Thanh Thanh Cong Tay Ninh Joint Stock Company

Interim separate financial statements

31 December 2016

CONTENTS

THE COMPANY

Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Investment License No. 1316/GP issued by the Ministry of Planning and Investment on 15 July 1995 and as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange with trading code as SBT in accordance with License No. 27/QD-SGDCKHCM issued by the Ho Chi Minh City Stock Exchange on 18 February 2008.

The registered principal activities of the Company are producing sugar and electricity; planting sugar cane; producing and trading products using sugar or its by-products, waste products; producing and trading fertilizer, agricultural materials; constructing civil project; trading hotel and restaurant; constructing and trading industrial zone infrastructure; mechanical processing; consulting engineering, technology, and management in sugar's production industry; producing and trading alcohol products; trading real estates, rent houses and apartments and investing activities.

The Company's head office is located at Tan Hung Commune, Tan Chau District, Tay Ninh Province, Vietnam and its representation office is located at No. 512, Ly Thuong Kiet Street, Ward 7, Tan Binh District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Pham Hong Duong	Chairman	
Ms Nguyen Thi Hoa	Vice Chairman	appointed on 31 October 2016
Mr Le Van Dinh	Vice Chairman	
Ms Dang Huynh Uc My	Member	
Mr Henry Chung	Member	appointed on 31 October 2016
Mr Nguyen Quoc Viet	Member	resigned on 31 October 2016
Ms Pham Thi Thu Trang	Member	resigned on 31 October 2016

BOARD OF SUPERVISION

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

Ms Nguyen Thuy Van	Head	
Mr Huynh Thanh Nhan	Member	
Ms Pham Ngoc Thanh Mai	Member	appointed on 31 October 2016
Mr Nguyen Xuan Thanh	Member	resigned on 31 October 2016

MANAGEMENT

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

Mr Nguyen Thanh Ngu	General Director	
Ms Tran Que Trang	Deputy General Director	appointed on 15 November 2016
Mr Nguyen Van De	Deputy General Director	
Mr Nguyen Viet Hung	Deputy General Director	
Ms Duong Thi To Chau	Deputy General Director	
Mr Le Duc Ton	Factory Director	
Ms Nguyen Thi Thuy Tien	Finance Director	
Mr Trang Thanh Truc	Publicity Director	
Mr Huynh Van Phap	Business Director	
Mr Thai Ba Hoa	Material Director	
Ms Nguyen Thi Thu Trang	Supporting Director	appointed on 18 October 2016

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Nguyen Thanh Ngu.

Ms Tran Que Trang is authorized by Mr Nguyen Thanh Ngu to sign the accompanying interim separate financial statements for the six-month period ended 31 December 2016 in accordance with the Decision No. 02A/2017/UQ –TGD dated 10 January 2017.

AUDITORS

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

REPORT OF MANAGEMENT

Management of Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company") is pleased to present its report and the interim separate financial statements of the Company for the six-month period ended 31 December 2016.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 31 December 2016 and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements.

The company has subsidiaries as disclosed in Note 14. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company is also in the process of preparation of the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 31 December 2016.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

For and on behalf of management

M.S.D.N: 3900244389 - C.T.C.P
CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH
H. TÂN CHÂU - T. TÂY NINH

Tran Que Trang
Deputy General Director

13 February 2017

Building a better working world

Ernst & Young Vietnam Limited
28th Floor, Bitexco Financial Tower
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Ho Chi Minh City, S.R. of Vietnam

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Reference: 61248763/18592698/LR

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL INFORMATION

To: The Shareholders of Thanh Thanh Cong Tay Ninh Joint Stock Company

We have reviewed the accompanying interim separate financial statements of Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company"), as prepared on 13 February 2017 and set out on pages 6 to 51, which comprise the interim separate balance sheet as at 31 December 2016, and the interim separate income statement and interim separate cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

Our responsibility is to express a conclusion on these interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 31 December 2016, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the interim separate financial statements.

Emphasis of matter

We draw attention to Note 2.1 of the interim separate financial statements. The Company is in the process of preparation of the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 31 December 2016 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim consolidated financial statements. Users of the accompanying interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

Our review conclusion on the interim separate financial statement is not modified in respect of this matter.

Ernst & Young Vietnam Limited

M.S.D.N: 0300811802-C.T.N.H.H
CÔNG TY
TRÁCH NHIỆM HỮU HẠN
ERNST & YOUNG
VIỆT NAM
QUẬN 1 - TP HỒ CHÍ MINH

Le Quang Minh
Deputy General Director
Audit Practicing Registration Certificate
No. 0426-2013-004-1

Ho Chi Minh City, Vietnam

13 February 2017

INTERIM SEPARATE BALANCE SHEET
as at 31 December 2016

VND

Code	*ASSETS*	*Notes*	*31 December 2016*	*30 June 2016*
100	**A. CURRENT ASSETS**		**3,481,928,000,595**	**3,214,288,087,867**
110	***I. Cash and cash equivalents***	***4***	***378,944,636,417***	***558,391,859,290***
111	1. Cash		378,944,636,417	292,891,859,290
112	2. Cash equivalents		-	265,500,000,000
120	***II. Short-term investments***		***94,004,967,683***	***-***
121	1. Held-for-trading securities	5.1	67,004,967,683	-
123	2. Held-to-maturity investment	5.2	27,000,000,000	-
130	***III. Current accounts receivable***		***1,866,070,764,830***	***1,504,662,661,343***
131	1. Short-term trade receivables	6	611,899,857,230	516,463,033,554
132	2. Short-term advances to suppliers	7	1,157,359,387,581	843,053,047,468
135	3. Short-term loan receivables	28	16,500,000,000	114,500,000,000
136	4. Other short-term receivables	8	108,478,377,275	65,365,472,035
137	5. Provision for doubtful short-term receivables	7	(28,166,857,256)	(34,718,891,714)
140	***IV. Inventories***	***9***	***881,689,541,010***	***1,108,606,261,843***
141	1. Inventories		882,509,032,586	1,109,425,753,419
149	2. Provision for obsolete inventories		(819,491,576)	(819,491,576)
150	***V. Other current assets***		***261,218,090,655***	***42,627,305,391***
151	1. Short-term prepaid expenses	10	98,322,235,337	35,374,193,564
152	2. Value-added tax deductible		14,828,347,829	6,971,039,820
153	3. Tax and other receivables from the State	17	148,067,507,489	282,072,007

INTERIM SEPARATE BALANCE SHEET (continued)
as at 31 December 2016

VND

Code	*ASSETS*	*Notes*	*31 December 2016*	*30 June 2016*
200	**B. NON-CURRENT ASSETS**		**2,801,142,782,762**	**2,605,401,883,150**
210	***I. Long-term receivables***		***191,196,901,444***	***147,239,518,224***
212	1. Long-term advances to suppliers	7	48,905,814,873	11,969,867,212
216	2. Other long-term receivables	8	142,291,086,571	135,269,651,012
220	***II. Fixed assets***		***706,653,086,772***	***616,228,639,654***
221	1. Tangible fixed assets	11	533,724,020,617	445,207,701,402
222	Cost		1,942,726,193,389	1,805,724,700,946
223	Accumulated depreciation		(1,409,002,172,772)	(1,360,516,999,544)
227	2. Intangible fixed assets	12	172,929,066,155	171,020,938,252
228	Cost		190,280,486,181	186,297,385,031
229	Accumulated amortisation		(17,351,420,026)	(15,276,446,779)
240	***III. Long-term asset in progress***		***31,632,152,793***	***117,580,128,491***
242	1. Construction in progress	13	31,632,152,793	117,580,128,491
250	***IV. Long-term investments***	***14***	***1,832,443,714,007***	***1,689,736,468,512***
251	1. Investments in subsidiaries	14.1	967,629,504,600	967,629,504,600
252	2. Investments in associates	14.2	865,630,319,400	463,135,039,400
253	3. Investments in other entities	14.3	770,062,384	259,937,095,306
254	4. Provision for diminution in value of long-term investments		(1,586,172,377)	(965,170,794)
260	***V. Other long-term assets***		***39,216,927,746***	***34,617,128,269***
261	1. Long-term prepaid expenses	10	39,216,927,746	33,760,640,478
262	2. Deferred tax asset	27.3	-	856,487,791
270	**TOTAL ASSETS**		**6,283,070,783,357**	**5,819,689,971,017**

