



**Thanh Thanh Cong Tay Ninh
Joint Stock Company and its subsidiary**

Consolidated Financial Statements
for the year ended 30 June 2015



Thanh Thanh Cong Tay Ninh Joint Stock Company
Corporate information

Investment Licence No. 1316/GP 15 July 1995

Investment Certificate No. 451031000014 23 March 2007

The Investment Licence No.1316/GP was issued by Planning and Investment Department of Tay Ninh Province and is valid for 50 years.

The Company's Investment Certificate has been amended fourteen times, the most recent of which is Investment Certificate No. 451031000014 dated 24 March 2015. The Investment Certificate and its amendments were issued by the Planning and Investment Department of Tay Ninh Province and are valid for 50 years from the date of the Investment Licence.

Board of Management	Mr. Pham Hong Duong	Chairman
		(from 27 February 2015)
	Ms. Dang Huynh Uc My	Chairwomen
		(until 27 February 2015)
	Mr. Le Van Dinh	Vice chairman
	Mr. Vo Tong Xuan	Member
	Mr. Nguyen Ba Chu	Member
	Ms. Dang Huynh Uc My	Member
	(from 27 February 2015)	
	Mr. Le Ngoc Thong	Member
	(from 17 April 2015)	
	Mr. Thai Van Chuyen	Member
	(until 17 April 2015)	

Thanh Thanh Cong Tay Ninh Joint Stock Company
Corporate information (continued)

Board of Directors	Mr. Nguyen Thanh Ngu	General Director (from 1 November 2014)
	Mr. Nguyen Ba Chu	General Director (until 1 October 2014)
	Mr. Nguyen Hoang Tuan	Deputy General Director (until 31 December 2014)
	Mr. Nguyen Van De	Deputy General Director
	Ms. Truong Thi Hong	Deputy General Director
	Mr. Le Quang Hai	Deputy General Director (from 1 January 2015)
	Mr. Nguyen Thanh Khiem	Deputy General Director (until 31 December 2014)
	Ms. Duong Thi To Chau	Deputy General Director
	Mr. Dinh Van Hiep	Agriculture Deputy General Director (until 25 July 2014)
	Mr. Nguyen Viet Hung	Agriculture Director
	Mr. Le Duc Ton	Factory Director
	Ms. Nguyen Thi Thuy Tien	Finance Director (from 21 January 2015)
	Mr. Trang Thanh Truc	External Relations Director (from 1 March 2015)
	Ms. Le Ha Mai Thao	Human Resources Director (from 1 March 2015)

Supervisory Board	Ms. Nguyen Thuy Van	Chief Supervisor
	Mr. Pham Trung Kien	Member
	Mr. Le Van Hoa	Member

Registered Office	Tan Hung Commune Tan Chau District, Tay Ninh Province Vietnam
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Auditors	KPMG Limited Vietnam
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Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary Statement of the Board of Management

The Board of Directors is responsible for the preparation and presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management and Board of Directors:

- (a) the consolidated financial statements set out on pages 6 to 62 give a true and fair view of the consolidated financial position of Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary ("the Group") as at 30 June 2015, and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Board of Management and Board of Directors have, on the date of this statement, authorised these consolidated financial statements for issue.



On behalf of the Board of Management

Pham Hong Duong
Chairman

Tay Ninh Province, 28 September 2015



KPMG Limited Branch
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INDEPENDENT AUDITORS' REPORT

To the Shareholders

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 subsidiary (collectively "the Group"), which comprise the consolidated balance sheet as at 30 June 2015, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management and Board of Directors on 28 September 2015, as set out on pages 6 to 62.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement.

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

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

Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary as at 30 June 2015 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Audit Report No.: 15-01-104



Nguyen Thanh Nghi
Practicing Auditor Registration
Certificate No. 0304-2013-007-1
Deputy General Director



Nguyen Cam Tu
Practicing Auditor Registration
Certificate No. 2193-2013-007-1

Ho Chi Minh City, 28 September 2015

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2015

Form B 01 – DN/HN

	Code	Note	30/6/2015 VND	30/6/2014 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		1,891,254,681,331	2,022,213,806,741
Cash	110	5	138,062,494,402	258,582,561,758
Short-term investments	120	6	186,021,531,368	96,016,483,079
Short-term investments	121		187,124,761,428	122,188,965,070
Allowance for diminution in the value of short-term investments	129		(1,103,230,060)	(26,172,481,991)
Accounts receivable – short-term	130	7	769,736,972,185	1,022,253,075,770
Accounts receivable – trade	131		268,961,211,094	283,177,884,083
Prepayments to suppliers	132		474,876,118,998	610,114,801,259
Other receivables	135		49,186,917,643	160,743,216,447
Allowance for doubtful debts	139		(23,287,275,550)	(31,782,826,019)
Inventories	140	8	749,235,990,504	613,061,630,838
Inventories	141		750,055,482,080	613,304,187,725
Allowance for inventories	142		(819,491,576)	(242,556,887)
Other current assets	150		48,197,692,872	32,300,055,296
Short-term prepayments	151	9	33,159,799,557	28,955,488,757
Deductible value added tax	152		30,385,635	-
Taxes receivables from State Treasury	154		2,844,552,180	1,536,386,539
Other current assets	158		12,162,955,500	1,808,180,000
Long-term assets (200 = 210 + 220 + 250 + 260)	200		1,405,330,838,745	1,355,883,081,951
Accounts receivable – long-term	210	7	48,611,724,058	34,788,048,229
Other long-term receivables	218		48,611,724,058	34,788,048,229
Fixed assets	220		703,959,383,977	600,304,488,586
Tangible fixed assets	221	10	476,155,185,794	515,883,717,417
Cost	222		1,747,107,486,692	1,703,505,216,002
Accumulated depreciation	223		(1,270,952,300,898)	(1,187,621,498,585)
Intangible fixed assets	227	11	57,255,863,933	40,836,847,665
Cost	228		68,915,328,391	51,108,741,971
Accumulated amortisation	229		(11,659,464,458)	(10,271,894,306)
Construction in progress	230	12	170,548,334,250	43,583,923,504
Long-term investments	250	13	612,260,559,873	694,377,230,823
Investments in associates	252		517,891,777,476	618,760,451,526
Other long-term investments	258		94,437,115,484	75,685,862,384
Allowance for diminution in the value of long-term investments	259		(68,333,087)	(69,083,087)

