,586,919,453)	(3,416,488,233)
14	Interest paid		(11,186,148,927)	(15,200,550,401)
15	Corporate income tax paid	25.2	(58,376,474,474)	(46,175,111,127)
17	Other cash outflows from operating activities		(26,367,791,312)	(17,945,110,340)
20	Net cash flows from operating activities		151,030,862,924	219,055,290,397
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase and construction of fixed assets		(47,663,969,037)	(29,358,361,093)
22	Proceeds from disposals of fixed assets		1,421,130,365	5,643,573,493
27	Interest and dividends received		13,361,519,380	8,240,695,903
30	Net cash flows used in investing activities		(32,881,319,292)	(15,474,091,697)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
33	Drawdown of borrowings		615,674,080,080	602,862,259,588
34	Repayment of borrowings		(571,031,807,548)	(654,043,326,753)
36	Dividends paid	18.2	(53,577,839,575)	(11,646,293,700)
40	Net cash flows used in financing activities		(8,935,567,043)	(62,827,360,865)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2015

B03-DN/HN

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash and cash equivalents		109,213,976,589	140,753,837,835
60	Cash and cash equivalents at beginning of year		317,197,238,004	176,449,511,864
61	Impact of exchange rate fluctuation		(59,989,503)	(6,111,695)
70	Cash and cash equivalents at end of year	4	426,351,225,090	317,197,238,004


Bui Thi Cam Loan
Preparer

28 March 2016


Ho Ngoc Canh
Chief AccountantVo Van Thanh Nghia
Chief Executive Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended 31 December 2015

B09-DN/HN

1. CORPORATE INFORMATION

Thien Long Group Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4103003187 issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City on 14 March 2005 and the following amended Business Registration Certificates:

<u>Amended Business Registration Certificate:</u>	<u>Date</u>
2 nd amendment	6 April 2007
3 rd amendment	15 October 2007
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7 th amendment	18 December 2012
8 th amendment	23 September 2013
9 th amendment	21 November 2013
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The Company was listed on the Ho Chi Minh Stock Exchange in accordance with Decision No. 20/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 2 February 2010.

The current principal activities of the Company and its subsidiaries (“the Group”) are to manufacture and trade stationeries, class room equipment, plastic teaching instruments, plastic household appliances, printing stamps and performing screen-printing and pressing on packing and products.

The Company’s head office and factory are located at Lot 6-8-10-12, Road No. 3, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The number of the Group’s employees as at 31 December 2015 was 3,081 (31 December 2014: 3,074).

Corporate structure

The Company includes 5 subsidiaries, in which:

Thien Long Long Thanh Manufacturing Trading Company Limited (“TLLT”), a one-member limited liability company, was incorporated under the Law on Enterprise of Vietnam pursuant to Investment License No. 472031000036 issued by the Dong Nai Industrial Zone Authority on 20 December 2005. TLLT’s head office is located at Road No.7, Long Thanh Industrial Park, Dong Nai Province, Vietnam. TLLT’s principal activities are to manufacture and trade stationery products.

Thien Long Global Trading and Services One Member Co., Ltd (“TLGTS”), a one-member limited liability company, was incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 4104002492 issued by the DPI of Ho Chi Minh City on 15 January 2007. TLGTS’s head office is located at Lot 6-8-10-12, Road No.3, Tan Tao Industrial Park, Tan Tao Ward, Binh Tan District, Ho Chi Minh City, Vietnam. TLGTS’s principal activity is to trade stationery products.

Tan Luc North Trading Service One Member Company Limited (“TLNTS”), a one-member limited liability company, was incorporated under the Law on Enterprise of Vietnam pursuant to Organisation Registration Certificate No. 0105012605 issued by the DPI of Ha Noi City on 19 November 2010. TLNTS’s registered office is located at floor 2, lot 9B, Dai Kim Urban Area, Dai Kim Ward, Hoang Mai District, Ha Noi City, Vietnam. TLNTS’s principal activity is to trade stationery products and office equipment.

Tan Luc South Trading and Service Company Limited (“TLTS”), a one-member limited liability company, was incorporated under the Law on Enterprise of Vietnam pursuant to Organisation Registration Certificate No. 0309489650 issued by the DPI of Ho Chi Minh City on 19 November 2009. TLTS’s head office is located at number 19 – 21 Lot B, Truong Son Street, Ward 15, District 10, Ho Chi Minh City, Vietnam. TLTS’s principal activity is to trade stationery products.