INTERIM SEPARATE BALANCE SHEET (continued)
as at 31 December 2016

VND

Code	*RESOURCES*	*Notes*	*31 December 2016*	*30 June 2016*
300	**C. LIABILITIES**		**3,336,895,609,596**	**3,118,083,369,740**
310	***I. Current liabilities***		***2,376,484,536,346***	***2,147,503,211,240***
311	1. Short-term trade payables	15	172,288,501,443	41,308,852,036
312	2. Short-term advances from customers	16	21,415,905,703	84,757,124,609
313	3. Statutory obligations	17	950,859,495	7,849,822,920
314	4. Payables to employees		343,830,472	1,791,569,503
315	5. Short-term accrued expenses	18	75,261,716,181	44,868,883,633
319	6. Other short-term payables	19	10,456,993,891	24,235,708,721
320	7. Short-term loans	20	2,059,807,192,543	1,925,675,427,139
322	8. Bonus and welfare fund		35,959,536,618	17,015,822,679
330	***II. Non-current liability***		***960,411,073,250***	***970,580,158,500***
338	1. Long-term loans	20	960,411,073,250	970,580,158,500
400	**D. OWNERS' EQUITY**		**2,946,175,173,761**	**2,701,606,601,277**
410	***I. Capital***	***21***	***2,946,175,173,761***	***2,701,606,601,277***
411	1. Share capital		2,531,882,680,000	1,947,610,330,000
411a	- *Shares with voting rights*		*2,531,882,680,000*	*1,947,610,330,000*
412	2. Share premium		75,894,194,065	155,174,403,823
415	3. Treasury shares		-	(40,306,862,293)
418	4. Investment and development fund		39,217,460,174	243,709,260,201
421	5. Undistributed earnings		299,180,839,522	395,419,469,546
421a	- *Undistributed earnings up to the end of prior period*		*126,643,961,605*	*126,036,070,398*
421b	- *Undistributed earnings of current period*		*172,536,877,917*	*269,383,399,148*
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**6,283,070,783,357**	**5,819,689,971,017**

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH
M.S.D.N: 3900244389 - C.T.C.P
* H. TÂN CHÂU - T. TÂY NINH *

Dang Thi Diem Trinh
Preparer

Le Phat Tin
Chief Accountant

Tran Que Trang
Deputy General Director

13 February 2017

Thanh Thanh Cong Tay Ninh Joint Stock Company B02a-DN

INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 31 December 2016

VND

Code	*ITEMS*	*Notes*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
01	**1. Revenues from sale of goods and rendering of services**	**22.1**	**1,746,523,313,864**	**1,638,158,347,576**
02	**2. Deductions**	**22.1**	**(773,971,495)**	**(2,306,543,730)**
10	**3. Net revenues from sale of goods and rendering of services**	**22.1**	**1,745,749,342,369**	**1,635,851,803,846**
11	**4. Cost of goods sold and services rendered**	**23**	**(1,509,726,398,684)**	**(1,365,360,523,069)**
20	**5. Gross profit from sale of goods and rendering of services**		**236,022,943,685**	**270,491,280,777**
21	**6. Finance income**	**22.2**	**107,007,180,230**	**45,424,019,832**
22	**7. Finance expenses**	**24**	**(85,398,145,380)**	**(76,941,774,685)**
23	*In which: Interest expense*		*(82,348,683,166)*	*(32,154,651,593)*
25	**8. Selling expenses**	**25**	**(21,582,688,674)**	**(40,934,332,712)**
26	**9. General and administrative expenses**	**25**	**(46,840,598,554)**	**(61,381,663,311)**
30	**10. Operating profit**		**189,208,691,307**	**136,657,529,901**
31	**11. Other income**		**4,972,503,255**	**3,841,797,075**
32	**12. Other expenses**		**(2,252,013,593)**	**(1,279,268,135)**
40	**13. Other profit**		**2,720,489,662**	**2,562,528,940**
50	**14. Accounting profit before tax**		**191,929,180,969**	**139,220,058,841**
51	**15. Current corporate income tax expense**	**27.2**	**(18,535,815,261)**	**(15,433,732,554)**
52	**16. Deferred tax expense**	**27.3**	**(856,487,791)**	**-**
60	**17. Net profit after tax**		**172,536,877,917**	**123,786,326,287**

M.S.D.N: 3900244389 - C.T.C.P
CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH
H. TÂN CHÂU - T. TÂY NINH

Dang Thi Diem Trinh
Preparer

Le Phat Tin
Chief Accountant

Tran Que Trang
Deputy General Director

13 February 2017

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 31 December 2016

VND

Code	*ITEMS*	*Notes*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Profit before tax**		**191,929,180,969**	**139,220,058,841**
	Adjustments for:			
02	Depreciation and amortisation of fixed assets	11, 12	51,719,439,935	46,816,882,125
03	(Reversal of provision) provision		(5,931,032,875)	30,646,013,630
04	Foreign exchange (gains) losses arisen from revaluation of monetary accounts dominated in foreign currency		(1,278,970,282)	28,884,022,439
05	Profit from investing activities		(103,369,142,485)	(43,098,776,668)
06	Interest expenses	24	82,348,683,166	32,154,651,593
08	**Operating profit before changes in working capital**		**215,418,158,428**	**234,622,851,960**
09	Increase in receivables		(720,343,665,322)	(1,284,205,522,541)
10	Decrease in inventories		226,916,720,833	355,719,518,298
11	Increase in payables		97,902,486,051	429,891,519,137
12	Increase in prepaid expenses		(67,084,329,041)	(40,518,999,069)
13	Increase in held-for-trading securities		-	(60,610,602,072)
14	Interest paid		(80,868,250,566)	(30,442,213,177)
15	Corporate income tax paid		(25,761,668,751)	(2,965,064,376)
17	Other cash outflows for operating activities		(16,122,014,029)	(6,701,510,733)
20	**Net cash flows used in operating activities**		**(369,942,562,397)**	**(405,210,022,573)**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(75,636,127,120)	(192,004,869,875)
22	Proceeds from disposals of fixed assets		3,825,301,982	943,821,694
23	Loans to other entities		(523,000,000,000)	(27,000,000,000)
24	Collections from borrowers		594,000,000,000	-
25	Payments for investments in other entities		(302,495,280,000)	(269,779,200,000)
26	Proceeds from sale of investments in other entities		228,380,722,544	-
27	Interest and dividends received		36,391,140,778	29,968,058,319
30	**Net cash flows used in investing activities**		**(38,534,241,816)**	**(457,872,189,862)**

INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 31 December 2016

VND

Code	*ITEMS*	*Notes*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Reissuance of treasury shares	21.1	107,097,422,535	24,286,015,963
33	Drawdown of borrowings		2,106,112,055,583	1,844,470,234,754
34	Repayment of borrowings		(1,984,212,861,889)	(880,707,248,483)
36	Dividends paid	21.2	(60,150,650)	(2,756,991,570)
40	**Net cash flows from financing activities**		**228,936,465,579**	**985,292,010,664**
50	**Net (decreases) increase in cash**		**(179,540,338,634)**	**122,209,798,229**
60	**Cash and cash equivalents at beginning of period**		**558,391,859,290**	**135,966,594,558**
61	**Impact of exchange rate fluctuation**		**93,115,761**	**(23,010,710)**
70	**Cash at end of period**	**4**	**378,944,636,417**	**258,153,382,077**

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH
M.S.D.N: 3900244389 - C.T.C.P
H. TÂN CHÂU - T. TÂY NINH

Dang Thi Diem Trinh	Le Phat Tin	Tran Que Trang
Preparer	Chief Accountant	Deputy General Director

13 February 2017

1. CORPORATE INFORMATION

Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Investment License No. 1316/GP issued by the Ministry of Planning and Investment on 15 July 1995 and as amended.

The Company was listed on the Ho Chi Minh City Stock Exchange with trading code as SBT in accordance with License No. 27/QD-SGDCKHCM issued by the Ho Chi Minh City Stock Exchange on 18 February 2008.

The registered principal activities of the Company are producing sugar and electricity; planting sugar cane; producing and trading products using sugar or its by-products, waste products; producing and trading fertilizer, agricultural materials; constructing civil project; trading hotel and restaurant; constructing and trading industrial zone infrastructure; mechanical processing; consulting engineering, technology, and management in sugar's production industry; producing and trading alcohol products; trading real estates, rent houses and apartments and investing activities.

The Company's head office is located at Tan Hung Commune, Tan Chau District, Tay Ninh Province, Vietnam and its representation office is located at No. 512, Ly Thuong Kiet Street, Ward 7, Tan Binh District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2016 was 710 (30 June 2016: 542).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the interim separate financial statements

The Company has subsidiaries as disclosed in Note 14.1. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 31 December 2016.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Company and its subsidiaries.