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2015 (continued)

Form B 01 – DN/HN

	Code	Note	30/6/2015 VND	30/6/2014 VND
Other long-term assets	260		40,499,170,837	26,413,314,313
Long-term prepayments	261	14	40,482,570,837	25,398,671,617
Deferred tax assets	262		-	1,014,642,696
Other long-term assets	268		16,600,000	-
TOTAL ASSETS (270 = 100 + 200)	270		3,296,585,520,076	3,378,096,888,692
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		1,375,001,591,370	1,644,050,764,039
Current liabilities	310		866,292,962,370	1,564,580,556,039
Short-term borrowings	311	15	667,877,287,507	1,403,047,758,331
Accounts payable – trade	312	16	82,666,961,595	70,009,425,207
Advances from customers	313	17	81,251,627,841	48,363,947,151
Taxes payable to State Treasury	314	18	840,996,228	4,388,001,365
Payables to employees	315		4,512,096,380	2,205,023,120
Accrued expenses	316	19	10,819,139,091	10,146,426,957
Other payables	319	20	5,138,453,729	4,069,856,415
Bonus and welfare funds	323	21	13,186,399,999	22,350,117,493
Long-term borrowings	330		508,708,629,000	79,470,208,000
Other long-term liabilities	333		96,300,000	-
Long-term borrowings	334	22	508,612,329,000	79,470,208,000
EQUITY (400 = 410)	400		1,920,948,011,116	1,734,046,124,653
Owners' equity	410	23	1,920,948,011,116	1,734,046,124,653
Share capital	411	24	1,485,000,000,000	1,485,000,000,000
Share premium	412		14,732,000,010	14,732,000,010
Treasury shares	414	24	(61,577,199,043)	(61,577,199,043)
Investment and development funds	417		125,609,421,786	120,999,110,932
Financial reserves	418		101,816,231,999	99,511,076,572
Other reserves	419		(2,040,858,039)	(4,960,381,269)
Retained profits	420		257,408,414,403	80,341,517,451
MINORITY INTEREST	439	23	635,917,590	-
TOTAL RESOURCES (440 = 300 + 400 + 439)	440		3,296,585,520,076	3,378,096,888,692

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2015 (continued)

Form B 01 – DN/HN

OFF BALANCE SHEET ITEMS

	Note	30/6/2015	30/6/2014
Materials and goods held for third parties (KG)		20,700	1,617,365
Bad debts written off (VND)		16,219,350,430	9,155,696,273
Foreign currencies ("USD")		3,624	2,785
Foreign currencies ("SGD")		461	-

28 September 2015

Prepared by:



Le Phat Tin
Chief Accountant

Approved by:



Nguyen Thanh Ngu
General Director

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated statement of income for the year ended 30 June 2015

Form B 02 – DN/HN

	Code	Note	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Total revenue	01	26	2,071,667,869,305	1,005,042,904,664
Less sale deductions	02	26	4,767,867,003	1,386,144,246
Net revenue (10 = 01 - 02)	10	26	2,066,900,002,302	1,003,656,760,418
Cost of sales	11	27	1,808,239,601,251	898,537,013,981
Gross profit (20 = 10 - 11)	20		258,660,401,051	105,119,746,437
Financial income	21	28	83,791,881,419	66,494,126,189
Financial expenses	22	29	68,270,246,238	58,507,966,044
<i>In which: Interest expense</i>	23		<i>80,244,824,475</i>	<i>47,857,981,696</i>
Selling expenses	24	30	68,364,786,581	27,206,160,888
General and administration expenses	25	31	65,542,929,101	28,746,459,695
Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}	30		140,274,320,550	57,153,285,999
Other income	31		17,394,161,133	5,268,322,004
Other expenses	32		9,253,823,362	4,524,038,527
Results of other activities (40 = 31 - 32)	40		8,140,337,771	744,283,477
Share of profit in associates, net	45	13	59,890,974,620	10,701,542,219
Profit before tax (50 = 30 + 40 + 45)	50		208,305,632,941	68,599,111,695
Income tax expense – current	51	32	18,317,918,389	15,877,464,175
Income tax expense – deferred	52	32	1,014,642,696	5,070,565,650
Net profit after tax (60 = 50 - 51 - 52)	60		188,973,071,856	47,651,081,870

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated statement of income for the year period ended 30 June 2015 (continued)

Form B 02 – DN/HN

	Code	Note	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Net profit after tax (60 = 50 - 51 - 52)	60		188,973,071,856	47,651,081,870
Attributable to:				
Minority interest	61		635,917,590	-
Equity holders of the Company	62		188,337,154,266	47,651,081,870
Earnings per share				
Basic earnings per share	70	33	1,317	332

