Thanh Thanh Cong Tay Ninh Joint Stock Company

Consolidated financial statements

30 June 2017

Thanh Thanh Cong Tay Ninh Joint Stock Company

CONTENTS

Thanh Thanh Cong Tay Ninh Joint Stock Company

GENERAL INFORMATION

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 ("HOSE") with trading code as SBT in accordance with License No. 27/QD-SGDCKHCM issued by HOSE 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

SIGNIFICANT EVENT

In accordance to Resolution No. 01/2017/NQ-DHDCD dated 25 May 2017, the Extraordinary General Meeting of Shareholders approved the merger of Bien Hoa Sugar Joint Stock Company into the Company. Accordingly, the Company completed the issuance of 303,830,405 new shares on 6 September 2017 to swap the entire shares of Bien Hoa Sugar Joint Stock Corporation at a ratio of 1:1.02. This increase in share capital was approved by the Planning and Investment Department of Tay Ninh Province through the issuance of the fifth amended BRC dated 18 September 2017.

BOARD OF DIRECTORS

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

Mr Pham Hong Duong	Chairman	
Ms Nguyen Thi Hoa	Permanent 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 year 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 year and at the date of this report are:

Mr Nguyen Thanh Ngu	General Director	
Ms Tran Que Trang	Permanent Deputy General Director	appointed on 15 November 2016
Ms Duong Thi To Chau	Deputy General Director of Business	
Mr Nguyen Quoc Viet	Deputy General Director	appointed on 1 July 2017
Mr Tran Quoc Thao	Deputy General Director	appointed on 7 July 2017
Mr Nguyen Thanh Khiem	Deputy General Director	appointed on 7 July 2017
Mr Nguyen Viet Hung	Material Development Director – Zone 2	appointed on 1 July 2017
	Deputy General Director of Material	resigned on 1 July 2017
Mr Nguyen Van De	Deputy General Director	resigned on 9 January 2017
Mr Le Duc Ton	Factory Director	
Ms Nguyen Thi Thuy Tien	Finance and Accounting Director	
Mr Huynh Van Phap	Business Director	
Mr Nguyen Hung Viet	Technical Director	appointed on 15 June 2017
Mr Le Huy Thanh	Agricultural Director cum acting Material Development Director – Zone 1	appointed on 1 July 2017
Mr Nguyen Trong Hoa	Material Development Director – Zone 3	appointed on 1 July 2017
Ms Ho Nguyen Duy Khuong	Supporting Director	appointed on 8 May 2017
Mr Thai Ba Hoa	Material Director	resigned on 1 July 2017
Ms Nguyen Thi Thu Trang	Supporting Director	appointed on 18 October 2016 resigned on 8 May 2017

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Pham Hong Duong.

Ms Tran Que Trang is authorized by Mr Pham Hong Duong to sign the accompanying consolidated financial statements for the year ended 30 June 2017 in accordance with the Decision No. 04/2017/QD – CT.HDQT dated 20 February 2017.

AUDITORS

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

Thanh Thanh Cong Tay Ninh Joint Stock Company

REPORT OF BOARD OF DIRECTORS AND MANAGEMENT

Board of Directors and Management of Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company") are pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 30 June 2017.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY BOARD OF DIRECTORS AND MANAGEMENT

Board of Directors and Management do hereby state that, in their opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2017, and of the consolidated results of its operations and its consolidated cash flows for the year ended 30 June 2017 then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

For and on behalf of Board of Directors and Management:

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH

Dang Huynh Uc My
Member of Board of Directors
Letter of Authorization No. 18/2017/GUQ-TTCS

Ho Chi Minh City, Vietnam

21 September 2017

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working world

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2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

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Reference: 61248763/19301263-HN

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of Thanh Thanh Cong Tay Ninh Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group"), as prepared on 21 September 2017 and set out on pages 6 to 61 which comprise the consolidated balance sheet as at 30 June 2017, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

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Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 30 June 2017, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited

M.S.D.N: 0300811602 C.T.T.N.H.H
CÔNG TY TRÁCH NHIỆM HỮU HẠN ERNST & YOUNG VIỆT NAM

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

Vuong Van Minh
Auditor
Audit Practicing Registration Certificate
No. 3446-2015-004-1

Ho Chi Minh City, Vietnam

21 September 2017

CONSOLIDATED BALANCE SHEET
as at 30 June 2017

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	**A. CURRENT ASSETS**		**4,472,667,304,183**	**4,216,029,016,581**
110	***I. Cash and cash equivalents***	*4*	***202,593,033,644***	***855,375,120,630***
111	1. Cash		202,593,033,644	431,443,246,481
112	2. Cash equivalents		-	423,931,874,149
120	***II. Short-term investments***		***112,385,986,079***	***46,424,094,687***
121	1. Held-for-trading securities	5	115,587,852,769	54,116,600,867
122	2. Provision for held-for-trading securities	5	(3,701,866,690)	(7,692,506,180)
123	3. Held-to-maturity investment	6	500,000,000	-
130	***III. Current accounts receivable***		***2,067,763,576,522***	***1,930,581,676,173***
131	1. Short-term trade receivables	7	562,526,221,534	822,334,756,561
132	2. Short-term advances to suppliers	8	1,161,739,185,942	938,582,888,061
135	3. Short-term loan receivables	33	285,800,000,000	133,500,000,000
136	4. Other short-term receivables	9	97,453,892,875	70,882,923,265
137	5. Provision for short-term doubtful receivables	8, 9	(39,755,723,829)	(34,718,891,714)
140	***IV. Inventories***	***10***	***1,958,094,882,102***	***1,333,276,780,107***
141	1. Inventories		1,959,735,521,352	1,334,096,271,683
149	2. Provision for obsolete inventories		(1,640,639,250)	(819,491,576)
150	***V. Other current assets***		***131,829,825,836***	***50,371,344,984***
151	1. Short-term prepaid expenses	11	63,048,737,092	40,887,927,016
152	2. Value added tax deductible		1,097,290,925	9,102,232,099
153	3. Tax and other receivables from the State	21	67,683,797,819	381,185,869

CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2017

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	**B. NON-CURRENT ASSETS**		**3,333,549,293,991**	**2,620,667,782,014**
210	***I. Long-term receivables***		***247,604,257,836***	***194,048,412,209***
212	1. Long-term advances to suppliers	8	87,265,337,933	58,769,761,197
215	2. Long-term loan receivables	33	200,000,000	-
216	3. Other long-term receivables	9	160,138,919,903	135,278,651,012
220	***II. Fixed assets***		***1,442,294,352,074***	***1,555,356,440,558***
221	1. Tangible fixed assets	12	1,223,071,433,345	1,305,729,123,707
222	Cost		3,148,451,311,003	3,051,892,253,773
223	Accumulated depreciation		(1,925,379,877,658)	(1,746,163,130,066)
224	2. Finance leases	13	62,692,225,631	67,610,055,686
225	Cost		73,767,448,385	73,767,448,385
226	Accumulated depreciation		(11,075,222,754)	(6,157,392,699)
227	3. Intangible assets	14	156,530,693,098	182,017,261,165
228	Cost		172,777,949,697	197,891,271,547
229	Accumulated amortisation		(16,247,256,599)	(15,874,010,382)
230	***III. Investment properties***	***15***	***131,118,256,994***	-
231	1. Cost		138,061,019,789	-
232	2. Accumulated depreciation		(6,942,762,795)	-
240	***IV. Long-term asset in progress***		***78,656,574,346***	***124,818,704,027***
242	1. Construction in progress	16	78,656,574,346	124,818,704,027
250	***V. Long-term investments***	***17***	***1,372,916,355,311***	***686,067,887,183***
252	1. Investments in associates	17.1	1,372,916,355,311	398,984,110,671
253	2. Investments in other entities	17.2	770,062,384	287,922,171,983
254	3. Provision for long-term investments	17.2	(770,062,384)	(838,395,471)
260	***VI. Other long-term assets***		***60,959,497,430***	***60,376,338,037***
261	1. Long-term prepaid expenses	11	44,416,155,370	41,619,031,610
262	2. Deferred tax asset	32.3	573,205,126	851,395,319
269	3. Goodwill	18	15,970,136,934	17,905,911,108
270	**TOTAL ASSETS**		**7,806,216,598,174**	**6,836,696,798,595**

CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2017

VND

Code	*RESOURCES*	*Notes*	*Ending balance*	*Beginning balance*
300	**C. LIABILITIES**		**4,692,717,742,777**	**4,134,301,056,939**
310	***I. Current liabilities***		***3,169,470,067,090***	***2,774,320,638,118***
311	1. Short-term trade payables	19	125,823,866,896	46,117,978,053
312	2. Short-term advances from customers	20	90,045,951,574	85,044,977,543
313	3. Statutory obligations	21	16,881,858,042	12,205,553,830
314	4. Payables to employees		8,634,282,071	10,133,880,337
315	5. Short-term accrued expenses	22	54,505,220,916	58,769,362,740
318	6. Short-term unearned revenues		3,466,732,320	-
319	7. Short-term other payables	23	7,293,806,406	24,174,187,980
320	8. Short-term loans and finance lease obligations	24	2,849,665,687,097	2,520,380,695,895
322	9. Bonus and welfare fund		13,152,661,768	17,494,001,740
330	***II. Non-current liabilities***		***1,523,247,675,687***	***1,359,980,418,821***
336	1. Long-term unearned revenues		15,600,295,440	-
337	2. Other long-term liabilities	23	6,338,567,960	185,500,000
338	3. Long-term loans and finance lease obligations	24	1,501,308,812,287	1,359,794,918,821
400	**D. OWNERS' EQUITY**		**3,113,498,855,397**	**2,702,395,741,656**
410	***I. Capital***		***3,113,498,855,397***	***2,702,395,741,656***
411	1. Share capital	25.1	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	25.1	75,894,194,065	155,174,403,823
415	3. Treasury shares	25.1	-	(40,306,862,293)
417	4. Foreign exchange differences reverse	25.1	6,812,245,007	(2,165,210,735)
418	5. Investment and development fund	25.1	39,217,460,174	243,709,260,201
421	6. Undistributed earnings	25.1	447,942,629,859	386,137,417,421
421a	- *Undistributed earnings up to the end of prior year*		*111,025,631,641*	*93,923,017,688*
421b	- *Undistributed earnings of current year*		*336,916,998,218*	*292,214,399,733*
429	7. Non-controlling interests	26	11,749,646,292	12,236,403,239
440	**TOTAL LIABILITIES AND OWNERS' EQUITY**		**7,806,216,598,174**	**6,836,696,798,595**