2.2 Accounting standards and system

The interim separate financial statements of the Company expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27- Interim Financial Reporting and other 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).

2. BASIS OF PREPARATION (continued)

2.2 Accounting standards and system (continued)

Accordingly, the accompanying interim separate 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 the results of its operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system.

2.4 Fiscal year

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 July and ends on 30 June.

2.5 Accounting currency

The interim separate financial statements are prepared in VND, which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, cash in banks and short-term, highly liquid investment 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 changes in value.

3.2 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, merchandise	-	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.

Provision for obsolete inventories

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

Increases or decrease to the provision balance are recorded into the cost of goods sold account in the interim separate income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim separate income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises 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 interim separate income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

Land use rights

Land use right is recorded as intangible asset on the interim separate balance sheet when the Company obtained the land use right certificate. The costs of a land use right comprises all directly attributable costs of bringing the land lot to the condition available for its intended use.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 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:

Land use rights	50 years
Buildings and structures	5 - 30 years
Machineries and equipment	2 - 20 years
Office equipment	3 - 5 years
Computer software	2 - 6 years
Means of transportation	5 - 6 years
Others	4 - 15 years

3.7 Investments

Investments in subsidiaries

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

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

Investments in associates

Investments in associates over which the Company has significant influence are carried at cost.

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

Held-for-trading securities and investments in other entities

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

Provision for investments

Provision is made for any diminution in value of the held-for-trading securities and investments in capital of other entities 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 or decreases to the provision balance are recorded as finance expense in the interim separate income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim separate 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.

The prepaid land rental represents the unamortised balance of advance payment. Such prepaid rental is recognised as a long-term prepaid expense for allocation to the income statement over the remaining lease period according to Circular 45.

Pre-season overhaul costs are calculated and amortised to production costs based on the actual volume of sugar produced during the period.

3.9 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.10 Payables and accruals

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

3.11 Foreign currency transactions

Transactions in currencies other than the Company'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;
- 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 rate at the interim balance sheet dates which are determined as follow:

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

All exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the interim separate income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 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 Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

- *Investment and development fund*

  This fund is set aside for use in the Company's expansion of its operation or of in-depth investment.

- *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 interim separate balance sheet.

3.13 Revenue recognition

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

Sale of goods

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

Sale of electricity

Revenue is recognized based on the actual electricity sold and transferred to the grid at the pre-agreed tariff.

Rendering of services.

Revenues are recognised upon completion of the services provided.

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 Company's entitlement as an investor to receive the dividend is established.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.*14* *Taxation*

Current income tax

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

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

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

Deferred income tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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.

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 income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Deferred tax is charged or credited to the interim separate 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 Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. CASH AND CASH EQUIVALENTS

VND

	31 December 2016	*30 June 2016*
Cash on hand	1,980,405,065	821,440,675
Cash in banks	376,964,231,352	292,070,418,615
Cash equivalents	-	265,500,000,000
TOTAL	**378,944,636,417**	**558,391,859,290**

5. SHORT-TERM INVESTMENTS

5.1 Held-for-trading securities

	31 December 2016		*30 June 2016*	
	Share	*Value (VND)*	*Share*	*Value (VND)*
Listed shares				
- Phuoc Hoa Rubber Joint Stock Company ("PHR")	3,715,660	67,004,967,683	-	-

5.2 Held-to-maturity investment

Held-to-maturity investment represent six-month term deposit at Joint Stock Commercial Bank for Foreign Trade of Vietnam - North Sai Gon Branch which earn interest at 5.3% per annum.

Held-to-maturity investment was pledged as collateral for short-term loan obtained from a commercial bank *(Note 20)*.

6. SHORT-TERM TRADE RECEIVABLES

VND

	31 December 2016	*30 June 2016*
Trade receivables from other parties	182,677,298,018	321,926,128,056
In which:		
- *Nestle Vietnam Ltd,.*	*28,524,651,750*	*25,549,440,000*
- *Suntory PepsiCo Vietnam Beverage Limited Company*	*245,300,000*	*147,570,149,989*
- *Others*	*153,907,346,268*	*148,806,538,067*
Trade receivables from related parties *(Note 28)*	429,222,559,212	194,536,905,498
TOTAL	**611,899,857,230**	**516,463,033,554**

Short-term trade receivables amounting to VND 523,245,750,000 were pledged as collateral for the short-term loans obtained from commercial banks *(Note 20)*.

7. ADVANCES TO SUPPLIERS

	31 December 2016	*30 June 2016*
		VND
Short-term	**1,157,359,387,581**	**843,053,047,468**
Advances to other parties	323,095,674,908	394,569,395,347
In which:		
- *Farmers (*)*	*244,774,902,619*	*263,443,834,004*
- *Others*	*78,320,772,289*	*131,125,561,343*
Advances to related parties *(Note 28)*	834,263,712,673	448,483,652,121
Long-term	**48,905,814,873**	**11,969,867,212**
Advances to farmers *(*)*	48,905,814,873	11,969,867,212
TOTAL	**1,206,265,202,454**	**855,022,914,680**
Provision for doubtful short-term advances to suppliers	(28,166,857,256)	(34,718,891,714)
NET	**1,178,098,345,198**	**820,304,022,966**

(*) Advances to sugar cane farmers are partially secured by the farmers' land use rights and earned interest at rate ranging from 9.6% to 10.8% per annum.

Details of movements of provision for short-term advances to suppliers:

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
		VND
Beginning balance	34,718,891,714	23,287,275,550
Provision made during the period	-	23,237,254,826
Reversal during the period	(6,552,034,458)	(9,698,775,678)
Ending balance	28,166,857,256	36,825,754,698

8. OTHER RECEIVABLES

	31 December 2016	VND 30 June 2016
Short-term	**108,478,377,275**	**65,365,472,035**
Interest receivables	53,466,522,510	44,316,113,407
Receivables from disposal of investment	18,340,631,000	-
Payment on behalf	12,957,386,990	-
Lending of materials	7,519,315,019	3,561,472
Staff advances	8,479,457,040	17,856,943,497
Deposits	4,764,080,000	-
Others	2,950,984,716	3,188,853,659
Long-term	**142,291,086,571**	**135,269,651,012**
Deposits for land rental	129,583,661,571	122,562,226,012
Receivables from Svayrieng project in Cambodia *(*)*	12,707,425,000	12,707,425,000
TOTAL	**250,769,463,846**	**200,635,123,047**
In which:		
Related parties (Note 28)	*44,817,162,716*	*22,293,928,114*
Other parties	*205,952,301,130*	*178,341,194,933*

(*) Other long-term receivables included an amount of VND 12,707,425,000 (30 June 2016: VND 12,707,425,000) contributed for Business Co-operation Contract between the Company and Svayrieng Sugar and Cane Company Limited to develop a project to plant sugar canes in Cambodia with the duration of 10 (ten) years. The Company owns 85% interest sharing from this project. The Company is committed to purchase all sugarcanes harvested from this project.

9. INVENTORIES

		VND
	31 December 2016	*30 June 2016*
Finished goods	473,270,251,464	862,584,069,217
Raw materials	331,902,467,473	77,181,749,394
Work in process	73,393,825,886	30,573,298,646
Merchandise goods	3,228,292,976	85,092,056,316
Tools and supplies	714,194,787	674,347,457
Real estate properties	-	49,231,049,895
Goods on consignment	-	4,089,182,494
TOTAL	**882,509,032,586**	**1,109,425,753,419**
Provision for obsolete inventories	(819,491,576)	(819,491,576)
NET	**881,689,541,010**	**1,108,606,261,843**

Inventories amounting to VND 683,245,750,000 were pledged as collateral for the short-term loans obtained from commercial banks *(Note 20)*.