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1. CORPORATE INFORMATION (continued)**Corporate structure (continued)**

Tan Luc Middle Region Trading and Service Company Limited (“TLM”), a one-member limited liability company, was incorporated under the Law on Enterprise of Vietnam pursuant to Organisation Registration Certificate No. 0401708745 issued by the DPI of Da nang City on 1 December 2015. TLM’s registered office is located at number 7 Lot B1, Ha Huy Tap Street, Thanh Xuan Ward, Thanh Khe District, Da Nang City, Vietnam. TLM’s principal activity is to trade stationery products.

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

The consolidated financial statements of the Group expressed in Vietnam dong (“VND”), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam’s accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

2.3 Fiscal year

The Group’s fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company’s accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2015.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Changes in accounting policies and disclosures**

The accounting policies adopted by the Group in preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2014 except for the changes in the accounting policy in relation to the following:

3.1.1 Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system

On 22 December 2014, the Ministry of Finance issued the Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system ("Circular 200") replacing Decision No. 15/2006/QD-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009 of the Ministry of Finance. Circular 200 is effective for the financial year beginning on or after 1 January 2015.

The effects of the change in accounting policies in accordance with Circular 200 to the Group are applied on a prospective basis as Circular 200 does not require for retrospective application. The Group also reclassifies certain corresponding figures of prior year following the presentation of the current year's consolidated financial statements in accordance with Circular 200 as disclosed in Note 29.

3.1.2 Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements

On 22 December 2014, the Ministry of Finance issued the Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements ("Circular 202") replacing section XIII of Circular No. 161/2007/TT-BTC dated 31 December 2007. Circular 202 is effective for the preparation and presentation of consolidated financial statements for the financial years beginning on or after 1 January 2015.

The effects of the change in accounting treatment in accordance with Circular 202 are applied on a prospective as this Circular does not require for retrospective application.

3.2 Cash and cash equivalents

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

3.3 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

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

Raw materials, consumables and goods for sale	-	cost of purchase on a weighted average basis.
Finished goods and work-in-process	-	cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.3 Inventories (continued)***Provision for obsolete inventories*

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

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

3.4 Receivables

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

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

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible assets to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

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

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

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

Land use rights

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and land use rights certificate being issued, are recorded as intangible asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45"). The costs of land use rights are not amortized due to having indefinite useful life.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.7 Depreciation and amortisation**

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

Building and structure	3 - 25 years
Machinery and equipment	3 - 7 years
Means of transportation	6 - 8 years
Office equipment	2 - 7 years
Moulds	3 - 4 years
Computer software	3 - 10 years
Copyright, patents	3 years
Other intangible assets	3 years

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

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expenses when incurred.

3.9 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Prepaid land rental

The prepaid land rental represents the unamortised balance of advance payment made in accordance with lease contracts signed with Sonadezi Long Thanh Co., Ltd on 6 February 2007 for a period of 46 years; and Tan Tao Investment Industry Corporation on 12 August 2015 for the period of 35 years. Such prepaid rentals are recognised as long-term prepaid expenses for allocation to the consolidated income statement over the remaining lease period, according to Circular 45.

3.10 Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments in other entities

Provision is made for any diminution in value of other investments at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the consolidated income statement.

3.11 Payables and accruals

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.12 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting year for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Any increase to the accrued amount will be taken to the consolidated income statement.

This accrued severance pay is used to settle the severance allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.13 Foreign currency transactions

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- monetary assets are translated at buying exchange rate of the commercial bank where the Group conduct transactions regularly; and
- monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conduct transactions regularly.

All realised and unrealised foreign exchange differences are taken to the consolidated income statement.

3.14 Appropriation of net profits

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

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

- Investment and development fund
This fund is set aside for use in the Group's expansion of its operation or of in-depth investments.
- Bonus and welfare fund
This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.15 Revenue recognition**

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

Sale of goods

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

Interest

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

Dividends

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

3.16 Taxation*Current income tax*

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary differences which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.16 Taxation (continued)***Deferred tax (continued)*

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

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

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

3.17. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	1,907,709,497	1,895,272,070
Cash at banks	160,443,515,593	72,301,965,934
Cash equivalents (*)	264,000,000,000	243,000,000,000
TOTAL	426,351,225,090	317,197,238,004

(*) Cash equivalents represent the short-term deposits at commercial and earn interest at the applicable interest rates.

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5. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

5.1 Short-term trade receivables

	VND	
	Ending balance	Beginning balance
Trade receivables from Crayola LLC	7,438,907,258	4,872,893,339
Trade receivables from others	68,442,481,090	69,768,045,585
TOTAL	75,881,388,348	74,640,938,924
Provision for doubtful debts	(1,644,296,770)	(1,517,922,817)
NET	74,237,091,578	73,123,016,107

As noted further in Note 16, the Group has pledged certain trade receivables to secure the bank loan facilities.