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH

Dang Thi Diem Trinh
Preparer

Le Phat Tin
Chief Accountant

Tran Que Trang
Deputy General Director

21 September 2017

CONSOLIDATED INCOME STATEMENT
for the year ended 30 June 2017

VND

Code	ITEMS	Notes	Current year	Previous year
01	**1. Revenue from sale of goods and rendering of services**	27.1	**4,502,976,571,901**	**4,042,892,882,215**
02	**2. Deductions**	27.1	**(4,593,193,827)**	**(15,660,161,470)**
10	**3. Net revenue from sale of goods and rendering of services**	27.1	**4,498,383,378,074**	**4,027,232,720,745**
11	**4. Cost of goods sold and services rendered**	28	**(3,884,365,645,355)**	**(3,422,230,144,928)**
20	**5. Gross profit from sale of goods and rendering of services**		**614,017,732,719**	**605,002,575,817**
21	**6. Finance income**	27.2	**221,886,524,205**	**141,667,851,402**
22	**7. Finance expenses**	29	**(280,225,773,821)**	**(216,332,843,184)**
23	*In which: Interest expense*		*(256,785,222,928)*	*(152,781,586,342)*
24	**8. Shares of profit of associates**		**40,212,488,665**	**12,549,340,671**
25	**9. Selling expenses**	30	**(87,356,899,046)**	**(95,464,461,360)**
26	**10. General and administrative expenses**	30	**(149,592,462,244)**	**(143,593,766,960)**
30	**11. Operating profit**		**358,941,610,478**	**303,828,696,386**
31	**12. Other income**		**18,912,677,772**	**11,750,741,251**
32	**13. Other expenses**		**(10,375,487,711)**	**(5,503,138,451)**
40	**14. Other profit**		**8,537,190,061**	**6,247,602,800**
50	**15. Accounting profit before tax**		**367,478,800,539**	**310,076,299,186**
51	**16. Current corporate income tax expense**	32.1	**(27,895,746,430)**	**(16,761,373,041)**
52	**17. Deferred tax (expense) income**	32.3	**(278,190,193)**	**851,395,319**
60	**18. Net profit after tax**		**339,304,863,916**	**294,166,321,464**
61	**19. Net profit after tax attributable to shareholders of the parent**		**339,791,620,863**	**293,814,330,822**
62	**20. Net (loss) profit after tax attributable to non-controlling interests**		**(486,756,947)**	**351,990,642**
70	**21. Basic earnings per share**	25.4	**1,182**	**1,117**
71	**22. Diluted earnings per share**	25.4	**1,182**	**1,117**

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

21 September 2017

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 June 2017

VND

Code	*ITEMS*	*Notes*	*Current year*	*Previous year*
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	**Profit before tax**		**367,478,800,539**	**310,076,299,186**
	Adjustments for:			
02	Depreciation and amortisation of fixed assets and investment properties (including amortisation of goodwill)	12, 13, 14, 15, 18	199,931,775,661	162,019,427,999
03	Provisions		1,799,007,212	18,509,923,228
04	Foreign exchange losses (gains) arisen from revaluation of monetary accounts denominated in foreign currency		228,630,602	(189,260,438)
05	Profit from investing activities		(248,674,307,088)	(109,948,071,965)
06	Interest expense	29	256,785,222,928	152,781,586,342
08	**Operating profit before changes in working capital**		**577,549,129,854**	**533,249,904,352**
09	Increase in receivables		(191,354,152,810)	(531,993,919,431)
10	Increase in inventories		(625,639,249,669)	(483,522,758,961)
11	Increase in payables		119,012,667,901	4,438,314,140
12	(Increase) decrease in prepaid expenses		(22,317,933,836)	41,687,725,284
13	Increase in held-for-trading securities		(61,471,251,902)	(45,991,839,439)
14	Interest paid		(253,009,593,869)	(130,730,947,864)
15	Corporate income tax paid		(26,193,402,027)	(11,656,363,496)
17	Other cash outflows from operating activities		(48,617,968,424)	(19,941,428,130)
20	**Net cash flows used in operating activities**		**(532,041,754,782)**	**(644,461,313,545)**
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(183,499,708,180)	(429,473,441,007)
22	Proceeds from disposals of fixed assets		8,558,550,022	2,482,912,604
23	Loans to other entities and term deposits		(1,248,380,000,000)	(245,313,284,423)
24	Collections from borrowers and term deposits		1,095,380,000,000	293,000,000,000
25	Payments for investments in other entities		(834,605,279,975)	(285,996,689,279)
26	Proceeds from sale of investments in other entities		355,792,706,726	151,110,955,658
27	Interest and dividends received		111,174,717,491	63,346,523,587
30	**Net cash flows used in investing activities**		**(695,579,013,916)**	**(450,843,022,860)**

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 30 June 2017

VND

Code	*ITEMS*	*Notes*	*Current year*	*Previous year*
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Reissuance of treasury shares		107,097,422,535	115,472,765,963
33	Drawdown of borrowings		5,957,144,296,648	6,713,690,612,483
34	Repayment of borrowings		(5,480,015,161,840)	(4,882,110,827,299)
35	Finance lease principal paid		(9,162,829,080)	(6,872,121,810)
36	Dividends paid	25.2	(63,122,250)	(127,607,494,420)
40	**Net cash flows from financing activities**		**575,000,606,013**	**1,812,572,934,917**
50	**Net (decrease) increase in cash and cash equivalents for the year**		**(652,620,162,685)**	**717,268,598,512**
60	**Cash and cash equivalents at beginning of year**		**855,375,120,630**	**138,062,494,402**
61	Impact of exchange rate fluctuation		(161,924,301)	44,027,716
70	**Cash at end of year**	**4**	**202,593,033,644**	**855,375,120,630**

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

21 September 2017

1. CORPORATE INFORMATION

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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 Group's employees as at 30 June 2017 was 1,367 (30 June 2016: 1,056).

1. CORPORATE INFORMATION (continued)

Corporate structure

As at the balance sheet dates, the Group's corporate structure includes 6 subsidiaries, as follows:

	Name of subsidiaries	*Head office*	*Business activities*	*Status of operation*	*% ownership interest*	
					30 June 2017	*30 June 2016*
(1)	Thanh Thanh Cong Alcohol Trading Production Joint Stock Company	Tan Chau District, Tay Ninh Province	Manufacturing and trading alcohol and related by-products; manufacturing and trading electricity; manufacturing fertilizer and planting sugarcane	Operating	90	90
(2)	Thanh Thanh Cong Gia Lai Co., Ltd	Ayunpa Town, Gia Lai Province	Manufacturing sugar and other by-products from sugar-cane for sales; manufacturing electricity for sales; manufacturing and trading in fertilizer	Operating	100	100
(3)	TSU Investment Private Limited Company	Singapore	Trading and apart of manufacturing and packaging raw and refined sugar to sell in Singapore and export to region	Operating	100	100
(4)	Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company	Chau Thanh District Tay Ninh Province	Researching and developing sugar cane sprouts; analysing cultivation and planting protection products; producing and developing mechanic machineries for sugar canes production	Operating	62	62
(5)	Gia Lai Thermoelectricity One Member Company Limited	Ayunpa Town, Gia Lai Province	Manufacturing, transmitting and distributing electricity	Operating	100	100
(6)	Miaqua Water One Member Company Limited	Tan Chau District, Tay Ninh Province	Manufacturing non-alcoholic beverages, mineral water; manufacturing and processing soft drinks, fruit juice and soy milk; manufacturing bottled water	Operating	100	-

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

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

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 30 June 2017.

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

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

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

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from the Company shareholders' equity.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 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 Group, based on appropriate evidence of impairment available at the balance sheet date.

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

3.3 Receivables

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Group is the lessee

Assets held under finance leases are capitalised in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

Where the Group is the lessor

Assets subject to operating leases are included as the Group's fixed assets in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

3.6 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible 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 consolidated income statement.

Land use rights

Land use right is recorded as intangible asset on the consolidated 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)

3.7 Depreciation and amortisation

Depreciation of tangible fixed assets and finance leases 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
Machinery 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

3.8 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	25 years
Land use right	50 years

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.9 Investments

Investment in associates

The Group's investment in its associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortized and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Investments* (continued)

The share of post-acquisition profit (loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received or receivable from associates reduce the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities 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 the 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 consolidated income statement.

3.10 *Prepaid expenses*

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

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 consolidated income statement over the remaining lease period according to Circular 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013.

Pre-season overhaul costs and fee for development of planting sugar cane are calculated and amortised to production costs based on the actual volume of sugar produced during the year.

3.11 *Borrowing costs*

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

Borrowing costs are recorded as expense during the year 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.

3.12 *Payables and accruals*

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Foreign currency transactions

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

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

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

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

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

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign subsidiary are translated into VND using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in the "foreign exchange difference reserve" account in the equity section of the consolidated balance sheet (attributed to non-controlling interests as appropriate).

3.14 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.15 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of 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 Group'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 consolidated balance sheet.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Earnings per share*

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

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

3.17 *Revenue recognition*

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

Sale of goods

Revenue 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.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the lease term.

Interest

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

Dividends

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to 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 Group 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.

3.19 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group.

Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influences over the Group, key management personnel, including directors and officers of the Group and close members of the families of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. As the Group's revenue and profit are derived mainly from production and trading sugar and sugar related by-products in Vietnam while other sources of revenue are not material as a whole, the management accordingly believed that the Group operates in a sole business segment of production and trading sugar and sugar related by-products and geographical segment of the Group is in Vietnam only. Therefore, presentation of separate segmental information is not required.

4. CASH AND CASH EQUIVALENTS

		VND
	Ending balance	*Beginning balance*
Cash on hand	2,051,075,445	1,006,576,157
Cash in banks	200,541,958,199	430,436,670,324
Cash equivalents	-	423,931,874,149
TOTAL	**202,593,033,644**	**855,375,120,630**

5. HELD-FOR-TRADING SECURITIES

	Ending balance		*Beginning balance*	
	Share	*Value*	*Share*	*Value*
		VND		*VND*
Listed shares				
- Vietnam Dairy Products Joint Stock Company ("VNM")	217,400	32,072,009,925	-	-
- Ho Chi Minh Infrastructure Development Joint Stock Company ("CII")	421,100	16,296,563,595	-	-
- Song Da Urban & Industrial Zone Investment and Development Joint Stock Company("SJS")	523,650	15,825,065,546	-	-
- Asia Commercial Bank ("ACB")	200,000	5,186,327,840	-	-
Other investments		46,207,885,863		54,116,600,867
TOTAL		**115,587,852,769**		**54,116,600,867**
Provision for held-for-trading securities		(3,701,866,690)		(7,692,506,180)
NET		**111,885,986,079**		**46,424,094,687**

6. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investment represent 6-month deposit at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ky Dong Branch, which earn interest at 5.3% per annum.

7. SHORT-TERM TRADE RECEIVABLES

		VND
	Ending balance	*Beginning balance*
Due from other parties	345,338,250,199	322,705,840,976
In which:		
- *URC Vietnam Co., Ltd*	*92,886,874,238*	*315,000,000*
- *Suntory PepsiCo Vietnam Beverage Limited Company*	*63,752,010,000*	*147,255,149,989*
- *Others*	*188,699,365,961*	*175,135,690,987*
Due from related parties *(Note 33)*	217,187,971,335	499,628,915,585
TOTAL	**562,526,221,534**	**822,334,756,561**

Short-term trade receivables amounting to VND 400,486,653,299 were pledged as collateral for the short-term loans obtained from commercial banks *(Note 24)*.

8. ADVANCES TO SUPPLIERS

		VND
	Ending balance	*Beginning balance*
Short-term	**1,161,739,185,942**	**938,582,888,061**
Advances to related parties *(Note 33)*	578,198,519,644	447,900,516,983
Advances to other parties	583,540,666,298	490,682,371,078
In which:		
- *Farmers (*)*	*492,196,315,484*	*353,028,961,685*
- *John Deere Asia (Singapore) Private Limited*	*40,558,172,143*	-
- *Others*	*50,786,178,671*	*137,653,409,393*
Long-term	**87,265,337,933**	**58,769,761,197**
Advances to farmers *(*)*	87,265,337,933	58,769,761,197
TOTAL	**1,249,004,523,875**	**997,352,649,258**
Provision for doubtful short-term advances to suppliers	(29,822,442,780)	(24,882,892,556)
NET	**1,219,182,081,095**	**972,469,756,702**

(*) Advances to sugar cane farmers are partially secured by the farmers' land use rights and earned interest at rate ranging from 9.6% to 12% per annum.

8. ADVANCES TO SUPPLIERS (continued)

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

	Current year	*Previous year*
		VND
Beginning balance	24,882,892,556	14,078,838,504
Provision made during the year	9,620,395,279	18,246,884,961
Reversal during the year	(4,680,845,055)	(7,442,830,909)
Ending balance	29,822,442,780	24,882,892,556

9. OTHER RECEIVABLES

	Ending balance	*Beginning balance*
		VND
Short-term	**97,453,892,875**	**70,882,923,265**
Interest receivables	50,394,140,217	46,527,536,973
Staff advances	15,427,146,238	20,096,157,272
Receivables from disposal of investment	13,349,424,000	-
Dividend receivables	7,288,838,895	-
Payment made on behalf of a related party	3,197,194,328	-
Others	7,797,149,197	4,259,229,020
Long-term	**160,138,919,903**	**135,278,651,012**
Deposits for land rental	147,431,494,903	122,571,226,012
Receivables from Svayrieng projects in Cambodia *(*)*	12,707,425,000	12,707,425,000
TOTAL	**257,592,812,778**	**206,161,574,277**
Provision for doubtful other short-term receivables	(9,933,281,049)	(9,835,999,158)
NET	**247,659,531,729**	**196,325,575,119**
In which:		
Other receivables from other parties	*154,928,057,701*	*171,820,223,439*
Other receivables from related parties (Note 33)	*92,731,474,028*	*24,505,351,680*

(*) 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 Group and Svayrieng Sugar and Cane Company Litmited to develop a project to plant sugar canes in Cambodia with the duration of 10 (ten) years. The Group owns 85% interest sharing from this project. The Group has committed to purchase all sugar canes harvested from this project.

Details of movements of provision for doubtful other short-term receivables:

	Current year	*Previous year*
		VND
Beginning balance	9,835,999,158	9,208,437,046
Provision made during the year	1,968,471,294	4,990,369,865
Reversal during the year	(1,871,189,403)	(4,362,807,753)
Ending balance	9,933,281,049	9,835,999,158

10. INVENTORIES

VND

	Ending balance	*Beginning balance*
Finished goods	1,623,410,045,466	1,062,686,165,328
Raw materials	226,442,965,630	98,843,087,846
Merchandise goods	64,744,311,694	86,807,366,465
Work in progress	37,815,300,158	30,573,298,646
Tools and supplies	5,413,700,752	1,866,121,009
Goods on consignment	1,909,197,652	4,089,182,494
Real estate properties	-	49,231,049,895
TOTAL	**1,959,735,521,352**	**1,334,096,271,683**
Provision for obsolete inventories	(1,640,639,250)	(819,491,576)
NET	**1,958,094,882,102**	**1,333,276,780,107**

Inventories amounting to VND 1,507,919,750,000 were pledged as collateral for the short-term loans obtained from commercial banks *(Note 24)*.

Details of movements of provision for obsolete inventories:

VND

	Current year	*Previous year*
Beginning balance	819,491,576	819,491,576
Provision made during the year	821,147,674	-
Ending balance	1,640,639,250	819,491,576

11. PREPAID EXPENSES

VND

	Ending balance	*Beginning balance*
Short-term	**63,048,737,092**	**40,887,927,016**
Fee for development of planting sugar cane	39,628,442,299	14,923,128,424
Pre-season overhaul costs	16,234,914,961	18,867,517,391
Others	7,185,379,832	7,097,281,201
Long-term	**44,416,155,370**	**41,619,031,610**
Prepaid land rental	28,952,284,022	34,708,429,061
Tools and supplies	2,126,710,740	2,996,060,400
Others	13,337,160,608	3,914,542,149
TOTAL	**107,464,892,462**	**82,506,958,626**

12. TANGIBLE FIXED ASSETS

VND

	Buildings and structures	*Machinery and equipment*	*Means of transportation*	*Office equipment*	*Other assets*	*Total*
Cost:						
Beginning balance	464,399,695,683	2,475,017,846,917	41,453,733,553	10,850,923,606	60,170,054,014	3,051,892,253,773
New purchase	2,275,550,084	8,172,741,397	9,492,561,494	1,964,067,392	3,009,425,277	24,914,345,644
Transfer from construction in progress	16,971,287,973	74,828,506,305	-	-	-	91,799,794,278
Disposal	(1,075,661,178)	(16,839,810,098)	(2,239,611,416)	-	-	(20,155,082,692)
Ending balance	482,570,872,562	2,541,179,284,521	48,706,683,631	12,814,990,998	63,179,479,291	3,148,451,311,003
In which:						
Fully depreciated	*23,616,144,870*	*259,998,284,168*	*6,698,320,011*	*6,288,823,780*	*58,405,330,530*	*355,006,903,359*
Accumulated depreciation:						
Beginning balance	231,697,888,684	1,430,336,592,376	18,418,953,268	7,052,271,671	58,657,424,067	1,746,163,130,066
Depreciation for the year	22,248,409,298	156,984,679,719	4,939,452,290	1,381,487,829	208,133,284	185,762,162,420
Disposal	(606,232,540)	(4,239,237,634)	(1,699,944,654)	-	-	(6,545,414,828)
Ending balance	253,340,065,442	1,583,082,034,461	21,658,460,904	8,433,759,500	58,865,557,351	1,925,379,877,658
Net carrying amount:						
Beginning balance	232,701,806,999	1,044,681,254,541	23,034,780,285	3,798,651,935	1,512,629,947	1,305,729,123,707
Ending balance	229,230,807,120	958,097,250,060	27,048,222,727	4,381,231,498	4,313,921,940	1,223,071,433,345
In which:						
Pledged as loan security (Note 24)	*152,744,074,533*	*529,828,768,079*	-	-	-	*682,572,842,612*

13. FINANCE LEASES

	VND
	Machineries and equipment
Cost:	
Beginning and ending balances	73,767,448,385
Accumulated amortisation:	
Beginning balance	6,157,392,699
Depreciation for the year	4,917,830,055
Ending balance	11,075,222,754
Net carrying amount:	
Beginning balance	67,610,055,686
Ending balance	62,692,225,631

14. INTANGIBLE FIXED ASSETS

			VND
	Land use rights	*Computer software*	*Total*
Cost:			
Beginning balance	186,262,211,459	11,629,060,088	197,891,271,547
New purchase	-	4,183,101,150	4,183,101,150
Transferred to investment properties	(29,296,423,000)	-	(29,296,423,000)
Ending balance	156,965,788,459	15,812,161,238	172,777,949,697
In which:			
Fully amortised	*1,610,377,636*	*3,861,870,666*	*5,472,248,302*
Accumulated amortisation:			
Beginning balance	10,627,513,423	5,246,496,959	15,874,010,382
Amortisation for the year	2,753,485,779	2,114,554,103	4,868,039,882
Transferred to investment properties	(4,494,793,665)	-	(4,494,793,665)
Ending balance	8,886,205,537	7,361,051,062	16,247,256,599
Net carrying amount:			
Beginning balance	175,634,698,036	6,382,563,129	182,017,261,165
Ending balance	148,079,582,922	8,451,110,176	156,530,693,098
In which:			
Pledged as loan security (Note 24)	*130,626,608,621*	-	*130,626,608,621*