10. PREPAID EXPENSES

		VND
	31 December 2016	*30 June 2016*
Short-term	**98,322,235,337**	**35,374,193,564**
Pre-season overhaul costs	64,156,383,631	14,976,264,911
Fee for development of planting sugar cane	20,824,411,421	19,581,071,258
Others	13,341,440,285	816,857,395
Long-term	**39,216,927,746**	**33,760,640,478**
Prepaid land rental	26,319,802,937	31,194,241,064
Others	12,897,124,809	2,566,399,414
TOTAL	**137,539,163,083**	**69,134,834,042**

11. TANGIBLE FIXED ASSETS

VND

	Buildings and structures	*Machinery and equipment*	*Means of transportation*	*Office equipment*	*Other assets*	*Total*
Cost:						
As at 30 June 2016	304,297,085,125	1,412,376,512,273	23,884,270,446	6,704,502,572	58,462,330,530	1,805,724,700,946
New purchase	-	-	4,440,183,662	1,597,657,392	3,009,425,277	9,047,266,331
Transfer from construction in progress	111,359,638,496	21,222,543,551	-	-	-	132,582,182,047
Disposal	(424,900,000)	(4,203,055,935)	-	-	-	(4,627,955,935)
As at 31 December 2016	415,231,823,621	1,429,395,999,889	28,324,454,108	8,302,159,964	61,471,755,807	1,942,726,193,389
In which:						
Fully depreciated	*21,947,206,254*	*146,119,031,066*	*6,556,770,011*	*4,532,604,824*	*58,405,330,530*	*237,560,942,685*
Accumulated depreciation:						
As at 30 June 2016	171,986,176,728	1,111,853,615,601	13,143,191,142	5,136,894,056	58,397,122,017	1,360,516,999,544
Depreciation for the period	6,642,333,066	41,260,866,338	1,327,878,377	371,358,756	42,030,151	49,644,466,688
Disposal	(423,426,333)	(735,867,127)	-	-	-	(1,159,293,460)
As at 31 December 2016	178,205,083,461	1,152,378,614,812	14,471,069,519	5,508,252,812	58,439,152,168	1,409,002,172,772
Net carrying amount:						
As at 30 June 2016	132,310,908,397	300,522,896,672	10,741,079,304	1,567,608,516	65,208,513	445,207,701,402
As at 31 December 2016	237,026,740,160	277,017,385,077	13,853,384,589	2,793,907,152	3,032,603,639	533,724,020,617
In which:						
Pledged as loan security (Note 20)	*109,416,174,557*	*152,779,468,088*	-	*2,749,991,868*	-	*264,945,634,513*

12. INTANGIBLE FIXED ASSETS

VND

	Land use rights	*Computer software*	*Total*
Cost:			
As at 30 June 2016	175,349,011,459	10,948,373,572	186,297,385,031
New purchase	-	3,983,101,150	3,983,101,150
As at 31 December 2016	175,349,011,459	14,931,474,722	190,280,486,181
Accumulated amortisation:			
As at 30 June 2016	10,627,513,423	4,648,933,356	15,276,446,779
Amortisation for the period	1,096,463,849	978,509,398	2,074,973,247
As at 31 December 2016	11,723,977,272	5,627,442,754	17,351,420,026
Net carrying amount:			
As at 30 June 2016	164,721,498,036	6,299,440,216	171,020,938,252
As at 31 December 2016	163,625,034,187	9,304,031,968	172,929,066,155
In which:			
Pledged as loan security (Note 20)	*162,905,635,150*	-	*162,905,635,150*

13. CONSTRUCTION IN PROGRESS

VND

	31 December 2016	*30 June 2016*
Espace Bourbon Tay Ninh project	2,757,906,005	93,957,120,070
Installing machinery and equipment	10,651,876,038	17,698,066,904
Warehouse project	11,013,125,277	-
Others	7,209,245,473	5,924,941,517
TOTAL	**31,632,152,793**	**117,580,128,491**

Constructions in progress amounting to VND 2,757,906,005 were pledged as collateral for the long-term loans obtained from commercial banks *(Note 20).*

During the period, the Company capitalized borrowing costs amounting to VND 2,188,241,164 (for the six-month period ended 31 December 2015: VND 2,987,224,399) to Espace Bourbon Tay Ninh project.

14. LONG-TERM INVESTMENTS

		VND
	31 December 2016	*30 June 2016*
Investments in subsidiaries *(Note 14.1)*	967,629,504,600	967,629,504,600
Investments in associates *(Note 14.2)*	865,630,319,400	463,135,039,400
Investments in other entities *(Note 14.3)*	770,062,384	259,937,095,306
Provision for diminution in value of long-term investments	(1,586,172,377)	(965,170,794)
TOTAL	**1,832,443,714,007**	**1,689,736,468,512**

14.1 Investments in subsidiaries

Details of the Company's direct investments in subsidiaries were as follows:

	31 December 2016		*30 June 2016*	
	Cost of investment (VND)	*% of interest*	*Cost of investment (VND)*	*% of interest*
Thanh Thanh Cong Gia Lai Co., Ltd *(i)*	508,850,304,600	100.00	508,850,304,600	100.00
TSU Investment Private Limited Company *(ii)*	269,779,200,000	94.94	269,779,200,000	94.94
Thanh Thanh Cong Alcohol Trading Production Joint Stock Company *(iii)*	189,000,000,000	90.00	189,000,000,000	90.00
TOTAL	**967,629,504,600**		**967,629,504,600**	

(i) Thanh Thanh Cong Gia Lai Co., Ltd – formerly known as Gia Lai Cane Sugar Thermoelectricity Joint Stock Company ("Gia Lai Cane Sugar") was established in Vietnam in accordance with BRC No. 5900421955 issued by the People Committee of Gia Lai Province on 21 July 2009, as amended. The head office of Gia Lai Cane Sugar is located at Ayunpa Town, Gia Lai Province, Vietnam. The principle activities of this company are manufacturing sugar and other by-products from sugar-cane for sales; plant sugar cane; manufacturing electricity for sales; engineering the civil projects; processing agricultural products; manufacturing and trading in fertilizer; and investing in financial market.

(ii) TSU Investment Private Limited Company ("TSU") was established in Singapore in accordance with Investment License No. 844/BKHDT-DTRNN issued by Ministry of Planning and Investment dated 30 June 2015. The principal activities of TSU are trading; apart of manufacturing and packaging raw and refined sugar to sell in Singapore and export to region.

(iii) Thanh Thanh Cong Alcohol Trading Production Joint Stock Company ("TTCE") was established in Vietnam in accordance with BRC No. 3901183393 issued by the Planning and Investment Department of Tay Ninh Province on 28 March 2014, as amended. The head office of TTCE is located at Tan Loi Hamlet, Tan Hung Commune, Tan Chau District, Tay Ninh Province, Vietnam. The principal activities of this company are manufacturing and trading alcohol and related by-products; manufacturing and trading electricity; manufacturing fertilizer and planting sugarcane.

14. LONG-TERM INVESTMENTS (continued)

14.2 Investments in associates

Details of the Company's direct investments in associates were as follows:

	31 December 2016		*30 June 2016*	
	Cost of investment (VND)	*% of interest*	*Cost of investment (VND)*	*% of interest*
Ben Tre Import Export Joint Stock Company *(i)*	402,495,280,000	48.99	-	0.00
Thanh Thanh Cong Industrial Zone Joint Stock Company *(ii)*	245,000,000,000	49.45	245,000,000,000	49.00
Tay Ninh Sugar Joint Stock Company *(iii)*	117,669,852,000	39.23	117,669,852,000	39.23
Nuoc Trong Sugar Joint Stock Company *(iv)*	53,765,987,400	23.95	53,765,987,400	23.95
Tay Ninh Chemical Industry Joint Stock Company *(v)*	31,579,200,000	21.96	31,579,200,000	26.32
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company *(vi)*	15,120,000,000	48.00	15,120,000,000	48.00
TOTAL	**865,630,319,400**		**463,135,039,400**	
Provision for diminution in value of long-term investments	(816,109,993)		(126,775,323)	
NET	**864,814,209,407**		**463,008,264,077**	

(i) Ben Tre Import Export Joint Stock Company ("Betrimex") was established in Vietnam in accordance with BRC No. 130010404 issued by the Department of Planning and Investment of Ben Tre Province on 26 May 2006, as amended. The head office of Betrimex is located at No. 75, 30/4 Street, Ward 3, Ben Tre City, Ben Tre Province, Vietnam. The principal activities of this company are producing and trading products from coconut, agricultural products; rendering processing services, tourism services; and investing in financial markets.

(ii) Thanh Thanh Cong Industrial Zone Joint Stock Company ("TTCIZ") was established in Vietnam in accordance with BRC No. 3900471864 issued by the Department of Planning and Investment of Tay Ninh Province on 10 September 2008, as amended. The head office of TTCIZ is located at An Hoi Hamlet, An Hoa Commune, Trang Bang District, Tay Ninh Province, Vietnam. The principal activities of this company are building industrial zone's infrastructure and leasing industrial zone.