28 September 2015

Prepared by:



Le Phat Tin
Chief Accountant

Approved by:



Nguyen Thanh Ngu
General Director

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the year ended 30 June 2015 (Indirect method)

Form B 03 – DN/HN

	Code	Note	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		208,305,632,941	68,599,111,695
Adjustments for				
Depreciation and amortisation	02		88,574,404,824	42,430,274,595
Allowances and provisions	03		(25,896,350,489)	9,789,477,210
(Gains)/losses on disposals of fixed assets	05		(2,341,024,505)	1,126,935,085
Written off of construction in progress	05		-	812,137,653
Losses on sales of investments in associates	05		1,671,484,804	-
Losses on sales of investments in securities	05		198,973,835	-
Share of profits in associates, net	05		(59,890,974,620)	(10,701,542,219)
Interest income from bank deposits and loans to related parties	05		(50,343,534,228)	(40,160,882,055)
Interest income from prepayments to sugar cane farmers	05		(28,865,824,570)	(26,114,113,012)
Dividend income	05		(3,019,902,000)	-
Interest expense	06		80,244,824,475	47,857,981,696
Operating profit before changes in working capital	08		208,637,710,467	93,639,380,648
Change in receivables	09		250,275,743,016	132,604,068,069
Change in inventories	10		(132,076,921,166)	(386,784,228,565)
Change in payables and other liabilities	11		43,461,243,110	(165,823,875,475)
Change in prepayments	12		(19,157,570,020)	9,538,787,396
			351,140,205,407	(316,825,867,927)
Interest paid	13		(80,406,099,977)	(47,773,478,358)
Income tax paid	14		(18,060,522,444)	(22,724,716,513)
Other payments for operating activities	15		(12,851,966,177)	(13,217,636,571)
Net cash flows from operating activities	20		239,821,616,809	(400,541,699,369)

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the year ended 30 June 2015
(Indirect method - continued)

Form B 03 – DN/HN

	Code	Note	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and long-term assets	21		(207,041,728,947)	(19,688,634,287)
Proceeds from disposals of fixed assets	22		9,134,090,637	2,627,272,727
Payments for loans granted to related parties	23		(359,000,000,000)	(250,000,000,000)
Collections of loans granted to related parties	24		308,960,577,469	310,000,000,000
Collections of other long-term investments	24		750,000	76,149,820
Payments for investments in other entities	25		(41,427,447,116)	(25,200,000,000)
Payments for investment in securities	25		(11,489,398,197)	-
Proceeds from sales of investments in securities	26		3,165,662,934	-
Proceeds from disposals of investments in associates	26		169,287,050,000	-
Receipts of interest and dividends	27		74,731,412,079	33,201,767,291
Net cash flows from investing activities	30		(53,679,031,141)	51,016,555,551
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from short-term and long-term borrowings	33		3,401,281,174,602	1,782,645,221,547
Payments to settle debts	34		(3,707,309,524,426)	(1,380,102,454,355)
Payments of dividends	36		(634,303,200)	(72,220,718,825)
Net cash flows from financing activities	40		(306,662,653,024)	330,322,048,367

The accompanying notes are an integral part of these consolidated financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the year ended 30 June 2015
(Indirect method - continued)

Form B 03 – DN/HN

	Code	Note	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Net cash flows during the year/period (50 = 20 + 30 + 40)	50		(120,520,067,356)	(19,203,095,451)
Cash at the beginning of the year/period	60		258,582,561,758	277,785,657,209
Cash at the end of the year/period (70 = 50 + 60)	70	5	138,062,494,402	258,582,561,758

28 September 2015

Prepared by:



Le Phat Tin
Chief Accountant

Approved by:



Nguyen Thanh Ngu
General Director



Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Notes to the consolidated financial statements for the year ended 30 June 2015

Form B 09 – DN/HN

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. Reporting Entity

Thanh Thanh Cong Tay Ninh Joint Stock Company (“the Company”) is a joint-stock company incorporated in Vietnam. The 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; produce and trade alcohol products; trade real estates, rent houses and apartments and investing activities.

The Company’s shares are listed on the Ho Chi Minh Stock Exchange in accordance with the License No. 27/QĐ-SGDCKHCM issued by the Ho Chi Minh City Stock Exchange on 18 February 2008.

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 Floor 1, No. 62, Tran Huy Lieu Street, Ward 12, Phu Nhuan District, Ho Chi Minh City, Vietnam.

The consolidated financial statements of the Company for the year ended 30 June 2015 comprise the Company and its subsidiary (together referred to as “the Group”) and the Group’s interest in associates.