15. INVESTMENT PROPERTIES

VND

	Buildings and structures	*Land use right*	*Total*
Cost:			
Beginning balance	-	-	-
Transferred from construction in progress	108,764,596,789	-	108,764,596,789
Transferred from intangible fixed assets	-	29,296,423,000	29,296,423,000
Ending balance	108,764,596,789	29,296,423,000	138,061,019,789
Accumulated depreciation and amortisation:			
Beginning balance	-	-	-
Transferred from intangible fixed asset	-	4,494,793,665	4,494,793,665
Depreciation and amortisation for the year	2,157,412,824	290,556,306	2,447,969,130
Ending balance	2,157,412,824	4,785,349,971	6,942,762,795
Net carrying amount:			
Beginning balance	-	-	-
Ending balance	106,607,183,965	24,511,073,029	131,118,256,994
In which:			
Pledged as loan security (Note 24)	*106,607,183,965*	*24,511,073,029*	*131,118,256,994*

The fair values of the investment property as at 30 June 2017 had not yet been formally assessed and determined, but the management believed that it was much higher than the property's carrying values considering that the investment property (trading center) has been almost fully rented out as at the balance sheet date.

16. CONSTRUCTION IN PROGRESS

VND

	Ending balance	*Beginning balance*
Machinery and equipment under installation	40,287,428,624	17,698,066,904
Espace Bourbon Tay Ninh project	16,454,088,618	93,957,120,070
Warehouse project	14,663,199,577	-
Others	7,251,857,527	13,163,517,053
TOTAL	**78,656,574,346**	**124,818,704,027**

Constructions in progress amounting to VND 16,454,088,618 were pledged as collateral for the short-term loans obtained from a commercial bank *(Note 24)*.

During the year, the Group capitalized borrowing costs amounting to VND 4,933,384,539 (for the year ended 30 June 2016: VND 6,067,203,678) to Espace Bourbon Tay Ninh project.

17. LONG-TERM INVESTMENTS

VND

	Ending balance	*Beginning balance*
Investments in associates *(Note 17.1)*	1,372,916,355,311	398,984,110,671
Investments in other entities *(Note 17.2)*	770,062,384	287,922,171,983
TOTAL	**1,373,686,417,695**	**686,906,282,654**
Provision for long-term investments	(770,062,384)	(838,395,471)
NET	**1,372,916,355,311**	**686,067,887,183**

17. LONG-TERM INVESTMENTS (continued)

17.1 *Investments in associates*

Details of these investments in associates were as follows:

Name of associates	*Business activities*	*Ending balance*		*Beginning balance*	
		Carrying amount (VND)	*% of interest*	*Carrying amount (VND)*	*% of interest*
TTC Attapeu Cane Sugar Limited Company (*)	Producing and trading import-export of sugar; planting sugarcane, rubber tree, oil palm tree, short-term leguminous trees; producing, transmitting and distributing electricity and trading of agricutural machineries and spare-parts	522,424,985,089	40.00	-	-
Ben Tre Import Export Joint Stock Company (**)	Producing and trading products from coconut, agricultural products; rendering processing services, tourism services; and investing in financial markets	410,928,536,143	48.99	-	-
Thanh Thanh Cong Industrial Zone Joint Stock Company	Building industrial zone's infrastructure and leasing industrial zone	210,985,942,196	49.00	191,055,714,436	49.00
Tay Ninh Sugar Joint Stock Company	Planting sugarcane; producing and trading sugar and its by-products	136,237,450,556	39.23	115,952,253,112	39.23
Nuoc Trong Sugar Joint Stock Company	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	61,068,988,002	30.54	59,863,471,423	30.54
Tay Ninh Chemical Industry Joint Stock Company	Producing starch and products related to starch; producing artificial condensed products, non-alcohol and mineral water, nitrogen compound; installing machinery and industrial equipment	31,270,453,325	20.10	32,112,671,700	26.32
TOTAL		**1,372,916,355,311**		**398,984,110,671**	

17. LONG-TERM INVESTMENTS (continued)

17.1 *Investments in associates* (continued)

Details of these investments in associates were as follows: (continued)

(*) On 22 May 2017, the Group completed the acquisition of 40% share capital in TTC Attapeu Cane Sugar Limited Company - formerly known as Hoang Anh Gia Lai Sugar Cane Company Limited ("TTC Attapeu") from Hoang Anh Gia Lai Agricultural Joint Stock Company in accordance with Contract dated 22 May 2017. This acquisition has been approved by the Planning and Investment Department of Gia Lai Province through the issuance of the sixth amended BRC dated 30 May 2017. Capital contribution by the Group to TTC Attapeu was pledged as collateral for bonds *(Note 33)*.

(**) On 12 July 2016, the Group completed the acquisition completed the acquisition of 20,124,764 shares equivalent to 48.99% ownership interest of Ben Tre Import and Export Joint Stock Company from individual shareholders.

	VND
Cost of investment:	
Beginning balance	460,230,911,400
Increase due to new investment	934,605,279,975
Ending balance	1,394,836,191,375
Accumulated share in post-acquisition profit (loss) of the associates:	
Beginning balance	(61,246,800,729)
Share in post-acquisition profit of the associates for the year	40,212,488,665
Dividends received	(885,524,000)
Ending balance	(21,919,836,064)
Net carrying amount:	
Beginning balance	398,984,110,671
Ending balance	1,372,916,355,311

17.2 *Investments in other entities*

Details of the these investments in other entities were as follows:

	Ending balance		*Beginning balance*	
	Cost of investment (VND)	*% of interest*	*Cost of investment (VND)*	*% of interest*
Bien Hoa Sugar Joint Stock Company	-	-	201,395,138,816	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 investment	770,062,384		770,062,384	
TOTAL	**770,062,384**		**287,922,171,983**	
Provision for diminution in value of long-term investment	(770,062,384)		(838,395,471)	
NET	-		**287,083,776,512**	

18. GOODWILL

	VND
Cost:	
Beginning and ending balances	19,357,741,738
Accumulated amortisation:	
Beginning balance	1,451,830,630
Amortization for the year	1,935,774,174
Ending balance	3,387,604,804
Net carrying amount:	
Beginning balance	17,905,911,108
Ending balance	15,970,136,934

19. SHORT-TERM TRADE PAYABLES

	Ending balance	VND *Beginning balance*
Due to related parties *(Note 33)*	72,090,149,385	6,621,405,427
Due to other parties	53,733,717,511	39,496,572,626
In which:		
- *Farmers*	*15,190,523,170*	*4,083,603,416*
- *The Southern Fertilizer Joint Stock Company*	*10,336,612,000*	-
- *Others*	*28,206,582,341*	*35,412,969,210*
TOTAL	**125,823,866,896**	**46,117,978,053**

20. SHORT-TERM ADVANCES FROM CUSTOMERS

	Ending balance	*VND* *Beginning balance*
Due to related parties *(Note 33)*	87,662,305,831	15,153,519,660
Due to other parties	2,383,645,743	69,891,457,883
In which:		
- *Saigon Thuong Tin Commercial Joint Stock Bank*	-	*68,570,710,000*
- *Others*	*2,383,645,743*	*1,320,747,883*
TOTAL	**90,045,951,574**	**85,044,977,543**

21. STATUTORY OBLIGATIONS

VND

	Beginning balance	*Increase*	*Decrease*	*Ending balance*
Payables				
Corporate income tax	7,849,822,920	27,840,667,437	(26,193,036,513)	9,497,453,844
Value-added tax	4,194,768,372	518,316,441,002	(516,002,160,541)	6,509,048,833
Personal income tax	160,828,778	5,893,398,914	(5,313,952,094)	740,275,598
Others	133,760	256,415,407	(121,469,400)	135,079,767
TOTAL	**12,205,553,830**	**552,306,922,760**	**(547,630,618,548)**	**16,881,858,042**
Receivables				
Import duties	-	148,863,114,382	(81,208,736,275)	67,654,378,107
Personal income tax	282,072,007	-	(282,072,007)	-
Corporate income tax	54,713,479	-	(54,713,479)	-
Others	44,400,383	-	(14,980,671)	29,419,712
TOTAL	**381,185,869**	**148,863,114,382**	**(81,560,502,432)**	**67,683,797,819**

22. SHORT-TERM ACCRUED EXPENSES

VND

	Ending balance	*Beginning balance*
Interest expense	25,826,267,537	22,050,638,478
Purchase of sugar cane	9,680,034,780	-
Transportation and loading fees	3,066,398,571	4,593,855,727
Purchase of refined sugar	-	8,564,877,909
13th month salary	-	4,467,090,266
Others	15,932,520,028	19,092,900,360
TOTAL	**54,505,220,916**	**58,769,362,740**

23. OTHER PAYABLES

VND

	Ending balance	*Beginning balance*
Short-term	**7,293,806,406**	**24,174,187,980**
Harvest and transportation payables	1,524,007,192	1,299,155,796
Deposits	1,116,657,796	-
Others	4,653,141,418	22,875,032,184
Long-term		
Deposits	6,338,567,960	185,500,000
TOTAL	**13,632,374,366**	**24,359,687,980**
In which:		
Other parties	*12,432,374,366*	*5,909,908,666*
Related parties (Note 33)	*1,200,000,000*	*18,449,779,314*