(iii) Tay Ninh Sugar Joint Stock Company – formerly known as Tay Ninh Sugar Co., Ltd ("Tay Ninh Sugar") was established in Vietnam in accordance with BRC No. 3900243272 issued by the Planning and Investment Department of Tay Ninh Province on 23 May 2007, as amended. The head office of Tay Ninh Sugar is located at No. 19, Vo Thi Sau Street, Ward 3, Tay Ninh City. The principal activities of Tay Ninh Sugar are planting sugarcane; producing and trading sugar and its by-products

14. LONG-TERM INVESTMENTS (continued)

14.2 Investments in associates (continued)

(iv) Nuoc Trong Sugar Joint Stock Company ("Nuoc Trong Sugar") was established in Vietnam in accordance with Decision No. 299/QD-CT issued by the People Committee of Tay Ninh Province on 7 April 2005, as amended. The head office of Nuoc Trong Sugar is located at Hoi An Village, Tan Hoi Commune, Tan Chau District, Tay Ninh Province, Vietnam. The principal activities of this company are producing sugar; planting sugar cane, wheat, rubber trees and agricultural products; processing agriculture products, food and alcoholic beverages; processing, manufacturing and installing food industry machineries; importing and exporting businesses.

(v) Tay Ninh Chemical Industry Joint Stock Company ("Tay Ninh Chemical") was established in Vietnam in accordance with BRC No. 45121000238 issued by the Planning and Investment Department of Tay Ninh Province on 18 August 2010, as amended. The head office of Tay Ninh Chemical is located at Hoi An Village, Tan Hoi Commune, Tan Chau District, Tay Ninh Province, Vietnam. The principal activities of Tay Ninh Chemical are producing starch and products related to starch; producing artificial condensed products, non-alcohol and mineral water, nitrogen compound; installing machinery and industrial equipment.

.*(vi)* Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company ("Thanh Thanh Cong Sugarcane") was established in Vietnam in accordance with BRC No. 3901162964 issued by the Department of Planning and Investment of Tay Ninh Province on 21 March 2013, as amended. The head office of Thanh Thanh Cong Sugarcane is located at Binh Hoa Village, Thai Binh Commune, Chau Thanh District, Dong Nai Province, Vietnam. The principal activities of this company are to perform research and develop sugar cane sprouts; to analyse cultivation and plant protection products; to produce and develop mechanic machineries for sugar canes production.

14.3 Investments in other entities

Details of the Company's investments in other entities were as follows:

	31 December 2016		*30 June 2016*	
	Cost of investment (VND)	*% of interest*	*Cost of investment (VND)*	*% of interest*
Bien Hoa Sugar Joint Stock Company	-	-	173,410,062,139	9.75
Phuoc Hoa Rubber Joint Stock Company	-	-	67,004,967,683	4.73
Can Tho Sugar Joint Stock Company	-	-	18,752,003,100	6.43
Other long-term investments	770,062,384		770,062,384	
TOTAL	**770,062,384**		**259,937,095,306**	
Provision for diminution in value of long-term investment	(770,062,384)		(838,395,471)	
NET	**-**		**259,098,699,835**	

15. SHORT-TERM TRADE PAYABLES

		VND
	31 December 2016	*30 June 2016*
Due to other parties	66,878,291,617	27,732,468,985
In which:		
- *Farmers*	*63,315,483,142*	*4,083,603,416*
- *Toan Thinh Phat Investment Architecture Construction Joint Stock Company*	*2,751,868,615*	*6,406,775,946*
- *Hung Diep Private Enterprise*	*357,230,000*	*3,970,445,000*
- *Other*	*453,709,860*	*13,271,644,623*
Due to related parties *(Note 28)*	105,410,209,826	13,576,383,051
TOTAL	**172,288,501,443**	**41,308,852,036**

16. SHORT-TERM ADVANCES FROM CUSTOMERS

		VND
	31 December 2016	*30 June 2016*
Due to other parties	2,960,188,378	69,603,604,949
In which:		
- *Sai Gon Thuong Tin Commercial Joint Stock Bank*	-	*68,570,710,000*
- *Other*	*2,960,188,378*	*1,032,894,949*
Due to related parties *(Note 28)*	18,455,717,325	15,153,519,660
TOTAL	**21,415,905,703**	**84,757,124,609**

17. STATUTORY OBLIGATIONS

				VND
	30 June 2016	*Increase*	*Decrease*	*31 December 2016*
Payables				
Corporate income tax (*Note 27.2*)	7,849,822,920	18,535,815,261	(25,761,668,751)	623,969,430
Personal income tax	-	2,223,884,429	(1,896,994,364)	326,890,065
TOTAL	**7,849,822,920**	**20,759,699,690**	**(27,658,663,115)**	**950,859,495**
Receivables				
Import duty	-	169,080,238,343	(21,012,730,854)	148,067,507,489
Personal income tax	282,072,007	-	(282,072,007)	-
TOTAL	**282,072,007**	**169,080,238,343**	**(21,294,802,861)**	**148,067,507,489**

18. SHORT-TERM ACCRUED EXPENSES

		VND
	31 December 2016	*30 June 2016*
Purchase of goods	30,981,266,598	-
Transportation and loading fees	14,265,999,870	3,511,502,140
Interest expense	11,326,252,944	9,845,820,344
Purchase of sugarcane	10,416,092,500	-
13th month salary	2,694,930,297	4,467,090,266
Purchase of refined sugar	-	8,564,877,909
Others	5,577,173,972	18,479,592,974
TOTAL	**75,261,716,181**	**44,868,883,633**

19. OTHER SHORT-TERM PAYABLES

		VND
	31 December 2016	*30 June 2016*
Lending of materials	-	15,648,984,731
Harvest and transportation payables	3,634,509,432	1,299,155,796
Others	6,822,484,459	7,287,568,194
TOTAL	**10,456,993,891**	**24,235,708,721**
In which:		
Related parties (Note 28)	*1,603,697,242*	*20,940,158,314*
Other parties	*8,853,296,649*	*3,295,550,407*

20. LOANS

	30 June 2016	*Increase*	*Decrease*	*Impact from foreign exchange difference*	*31 December 2016*
Short-term	**1,925,675,427,139**	**2,117,601,140,833**	**(1,984,212,861,889)**	**743,486,460**	**2,059,807,192,543**
Loans from banks *(Note 20.1)*	1,625,896,256,639	2,044,112,055,583	(1,911,830,776,639)	743,486,460	1,758,921,022,043
Loans from a related party *(Note 28)*	182,000,000,000	62,000,000,000	(62,000,000,000)	-	182,000,000,000
Current portion of long-term loans from banks *(Note 20.2)*	17,988,828,500	8,799,914,250	(9,188,914,250)	-	17,599,828,500
Current portion of long-term loan from a related party *(Note 20.3)*	2,386,342,000	1,193,171,000	(1,193,171,000)	-	2,386,342,000
Current portion of long-term bonds *(Note 20.4)*	97,404,000,000	1,496,000,000	-	-	98,900,000,000
Long-term	**970,580,158,500**	**-**	**(10,169,085,250)**	**-**	**960,411,073,250**
Loans from banks *(Note 20.2)*	73,805,134,500	-	(8,799,914,250)	-	65,005,220,250
Loan from a related party *(Note 20.3)*	7,159,024,000	-	(1,193,171,000)	-	5,965,853,000
Bonds *(Note 20.4)*	889,616,000,000	-	(176,000,000)	-	889,440,000,000
TOTAL	**2,896,255,585,639**	**2,117,601,140,833**	**(1,994,381,947,139)**	**743,486,460**	**3,020,218,265,793**

The Company obtained these loans at the market interest rate for the purpose of financing its working capital requirements.

20. **LOANS** (continued)

20.1 Short-term loans from banks

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

Bank	*31 December 2016*		*Principal repayment term*	*Description of collateral*
	VND	*Original currency (USD)*		
ANZ Bank (Vietnam) Ltd - Ho Chi Minh Branch	334,492,457,850	-	From 12 January 2017 to 26 June 2017	All of receivables, inventory with the carrying value of USD 18,750,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam – North Sai Gon Branch	299,074,437,593	-	From 8 March 2017 to 21 June 2017	Land use right of land lot 3105 located at Tan Kim Commune, Can Giuoc District, Long An Province and deposit account at the bank
Mizuho Bank, Ltd. - Hanoi Branch	219,999,999,839	-	From 3 May 2017 to 14 June 2017	Unsecured
Vietnam International Commercial Joint Stock Bank - Dong Nai Branch	150,128,950,930	-	From 11 January 2017 to 14 June 2017	All of receivables, inventory with the carrying value of VND 200,000,000,000
Vietnam Maritime Commercial Stock Bank - Ho Chi Minh Branch	126,431,167,378	-	From 6 April 2017 to 15 June 2017	All of receivables with the carrying value of VND 100,000,000,000
Malayan Banking Berhad - Hanoi Branch	112,049,555,637	-	From 15 March 2017 to 28 June 2017	All of receivables, inventory with the carrying value of USD 5,000,000
	39,935,000,000	1,750,000	From 9 January 2017 to 30 June 2017	All of receivables, inventory with the carrying value of USD 5,000,000