5.2 Short-term advances to suppliers

	VND	
	Ending balance	Beginning balance
Advances to Nguyen Thi Anh Dao	9,764,880,000	-
Advances to others	11,100,781,875	8,692,873,056
TOTAL	20,865,661,875	8,692,873,056

6. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term		
Staff advances	1,782,723,026	656,176,100
Bank interest receivable	1,243,550,000	1,421,115,836
Deposit, mortgages or collaterals	1,228,075,287	483,201,633
Others	570,167,532	1,614,461,989
	4,824,515,845	4,174,955,558
Long-term		
Deposit, mortgages or collaterals	2,469,355,128	1,776,891,500
TOTAL	7,293,870,973	5,951,847,058

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7. INVENTORIES

	VND	
	Ending balance	Beginning balance
Finished goods	175,385,738,332	206,582,106,987
Raw materials	154,792,635,143	97,706,706,766
Merchandises	56,447,974,992	76,099,917,019
Work in process	35,671,628,606	41,264,131,185
Goods in transit	22,883,335,660	25,738,822,169
Tools and supplies	2,049,064,088	1,743,142,083
TOTAL	447,230,376,821	449,134,826,209
Provision for obsolete inventories	(26,935,996,433)	(24,342,989,782)
NET	420,294,380,388	424,791,836,427

Detail of movements of provision for obsolete inventories:

	VND	
	Current year	Previous year
Beginning balance	(24,342,989,782)	(14,417,793,066)
Provision created during the year	(25,009,468,283)	(20,090,433,500)
Utilization during the year	22,416,461,632	10,165,236,784
Ending balance	(26,935,996,433)	(24,342,989,782)

As noted further in Note 16, the Group has pledged certain inventories to secure its bank loan facilities.

8. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
Short-term		
Advertising and promotion expenses	1,071,555,000	4,361,377,785
Rental expense	415,160,000	539,600,000
Health and asset insurance	401,381,186	406,175,646
Tools and supplies	302,100,499	319,047,186
Others	1,246,134,598	325,805,739
	3,436,331,283	5,952,006,356
Long-term		
Prepaid land rental (*)	79,254,079,371	12,544,965,331
Tools and supplies	3,304,162,982	3,788,341,124
Others	456,852,315	297,866,616
	83,015,094,668	16,631,173,071
TOTAL	86,451,425,951	22,583,179,427

(*) Prepaid land rental represents represent the unamortised balance of advance payment made in accordance with the signed lease contract as disclosed in Note 3.9.

As noted further in Note 16, the Group has pledged its prepaid land rental to secure its bank loan facilities.

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9. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost						VND
Beginning balance	132,736,438,468	179,780,285,034	19,717,795,753	7,773,023,065	105,986,690,508	445,994,232,828
New purchase	71,764,478	18,279,246,297	2,658,726,319	2,727,904,735	8,553,880,387	32,291,522,216
Transfer from construction in progress	-	2,979,016,775	-	-	4,972,559,889	7,951,576,664
Disposal	-	(13,892,738,171)	(120,000,000)	(84,449,238)	(2,567,663,907)	(16,664,851,316)
Ending balance	132,808,202,946	187,145,809,935	22,256,522,072	10,416,478,562	116,945,466,877	469,572,480,392
<i>In which:</i>						
Fully depreciated	273,767,397	78,866,194,320	11,615,425,662	4,588,115,110	73,109,517,946	168,453,020,435
Accumulated depreciation						
Beginning balance	(35,558,223,414)	(128,291,409,140)	(14,186,048,533)	(7,280,657,978)	(95,344,611,139)	(280,660,950,204)
Depreciation for the year	(5,495,912,579)	(19,461,081,775)	(2,075,815,546)	(1,358,935,362)	(6,632,915,860)	(35,024,661,122)
Disposal	-	9,036,993,787	58,333,333	84,449,238	2,300,624,576	11,480,400,934
Ending balance	(41,054,135,993)	(138,715,497,128)	(16,203,530,746)	(8,555,144,102)	(99,676,902,423)	(304,205,210,392)
Net carrying amount						
Beginning balance	97,178,215,054	51,488,875,894	5,531,747,220	492,365,087	10,642,079,369	165,333,282,624
Ending balance	91,754,066,953	48,430,312,807	6,052,991,326	1,861,334,460	17,268,564,454	165,367,270,000
<i>In which:</i>						
Pledged as loan security (Notes 16)	52,042,211,111	19,982,206,928	-	132,358,084	-	72,156,776,123