24. LOANS

VND

	Beginning balance	*Increase*	*Decrease*	*Impact from foreign exchange difference*	*Ending balance*
Short-term	**2,520,380,695,895**	**5,753,487,610,676**	**(5,424,395,198,414)**	**192,578,940**	**2,849,665,687,097**
Loans from banks *(Note 24.1)*	2,319,948,696,309	5,507,556,684,554	(5,221,425,247,792)	192,578,940	2,606,272,712,011
Current portion of long-term loans from banks *(Note 24.2)*	89,758,828,500	82,661,755,042	(89,700,779,542)	-	82,719,804,000
Current portion of long-term loan from another entity *(Note 24.3)*	1,720,000,000	1,720,000,000	(1,720,000,000)	-	1,720,000,000
Current portion of long-term loan from a related party *(Note 24.4)*	2,386,342,000	2,386,342,000	(2,386,342,000)	-	2,386,342,000
Current portion of long-term bonds *(Note 24.5)*	97,404,000,000	150,000,000,000	(100,000,000,000)	-	147,404,000,000
Current portion of finance leases *(Note 24.6)*	9,162,829,086	9,162,829,080	(9,162,829,080)	-	9,162,829,086
Long-term	**1,359,794,918,821**	**451,973,954,094**	**(310,460,060,628)**	-	**1,501,308,812,287**
Loans from banks *(Note 24.2)*	415,086,456,668	31,831,154,094	(149,830,889,542)	-	297,086,721,220
Loan from another entity *(Note 24.3)*	4,410,000,000	-	(1,720,000,000)	-	2,690,000,000
Loan from a related party *(Note 24.4)*	7,159,024,000	-	(2,386,342,000)	-	4,772,682,000
Bonds *(Note 24.5)*	889,616,000,000	420,142,800,000	(147,360,000,000)	-	1,162,398,800,000
Long-term finance leases *(Note 24.6)*	43,523,438,153	-	(9,162,829,086)	-	34,360,609,067
TOTAL	**3,880,175,614,716**	**6,205,461,564,770**	**(5,734,855,259,042)**	**192,578,940**	**4,350,974,499,384**

24. LOANS (continued)

24.1 *Short-term loans from banks*

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

Bank	*Ending balance*		*Principal repayment term*	*Description of collateral*
	VND	*Original currency (USD)*		
Joint Stock Commercial Bank for Foreign Trade of Vietnam – North Saigon Branch	498,682,653,608	-	From 10 August 2017 to 30 December 2017	Land use right of land lot 3105 located at Tan Kim Commune, Can Giuoc District, Long An Province Land use right of land lot 49 located at Ward 2, Tay Ninh City, Tay Ninh Province and associated assets
Vietnam Joint Stock Commercial Bank for Industry and Trade – Gia Lai Branch	399,244,720,271	-	From 6 August 2017 to 30 November 2017	Finished goods with the carrying value of VND 50,000,000,000
ANZ Bank (Vietnam) Ltd - Ho Chi Minh Branch	224,209,631,087	-	From 4 July 2017 to 17 September 2017	All of receivables, inventories with the carrying value of USD 18,750,000
	88,143,956,375	-	From 8 August 2017 to 30 November 2017	All of receivables, inventories with the carrying value of USD 12,500,000
Mizuho Bank, Ltd - Hanoi Branch	219,960,150,376	-	From 24 October 2017 to 11 December 2017	Unsecured
Vietnam International Commercial Joint Stock Bank – Dong Nai Branch	158,204,832,898	-	From 7 August 2017 to 28 December 2017	All of receivables, inventories with the carrying value of VND 200,000,000,000
DBS Bank Ltd. – Ho Chi Minh City Branch	136,886,795,082	-	From 3 October 2017 to 29 December 2017	All of receivables, inventories with the carrying value of USD 11,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam – Gia Lai Branch	109,209,739,340	-	From 24 July 2017 to 7 September 2017	3,200 tons of finished goods in store located at No. 561, Tran Hung Dao Street, Ayun Pa Town, Gia Lai Province

24. LOANS (continued)

24.1 *Short-term loans from banks* (continued)

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

Bank	*Ending balance*		*Principal repayment term*	*Description of collateral*
	VND	*Original currency (USD)*		
BPCE IOM Bank – Ho Chi Minh City Brach	102,795,707,861	-	From 11 July 2017 to 9 December 2017	All of receivables, inventories with the carrying value of USD 6,600,000
Asia Commercial Joint Stock Bank – Hoa Hung Branch	100,000,000,000	-	From 4 August 2017 to 30 September 2017	All of receivables amount with the carrying value of VND 200,000,000,000
Orient Commercial Joint Stock Bank – Dak Lak Branch	99,315,396,371	-	From 3 November 2017 to 8 November 2017	All of inventories with the carrying value of VND 143,000,000,000
HSBC Bank (Vietnam) Ltd	70,000,000,000	-	28 July 2017	All of receivables, finished goods with the carrying value of VND 120,000,000,000
Malayan Banking Berhad - Ha Noi Branch	60,200,000,000	-	From 4 July 2017 to 22 December 2017	All of receivables, inventories with the carrying value of USD 5,000,000
Shinhan Bank Vietnam - Transaction Center	60,000,000,000	-	From 4 July 2017 to 9 July 2017	Unsecured
Military Commercial Joint Stock Bank - South Sai Gon Branch	42,459,536,000	-	From 8 August 2017 to 9 December 2017	All of inventories with the carrying value of VND 143,750,000,000
Malayan Banking Berhad - Ho Chi Minh Branch	40,000,000,000	-	29 November 2017	All of receivables, finished goods with the carrying value of USD 2,500,000
	42,933,541,088	1,241,249	From 3 July 2017 to 22 December 2017	All of receivables, inventories with the carrying value of USD 5,000,000

24. LOANS (continued)

24.1 *Short-term loans from banks* (continued)

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

Bank	*Ending balance*		*Principal repayment term*	*Description of collateral*
	VND	*Original currency (USD)*		
Vietnam Technological and Commercial Joint Stock Bank – Ho Chi Minh Branch	37,500,000,000	-	25 October 2017	All of receivables, inventories with the carrying value of VND 150,000,000,000.
Vietnam Maritime Commercial Stock Bank - Ho Chi Minh Branch	36,329,051,654	-	From 10 August 2017 to 10 November 2017	All of receivables with the carrying value of VND 100,000,000,000
Vietnam Bank for Agriculture and Rural Development – Gia Lai Branch	35,900,000,000	-	From 5 July 2017 to 20 July 2017	Unsecured
Tien Phong Commercial Joint Stock Bank – Binh Duong Branch	29,297,000,000	-	From 4 August 2017 to 10 August 2017	Capital contribution by the Company in Thanh Thanh Cong Gia Lai Co., Ltd with the value of VND 136,600,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank – Tay Ninh Branch	15,000,000,000	-	22 July 2017	Unsecured
TOTAL	**2,606,272,712,011**	**1,241,249**		

The Group obtained short-term loans from banks at the market interest rate for the purpose of financing its working capital.

24. LOANS (continued)

24.2 *Long-term loans from banks*

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

Bank	*Ending balance*	*Principal repayment term*	*Description of collateral*
	VND		
Vietnam Joint Stock Commercial Bank for Industry and Trade – Gia Lai Branch	194,720,647,942	From 1 July 2017 to 9 October 2022	Land use right, machineries and fixed assets in factory upgrade projects, rights emerged from trading electricity contract with Central Power Corporation
	127,296,400,000	From 1 July 2017 to 9 October 2021	Machinery and equipment funded from the loan
	17,244,682,831	From 3 July 2017 to 29 March 2022	Machinery and equipment funded from the loan
	13,822,267,554	From 13 August 2017 to 13 February 2022	Land use right, machineries and fixed assets in factory upgrade projects, rights emerged from trading electricity contract with Central Power Corporation
Vietnam Joint Stock Commercial Bank for Industry and Trade - Tay Ninh Branch	17,864,000,000	From 14 November 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
Vietnam Bank for Agriculture and Rural Development - Gia Lai Branch	8,858,526,893	From 26 June 2018 to 15 February 2022	Machinery and equipment funded from the loan
TOTAL	**379,806,525,220**		
In which:			
Current portion	*82,719,804,000*		
Non-current portion	*297,086,721,220*		

The Group obtained long-term loans from banks at the market interest rate for the purpose of purchase and construction of fixed assets.

24. LOANS (continued)

24.3 *Long-term loan from another entity*

Details of the long-term loan from another entity is as follows:

Lender	*Ending balance VND*	*Principal repayment term*	*Description of collateral*
Vietnam Environment Protection Fund	4,410,000,000	From 25 September 2017 to 25 March 2020	Guarantee letter from Vietnam Joint Stock Commercial Bank for Industry and Trade – Gia Lai Branch
In which:			
Current portion	*1,720,000,000*		
Non-current portion	*2,690,000,000*		

The Group obtained long-term loan from another entity at interest rate of 5.40% per annum for the purpose of purchase and construction of fixed assets.

24.4 *Long-term loan from a related party*

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

Lender	*Ending balance VND*	*Principal repayment term*	*Description of collateral*
Tay Ninh Sugar Joint Stock Company	7,159,024,000	From 10 October 2017 to 10 April 2020	Unsecured
In which:			
Current portion	*2,386,342,000*		
Non-current portion	*4,772,682,000*		

The Group obtained long-term loans from a related party at interest rate of 4.62% per annum for the purpose of financing its working capital.

24. LOANS (continued)

24.5 *Bonds issued*

Details of bonds are as follows:

	Ending balance	*Principal repayment term*	*Purpose*
	VND		
Issued at par value			
Tien Phong Commercial Joint Stock Bank – Contract No. 01.2016/PL/TPBANK-SBT dated 30 May 2016 *(*)*	533,796,000,000	From 30 May 2018 to 30 May 2021	Loan restructuring and financing for working capital
Vietnam International Commercial Joint Stock Bank – Contract No. 06 – TP/2016/VIB – TTCS dated 30 May 2016 *(*)*	355,864,000,000	From 30 May 2018 to 30 May 2021	Loan restructuring and financing for working capital
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Noi Branch – Contract No.01/2017/HDTP/TTCS-BIDV dated 23 June 2017 *(**)*	420,142,800,000	From 23 June 2018 to 23 June 2023	Investing in project to develop sugar industrial zone and material plating area located at Attapeu Province, The Lao People's Democratic Republic through the acquisition of shares in TTC Attapeu Cane Sugar Limited Company
	1,309,802,800,000		
In which:			
Current portion	*147,404,000,000*		
Non-current portion	*1,162,398,800,000*		

24. LOANS (continued)

24.5 *Bonds issued* (continued)

Details of bonds are as follows: (continued)

(*) *Interest rate*

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.