20. **LOANS** (continued)

20.1 Short-term loans from banks (continued)

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

Bank	*31 December 2016*		*Principal repayment term*	*Description of collateral*
	VND	*Original currency (USD)*		
Military Commercial Joint Stock Bank - South Sai Gon, Ho Chi Minh Branch	99,999,995,346	-	From 28 February 2017 to 8 June 2017	All of inventory with the carrying value of VND 143,750,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Gia Dinh Branch	94,405,440,000	-	From 30 March 2017 to 27 April 2017	Unsecured
Vietnam Technological and Commercial Joint Stock Bank – Ho Chi Minh Branch	80,756,524,000	3,540,400	28 February 2017	All of receivables and inventories with the carrying value of VND 150,000,000,000
BPCE IOM Bank – Ho Chi Minh Branch	63,854,766,291	-	From 16 February 2017 to 28 March 2017	All of receivables, inventory with the carrying value of USD 4,510,000
	29,410,894,660	1,289,386	29 May 2017	
Shinhan Vietnam Bank Ltd - Ho Chi Minh Branch	58,535,000,000	-	From 25 January 2017 to 6 April 2017	Unsecured
Ho Chi Minh City Development Joint Stock Commercial Bank - Ho Chi Minh Branch	49,846,832,519	-	From 27 March 2017 to 26 June 2017	Unsecured
TOTAL	**1,758,921,022,043**	**6,579,786**		

20. LOANS (continued)

20.2 Long-term loans from banks

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

Bank	*31 December 2016 VND*	*Principal repayment term*	*Description of collateral*
Asia Commercial Joint Stock Bank – Tan Thuan, Ho Chi Minh Branch	73,886,048,750	From 15 February 2017 to 15 May 2022	Land use right of land lot 37 located at Ward 2, Tay Ninh Commune, associated assets funded from the loan and 100% of receivables from Espace Bourbon Tay Ninh project
Vietnam Joint Stock Commercial Bank for Industry and Trade, Tay Ninh Branch	8,719,000,000	From 2 February 2017 to 20 April 2019	Land use right of land lot 513 located at Thanh Tay Commune, Tan Bien District, Tay Ninh Province and machinery funded from the loan
TOTAL	**82,605,048,750**		
In which:			
Current portion	*17,599,828,500*		
Non-current portion	*65,005,220,250*		

20. **LOANS** (continued)

20.3 Long-term loans from a related party

Details of the long-term loan from a related party is as follows:

Lender	*31 December 2016*	*Principal repayment term*	*Description of collateral*
	VND		
Tay Ninh Sugar Joint Stock Company	8,352,195,000	From 10 January 2017 to 10 April 2020	Unsecured
In which:			
Current portion	*2,386,342,000*		
Non-current portion	*5,965,853,000*		

20. **LOANS** (continued)

20.4 Bonds issued

Details of bonds are as follows:

	31 December 2016 *VND*	*Principal repayment term*	*Purpose*	*Description of collateral*
Issued at par value				
Tien Phong Commercial Joint Stock Bank – Contract No. 01.2016/PL/TPBANK-SBT dated 30 May 2016	593,004,000,000	From 30 May 2017 to 30 May 2021	Loan restructuring and financing for working capital	Land use right of land lot 97 located at Tan Hung Commune, Tan Chau District, Tay Ninh Province and associated assets owned by the Company, machinery and equipment and 51% capital contribution by the Company in Thanh Thanh Cong Gia Lai Co., Ltd.
Vietnam International Commercial Joint Stock Bank – Contract No. 06 – TP/2016/VIB – TTCS dated 30 May 2016	395,336,000,000	From 30 May 2017 to 30 May 2021	Loan restructuring and financing for working capital	
	988,340,000,000			
In which:				
Current portion	*98,900,000,000*			
Non-current portion	*889,440,000,000*			

These bonds bear an interest rate of 8.5% for the first year and the average of interest rate of individual saving deposit in VND with the term of twelve (12) months announced by four (4) commercial banks including Tien Phong Commercial Joint Stock Bank, Vietnam International Commercial Joint Stock Bank, Joint Stock Bank for Foreign Trade of Vietnam and Vietnam Joint Stock Commercial Bank for Industry and Trade plus margin 2.6% per annum for subsequent periods.

21. OWNERS' EQUITY

21.1 Increase and decrease in owners' equity

VND

	Share capital	*Share premium*	*Treasury shares*	*Investment and development fund*	*Undistributed earnings*	*Total*
For the six-month period ended 31 December 2015						
As at 30 June 2015	1,485,000,000,000	14,732,000,010	(61,577,199,043)	227,425,653,785	289,521,467,112	1,955,101,921,864
Increase in capital	371,423,580,000	137,426,724,600	-	-	-	508,850,304,600
Issuance of treasury share	-	3,015,679,213	21,270,336,750	-	-	24,286,015,963
Net profit for the period	-	-	-	-	123,786,326,287	123,786,326,287
Profit appropriation	-	-	-	16,283,606,416	(16,283,606,416)	-
Bonus and welfare fund	-	-	-	-	(19,540,327,699)	(19,540,327,699)
Dividends declared	-	-	-	-	(127,661,462,600)	(127,661,462,600)
As at 31 December 2015	1,856,423,580,000	155,174,403,823	(40,306,862,293)	243,709,260,201	249,822,396,684	2,464,822,778,415
For the six-month period ended 31 December 2016						
As at 30 June 2016	1,947,610,330,000	155,174,403,823	(40,306,862,293)	243,709,260,201	395,419,469,546	2,701,606,601,277
Increase in capital *(*)*	584,272,350,000	(146,070,770,000)	-	(233,713,240,000)	(204,488,340,000)	-
Issuance of treasury share	-	66,790,560,242	40,306,862,293	-	-	107,097,422,535
Net profit for the period	-	-	-	-	172,536,877,917	172,536,877,917
Profit appropriation	-	-	-	29,221,439,973	(29,221,439,973)	-
Bonus and welfare fund	-	-	-	-	(35,065,727,968)	(35,065,727,968)
As at 31 December 2016	2,531,882,680,000	75,894,194,065	-	39,217,460,174	299,180,839,522	2,946,175,173,761

21. OWNERS' EQUITY (continued)

21.1 Movement in owners' equity (continued)

(*) On 24 October 2016, the Company completed the issuance of 58,427,235 new shares to its existing shareholders under forms of bonus shares appropriated from share premium, investment and development fund and undistributed earnings; and stock dividends appropriated from undistributed earnings in accordance with the Shareholders' Resolution dated 3 August 2016. This increase was approved by the Planning and Investment Department of Tay Ninh Province through the issuance of the forth amended BRC dated 4 November 2016.

21.2 Capital transactions with shareholders and distribution of dividends

		VND
	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Issued contributed share capital		
Beginning balance	1,947,610,330,000	1,485,000,000,000
Increase during the period	584,272,350,000	371,423,580,000
Ending balance	**2,531,882,680,000**	**1,856,423,580,000**
Dividends declared	*-*	*127,661,462,600*
Dividends paid	*(60,150,650)*	*(2,756,991,570)*

21.3 Shares

	Number of shares	
	31 December 2016	*30 June 2016*
	(share)	*(share)*
Authorised shares	253,188,268	194,761,033
Shares issued and fully paid		
Ordinary shares	*253,188,268*	*194,761,033*
Treasury shares		
Ordinary shares	*-*	*3,268,840*
Shares in circulation		
Ordinary shares	*253,188,268*	*191,492,193*

22. REVENUES

22.1 Revenues from sale of goods and rendering of services

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
		VND
Gross revenue	**1,746,523,313,864**	**1,638,158,347,576**
Of which:		
Sales of sugar	*1,591,909,625,459*	*1,582,142,949,208*
Sales of molasses	*29,885,725,714*	*23,887,325,704*
Sales of electricity	*12,421,183,645*	*14,891,327,972*
Sales of fertilizer	*8,349,494,673*	*8,169,346,877*
Other	*103,957,284,373*	*9,067,397,815*
Less	**(773,971,495)**	**(2,306,543,730)**
Sale allowances	*(754,938,920)*	*(1,505,032,368)*
Sale returns	*(19,032,575)*	*(801,511,362)*
Net revenues	**1,745,749,342,369**	**1,635,851,803,846**
Of which:		
Sales of sugar	*1,591,136,899,581*	*1,579,836,405,478*
Sales of molasses	*29,885,725,714*	*23,887,325,704*
Sales of electricity	*12,421,183,645*	*14,891,327,972*
Sales of fertilizer	*8,349,494,673*	*8,169,346,877*
Other	*103,956,038,756*	*9,067,397,815*
Of which:		
Sales to other parties	*1,064,311,985,446*	*1,464,147,456,496*
Sales to related parties	*681,437,356,923*	*171,704,347,350*