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10. INTANGIBLE ASSETS

	Land use rights	Computer software	Copyright, patents	Others	Total
Cost:					VND
Beginning balance	9,847,625,000	34,308,823,426	367,000,000	115,978,400	44,639,426,826
New purchase	-	5,964,596,000	-	-	5,964,596,000
Ending balance	9,847,625,000	40,273,419,426	367,000,000	115,978,400	50,604,022,826
<i>In which:</i>					
Fully amortised	-	4,248,158,733	367,000,000	115,978,400	4,731,137,133
Accumulated amortisation					
Beginning balance	(1,175,864,496)	(11,607,044,368)	(367,000,000)	(115,978,400)	(13,265,887,264)
Amortisation for the year	-	(4,745,213,443)	-	-	(4,745,213,443)
Ending balance	(1,175,864,496)	(16,352,257,811)	(367,000,000)	(115,978,400)	(18,011,100,707)
Net carrying amount					
Beginning balance	8,671,760,504	22,701,779,058	-	-	31,373,539,562
Ending balance	8,671,760,504	23,921,161,615	-	-	32,592,922,119
<i>In which:</i>					
Pledged as loan security (Note 16)	8,671,760,504	-	-	-	8,671,760,504

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11. CONSTRUCTION IN PROGRESS

	VND	
	Ending balance	Beginning balance
Office maintenance fee	4,204,262,664	-
Moulds under installation	1,704,801,002	3,313,293,233
Equipment under installation	596,771,566	1,504,222,668
Technology transfer under development	-	1,111,625,000
TOTAL	6,505,835,232	5,929,140,901

12. INVESTMENTS IN OTHER ENTITIES

	VND	
	Ending balance	Beginning balance
Investments in other entities	30,685,000,000	30,685,000,000
Provision for long-term investments	(10,515,189,376)	(9,793,187,904)
NET	20,169,810,624	20,891,812,096

The details of investments in other entities are as follows:

	Ending balance		Beginning balance	
	Shares	VND	Shares	VND
Kinh Do Land Corporation	200,000	25,000,000,000	200,000	25,000,000,000
Saigon Securities Investment Fund A2	500,000	3,565,000,000	500,000	3,565,000,000
Brilliant Chip Joint Stock Company	152,000	1,520,000,000	152,000	1,520,000,000
Printing No. 7 Joint Stock Company	75,000	600,000,000	75,000	600,000,000
TOTAL		30,685,000,000		30,685,000,000

13. STATUTORY OBLIGATIONS

	VND			
	Beginning balance	Increase in year	Payment in year	Ending balance
Corporate income tax (Note 25.2)	8,992,262,796	58,149,936,958	(58,376,474,474)	8,765,725,280
Value-added tax	3,452,250,376	95,523,228,865	(94,477,005,437)	4,498,473,804
Import tax	2,607,248,489	15,363,829,026	(15,391,300,017)	2,579,777,498
Personal income tax	1,223,490,288	17,084,696,063	(17,324,984,278)	983,202,073
TOTAL	16,275,251,949	186,121,690,912	(185,569,764,206)	16,827,178,655

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14. SHORT-TERM ACCRUED EXPENSES

	VND	
	Ending balance	Beginning balance
13 th monthly salary and bonus	21,655,469,209	17,935,712,411
Advertising and promotion expense	1,382,352,356	4,071,584,233
SAP maintenance fee	1,339,235,496	905,943,155
Interest expense	477,406,402	531,947,256
Others	9,581,228,676	5,824,079,412
TOTAL	34,435,692,139	29,269,266,467

15. OTHER SHORT-TERM PAYABLES

	VND	
	Ending balance	Beginning balance
Dividend payables	29,505,649,225	13,423,385,800
Trade union	1,599,529,839	1,397,345,891
Others	1,966,376,830	1,989,895,416
TOTAL	33,071,555,894	16,810,627,107
<i>In which:</i>		
Other payables to other parties	17,616,201,894	9,785,466,107
Other payables to a related party (Note 26)	15,455,354,000	7,025,161,000

16. LOANS

	VND	
	Ending balance	Beginning balance
Short-term		
Short-term loans from banks (Note 16.1)	189,344,483,214	176,708,394,872
Current portion of long-term loans (Note 16.2)	9,677,647,600	5,550,000,000
	199,022,130,814	182,258,394,872
Long-term		
Long-term loans from banks (Note 16.2)	43,881,628,801	15,967,242,929
TOTAL	242,903,759,615	198,225,637,801

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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16. LOANS (continued)**16.1 Short-term loans from banks**

Details of the short-term loans from banks are as follows:

Name of bank	Ending balance	Original amount	Maturity date	Interest rate	Description of collateral
	VND	US\$		(% p.a.)	(Notes 5.1, 7, 8, 9, and 10)
Joint Stock Commercial Bank for Investment and Development of Vietnam – West Saigon Branch	70,872,839,680		From 12 February 2016 to 25 May 2016	4.9 – 5.0	Land use rights, buildings and structures, machinery and equipment, office equipment
Vietnam Joint Stock Commercial Bank for Industry and Trade - West Saigon Branch	9,932,636,769	441,254	From 22 February 2016 to 2 May 2016	2.0	Land use rights, buildings and structures
	12,481,057,984		From 9 April 2016 to 25 June 2016	5.0	Land use rights
	38,690,731,341		From 25 January 2016 to 28 June 2016	4.9 – 5.0	Land use rights, buildings and structures
HSBC Bank (Vietnam) Ltd. – Ho Chi Minh Branch	4,723,709,600		From 18 March 2016 to 11 April 2016	3.68 – 5.51	Guaranteed by Mr Co Gia Tho – Chairman
	6,699,186,919	297,609	From 24 March 2016 to 21 April 2016	2.4	
	13,858,149,141	615,644	From 5 January 2016 to 4 February 2016	1.9 – 2.4	Short-term trade receivables, finished goods, building and structures, guaranteed by Mr Co Gia Tho – Chairman
	21,291,396,145		From 11 January 2016 to 25 April 2016	4.85 – 5.73	
Joint Stock Commercial Bank for Foreign Trade of Viet Nam – Bien Hoa Branch	10,794,775,635		From 17 April 2016 to 29 May 2016	5.0	Inventories
TOTAL	189,344,483,214	1,354,507			

The Group obtained these loans to finance for its working capital requirements.

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16. LOANS (continued)**16.2 Long-term loans from bank**

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

Name of bank	Ending balance	Term and maturity date	Interest rate	Description of collateral
	VND		(% p.a.)	(Notes 8, 9)
Vietnam Joint Stock Commercial Bank for Industry And Trade – West Saigon Branch	18,559,276,401	16 quarterly instalments from 25 September 2015 to 25 September 2019	8.0 – 8.5	Machinery and equipment
	35,000,000,000	16 quarterly instalments from 19 August 2016 to 25 September 2020	7.0	Land use rights
TOTAL	53,559,276,401			
<i>In which:</i>				
Current portion of long-term loans	9,677,647,600			
Long-term loans	43,881,628,801			

The Group obtained these loans to finance for its purchase and installation of tangible fixed assets.

17. OTHER LONG-TERM PROVISION

Other long-term provisions represent the accrual for severance pay as disclosed in Note 3.12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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18. OWNERS' EQUITY**18.1 Increase and decrease in owners' equity**

	Share capital	Share premium	Investment and development fund	Financial reserve fund	Undistributed earnings	Total	VND
Previous year							
Beginning balance	232,979,150,000	128,217,023,000	27,587,484,350	24,306,580,906	216,498,408,786	629,588,647,042	
Issuance of new shares	34,945,110,000	-	-	-	(34,945,110,000)	-	
Net profit for the year	-	-	-	-	147,397,757,959	147,397,757,959	
Dividends declared	-	-	-	-	(25,045,170,500)	(25,045,170,500)	
Profit appropriation	-	-	5,828,128,223	5,828,128,223	(11,656,256,446)	-	
Transferred to bonus and welfare funds	-	-	-	-	(14,935,535,105)	(14,935,535,105)	
Allowance for the Board of Management and Supervisors	-	-	-	-	(4,832,000,000)	(4,832,000,000)	
Ending balance	267,924,260,000	128,217,023,000	33,415,612,573	30,134,709,129	272,482,094,694	732,173,699,396	
Current year							
Beginning balance (previously presented)	267,924,260,000	128,217,023,000	33,415,612,573	30,134,709,129	272,482,094,694	732,173,699,396	
Reclassification (Note 29)	-	-	30,134,709,129	(30,134,709,129)	-	-	
Beginning balance (reclassified)	267,924,260,000	128,217,023,000	63,550,321,702	-	272,482,094,694	732,173,699,396	
Issuance of new shares (*)	26,790,380,000	-	-	-	(26,790,380,000)	-	
Net profit for the year	-	-	-	-	187,857,986,325	187,857,986,325	
Dividends declared	-	-	-	-	(69,660,103,000)	(69,660,103,000)	
Profit appropriation	-	-	14,739,775,796	-	(14,739,775,796)	-	
Transferred to bonus and welfare funds	-	-	-	-	(23,688,093,249)	(23,688,093,249)	
Allowance for the Board of Management and Supervisors	-	-	-	-	(5,040,000,000)	(5,040,000,000)	
Ending balance	294,714,640,000	128,217,023,000	78,290,097,498	-	320,421,728,974	821,643,489,472	

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18. OWNERS' EQUITY (continued)**18.1 Increase and decrease in owners' equity (continued)**

(*) On 7 July 2015, the Company issued 2,679,038 bonus shares from undistributed profit to its existing shareholders. The transaction was approved by shareholders under the Shareholders' Resolution No. 03/2015/NQ/HĐQT dated 16 July 2015 and the Department of Planning and Investment of Ho Chi Minh City through issuance of the Amended Business Registration Certificate on 31 July 2015.