Collateral

Land use right of land lot 97 located at Tan Hung Commune, Tan Chau District, Tay Ninh Province and associated assets owned by the Group, machinery and equipment and 51% capital contribution by the Company in Thanh Thanh Cong Gia Lai Co., Ltd.

(**) *Interest rate*

These bonds bear an interest rate defined by Joint Stock Commercial Bank for Investment and Development of Vietnam - Gia Dinh Branch on issued date for the first period or the seventh (7th) working date prior to the beginning day of each period for subsequent periods; and of the average of interest rate of individual saving deposit in VND with the term of twelve (12) months announced by Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch, Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch, Vietnam Bank for Agriculture and Rural Development - Ho Chi Minh City Branch and Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch plus (+) margin 3.2% per annum.

Collateral

- Land lease right under Contract No. 8011/TNM dated 19 November 2012 between Hoang Anh Attapeu Cane Sugar Limited Company ("Hoang Anh Attapeu") and The Lao People's Democratic Republic for 51 hectre land area located at Phu Vong District, Attapeu Province, The Lao People's Democratic Republic and associated assets, real estates and all rights and obligations emerging from those assets owned by Hoang Anh Attapeu; and ownership and entitlement to indemnity for incidents arising under insurance policies for those assets;
- Land lease right under Contract dated 26 December 2013 between Hoang Anh Attapeu and The Lao People's Democratic Republic for 2,723.9 hectre land area located at Attapeu Province, The Lao People's Democratic Republic and associated assets, real estates and all rights and obligations emerging from those assets owned by Hoang Anh Attapeu; contruction, machineries in use at farmsites, sugar manufacturing plan, thermo power plant and microbiological fertilizer manufacturing plant; and ownership and entitlement to indemnity for incidents arising under insurance policies for those assets; and
- Capital contribution by the Group in TTC Attapeu.

24. LOANS (continued)

24.6 *Finance leases*

The Group currently has leased machinery and equipment under finance lease agreements with Asia Commercial Bank Leasing Company Limited. Future obligations due under finance lease agreements as at the balance sheet dates were as follows:

VND

	Ending balance			*Beginning balance*		
	Total minimum lease payments	*Finance charges*	*Lease liabilities*	*Total minimum lease payments*	*Finance charges*	*Lease liabilities*
Current liabilities						
Less than 1 year	12,752,367,380	3,589,538,294	9,162,829,086	13,588,475,534	4,425,646,448	9,162,829,086
Non-current liabilities						
From 1 – 5 years	40,380,015,099	6,019,406,032	34,360,609,067	45,997,402,004	9,346,085,666	36,651,316,338
More than 5 years	-	-	-	7,134,980,474	262,858,659	6,872,121,815
TOTAL	**53,132,382,479**	**9,608,944,326**	**43,523,438,153**	**66,720,858,012**	**14,034,590,773**	**52,686,267,239**

25. OWNERS' EQUITY

25.1 *Increase and decrease in owners' equity*

	Share capital	*Share premium*	*Treasury shares*	*Foreign exchange difference reserve*	*Investment and development fund*	*Other owners' capital*	*Undistributed earnings*	*Total*
Previous year								
Beginning balance	1,485,000,000,000	14,732,000,010	(61,577,199,043)	-	227,425,653,785	(2,040,858,039)	257,408,414,403	1,920,948,011,116
Increase in capital	462,610,330,000	137,426,724,600	-	-	-	-	-	600,037,054,600
Reissuance of treasury shares	-	3,015,679,213	21,270,336,750	-	-	-	-	24,286,015,963
Net profit for the year	-	-	-	-	-	-	293,814,330,822	293,814,330,822
Foreign exchange differences arisen from conversion from USD to VND for the year	-	-	-	(2,165,210,735)	-	-	-	(2,165,210,735)
Profit appropriation	-	-	-	-	16,283,606,416	-	(16,283,606,416)	-
Bonus and welfare fund	-	-	-	-	-	-	(21,140,258,788)	(21,140,258,788)
Dividends declared	-	-	-	-	-	-	(127,661,462,600)	(127,661,462,600)
Other increase	-	-	-	-	-	2,040,858,039	-	2,040,858,039
Ending balance	1,947,610,330,000	155,174,403,823	(40,306,862,293)	(2,165,210,735)	243,709,260,201	-	386,137,417,421	2,690,159,338,417
Current year								
Beginning balance	1,947,610,330,000	155,174,403,823	(40,306,862,293)	(2,165,210,735)	243,709,260,201	-	386,137,417,421	2,690,159,338,417
Increase in capital (*)	584,272,350,000	(146,070,770,000)	-	-	(233,713,240,000)	-	(204,488,340,000)	-
Reissuance of treasury shares	-	66,790,560,242	40,306,862,293	-	-	-	-	107,097,422,535
Net profit for the year	-	-	-	-	-	-	339,791,620,863	339,791,620,863
Foreign exchange differences arisen from conversion from USD to VND for the year	-	-	-	8,977,455,742	-	-	-	8,977,455,742
Profit appropriation	-	-	-	-	29,221,439,973	-	(29,221,439,973)	-
Bonus and welfare fund	-	-	-	-	-	-	(44,276,628,452)	(44,276,628,452)
Ending balance	2,531,882,680,000	75,894,194,065	-	6,812,245,007	39,217,460,174	-	447,942,629,859	3,101,749,209,105

25. OWNERS' EQUITY (continued)

25.1 *Increase and decrease 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 fourth amended BRC dated 4 November 2016.

25.2 *Capital transactions with owners and distribution of dividends*

		VND
	Current year	*Previous year*
Issued share capital		
Beginning balance	1,947,610,330,000	1,485,000,000,000
Increase during the year	584,272,350,000	462,610,330,000
Ending balance	**2,531,882,680,000**	**1,947,610,330,000**
Dividends declared	-	*127,661,462,600*
Dividends paid	*(63,122,250)*	*(127,607,494,420)*

25.3 *Shares*

	Number of shares	
	Ending balance (shares)	*Beginning balance (shares)*
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*

25. OWNERS' EQUITY (continued)

25.4 Earnings per share

	Current year	*Previous year (restated)*
Net profit for the year attributable to the Company's shareholders *(VND)*	339,791,620,863	293,814,330,822
Appropriation to bonus and welfare fund *(*)*	(40,774,994,504)	(35,065,727,968)
Net profit attributable to ordinary holders of the Company's shareholders adjusted for appropriation to bonus and welfare fund	**299,016,626,359**	**258,748,602,854**
Weighted average number of ordinary shares in circulation *(shares) (**)*	252,898,723	231,587,173
Basic and diluted earnings per share *(VND/share)*	**1,182**	**1,117**

(*) Net profit used to compute earnings per share for the year ended 30 June 2016 was restated following the actual distribution to Bonus and welfare funds from 2016 retained earnings as approved in the Resolution of Annual Shareholders Meeting No. 02/2016/NQ-DHDCD dated 31 October 2016.

Bonus and welfare fund for current year is intended to be accrued in accordance with the Resolution of Annual Shareholders Meeting No. 02/2016/NQ-DHDCD dated 31 October 2016.

(**) The weighted average number of ordinary shares for the year ended 30 June 2016 was adjusted to reflect the additional issuance of 58,427,235 bonus shares and dividends shares appropriated from share premium, investment and development fund and undistributed earnings in accordance to VAS No. 30.

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

26. NON-CONTROLLING INTERESTS

	VND *Amount*
Beginning balance	12,236,403,239
Net loss for the year	(486,756,947)
Ending balance	**11,749,646,292**

27. REVENUES

27.1 Revenues from sale of goods and rendering of services

	Current year	VND Previous year
Gross revenue	**4,502,976,571,901**	**4,042,892,882,215**
Of which:		
Sales of sugar	*3,890,626,622,497*	*3,668,742,052,016*
Sales of molasses	*186,801,226,683*	*147,824,094,685*
Sales of fertilizer	*123,099,383,747*	*92,273,215,003*
Sales of electricity	*105,973,587,594*	*80,766,375,106*
Other	*196,475,751,380*	*53,287,145,405*
Less	**(4,593,193,827)**	**(15,660,161,470)**
Sale returns	*(2,489,839,720)*	*(9,809,063,773)*
Sale allowances	*(2,103,354,107)*	*(5,851,097,697)*
Net revenues	**4,498,383,378,074**	**4,027,232,720,745**
Of which:		
Sales of sugar	*3,886,484,285,563*	*3,653,102,237,820*
Sales of molasses	*186,644,635,254*	*147,824,094,685*
Sales of fertilizer	*123,006,968,301*	*92,273,215,003*
Sales of electricity	*105,973,587,594*	*80,766,375,106*
Other	*196,273,901,362*	*53,266,798,131*
Of which:		
Sales to other parties	*2,490,584,444,530*	*3,558,233,286,826*
Sales to related parties	*2,007,798,933,544*	*468,999,433,919*

27.2 Finance income

	Current year	VND Previous year
Interest income	134,299,173,133	92,244,471,783
Gains from disposal of investments	70,255,215,430	13,593,010,093
Dividends income	10,573,166,005	7,611,466,400
Foreign exchange gains	6,750,235,844	3,375,908,252
Income from change in ownership interest of investment	-	24,842,024,273
Others	8,733,793	970,601
TOTAL	**221,886,524,205**	**141,667,851,402**