22.2 Finance income

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
		VND
Interest income	45,754,487,673	29,308,513,104
Dividends income	2,698,727,000	14,670,339,400
Foreign exchange gains	3,994,677,252	959,305,602
Gain from disposals of investments	54,559,288,305	-
Others	-	485,861,726
TOTAL	**107,007,180,230**	**45,424,019,832**

23. COST OF GOODS SOLD AND SERVICES RENDERED

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Cost of sugar	1,372,261,682,230	1,315,586,948,587
Cost of molasses	27,801,378,000	22,654,764,000
Cost of electricity	16,025,187,289	15,426,178,224
Cost of fertilizer	8,207,684,189	7,825,098,120
Others	85,430,466,976	3,867,534,138
TOTAL	**1,509,726,398,684**	**1,365,360,523,069**

24. FINANCE EXPENSES

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Interest expense	82,348,683,166	32,154,651,593
Foreign exchange losses	1,108,460,421	30,273,667,067
Provision	621,001,583	6,991,058,388
Loss from disposal of investments	-	1,157,010,355
Others	1,320,000,210	6,365,387,282
TOTAL	**85,398,145,380**	**76,941,774,685**

25. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Selling expenses		
Expenses for external services	15,182,169,444	31,548,428,510
Labour cost	3,616,349,571	4,177,461,910
Others	2,784,169,659	5,208,442,292
TOTAL	**21,582,688,674**	**40,934,332,712**
General and administrative expenses		
Labour costs	22,494,535,407	19,917,959,271
Depreciation and amortization	4,424,972,375	2,714,314,717
(Reversal of provision) provision	(6,552,034,458)	18,524,980,054
Expenses for external services	9,031,816,818	7,898,354,108
Other expenses	17,441,308,412	12,326,055,161
TOTAL	**46,840,598,554**	**61,381,663,311**

26. PRODUCTION AND OPERATING COSTS

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Raw materials and merchandise goods	1,407,431,126,534	1,205,488,367,792
Expenses for external services	52,922,020,725	41,082,213,492
Labour costs	51,262,613,281	36,728,272,946
Depreciation and amortisation	51,719,439,935	46,816,882,125
Other expenses	14,814,485,437	47,543,190,993
TOTAL	**1,578,149,685,912**	**1,377,658,927,348**

27. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 10% of taxable profits. The Company is entitled to an exemption from CIT in regards to taxable profits generated from manufacturing sugar from sugar-cane commencing from 1 January 2015 in accordance with Circular No.96/2015/TT-BTC issued by the Ministry of Finance dated 22 June 2015.

The tax returns filed by Company 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 separate financial statements could be changed at a later date upon final determination by the tax authorities.

27.1 CIT expense

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Current CIT expense	18,535,815,261	12,468,668,178
Adjustment for under accrual of tax from prior periods	-	2,965,064,376
Deferred tax expenses	856,487,791	-
TOTAL	**19,392,303,052**	**15,433,732,554**

27.2 Current CIT

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

27. CORPORATE INCOME TAX (continued)

27.2 Current CIT (continued)

A reconciliation between the accounting profit before tax in the interim separate income statement and estimated taxable profit is presented below:

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Accounting profit before tax	**191,929,180,969**	**139,220,058,841**
Adjustments:		
Dividends income	(2,698,727,000)	(14,670,339,400)
Unrealized profit	(8,564,877,909)	-
Non-deductible expenses	932,852,909	136,962,335
Estimated current taxable profit	**181,598,428,969**	**124,686,681,776**
In which:		
Sugar produced from sugar cane activity	*55,298,071,098*	*63,969,408,710*
Others	*126,300,357,871*	*60,717,273,066*
Estimated current CIT	**18,535,815,261**	**12,468,668,178**
CIT payable (overpaid) at beginning of period	7,849,822,920	(2,101,388,485)
Adjustment for under accrual of tax from prior periods	-	2,965,064,376
CIT paid during the period	(25,761,668,751)	(2,965,064,376)
CIT payable at end of period	**623,969,430**	**10,367,279,693**

27.3 Deferred tax

The following is the deferred tax asset recognized by the Company, and the movement thereon, during the current and previous period:

VND

	Interim separate balance sheet		*Interim separate income statement*	
	31 December 2016	*30 June 2016*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
Unrealized profit	-	856,487,791	(856,487,791)	-
Deferred tax asset	***-***	***856,487,791***		
Deferred tax (expense) income			***(856,487,791)***	***-***

28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the six-month period ended 31 December 2016 and 31 December 2015 were as follows:

VND

Related parties	*Relationship*	*Transactions*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
Thanh Thanh Cong Trading Joint Stock Company	Related party	Lending	400,000,000,000	27,000,000,000
		Sale of goods	34,835,195,967	175,119,047
		Interest income	18,540,497,648	6,392,735,855
		Purchase of service	2,747,678,390	3,316,895,853
		Service rendered	98,181,819	87,272,727
		Purchase of goods	-	61,532,857,143
Thanh Thanh Cong Gia Lai Co., Ltd	Subsidiary	Purchase of goods	103,490,971,342	126,559,507,827
		Loans	62,000,000,000	-
		Sale of goods	317,142,857	959,356,456
		Interest expenses	300,569,445	-
		Service rendered	28,995,174	4,289,686,927
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Purchase of goods	103,244,619,050	-
		Purchase of material	443,929,500	-
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of goods	93,892,442,847	-
		Purchase of materials	8,017,721,688	-
		Sale of goods	1,004,377,104	1,208,269,000
		Interest income	648,487,510	-
		Service rendered	150,000,000	-
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	88,940,951,204	120,843,120,952
		Purchase of service	5,940,620,106	5,764,428,267
		Purchase of goods	1,303,710,508	321,711,682
		Interest income	634,375,659	685,918,761
		Service rendered	7,007,273	-

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the six-month period ended 31 December 2016 and 31 December 2015 were as follows: (continued)

VND

Related parties	*Relationship*	*Transactions*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
Bien Hoa Sugar Joint Stock Company	Related party	Sale of goods	86,486,358,043	34,980,333
		Purchase of goods	66,431,851,317	3,283,829,796
		Purchase of assets	4,164,194,701	-
		Sale of fixed assets	1,819,397,390	480,000,000
		Purchase of service	214,361,467	42,861,847
		Service rendered	138,639,406	-
		Dividend	-	10,465,910,000
Hoang Anh Gia Lai Sugarcane Co., Ltd	Related party	Sale of goods	36,264,634,115	-
		Lending	3,000,000,000	-
		Interest income	54,000,000	-
Ben Tre Import Export Joint Stock Company	Associate	Purchase of goods	34,403,247,584	-
		Interest income	1,219,501,112	-
		Sale of goods	760,049,500	-
Son Tin Commodity Exchange Joint Stock Company	Related party	Purchase of goods	24,434,047,619	-
		Interest income	6,734,041,241	-
Svayrieng Sugar and Cane Company Limited	Related party	Purchase of goods	21,456,814,000	-
		Purchase of materials	2,104,326,544	-
		Sale of goods	1,099,360,000	-
		Interest income	45,424,928	-

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the six-month period ended 31 December 2016 and 31 December 2015 were as follows: (continued)

VND

Related parties	*Relationship*	*Transactions*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
Tay Ninh Sugar Joint Stock Company	Associate	Purchase of goods	12,522,301,277	-
		Lending	3,000,000,000	-
		Interest income	475,777,775	-
		Interest expenses	246,702,087	-
		Service rendered	39,000,000	-
Thuan Thien Trading Investment Joint Stock Company	Related party	Purchase of materials	7,039,668,250	4,813,356,772
		Interest income	6,402,101,344	259,458,988
		Sale of goods	-	10,014,380,952
Phan Rang Sugar Joint Stock Company	Related party	Purchase of goods	5,989,817,373	-
Global Mind Commodities Trading Pte. Ltd	Related party	Purchase of materials	747,742,994,133	313,567,573,888
		Sale of goods	433,173,248,730	39,387,692,630
Hai Vi Company Limited	Related party	Payment on behalf	13,552,403,697	-
		Service rendered	1,518,900,648	-

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the six-month period ended 31 December 2016 and 31 December 2015 were as follows: (continued)