Composition of the Group is as follows:

Company	Principal activities	Business License	Effective ownership interest	
			30/6/2015	30/6/2014
Subsidiary				
Thanh Thanh Cong Alcohol Trading Production Joint Stock Company (“TTCE”)	Manufacturing alcohol and related by-products; trading alcohol and related by-products (wholesale); manufacturing and trading electricity; manufacturing fertilizer and planting sugarcane.	Business License No. 3901183393 issued by the Planning and Investment Department of Tay Ninh Province on 28 March 2014.	90%	90%

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Notes to the consolidated financial statements for the year ended 30 June 2015
(continued)

Form B 09 – DN/HN

Company	Principal activities	Business License	Effective ownership Interest	
			30/6/2015	30/6/2014
Associates				
Thanh Thanh Cong Industrial Zone Joint Stock Company (“TTCIZ”)	Building industrial zone’s infrastructure and leasing industrial zone.	Business License No. 3900471864 issued by the Department of Planning and Investment of Tay Ninh Province on 10 September 2008.	49.00%	49.45%
Bien Hoa Sugar Joint Stock Company (“Bien Hoa Sugar”)	Producing and trading sugar, products using sugar or its by-products, waste products; trading machinery, equipment and supplies in sugar’s production industry; installing and maintaining equipment in sugar industry; leasing out warehouse; constructing civil and industrial projects; trading, agent, consignment of agricultural products, technological foods, raw materials, supplies in sugar industry; transportation services; food services; producing and trading any types of wine; producing and trading alcohol; trading real estate and providing mechanical agriculture cultivation services.	Business License No. 450300000501 issued by the Department of Planning and Investment of Dong Nai Province on 13 June 2001.	23.71%	21.64%
Nuoc Trong Sugar Joint Stock Company (“Nuoc Trong Sugar”)	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.	Decision No. 299/QD-CT issued by the People Committee of Tay Ninh Province on 7 April 2005.	23.95%	23.95%

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Notes to the consolidated financial statements for the year ended 30 June 2015
(continued)

Form B 09 – DN/HN

Company	Principal activities	Business License	Effective ownership Interest	
			30/6/2015	30/06/2014
La Nga Sugar Joint Stock Company (“La Nga Sugar”) (*)	Producing sugar, confectionery, alcohol; processing after sugar products, drinks with and without alcohol, cold drink; processing agriculture and forestry products; manufacturing synthetic organic fertilizer; processing animal feed; planting trees and raising cattle; producing and providing tree varieties; producing hygienic water, electricity; manufacturing, repairing, buying and selling mechanical products.	Business License No. 4703000006 issued by the Department of Planning and Investment of Dong Nai Province on 23 March 2000.	-	24.89%
Gia Lai Cane Sugar Thermoelectricity Joint Stock Company (“Gia Lai Cane Sugar”) (*)	Manufacturing sugar and other by-products from sugar-cane for sales; plant sugar cane; manufacture electricity for sales; engineer the civil projects; process agricultural products; manufacture and trade in fertilizer; and invest in financial market.	Business License No. 5900421955 issued by the People Committee of Gia Lai Province on 21 July 2009.	-	23.69%
Tay Ninh Chemical Industry Joint Stock Company (“Tay Ninh Chemical”)	Producing starch and products related to starch; producing artificial condensed products, non-alcohol and mineral water, nitrogen compound; installing machinery and industrial equipments.	Business License No. 3900914957 issued by the People Committee of Tay Ninh Province on 29 January 2013.	26.32%	26.32%
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company (“Thanh Thanh Cong Sugarcane”)	Performing research and develop sugar cane sprouts; analysing cultivation and planting protection products; producing and developing mechanic machineries for sugar canes production.	Business License No. 3901162964 issued by the Department of Planning and Investment of Tay Ninh Province on 21 March 2013.	48.00%	24.00%

(*) During the year, the Group disposed all of its interests in La Nga Sugar and Gia Lai Cane Sugar for a consideration of VND51,020 million and VND118,267 million, respectively.

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Notes to the consolidated financial statements for the year ended 30 June 2015
(continued)

Form B 09 – DN/HN

In accordance with Resolution of General Shareholder Meeting dated 17 September 2014, shareholders approved the Company to acquire 100% Gia Lai Cane Sugar Thermoelectricity Joint Stock Company shares by issuing additional shares of the Company for Gia Lai Cane Sugar's current shareholders with conversion rate of 1:1.05. On 22 October 2014, the Board of Management of the Company approved to issue additional 37,142,739 shares for the above mentioned acquisition and the acquisition is expected to be completed by 31 December 2015.

As at 30 June 2015, the Group had 524 employees (30/6/2014: 508 employees, in which there were 5 temporary employees).

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

(b) Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

In previous years, the annual accounting period of the Company was from 1 January to 31 December. Effective from 1 January 2014, the Company changed its annual accounting period as follows:

- The first accounting period after being changed is from 1 January to 30 June 2014; and
- The succeeding annual accounting periods will be from 1 July to 30 June.

Accordingly, the corresponding figures for the consolidated statement of income and the consolidated statement of cash flows which represents the results of operations and cash flows from 1 January 2014 to 30 June 2014 (a six-month period) are not comparable with the current period figures.

(d) Accounting currency

The consolidated financial statements are prepared and presented in Vietnam Dong ("VND").

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.

(a) Basis of consolidation

(i) *Subsidiary*

Subsidiary is entity controlled by the Group. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) *Associates*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iii) *Transactions eliminated on consolidation*

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

(b) Foreign currency

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year/period have been translated into VND at rates of exchange ruling at the transaction dates.

All foreign exchange differences are recorded in the consolidated statement of income.

Thanh Thanh Cong Tay Ninh Joint Stock Company and its subsidiary
Notes to the consolidated financial statements for the year ended 30 June 2015
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(c) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) Investments

Investments, other than investments in associates, are carried at cost less allowance for diminution in value of investments, if necessary, in these consolidated financial statements. Allowance is made for reductions in investment values if the investee has suffered a loss or market value of the investment falls below cost in accordance with the guidance under Circular No. 89/2013/TT-BTC issued by the Ministry of Finance on 28 June 2013 which amended for Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Increases and decreases to the provision balance are recorded as finance expenses in the consolidated statement of income. The allowance is reversed if the recoverable amount is subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

Distributions from the operating results of the investments arising subsequent to the date of acquisition by the Group are recognised as income in the consolidated statement of income. Distributions from sources other than such operating results are considered as recovery of investment and are deducted to the cost of investments.