28. COST OF GOODS SOLD AND SERVICES RENDERED

VND

	Current year	*Previous year*
Cost of sugar	3,318,772,406,411	3,064,044,572,444
Cost of molasses	170,970,100,490	139,977,576,019
Cost of fertilizer	122,543,063,779	89,830,881,251
Cost of electricity	109,800,763,623	83,054,088,022
Others	162,279,311,052	45,323,027,192
TOTAL	**3,884,365,645,355**	**3,422,230,144,928**

29. FINANCE EXPENSES

VND

	Current year	*Previous year*
Interest expenses	256,785,222,928	152,781,586,342
Foreign exchange losses	3,366,986,196	42,346,316,435
Provision (reversal of provision)	1,575,408,894	(340,294,354)
Loss from disposal of investments	-	2,937,679,680
Others	18,498,155,803	18,607,555,081
TOTAL	**280,225,773,821**	**216,332,843,184**

30. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

VND

	Current year	*Previous year*
Selling expenses		
Expenses for external services	69,132,772,991	67,561,967,987
Labour cost	9,416,545,804	12,323,635,178
Depreciation	3,601,885,953	2,699,773,694
Other expenses	5,205,694,298	12,879,084,501
	87,356,899,046	95,464,461,360
General and administrative expenses		
Labour costs	66,041,843,774	52,473,712,022
Expenses for external services	32,270,873,968	28,448,944,596
Provision expenses	10,366,048,860	16,418,117,070
Depreciation and amortisation	9,114,777,992	7,991,952,353
Other expenses	31,798,917,650	38,261,040,919
	149,592,462,244	143,593,766,960
TOTAL	**236,949,361,290**	**239,058,228,320**

31. PRODUCTION AND OPERATING COSTS

VND

	Current year	*Previous year*
Materials and merchandise goods	3,519,529,836,747	3,136,881,170,408
Labour costs	185,133,103,558	152,267,920,385
Depreciation and amortisation	199,092,198,747	162,019,427,999
Expenses for external services	136,469,477,678	127,955,074,112
Other expenses	81,090,389,915	82,164,780,344
TOTAL	**4,121,315,006,645**	**3,661,288,373,248**

32. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 10% of taxable profits from normal operating activities and 20% of taxable profits from other activities. 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 Company's subsidiaries have the obligations to pay CIT at the rates ranging from 10% to the normal applicable rate of their respective taxable profits their respective taxable profits. They are also entitled to CIT exemption and reduction in accordance with their respective business registration certificates and applicable tax regulations.

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

32.1 CIT expense

VND

	Current year	*Previous year*
Current CIT expense	27,464,378,668	21,026,046,712
Adjustment for under (over) accrual of tax from prior years	431,367,762	(4,264,673,671)
Deferred tax expense (income)	278,190,193	(851,395,319)
TOTAL	**28,173,936,623**	**15,909,977,722**

32. CORPORATE INCOME TAX (continued)

32.1 *CIT expense* (continued)

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

VND

	Current year	*Previous year*
Accounting profit before tax	**367,478,800,539**	**310,076,299,186**
At CIT rates applied to the Group	54,834,225,398	42,628,675,113
Adjustments:		
Change of provisions for long-term investments	(283,260,313)	1,425,335
Share of profit in associates	(8,042,497,734)	(2,509,868,134)
Gains of change in ownership interest of investments	-	(4,968,404,855)
Gains from disposal of investments	5,597,015,335	3,420,698,963
Non-deductible expenses	458,617,574	367,135,621
Amortisation of goodwill	387,154,835	290,366,127
Dividends income	(1,057,316,600)	(2,624,547,360)
Adjustment for under (over) accrual of tax from prior years	431,367,762	(4,264,673,671)
Tax exemption	(24,151,369,634)	(16,430,829,417)
CIT expense	**28,173,936,623**	**15,909,977,722**

32.2 *Current CIT*

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

32.3 *Deferred tax*

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

VND

	Consolidated balance sheet		*Consolidated income statement*	
	Ending balance	*Beginning balance*	*Current year*	*Previous year*
Change in short-term accrued expenses	573,205,126	851,395,319	(278,190,193)	851,395,319
Deferred tax asset	***573,205,126***	***851,395,319***		
Deferred tax (expense) income			***(278,190,193)***	***851,395,319***

33. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during current and previous year were as follows:

VND

Related parties	*Relationship*	*Transactions*	*Current year*	*Previous year*
Global Mind Commodities Trading Pte. Ltd	Related party	Purchase of materials	970,532,804,268	622,011,100,370
		Sale of goods	576,614,234,980	39,387,692,630
		Advances for purchase of goods	207,967,005,792	-
		Purchase of services	1,603,249,737	-
Thanh Thanh Cong Trading Joint Stock Company	Related party	Lending	840,880,000,000	214,000,000,000
		Purchase of goods	110,199,000,000	141,741,761,971
		Sale of goods	50,823,320,505	115,703,484,343
		Purchase of services	38,564,027,640	7,251,712,022
		Interest income	35,123,804,391	18,014,550,229
		Purchase of materials	15,410,000,000	-
		Interest expenses	5,398,350,000	-
		Service rendered	229,090,911	229,090,911
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	405,214,745,730	292,260,639,908
		Lending	163,800,000,000	1,000,000,000
		Interest income	12,807,296,002	7,583,979,359
		Purchase of services	11,294,834,190	15,159,353,947
		Interest expenses	10,454,818,345	-
		Purchase of goods	1,891,192,768	971,622,886
		Service rendered	7,007,273	771,309,661
		Payment on behalf	-	155,920,000
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Sale of goods	336,845,473,365	186,791,428,571
		Purchase of goods	130,953,619,050	51,981,452,387
		Purchase of materials	50,382,167,031	-
		Interest income	685,216,875	-
		Sales of fixed assets	-	529,637,837

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during current and previous year were as follows: (continued)

VND

Related parties	*Relationship*	*Transactions*	*Current year*	*Previous year*
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of materials	327,158,950,050	609,764,174,914
		Sale of goods	309,420,505,173	99,603,355,639
		Sale of materials	202,360,519,258	384,201,411,514
		Purchase of goods	4,236,360,280	7,497,706,782
		Sale of fixed assets	1,819,397,390	1,480,000,000
		Purchase of services	539,756,677	611,685,911
		Purchase of assets	550,172,700	-
		Service rendered	346,234,133	-
		Dividends	-	10,465,910,000
Son Tin Commodity Exchange Joint Stock Company	Related party	Purchase of materials	149,472,871,475	-
		Lending	109,000,000,000	-
		Purchase of goods	48,710,142,857	144,300,952,381
		Interest income	26,867,460,188	12,674,082,003
		Sale of goods	21,085,714,287	195,714,285,717
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of goods	104,275,671,837	-
		Purchase of materials	116,202,694,495	2,611,878,826
		Sales of materials	972,903,604	-
		Dividends	885,524,000	3,473,255,000
		Interest income	648,487,510	23,333,333
		Sale of goods	531,776,327	1,232,684,000
		Service rendered	150,000,000	-
		Purchase of services	-	949,970,222
Svayrieng Sugar and Cane Company Litmited	Related party	Purchase of materials	114,044,021,914	47,856,405,042
		Sale of goods	20,332,350,522	-
		Profit shared	7,288,838,895	-
		Interest income	45,424,928	-

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during current and previous year were as follows: (continued)

VND

Related parties	*Relationship*	*Transactions*	*Current year*	*Previous year*
Hoang Anh Attapeu Cane Sugar Company Limited	Related party	Sale of goods	71,764,811,282	-
		Sale of assets	6,217,019,332	-
		Service rendered	345,000,000	-
		Interest income	160,118,698	-
Global Mind Viet Nam Joint Stock Company	Related party	Purchase of materials	68,742,132,077	1,584,354,874
		Purchase of goods	63,889,944,023	73,497,078,759
		Interest income	13,872,769,071	1,584,429,819
		Sale of goods	-	147,617,738,785
Loc Tho Joint Stock Company	Related party	Deposit for land rental	57,865,463,900	-
		Land rental	4,134,487,500	-
Ben Tre Import Export Joint Stock Corporation	Associate	Sale of goods	35,214,778,071	115,783,891,785
		Purchase of goods	33,857,142,857	117,265,955,634
		Interest income	2,745,876,338	7,251,913,101
Thanh Thanh Cong Packing Trading - Production Joint Stock Company	Related party	Purchase of goods	32,758,189,637	147,594,183,402
		Sale of goods	8,438,095	8,028,857
Hai Vi Company Limited	Related party	Purchase of services	23,429,454,343	-
		Payment on behalf	13,094,209,628	-
		Service rendered	3,830,908,734	-
		Sale of goods	2,544,098,559	-
		Purchase of materials	534,242,200	-
Bien Hoa - Phan Rang Sugar Joint Stock Company	Related party	Purchase of goods	9,343,263,809	-
		Sale of scraps	154,545,455	-
		Sale of fixed assets	129,090,909	-

33. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during current and previous year were as follows: (continued)

Related parties	*Relationship*	*Transactions*	*Current year*	*VND* *Previous year*
Tay Ninh Sugar Joint Stock Company	Associate	Purchase of goods	12,745,126,277	292,000,000
		Lending	14,000,000,000	14,500,000,000
		Interest income	1,241,597,218	381,222,220
		Interest expenses	441,302,143	352,949,858
		Service rendered	420,818,182	381,818,182
		Purchase of assets	350,000,000	-
		Sale of goods	40,221,818	-
Thanh Thanh Cong Tourist Joint Stock Company	Related party	Purchase of services	7,989,089,060	-
TTC Attapeu Cane Sugar Limited Company	Associate	Sales of assets	7,947,165,198	-
		Lending	3,000,000,000	-
		Interest income	174,666,668	-
Toan Thinh Phat Architecture Investment Construction Co., Ltd	Related party	Purchase of services	6,811,361,927	13,836,635,496
Dang Huynh Industrial Zones Exploitation and Management Joint Stock Company	Related party	Purchase of services	1,008,785,960	2,010,338,018
		Land rental	-	67,491,898,320