VND

Related parties	*Relationship*	*Transactions*	*For the six-month period ended 31 December 2016*	*For the six-month period ended 31 December 2015*
Thanh Thanh Cong Alcohol Trading Production Joint Stock Company	Subsidiary	Sale of goods	7,821,905	-
		Service rendered	5,917,273	-
		Loan	-	182,000,000,000
Dang Huynh Industrial Zones Exploitation and Management Joint Stock Company	Related party	Purchase of service	443,376,400	2,010,338,018
		Land rental prepayment	-	67,491,898,320
		Sale of goods	-	10,046,666
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company	Associate	Purchase of service	373,100,000	55,000,000
		Sale of goods	49,497,525	75,990,000
		Purchase of goods	25,483,542	789,966,000

Transactions with other related parties

Remuneration to members of the Board of Directors and Management

VND

	For the six-month period ended 31 December 2016	*For the six-month period ended 31 December 2015*
Salaries and bonus	2,543,430,000	2,479,556,438

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*31 December 2016*	*30 June 2016*
Short-term trade receivables				
Global Mind Commodities Trading Pte. Ltd	Related party	Sale of goods	356,432,973,771	50,498,783,775
Hoang Anh Gia Lai Sugarcane Co., Ltd	Related party	Sale of goods	36,264,634,115	-
Thanh Thanh Cong Trading Joint Stock Company	Related party	Sale of goods	32,656,409,162	214,013,889
		Service rendered	12,000,000	24,000,000
Hai Vi Company Limited	Related party	Service rendered	1,670,790,714	-
Nuoc Trong Sugar Joint Stock Company	Associate	Sale of goods	1,024,535,384	-
		Service rendered	165,000,000	-
Tay Ninh Sugar Joint Stock Company	Associate	Service rendered	462,900,000	323,333,334
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company	Associate	Service rendered	264,000,000	247,479,500
Thanh Thanh Cong Gia Lai Co., Ltd	Subsidiary	Service rendered	201,617,816	324,562,125
		Sale of goods	-	582,601,621
Ben Tre Import Export Joint Stock Company	Associate	Sale of goods	45,622,500	20,891,055,625
Bien Hoa Sugar Joint Stock Company	Related party	Sale of goods	22,075,750	15,911,948,381
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Sale of goods	-	59,646,196,621
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	-	30,613,930,627
Son Tin Commodity Exchange Joint Stock Company	Related party	Sale of goods	-	15,259,000,000
TOTAL			**429,222,559,212**	**194,536,905,498**

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*31 December 2016*	*30 June 2016*
Short-term advances to suppliers				
Global Mind Commodities Trading Pte. Ltd	Related party	Purchase of materials	306,585,085,801	274,868,447,816
Son Tin Commodity Exchange Joint Stock Company	Related party	Purchase of goods	226,668,250,000	-
Thuan Thien Trading Investment Joint Stock Company	Related party	Purchase of materials	148,835,847,540	107,533,442,140
Thanh Thanh Cong Trading Joint Stock Company	Related party	Purchase of materials	100,000,400,000	14,011,549,910
Svayrieng Sugar and Cane Company Limited	Related party	Purchase of materials	49,855,063,056	36,487,077,117
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of materials	1,121,650,500	-
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company	Associate	Purchase of goods	812,415,776	583,135,138
Tay Ninh Sugar Joint Stock Company	Associate	Purchase of goods	385,000,000	-
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of goods	-	15,000,000,000
TOTAL			**834,263,712,673**	**448,483,652,121**

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*31 December 2016*	*30 June 2016*
Other short-term receivables				
Hai Vi Company Limited	Related party	Payment on behalf	12,957,386,990	-
Bien Hoa Sugar Joint Stock Company	Related party	Lending of materials	7,519,315,019	-
Thanh Thanh Cong Trading Joint Stock Company	Related party	Interest income	5,437,046,207	1,829,645,056
Thuan Thien Trading Investment Joint Stock Company	Related party	Interest income	4,378,846,489	625,307,897
Son Tin Commodity Exchange Joint Stock Company	Related party	Interest income	1,659,085,664	3,643,388,890
Tay Ninh Sugar Joint Stock Company	Associate	Interest income	93,000,000	193,333,332
Nuoc Trong Sugar Joint Stock Company	Associate	Interest income	159,316	23,333,333
Thanh Thanh Cong Investment Joint Stock Company	Related party	Interest income	64,898,031	376,895,208
Svayrieng Sugar and Cane Company Limited	Related party	Interest income	-	1,578,869,885
		Payment on behalf	-	1,315,729,513
TOTAL			**32,109,737,716**	**9,586,503,114**
Other long-term receivable				
Svayrieng Sugar and Cane Company Limited	Related party	Business Co-operation Contract	12,707,425,000	12,707,425,000
***Short-term loan receivables** (*)*				
Tay Ninh Sugar Joint Stock Company	Associate	Lending	13,500,000,000	14,500,000,000
Thanh Thanh Cong Trading Joint Stock Company	Related party	Lending	-	100,000,000,000
Hoang Anh Gia Lai Cane Sugar Co., Ltd	Related party	Lending	3,000,000,000	-
TOTAL			**16,500,000,000**	**114,500,000,000**

(*) These represent the short-term loan receivables with the term of six months and earn interest at the rates ranging from 8.0% to 9.5% per annum.

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*31 December 2016*	*30 June 2016*
Short-term trade payables				
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of materials	60,884,716,100	-
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of materials	28,708,661,689	-
Thanh Thanh Cong Gia Lai Co., Ltd	Subsidiary	Purchase of goods	9,808,885,982	7,787,217,922
Thanh Thanh Cong Investment Joint Stock Company	Related party	Purchase of service	2,691,176,684	2,581,604,929
		Purchase of goods	382,888,000	-
Svayrieng Sugar and Cane Company Limited	Related party	Purchase of materials	2,104,326,544	-
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Purchase of goods	499,500,000	-
Thuan Thien Trading Investment Joint Stock Company	Related party	Purchase of materials	255,928,160	3,207,560,200
Thanh Thanh Cong Trading Joint Stock Company	Related party	Purchase of materials	17,279,625	-
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company	Associate	Purchase of materials	56,847,042	-
TOTAL			**105,410,209,826**	**13,576,383,051**
Loans				
Thanh Thanh Cong Alcohol Trading Production Joint Stock Company	Subsidiary	Loan	182,000,000,000	182,000,000,000
Tay Ninh Sugar Joint Stock Company	Associate	Loan	8,352,195,000	9,545,366,000
TOTAL			**190,352,195,000**	**191,545,366,000**

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	*Relationship*	*Transactions*	*31 December 2016*	*VND* *30 June 2016*
Short-term advances from customers				
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	15,493,160,000	-
Bien Hoa Sugar Joint Stock Company	Related party	Sale of goods	1,280,449,618	11,906,304,482
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Service rendered	1,214,000,000	1,214,000,000
Thanh Thanh Cong Trading Joint Stock Company	Related party	Sale of goods	460,287,707	1,588,600,160
Tay Ninh Sugar Joint Stock Company	Associate	Service rendered	7,820,000	-
Nuoc Trong Sugar Joint Stock Company	Associate	Sale of goods	-	371,692,100
Thuan Thien Trading Investment Joint Stock Company	Related party	Sale of goods	-	72,922,918
TOTAL			**18,455,717,325**	**15,153,519,660**
Short-term accrued expense				
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of goods	4,164,194,701	-
Other short-term payables				
Tay Ninh Sugar Joint Stock Company	Associate	Business Co-operation Contract	1,200,000,000	1,200,000,000
		Interest expenses	88,984,797	100,449,068
Thanh Thanh Cong Gia Lai Co., Ltd	Subsidiary	Interest expenses	300,569,445	-
Thanh Thanh Cong Alcohol Trading Production Joint Stock Company	Subsidiary	Payment on behalf	14,143,000	2,490,379,000
Bien Hoa Sugar Joint Stock Company	Related party	Lending of materials	-	15,648,984,731
Ben Tre Import Export Joint Stock Company	Associate	Interest expense	-	1,500,345,515
TOTAL			**1,603,697,242**	**20,940,158,314**

29. COMMITMENT

Capital expenditure commitment

At 31 December 2016, the Company has a commitment of VND 22,051,360,631 (30 June 2016: VND 42,473,797,613) principally related to construction of Project Espace Bourbon Tay Ninh.

30. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance sheet date that requires adjustment or disclosure in the interim separate financial statements of the Company.

M.S.D.N: 3900244389 - C.T.C.P
CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH
H. TÂN CHÂU - T. TÂY NINH

Dang Thi Diem Trinh Preparer	Le Phat Tin Chief Accountant	Tran Que Trang Deputy General Director

13 February 2017