

LVMC HOLDINGS AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2018, DECEMBER 31, 2017

(Unit : USD)

	As of March 31, 2018	As of December 31, 2017
ASSETS		
Current Assets:		
Cash and cash equivalent	21,131,400	22,022,774
Short-term financial instruments	9,167,304	9,164,206
Financial asset at fair value through profit or loss	2,534,004	2,534,004
Trade receivables, net	95,305,394	109,744,309
Other receivables	17,392,381	10,768,769
Other current assets	25,221,458	9,633,542
Income tax receivable	1,745,851	486,229
Inventories	172,492,717	149,246,304
TOTAL CURRENT ASSETS	344,990,509	313,600,137
Non-Current Assets:		
Long-term trade receivables, net	109,817,803	119,506,615
Available-for-sale financial asset	11,351,967	11,351,967
Investment in associates	33,303,184	33,772,223
Other receivables	9,920,518	2,486,107
Other non-current assets	13,497,123	14,117,757
PP&E	82,377,455	84,018,007
Investment in properties	2,036,352	2,071,047
Intangible assets	7,895,533	7,672,984
TOTAL NON-CURRENT ASSETS	270,199,935	274,996,707
TOTAL ASSETS	615,190,444	588,596,844
LIABILITIES AND EQUITY		
Current Liabilities:		
Trade payables	55,149,045	37,140,805
Short-term borrowings	131,868,043	108,962,840
Provisions	552,664	1,182,323
Other financial liabilities	10,998,587	14,883,299
Other liabilities	11,881,320	1,625,070
Tax liabilities	142,960	265,071
TOTAL CURRENT LIABILITIES	210,592,619	164,059,408
Non-current liabilities:		
Long-term borrowings	34,203,454	51,587,028
Derivative liabilities	806,260	746,299
Provisions	1,084,683	991,008
TOTAL NON-CURRENT LIABILITIES	36,094,397	53,324,335
TOTAL LIABILITIES	246,687,016	217,383,743
EQUITY		
Equity attributable to owners of the parent	369,164,270	372,249,976
Paid-in capital	11,967,377	11,967,377
Other issued capital	137,338,601	136,486,495
Accumulated other comprehensive income	1,229,028	1,146,467
Retained earnings	218,629,264	222,649,637
Non-controlling interests	(660,842)	(1,036,875)
TOTAL EQUITY	368,503,428	371,213,101
TOTAL LIABILITIES AND EQUITY	615,190,444	588,596,844

LVMC HOLDINGS AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED MARCH 31, 2018 AND 2017

(Unit : USD)

	FY2018	FY2017
	Year ended March 31	Year ended March 31
SALES (REVENUE)	68,423,790	77,227,985
COGS	(64,974,530)	(63,919,724)
GROSS PROFIT	3,449,260	13,308,261
SG&A	19,315,836	12,138,484
Salaries	4,320,780	3,522,030
Entertainment	148,375	194,003
Advertising	425,162	163,143
Sales Promotion	915,618	969,358
Sales Commissions	3,547,484	122,398
Sales warranty	(116,817)	(282,578)
Rental fee	1,844,465	1,418,296
Depreciation	1,422,189	1,277,958
Amortization	220,131	312,358
Tax and dues	180,382	542,853
Supplies	281,928	376,188
Service Fees (Professional fees)	2,623,561	1,551,360
Others	3,502,578	1,971,117
Other income	18,485,604	14,882,290
Other expenses	(1,600,201)	(1,081,266)
OPERATING PROFIT	1,018,827	14,970,801
Financial income	4,994,221	2,040,335
Financial expenses	(4,574,052)	(6,217,169)
Profit or loss of investments in associates	(546,357)	(956,130)
PROFIT BEFORE INCOME TAX EXPENSE	892,639	9,837,837
Income tax expense	(75,252)	(22,515)
NET INCOME	817,387	9,815,322
OTHER COMPREHENSIVE INCOME	87,804	1,156,319
TOTAL COMPREHENSIVE INCOME	905,191	10,971,641
NET INCOME ATTRIBUTABLE TO:		
Owners of the parent	1,298,702	10,066,231
Non-controlling interests	(481,315)	(250,909)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent	1,381,265	11,222,235
Non-controlling interests	(476,074)	(250,594)
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT		
Basic and diluted earnings per share	0.03	0.21