(e) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(f) Prepayments to suppliers

Included in prepayments to suppliers are prepayments to sugar cane farmers which are stated at cost less allowance for overdue receivables. The Group's policies on making allowance for overdue receivables are in accordance with the guidance under Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method of accounting for inventories.

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Notes to the consolidated financial statements for the year ended 30 June 2015
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(h) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs, maintenance and overhauls cost, is charged to the consolidated statement of income in the year/period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings	5 – 30 years
▪ machinery and equipment	2 – 20 years
▪ motor vehicles	5 – 6 years
▪ office equipment	3 – 5 years
▪ others	4 – 15 years

(i) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 50 years.

(ii) Software

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over period from 2 to 6 years.

(j) Construction in progress

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

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Notes to the consolidated financial statements for the year ended 30 June 2015
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(k) Long-term prepayments

(i) *Prepaid land costs*

Prepaid land costs comprise prepaid land lease rentals and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 10 years.

(ii) *Other long-term prepayments*

Other long-term prepayments mainly comprise tools, supplies and significant renewals and improvements which are initially stated at cost and amortised on a straight-line basis over 2 years.

(l) Trade and other payables

Trade and other payables are stated at their cost.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(n) Bonus and welfare funds

Allocations are made to bonus and welfare funds based on shareholders' resolutions. These funds are used exclusively to pay bonus and welfare to the Group's staff. Payments from bonus and welfare funds are not charged to the consolidated statement of income.

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(o) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Group's financial position and results of operations and the nature and extent of risk arising from financial instruments, the Group classifies its financial instruments as follows:

(i) *Financial assets*

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
 - acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Group as financial assets at fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Group has the positive intention and ability to hold to maturity, other than:

- those that the Group on initial recognition designates as at fair value through profit or loss;
- those that the Group designates as available-for-sale; and
- those that meet the definition of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Group intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;
- that the Group on initial recognition designates as available-for-sale; or
- for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

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Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that is not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
 - acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Group as financial assets liability at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised costs.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(p) Taxation

Income tax on the profit or loss for the year/period comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year/period, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

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Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(ii) Equity funds and reserves

Allocations are made to equity funds and reserves based on the shareholders' resolutions.

(r) Revenue and other income

(i) Goods sold

Revenue from the sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

(ii) Electricity

Revenue is recognised based on the volume of electricity delivered and the sales price agreed with the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable rate.

(iv) Dividend income

Dividends are recognised as income when the right to receive the dividend is established.

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(s) Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense.

(t) Borrowing costs

Borrowing costs are recognised as an expense in the year/period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(u) Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year/period. The Company does not have any potentially dilutive ordinary shares.

(v) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group primary format for segment reporting is based on business segments.

(w) Related parties

Related parties include the shareholders and enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or 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 influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

4. Segment reporting

The Group operates mainly in one business segment, which is in producing and trading sugar and sugar related by-products and in one geographical segment, which is in Vietnam.

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5. Cash

	30/6/2015 VND	30/6/2014 VND
Cash on hand	1,033,535,614	1,630,674,379
Cash in banks	137,028,958,788	256,951,887,379
Cash in the consolidated statement of cashflow	138,062,494,402	258,582,561,758

6. Short-term investments

	30/6/2015 VND	30/6/2014 VND
Short-term investments in securities	8,124,761,428	-
Loans to a shareholder, Thanh Thanh Cong Investment Joint Stock Company ("TTC")	179,000,000,000	-
Loans to an associate, Thanh Thanh Cong Industrial Zone Joint Stock Company ("TTCIZ")	-	122,188,965,070
	187,124,761,428	122,188,965,070
Allowance for diminution in value of short-term investments	(1,103,230,060)	(26,172,481,991)
	186,021,531,368	96,016,483,079

Loans to TTC were unsecured and earned interest at rate of 8.5% per annum during the year.

Loans to TTCIZ were unsecured and earned interest at rates ranging from 10.5% to 12% per annum during the year (from 1/1/2014 to 30/6/2014: 12%). During the year, the accumulated interest amounting to VND6,771,612,399 (from 1/1/2014 to 30/6/2014: VND10,724,713,751) was converted to loans principal. TTCIZ has fully paid these loans during the year.

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Movements of short-term investments during the year/period were as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	122,188,965,070	171,464,251,319
Additions	377,261,010,596	260,724,713,751
Disposals	(3,364,636,769)	-
Collections	(308,960,577,469)	(310,000,000,000)
Closing balance	187,124,761,428	122,188,965,070

Movements in the allowance for diminution in value of short-term investments during the year/period were as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	26,172,481,991	26,752,268,285
Additions	1,103,230,060	-
Written back	(26,172,481,991)	(579,786,294)
Closing balance	1,103,230,060	26,172,481,991

7. Accounts receivable – short-term and long-term

Accounts receivable included the following amounts due from related parties:

	30/6/2015 VND	30/6/2014 VND
Amounts due from shareholders		
Trade	2,329,324,000	61,881,972,000
Non-trade	1,633,831,351	102,988,056,975
Amounts due from other related parties		
Trade	1,900,491,026	291,664,130
Non-trade	1,216,117,461	6,787,840,584

The trade and non-trade amounts due from related parties were unsecured, interest free and receivable on terms agreed between parties.