18.2 Capital transactions with shareholders and distribution of dividends

	Current year	Previous year
Contributed capital		
Beginning balance	267,924,260,000	232,979,150,000
Increase	26,790,380,000	34,945,110,000
Ending balance	294,714,640,000	267,924,260,000
Dividends declared		
Stock dividends	-	(34,945,110,000)
Dividends payable in cash	(69,660,103,000)	(25,045,170,500)
Dividends paid	(53,577,839,575)	(11,646,293,700)

18.3 Share capital

	Current year	Previous year
	Shares	Shares
Authorised shares	29,471,464	26,792,426
Shares issued and fully paid		
Ordinary shares	29,471,464	26,792,426
Shares in circulation		
Ordinary shares	29,471,464	26,792,426

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19. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Basic and diluted earnings per share are calculated as follows:

	Current year	Previous year (restated)
Net profit after tax (VND)	187,857,986,325	147,397,757,959
Less: Bonus and welfare fund (VND) (*)	<u>(18,785,798,633)</u>	<u>(14,739,775,796)</u>
Net profit attributable to ordinary shareholders (VND)	169,072,187,692	132,657,982,163
Weighted average number of shares (share) (**)	<u>38,312,672</u>	<u>38,312,672</u>
Basic and diluted earnings per share (VND/share)	<u>4,413</u>	<u>3,463</u>

(*) Bonus and welfare fund is appropriated at 10% of net profit after tax in accordance with Annual General Meeting 2014's Resolution dated 15 May 2015.

Profit after tax used to compute earnings per share for the year 2014 as presented in the financial statements for the year 2014 was restated to reflect the actual allocation to bonus and welfare fund from 2014 retained earnings following the resolution of the Annual General Meeting 2014's Resolution dated 15 May 2015.

(**) The weighted average number of shares in circulation for the year ended 31 December 2015 was adjusted to reflect the issuances of 8,841,208 bonus shares on 1 March 2016 (Note 30).

The weighted average number of shares in circulation for the year ended 31 December 2014 was adjusted to reflect the issuances of 2,679,038 bonus shares on 7 July 2015 (Note 18.1); and 8,841,208 bonus shares on 1 March 2016 (Note 30).

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

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20. REVENUES**20.1 Revenue from sale of goods**

	Current year	Previous year
Gross revenue	1,914,545,057,539	1,647,967,680,135
Of which:		
Sales of finished goods	1,494,890,300,185	1,306,934,588,255
Sales of merchandise goods	419,654,757,354	341,033,091,880
Less	(30,803,467,082)	(34,390,771,170)
Of which:		
Sales returns of finished goods	(26,506,640,428)	(27,930,700,905)
Sales returns of merchandise goods	<u>(4,296,826,654)</u>	<u>(6,460,070,265)</u>
Net revenue	<u>1,883,741,590,457</u>	<u>1,613,576,908,965</u>
Of which:		
Sales of finished goods	1,468,383,659,757	1,279,003,887,350
Sales of merchandise goods	415,357,930,700	334,573,021,615

20.2 Finance income

	Current year	Previous year
Bank interest income	13,005,411,877	9,394,157,961
Realised foreign exchange gains	4,488,430,251	1,658,623,930
Dividends earned	115,000,000	100,001,000
Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency	-	74,609,866
TOTAL	<u>17,608,842,128</u>	<u>11,227,392,757</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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21. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expense	11,131,608,073	14,851,757,462
Realised foreign exchange losses	6,654,478,635	2,306,940,143
Provision (reversal) for diminution in value of investments	722,001,472	(8,284,600)
Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currency	313,476,488	33,217,938
Others	291,761,823	223,272,200
TOTAL	19,113,326,491	17,406,903,143

22. SELLING EXPENSE AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	285,632,790,806	242,030,871,518
- Labour costs	146,217,584,989	112,662,869,612
- Marketing and trade fair expenses	71,619,521,848	66,335,519,330
- Depreciation expenses	1,751,708,893	1,173,933,025
- Others	66,043,975,076	61,858,549,551
General and administrative expenses	188,479,071,476	162,474,939,545
- Labour costs	116,695,422,200	102,339,580,715
- External services	51,943,045,447	45,716,224,052
- Depreciation and amortisation expenses	14,033,984,396	10,311,315,265
- Others	5,806,619,433	4,107,819,513
TOTAL	474,111,862,282	404,505,811,063

23. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
Other income	3,361,401,215	7,029,460,029
Compensation for damaged materials	1,168,995,655	648,942,864
Receipt of purchase discount from prior year	-	2,865,008,124
Gain from disposal of fixed assets	-	39,802,929
Others	2,192,405,560	3,475,706,112
Other expenses	(4,743,951,243)	(665,833,501)
Loss from disposal of fixed assets	(3,808,232,083)	-
Others	(935,719,160)	(665,833,501)
NET	(1,382,550,028)	6,363,626,528

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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24. PRODUCTION AND OPERATING COSTS

	VND	
	Current year	Previous year
Raw materials and goods	940,102,916,289	779,602,215,285
Labour costs	416,185,005,477	347,287,017,925
Depreciation and amortisation expenses	39,925,026,065	38,233,893,180
Expenses for external services and other expenses	258,585,327,012	249,463,146,560
TOTAL	1,654,798,274,843	1,414,586,272,950

25. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Group is 22% of taxable profits except for Thien Long Long Thanh Manufacturing Trading Company Limited ("TLLT") as explained in the following paragraph.

TLLT has the obligation to pay CIT at the rate of 15% of taxable profits for first twelve (12) years and normal tax rate for the year thereafter as current regulations. TLLT is entitled to an exemption from CIT for three (3) years from the first taxable profit making year (2010), and a 50% reduction of CIT for the following seven (7) years.

The tax returns filed by Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

25.1 CIT expenses

	VND	
	Current year	Previous year
Current tax expense	58,162,710,261	48,163,807,194
Adjustment for (over) under accrual of tax from prior year	(12,773,303)	547,957,796
Deferred income tax expense (income)	3,194,734,146	(4,656,199,011)
TOTAL	61,344,671,104	44,055,565,979

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25. CORPORATE INCOME TAX (continued)

25.2 Current tax

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

A reconciliation between the profit before tax and taxable profits is presented below:

	VND	
	Current year	Previous year
Accounting profit before tax	249,202,657,429	191,453,323,938
<i>Adjustments to increase (decrease) in accounting profits</i>		
Loss of a subsidiary	17,762,833,412	-
Non-deductible expenses	7,044,943,086	5,274,007,814
Change in accrued expenses	4,232,498,306	970,165,257
Allocated expenses	4,314,380,000	-
Change in accrual for severance pay	2,416,286,300	1,346,523,883
Change in provision for obsolete inventories	2,237,884,295	7,993,968,993
Foreign exchange difference arisen from revaluation of monetary accounts denominated in foreign currencies	85,826,621	9,299,889
Change in provision for doubtful debt	(46,076,979)	217,299,135
Dividend received	(115,000,000)	(100,001,000)
Change in unrealized profit	(18,336,867,148)	12,172,849,861
Estimated current taxable profit before tax loss carried forward	268,799,365,322	219,337,437,770
Tax loss carried forward	(1,116,482,625)	(411,041,432)
Estimated current taxable profit after tax loss carried forward	267,682,882,697	218,926,396,338
Estimated current CIT	58,539,015,743	48,163,807,194
CIT deduction	(376,305,482)	-
Estimated current CIT after deduction	58,162,710,261	48,163,807,194
CIT payable at beginning of year	5,191,954,373	2,655,300,510
Adjustment for (over) under accrual of CIT from previous years	(12,773,303)	547,957,796
CIT paid during the year	(58,376,474,474)	(46,175,111,127)
CIT payable at end of year	4,965,416,857	5,191,954,373
<i>In which</i>		
CIT payable	8,765,725,280	8,992,262,796
CIT receivable	(3,800,308,423)	(3,800,308,423)

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25. CORPORATE INCOME TAX (continued)

25.3 Deferred tax

The following are the deferred tax assets and deferred tax liabilities recognised by the Group, and the movements thereon, during the current and prior reporting year.

VND

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Unrealized profit	11,922,929,343	17,194,433,833	(5,271,504,490)	2,714,482,312
Accrued expenses	2,777,488,419	2,093,754,379	683,734,040	96,959,956
Provision for obsolete inventories	4,805,562,860	4,388,923,995	416,638,865	1,498,669,705
Accrual for severance pay	4,180,325,960	4,066,775,570	113,550,390	296,235,254
Allocated expenses	862,876,000	-	862,876,000	-
Provision for doubtful debt	62,001,191	78,338,246	(16,337,055)	47,805,809
Foreign exchange difference arisen from revaluation of monetary accounts denominated in foreign currencies	17,805,711	1,497,607	16,308,104	2,045,975
Deferred tax assets	24,628,989,484	27,823,723,630		
Net deferred income tax (expense) income			(3,194,734,146)	4,656,199,011