[Unit : USD]

			EQUITY						TOTAL EQUITY
			Equity attributable to owners of the parent					Non-controlling Interests	
			Shares Capital	Other issued Capital	Retained earnings	Other capita items	Controlling equity		
2017.01.01			11,967,377	137,058,864	214,568,121	444,040	364,038,402	(1,552,975)	362,485,427
Changes in Equity	Comprehensive incomes	Net income	-	-	10,066,231	-	10,066,231	(250,909)	9,815,322
		Gains on valuation of AFS financial assets	-	-	-	-	-	-	-
		Changes due to associate's equity change:	-	-	-	1,155,690	1,155,690	-	1,155,690
		Exchange differences on translating foreign operations	-	-	-	314	314	315	629
		Total comprehensive income	-	-	10,066,231	1,156,004	11,222,235	(250,594)	10,971,641
	Payment of Dividend		-	-	-	-	-	-	-
	Dividend expenses		-	-	(5,082,694)	-	(5,082,694)	-	(5,082,694)
	Acquisition of treasury stock		-	-	-	-	-	-	-
	Disposal of treasury stock		-	-	-	-	-	-	-
	Stock options		-	104,933	-	-	104,933	-	104,933
Acquisition of subsidiaries stock		-	-	-	-	-	913,730	913,730	
2017.03.31			11,967,377	137,163,797	219,551,658	1,600,044	370,282,876	(889,839)	369,393,037
2018.01.01			11,967,377	136,486,495	222,649,637	1,146,467	372,249,878	(1,036,875)	371,213,101
Changes in Equity	Comprehensive incomes	Net income	-	-	1,298,702	-	1,298,702	(481,315)	817,387
		Gains on valuation of AFS financial assets	-	-	-	-	-	-	-
		Changes due to associate's equity change:	-	-	-	77,322	77,322	-	77,322
		Exchange differences on translating foreign operations	-	-	-	5,239	5,239	5,241	10,480
		Total comprehensive income	-	-	1,298,702	82,561	1,381,263	(476,074)	905,189
	Payment of Dividend		-	-	(5,319,075)	-	(5,319,075)	-	(5,319,075)
	Dividend expenses		-	-	-	-	-	-	-
	Acquisition of treasury stock		-	-	-	-	-	-	-
	Disposal of treasury stock		-	-	-	-	-	-	-
	Stock options		-	-	-	-	-	-	-
Capital Transaction		-	852,106	-	-	852,106	852,107	1,704,213	
2018.03.31			11,967,377	137,338,601	218,629,264	1,229,028	369,164,270	(660,842)	368,503,426

LVMC HOLDINGS AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW STATEMENT
FOR THE YEARS ENDED MARCH 31, 2018 AND 2017

(Unit : USD)