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At 30 June 2015, accounts receivable with carrying value of VND125,000 million and VND equivalent to USD11.25 million (30/6/2014: VND197,500 million and VND equivalent to USD25.25 million) were pledged with banks as security for loans granted to the Group.

Prepayments to suppliers included following amounts prepaid to related parties:

	30/6/2015	30/6/2014
	VND	VND
Amounts prepaid to shareholders		
Trade	42,937,860,073	-
Amounts prepaid to other related parties		
Trade	112,840,138	165,580,800,000

The prepayments to shareholders were unsecured and earned interest at rate of 8.5% per annum during the year (from 1/1/2014 to 30/6/2014: nil). The prepayments to other related parties were unsecured and interest fee, except for the prepayment to TTCIZ which earned interest at rate ranging from 10.5% to 12% per annum during the year (from 1/1/2014 to 30/6/2014: 8.2% to 12%).

Included in prepayments to suppliers and other long-term receivables were prepayments to sugar cane farmers, details as follows:

	30/6/2015	30/6/2014
	VND	VND
Short-term prepayments to sugar cane farmers	261,806,054,574	397,124,797,402
Long-term prepayments to sugar cane farmers	35,904,299,058	21,363,986,000
	297,710,353,632	418,488,783,402

During the year, the Group recorded prepayments to sugar cane farmers with an amount of VND67,568,189,969 in term of sales of sugar cane sprouts and fertilizers (from 1/1/2014 to 30/6/2014: VND89,449,605,900) and netted off against prepayments to sugar cane farmers with purchases of sugar cane with an amount of VND301,859,099,396 (from 1/1/2014 to 30/6/2014: VND241,035,829,594).

Prepayments to sugar cane farmers are partially secured by the farmers' land use rights and earned interest at rates ranging from 7.8% to 12% per annum during the year (from 1/1/2014 to 30/6/2014: 8% to 13%). The prepayments are collected within 3 years from each drawdown.

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Other short-term receivables comprised:

	30/6/2015 VND	30/6/2014 VND
Interest receivables from sugar cane farmers	40,022,448,427	48,850,972,567
Interest receivables from Thanh Thanh Cong Packaging Joint Stock Company	211,952,189	475,001,368
Interest receivables from Thuan Thien Trading and Investment Limited Company, a shareholder	328,877,705	404,458,334
Interest receivables from Thanh Thanh Cong Industrial Zone Joint Stock Company, an associate	-	6,787,840,584
Interest receivables from Thanh Thanh Cong Trading Joint Stock Company	271,244,461	-
Interest receivables from other companies	511,530,228	-
Accounts receivable from Thanh Thanh Cong Investment Joint Stock Company	1,304,953,646	102,583,598,641
Others	6,535,910,987	1,641,344,953
	49,186,917,643	160,743,216,447

Other long-term receivables comprised:

	30/6/2015 VND	30/6/2014 VND
Long-term prepayments to sugar cane farmers	35,904,299,058	21,363,986,000
Receivables from Svayrieng projects in Cambodia	12,707,425,000	13,424,062,229
	48,611,724,058	34,788,048,229

Other long-term receivables included an amount of VND12,707,425,000 (30/6/2014: VND13,424,062,229) for Business Co-operation Contract between the Group and Svayrieng Ltd Co., to develop a project to plant sugar canes in Cambodia in ten years. The Group owns 85% interest sharing from this project. The Group is committed to purchase all sugar canes harvested from this project.

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8. Inventories

	30/6/2015 VND	30/6/2014 VND
Raw materials	33,796,888,944	96,273,123,996
Tools and supplies	771,473,815	160,652,368
Work in progress	25,479,310,297	13,829,296,766
Finished goods	658,135,893,261	487,576,719,523
Merchandise inventories	30,434,144,508	12,485,237
Goods on consignment	1,437,771,255	15,451,909,835
	750,055,482,080	613,304,187,725
Allowance for inventories	(819,491,576)	(242,556,887)
	749,235,990,504	613,061,630,838

Movements in the allowance for inventories during the year/period were as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/7/2013 to 30/6/2014 VND
Opening balance	242,556,887	242,556,887
Additions	576,934,689	-
Closing balance	819,491,576	242,556,887

At 30 June 2015, inventories with carrying value of VND293,750 million and VND equivalent to USD14.85 million (30/6/2014: VND380,000 million and VND equivalent to USD17.85 million) were pledged with banks as security for loans granted to the Group. According to loan contracts, pledged inventories amounting to VND143,750 million and VND equivalent to USD3.6 million can be replaced by account receivables with the same amount.

9. Short-term prepayments

Short-term prepayments included an amount of VND6,775,803,893 (30/6/2014: VND1,448,315,590) for pre-season overhaul costs and an amount of VND17,988,519,134 (30/6/2014: VND26,970,131,669) to develop planting sugar cane which will be allocated to production costs of 2015-2016 production season.