Transactions with other related parties

Details of remuneration of the Board of Directors and Management during the year are as follows:

	Current year	*VND* *Previous year*
Salaries and bonus	6,111,632,740	8,659,515,086

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance* (*VND*)
Short-term trade receivables				
Hoang Anh Gia Lai Attapeu Cane Sugar Company Limitted	Related party	Sale of goods	78,073,302,386	-
Global Mind Commodities Trading Pte., Ltd	Related party	Sale of goods	59,156,583,419	50,498,783,775
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Sale of goods	45,780,000,000	112,847,096,621
Bien Hoa Sugar Joint Stock Company	Related party	Sale of goods	10,281,485,332	16,055,201,714
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	10,520,376,000	73,238,930,627
TTC Attapeu Cane Sugar Limited Company	Associate	Sale of assets	7,261,165,198	-
		Sale of goods	754,600,000	-
Hai Vi Company Limited	Related party	Service rendered	4,096,638,534	-
		Sale of goods	318,505,825	-
Tay Ninh Sugar Joint Stock Company	Associate	Service rendered	420,000,000	323,333,334
Svayrieng Sugar and Cane Company Limited	Related party	Sale of goods	306,167,140	-
Bien Hoa - Phan Rang Sugar Joint Stock Company	Related party	Sale of goods	121,000,000	-
Thanh Thanh Cong Trading Joint Stock Company	Related party	Service rendered	48,000,000	24,000,000
		Sale of goods	4,525,001	5,764,013,889
Ben Tre Import Export Joint Stock Company	Associate	Sale of goods	45,622,500	70,643,555,625
Son Tin Commodity Exchange Joint Stock Company	Related party	Sale of goods	-	170,234,000,000
			217,187,971,335	**499,628,915,585**

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Short-term advance to suppliers				
Global Mind Commodities Trading Pte., Ltd	Related party	Purchase of goods	211,978,074,672	274,868,447,816
Thanh Thanh Cong Trading Joint Stock Company (*)	Related party	Purchase of materials	157,687,000,000	14,011,549,910
Global Mind Vietnam Joint Stock Company (*)	Related party	Purchase of goods	118,988,721,305	-
Son Tin Commodity Exchange Joint Stock Company (*)	Related party	Purchase of materials	52,722,834,951	107,533,442,140
Svayrieng Sugar and Cane Company Limited (*)	Related party	Purchase of materials	20,015,194,100	36,487,077,117
Hai Vi Company Limited	Related party	Purchase of services	2,122,804,295	-
		Purchase of materials	2,450,466,821	-
Toan Thinh Phat Architecture Investment Construction Co., Ltd	Related party	Purchase of services	5,874,764,500	-
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of materials	5,156,829,000	-
Thanh Thanh Cong Tourist Joint Stock Company.	Related party	Purchase of services	1,075,030,000	-
Dang Huynh Industrial Zones Exploitation and Management Joint Stock Company	Related party	Purchase of services	126,800,000	-
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of goods	-	15,000,000,000
			578,198,519,644	**447,900,516,983**

(*) Short-term advances to suppliers earn interest rates ranging from 8.0% to 9.6% per annum.

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Other short-term receivables				
Hai Vi Company Limited	Related party	Payment on behalf	2,973,460,912	-
Svayrieng Sugar and Cane Company Limited	Related party	Profit shared	7,288,838,895	-
		Payment on behalf	1,568,832,139	2,894,599,398
Son Tin Commodity Exchange Joint Stock Company	Related party	Interest income	3,235,305,007	4,483,602,557
Thanh Thanh Cong Investment Joint Stock Company	Related party	Interest income	1,882,678,534	713,263,264
Thanh Thanh Cong Trading Joint Stock Company	Related party	Interest income	1,831,084,444	1,978,780,938
Global Mind Vietnam Joint Stock Company	Related party	Interest income	930,358,121	710,136,810
Hoang Anh Attapeu Cane Sugar Company Limited	Related party	Payment on behalf	821,360,146	-
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Payment on behalf	742,647,317	-
Global Mind Commodities Trading Pte., Ltd	Related party	Deposit	355,059,818	-
TTC Attapeu Cane Sugar Limited Company	Associate	Interest income	280,785,366	-
		Payment on behalf	11,552,762	-
Bien Hoa Sugar Joint Stock Company	Related party	Payment on behalf	131,580,000	-
Tay Ninh Sugar Joint Stock Company	Associate	Interest income	105,041,667	193,333,332
Ben Tre Import Export Joint Stock Company	Associate	Interest income	-	800,877,048
Nuoc Trong Sugar Joint Stock Company	Associate	Interest income	-	23,333,333
			22,158,585,128	**11,797,926,680**

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	*Relationship*	*Transactions*	*Ending balance*	*VND* *Beginning balance*
Short-term loan receivables (*)				
Son Tin Commodity Exchange Joint Stock Company	Related party	Lending	109,000,000,000	-
Thanh Thanh Cong Investment Joint Stock Company	Related party	Lending	108,800,000,000	1,000,000,000
Thanh Thanh Cong Trading Joint Stock Company	Related party	Lending	35,000,000,000	100,000,000,000
Global Mind Vietnam Joint Stock Company	Related party	Lending	18,000,000,000	18,000,000,000
Tay Ninh Sugar Joint Stock Company	Associate	Lending	12,000,000,000	14,500,000,000
TTC Attapeu Cane Sugar Limited Company	Associate	Lending	3,000,000,000	-
			285,800,000,000	**133,500,000,000**
Long-term loan receivables (**)				
Thanh Thanh Cong Investment Joint Stock Company	Related party	Lending	200,000,000	-
Other long-term receivables				
Loc Tho Joint Stock Company	Related party	Deposit	57,865,463,900	-
Svayrieng Sugar and Cane Company Limited	Related party	Business Co-operation Contract	12,707,425,000	12,707,425,000
			70,572,888,900	**12,707,425,000**

(*) These represent the short-term loan receivables with the term of 12 months and earn interest at the rates ranging from 8.0% to 8.5% per annum.

(**) This represents long-term loan receivable with the term of 24 months and earns interest at 8.0% per annum.

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Short-term trade payables				
Bien Hoa Sugar Joint Stock Company	Related party	Purchase of materials	36,562,958,884	-
Bien Hoa - Ninh Hoa Sugar One Member Company Limited	Related party	Purchase of goods	21,006,825,000	-
Thanh Thanh Cong Investment Joint Stock Company	Related party	Purchase of services	7,127,364,214	3,413,845,227
Global Mind Vietnam Joint Stock Company	Related party	Purchase of materials	2,461,183,000	3,207,560,200
Toan Thinh Phat Architecture Investment Construction Co., Ltd	Related party	Purchase of services	1,917,610,286	-
Bien Hoa - Phan Rang Sugar Joint Stock Company	Related party	Purchase of goods	1,060,000,001	-
Nuoc Trong Sugar Joint Stock Company	Associate	Purchase of materials	675,000,000	-
Thanh Thanh Cong Tourist Joint Stock Company.	Related party	Purchase of goods	577,340,000	-
Gia Lai Electricity Joint Stock Company	Related party	Purchase of goods and services	550,000,000	-
Thanh Thanh Cong Trading Joint Stock Company	Related party	Purchase of services	100,300,000	-
Ben Tre Tourist Joint Stock Company	Related party	Purchase of service	51,568,000	-
			72,090,149,385	**6,621,405,427**

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Short-term advances from customers				
Thanh Thanh Cong Trading Joint Stock Company	Related party	Sale of goods	72,570,000,000	1,588,600,160
Thanh Thanh Cong Investment Joint Stock Company	Related party	Sale of goods	10,958,320,000	-
Global Mind Commodities Trading Pte. Ltd	Related party	Sale of goods	1,532,566,506	-
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
Global Mind Vietnam Joint Stock Company	Related party	Sale of goods	99,149,707	72,922,918
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
			87,662,305,831	**15,153,519,660**
Short-term accrued expenses				
Thanh Thanh Cong Trading Joint Stock Company	Related party	Purchase of services	1,061,596,000	-
Global Mind Commodities Trading Pte. Ltd	Related party	Purchase of services	253,120,000	-
Tay Ninh Sugar Joint Stock Company	Associate	Interest expenses	74,418,054	-
			1,389,134,054	**-**

33. TRANSACTIONS WITH RELATED PARTIES (continued)

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

VND

Related parties	*Relationship*	*Transactions*	*Ending balance*	*Beginning balance*
Short-term other payables				
Tay Ninh Sugar Joint Stock Company	Associate	Business Co-operation Contract	1,200,000,000	1,200,000,000
		Interest expenses	-	100,449,068
Bien Hoa Sugar Joint Stock Company	Related party	Lending of materials	-	15,648,984,731
Ben Tre Import Export Joint Stock Company	Associate	Interest expenses	-	1,500,345,515
			1,200,000,000	**18,449,779,314**

34. COMMITMENTS

Operating lease commitment

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

		VND
	Ending balance	*Beginning balance*
Less than 1 year	3,804,307,240	361,607,368
From 1 – 5 years	1,148,588,760	-
TOTAL	**4,952,896,000**	**361,607,368**

Capital expenditure commitment

At 30 June 2017, the Group has a commitment of VND 1,046,537,970 (30 June 2016: VND 42,473,797,613) principally related to construction of Project Espace Bourbon Tay Ninh.

35. EVENTS AFTER THE BALANCE SHEET DATE

In accordance to Resolution No. 01/2017/NQ-DHDCD dated 25 May 2017, the Extraordinary General Meeting of Shareholders approved the merger of Bien Hoa Sugar Joint Stock Company into the Company. Accordingly, the Company completed the issuance of 303,830,405 new shares on 6 September 2017 to swap the entire shares of Bien Hoa Sugar Joint Stock Corporation at a ratio of 1:1.02. This increase in share capital was approved by the Planning and Investment Department of Tay Ninh Province through the issuance of the fifth amended BRC dated 18 September 2017.

There is no other matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements.

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

21 September 2017