25.4 Unrecognised deferred tax for tax loss carried forward

The Group is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had accumulated tax losses of subsidiaries of VND 22,451,452,630 available for offset against future taxable profits. Details are as follows:

VND				
Originating year	Can be utilized up to	Tax loss amount	Utilized up to 31 December 2015	Unutilized at 31 December 2015
2011	2016	3,281,933,325	(1,527,524,057)	1,754,409,268
2012	2017	2,331,630,428	-	2,331,630,428
2013	2018	602,579,522	-	602,579,522
2015	2020	17,762,833,412	-	17,762,833,412
TOTAL		23,978,976,687	(1,527,524,057)	22,451,452,630

Estimated accumulated tax loss as subsidiaries' CIT declaration has not been audited by the local tax authorities as of the date of these consolidated financial statements.

No deferred income tax assets were recognised in respect of the remaining VND 22,451,452,630 because future taxable profit of subsidiaries cannot be ascertained at this stage.

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26. TRANSACTIONS WITH RELATED PARTIES

Details of remuneration and bonus of the Board of Directors and Board of Supervision during the year were as follows:

	VND	
	Current year	Previous year
Remuneration and related expenses	<u>5,040,000,000</u>	<u>4,832,000,000</u>

Significant transaction with a related party during the year was as follows:

Related party	Relationship	Transaction	Current year	Previous year
			Amount (VND)	Amount (VND)
Thien Long An Thin Investment Corporation	Major shareholder	Dividend declared	36,530,837,000	13,133,997,000
		Stock dividends	-	18,326,500,000

Amount due to a related party at the balance sheet date was as follows:

Related party	Relationship	Transaction	Ending balance	Beginning balance
			Payable VND	Payable VND
Other short-term payable				
Thien Long An Thin Investment Corporation	Major shareholder	Dividend payable	<u>(15,455,354,000)</u>	<u>(7,025,161,000)</u>

27. SEGMENT INFORMATION

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are in manufacturing and trading stationeries. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of separate segmental information is not required.

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28. OPERATING LEASE COMMITMENT

The Group leases office and warehouse under operating lease arrangements. The minimum lease commitment as at the balance sheet dates under the operating lease agreements is as follows:

	VND	
	Ending balance	Beginning balance
Less than 1 year	10,160,529,640	13,291,757,129
From 1 to 5 years	9,283,857,432	16,921,362,394
More than 5 years	-	6,183,424,774
TOTAL	<u>19,444,387,072</u>	<u>36,396,544,297</u>

29. RECLASSIFICATION OF CORRESPONDING FIGURES IN ACCORDANCE WITH CIRCULAR 200

Certain corresponding figures on the consolidated balance sheet as at 31 December 2014, the consolidated income statement and the consolidated cash flow statement for the year ended 31 December 2014 have been reclassified to reflect the presentation of the current year's consolidated financial statements in accordance with Circular 200. Details are as follows:

Items	VND		
	Beginning balance (previously presented)	Reclassification	Beginning balance (reclassified)
Consolidated balance sheet			
Other short-term receivables	3,035,577,825	1,139,377,733	4,174,955,558
Other short-term assets	1,139,377,733	(1,139,377,733)	-
Other long-term receivable	-	1,776,891,500	1,776,891,500
Other long-term assets	1,776,891,500	(1,776,891,500)	-
Other long-term provisions	-	20,420,586,000	20,420,586,000
Other long-term liabilities	20,420,586,000	(20,420,586,000)	-
Investment and development fund	33,415,612,573	30,134,709,129	63,550,321,702
Financial reserve fund	30,134,709,129	(30,134,709,129)	-
Consolidated income statement			
Other income	10,300,702,921	(3,271,242,892)	7,029,460,029
Other expenses	(3,937,076,393)	3,271,242,892	(665,833,501)
Consolidated cash flow statement			
(Increase) decrease in receivables	4,970,421,910	1,237,213,750	6,207,635,660
Other cash inflows from operating activities	1,237,213,750	(1,237,213,750)	-

30. EVENTS AFTER THE BALANCE SHEET DATE

In accordance with the Resolution of Shareholders No. 02/2015/NQ-DHDCD dated 31 December 2015 and the Resolution of the Board of Directors No. 01/2016/NQ-HDQT dated 4 January 2016, approving the issuance plan of bonus shares to existing shareholders at the ratio of 10:3 from undistributed earnings, the Company additionally completed issuance of 8,841,208 shares on 1 March 2016. Accordingly, the Company's registered charter capital has been increased from VND 294,714,640,000 to VND 383,126,720,000.

Except for the above event, there have been no other significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.




Bui Thi Cam Loan
Preparer

28 March 2016



Ho Ngoc Canh
Chief Accountant



Vo Van Thanh Nghia
Chief Executive Officer