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10. Tangible fixed assets

	Buildings VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	282,064,393,766	1,336,677,203,750	21,332,977,284	5,025,310,672	58,405,330,530	1,703,505,216,002
Additions	119,511,527	5,857,271,817	4,978,789,999	-	-	10,955,573,343
Transfers from construction in progress	1,891,317,818	39,485,681,120	878,000,000	1,040,796,900	-	43,295,795,838
Disposals	-	(8,284,106,654)	(2,364,991,837)	-	-	(10,649,098,491)
Closing balance	284,075,223,111	1,373,736,050,033	24,824,775,446	6,066,107,572	58,405,330,530	1,747,107,486,692
Accumulated depreciation						
Opening balance	150,886,142,039	962,849,612,830	11,291,648,322	4,243,351,629	58,350,743,765	1,187,621,498,585
Charge for the year	10,129,543,580	73,864,171,710	2,797,469,063	369,116,959	26,533,360	87,186,834,672
Disposals	-	(1,491,040,522)	(2,364,991,837)	-	-	(3,856,032,359)
Closing balance	161,015,685,619	1,035,222,744,018	11,724,125,548	4,612,468,588	58,377,277,125	1,270,952,300,898
Net book value						
Opening balance	131,178,251,727	373,827,590,920	10,041,328,962	781,959,043	54,586,765	515,883,717,417
Closing balance	123,059,537,492	338,513,306,015	13,100,649,898	1,453,638,984	28,053,405	476,155,185,794

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Included in tangible fixed assets were assets costing VND227,923 million which were fully depreciated as of 30 June 2015 (30/6/2014: VND227,518 million), but which are still in active use.

At 30 June 2015 tangible fixed assets with net book value of VND117,173 million (30/6/2014: VND197,392 million) were pledged with banks as security for loans granted to the Group.

11. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	47,483,754,819	3,624,987,152	51,108,741,971
Additions	10,483,200,000	249,510,000	10,732,710,000
Transfers from construction in progress	-	7,073,876,420	7,073,876,420
Closing balance	57,966,954,819	10,948,373,572	68,915,328,391
Accumulated amortisation			
Opening balance	7,170,349,887	3,101,544,419	10,271,894,306
Charge for the year	1,047,782,278	339,787,874	1,387,570,152
Closing balance	8,218,132,165	3,441,332,293	11,659,464,458
Net book value			
Opening balance	40,313,404,932	523,442,733	40,836,847,665
Closing balance	49,748,822,654	7,507,041,279	57,255,863,933

Included in intangible fixed assets were assets costing VND4,360 million which were fully amortised as of 30 June 2015 (30/6/2014: VND4,360 million), but which are still in active use.

At 30 June 2015 intangible fixed assets with net book value of VND36,373 million (30/6/2014: VND40,313 million) were pledged with banks as security for loans granted to the Group.

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12. Construction in progress

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	43,583,923,504	59,319,464,393
Additions during the year/period	177,464,723,004	16,551,693,780
Transfers to tangible fixed assets	(43,295,795,838)	(20,822,488,864)
Transfers to intangible fixed assets	(7,073,876,420)	-
Transfers to long-term prepayments	(130,640,000)	(602,442,524)
Transfers to short-term prepayments	-	(10,050,165,628)
Written off	-	(812,137,653)
Closing balance	170,548,334,250	43,583,923,504

Major constructions in progress are as follows:

	30/6/2015 VND	30/6/2014 VND
Project Espace Bourbon Tay Ninh	92,700,623,082	30,756,242,003
Warehouse	69,147,898,320	-
Others	8,699,812,848	12,827,681,501
	170,548,334,250	43,583,923,504

During the year, depreciation charge capitalised into construction in progress amounted to VND728,299,260 (from 1/1/2014 to 30/6/2014: VND361,156,618).

At 30 June 2015 constructions in progress with carrying value of VND92,701 million (30/6/2014: nil) were pledged with banks as security for loans granted to the Group.

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Investment in securities comprised of:

	30/6/2015		30/6/2014	
	Number of share	VND	Number of share	VND
Ninh Hoa Sugar Joint Stock Company shares	5,993,204	74,915,050,000	5,993,204	74,915,050,000
Can Tho Sugar Joint Stock Company shares	840,897	18,752,003,100	-	-
	6,834,101	93,667,053,100	5,993,204	74,915,050,000

As at 30 June 2015, 12,630,296 shares of Bien Hoa Sugar (30/6/2014: 9,135,148 shares of Bien Hoa Sugar, 4,200,000 shares of Gia Lai Cane Sugar and 2,996,602 shares of Ninh Hoa Sugar Joint Stock Company) with the carrying value of VND176,612 million (30/6/2014: VND241,159 million) were pledged with banks as security for loans granted to the Group.

As at 30 June 2015, the Group also pledged all TTCIZ shares as security with Orient Commercial Joint Stock Bank for bank loans granted to TTCIZ.

Movements of long-term investments during the year/period were as follows:

	Investment in associates		Other long-term investments	
	From 1/7/2014 to 30/6/2015	From 1/1/2014 to 30/6/2014	From 1/7/2014 to 30/6/2015	From 1/1/2014 to 30/6/2014
	VND	VND	VND	VND
Opening balance	618,760,451,526	582,582,675,481	75,685,862,384	75,762,012,204
Increases in investments	22,675,444,016	25,200,000,000	18,752,003,100	-
Shares of profits in associates, net of goodwill amortisation	59,890,974,620	10,701,542,219	-	-
Changes to other reserves	2,919,523,230	-	-	-
Dividends received	(13,630,296,000)	(1,389,302,000)	-	-
Unrealised profits in relation to intra-group transactions	(1,765,785,112)	1,665,535,826	-	-
Disposals	(170,958,534,804)	-	-	-
Investment collections	-	-	(750,000)	(76,149,820)
Closing balance	517,891,777,476	618,760,451,526	94,437,115,484	75,685,862,384