	FY2018	FY2017
	Year ended March 31	Year ended March 31
CASH FLOWS FROM OPERATING ACTIVITIES:	16,305,998	(8,465,837)
Net income	817,387	9,815,322
Adjustments to reconcile profit to net cash provided by (used in) operating activities:		
Bad debt expense	246,636	(82,212)
Other Bad Debt Expenses	-	-
Depreciation	2,251,102	1,999,491
Depreciation in investment property	34,695	34,695
Amortization of intangible assets	220,131	312,357
Impairment of intangible assets	-	-
Gain on the evaluation of derivative instrument	-	(1,553,377)
Loss on the evaluation of derivative instrument	59,961	-
Loss on the transaction of derivative instrument	-	-
Gain on the transaction of derivative instrument	-	(8,354)
Loss on the repayment on bond	-	-
Increase of provisions for product warranties	(116,816)	(282,577)
Increase(decrease) of provisions for return products	(23,695)	(50,178)
Income tax expense	-	22,454
Interest expenses	1,322,081	2,057,721
Losses on Disposition of Investments in subsidiaries	-	-
Loss on foreign exchange translation	390,836	5,126,334
Severance benefits	-	-
Welfare expenses	-	-
Sales promotional expenses	52,901	731,285
Compensation expenses associated with stock option	-	104,933
Profit or loss of investments in associates	546,361	956,134
Dividend income	(763,051)	(728,479)
Miscellaneous loss	1,887	12,170
Interest income	(17,623,006)	(11,906,307)
Financial assets at fair value through profit or loss	-	-
loss on valuation financial assets at FVTPL	-	-
Gain on disposal of Financial assets at fair value through profit or loss	-	-
Rental income	-	(13,800)
Loss on disposal of property, plant and equipment	-	-
Gain on disposal of property, plant and equipment	(45,880)	(16,715)
Gain on foreign exchange translation	(3,326,662)	(1,510,696)
	(16,772,519)	(4,795,121)
Movements in working capital:		
Decrease (increase) in trade and other receivables	38,369,207	9,820,999
Decrease (increase) in other current assets	(9,571,916)	8,004,753
Increase in other non-current assets	(1,313,075)	(4,203,993)
Decrease (increase) in inventories	(18,718,878)	239,965
Increase in trade payables and other financial liabilities	13,456,726	(23,401,237)
Increase (decrease) in other current liabilities	2,553,638	(2,833,694)
Increase (decrease) in provisions	(395,472)	(6,091)
Increase (decrease) in derivative instrument	-	-
	24,380,230	(12,379,298)
Interest received	8,089,881	141,366
Interest paid	(646,236)	(1,872,022)
Dividend received	763,051	728,479
Income tax paid	(325,796)	(104,563)
CASH FLOWS FROM INVESTING ACTIVITIES:	(21,801,076)	(8,675,805)
Increase in short-term financial instruments	-	(105,000)
Decrease in short-term financial instruments	-	-
Acquisition of financial asset at fair value through profit or loss	-	-
Increase in short-term loans	(9,145,233)	(6,261,167)
Decrease in short-term loans	774,570	497,122
Increase in long-term loans	(4,950,000)	-
Acquisition of available-for-sale financial asset	-	-
Acquisition of investment in associates	(7,500,000)	(2,000,000)
Acquisition of property, plant and equipment	(539,475)	(560,502)
Disposal of property, plant and equipment	67,809	30,600
Acquisition of investment in properties	-	-
Acquisition of intangible assets	(442,680)	(276,858)
Decrease in leasehold deposits(Increase)	(66,067)	-
CASH FLOWS FROM FINANCING ACTIVITIES:	4,751,577	17,624,112
Proceeds from (Repayment of) short-term borrowings	3,965,879	13,738,299
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	-	-
Decrease in derivative instrument	-	(203,104)
Decrease in derivative liability	-	-
Payment of dividends	-	-
Capital increase by offering	-	-
Sales of treasury stock	-	-
Acquisition of treasury stock	-	-
Issuing Bond	9,127,189	10,161,616
Repayment for Bond	(8,341,491)	(6,072,699)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(147,873)	(842,800)
FLUCTUATIONS IN CASH DUE TO FLUCTATIONS IN THE CONSOLIDATION ENTITY	-	1,582,349
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(891,374)	1,222,019
CASH AND CASH EQUIVALENTS, AT THE BEGINNING OF THE YEAR	22,022,774	6,734,767
CASH AND CASH EQUIVALENTS, AT THE END OF THE PERIOD	21,131,400	7,956,786