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Movements in the allowance for diminution in value of long-term investments during the year/period were as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	69,083,087	71,732,907
Written back	(750,000)	(2,649,820)
Closing balance	68,333,087	69,083,087

14. Long-term prepayments

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	25,398,671,617	1,553,111,727
Additions during the year/period	20,763,861,736	26,724,626,440
Transfers from construction in progress	130,640,000	602,442,524
Amortisation for the year/period	(5,810,602,516)	(3,481,509,074)
Closing balance	40,482,570,837	25,398,671,617

15. Short-term borrowings

	30/6/2015 VND	30/6/2014 VND
Short-term borrowings	555,558,945,507	1,355,634,416,331
Current portion of long-term borrowings (Note 22)	112,318,342,000	47,413,342,000
	667,877,287,507	1,403,047,758,331

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Terms and conditions of short-term borrowings were as follows:

	Currency	Interest rate per annum	30/6/2015 VND	30/6/2014 VND
• Hongkong and Shanghai Banking Corporation Ltd (i)	USD	2.3%	152,880,000,000	-
• HSBC Bank (Vietnam) Ltd	USD	4.5%	-	115,700,000,000
• Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	5.5% - 6.0%	-	241,900,000,000
• ANZ Bank (Vietnam) Ltd (ii)	VND	5.5% - 6.1%	12,475,466,047	210,261,706,000
• Vietnam International Commercial Joint Stock Bank (iii)	VND	5.3%	152,224,575,460	118,187,023,200
• Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	5.5%	-	227,823,633,121
• Chinatrust Commercial Bank Vietnam Ltd (iv)	VND	5.3% - 6.2%	78,000,000,000	60,000,000,000
• Shinhan Bank Vietnam Ltd (v)	VND	5.3% - 6.1%	60,000,000,000	59,599,731,492
• Military Commercial Joint Stock Bank (vi)	VND	5.3% - 6.2%	99,978,904,000	94,200,000,000
• Vietnam Prosperity Joint Stock Commercial Bank	VND	4.5%	-	89,432,352,000
• Natixis Branch in Ho Chi Minh City	VND	6.2% - 6.5%	-	62,976,000,000
• Hong Leong Bank Vietnam Ltd	VND	8.5%	-	57,533,970,518
• Unsecured loans from employees	VND	6.2% - 6.5%	-	18,020,000,000
			555,558,945,507	1,355,634,416,331

- (i) This loan has a maximum facility of USD7 million. The loan is secured by land used rights and factory in Tan Chau District with net book value as at 30 June 2015 of VND4,450 million and VND114,488 million, respectively.
- (ii) This loan has a maximum facility of USD15 million (30/6/2014: USD15 million). The loan is secured by receivables and inventories as at 30 June 2015 with carrying value of USD11.25 million each (30/6/2014: USD11.25 million and USD11.25 million).
- (iii) This loan has a maximum facility of VND160,000 million (30/6/2014: VND200,000 million). The loan is secured by inventories and receivables as at 30 June 2015 with carrying value of VND150,000 million and VND50,000 million (30/6/2014: VND150,000 million and VND100,000 million), respectively.
- (iv) This loan has a maximum facility of USD3.6 million (30/6/2014: USD3.6 million). The loan is secured by inventories as at 30 June 2015 with carrying value of USD3.6 million (30/6/2014: USD3.6 million).

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- (v) This loan has a maximum facility of VND60,000 million (30/6/2014: VND60,000 million). The loan is unsecured.
- (vi) This loan has a maximum facility of VND100,000 million (30/6/2014: VND100,000 million). The loan is secured by inventories as at 30 June 2015 with carrying value of VND143,750 million (30/6/2014: VND143,70 million).

16. Accounts payable – trade

Accounts payable – trade included the following amounts due to related parties:

	30/6/2015 VND	30/6/2014 VND
Amounts due to shareholders	6,762,622,795	17,929,137,249
Amounts due to other related parties	39,217,444,545	-

The trade related amounts due to shareholders and other related parties were unsecured, interest free and are payable on terms agreed between parties.

17. Advances from customers

	30/6/2015 VND	30/6/2014 VND
Advances from Sai Gon Thuong Tin Commercial Joint Stock Bank (*)	66,731,910,000	45,695,210,000
Advances from Thanh Thanh Cong Investment Joint Stock Company, a related party for purchases of molasses	8,697,734,000	-
Advances from Thanh Thanh Cong Trading Joint Stock Company, a related party for purchases of molasses	-	120,400,000
Other advances from customers	5,821,983,841	2,548,337,151
	81,251,627,841	48,363,947,151

The advances from related parties were unsecured and interest free.

- (*) This amount represented cash advance for Properties Transfer Agreement dated 25 November 2011 between the Group and Sai Gon Thuong Tin Commercial Joint Stock Bank (“Sacombank”). According to this Agreement, the Group agreed to transfer leased land use rights and buildings in Espace Bourbon Tay Ninh Project at No. 217-219, 30-4 Street, Ward 2, Tay Ninh Town, Tay Ninh Province to Sacombank. As the reporting date, the transaction has not been completed. The Group is in the progress to transfer the land and building to Sacombank and expect the transaction will be completed by 31 December 2015.

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18. Taxes payable to State Treasury

	30/6/2015	30/6/2014
	VND	VND
Value added tax	-	3,433,329,945
Personal income tax	18,598,337	954,671,420
Corporate income tax	822,397,891	-
	840,996,228	4,388,001,365

19. Accrued expenses

	30/6/2015	30/6/2014
	VND	VND
Transportation and loading fees	5,260,591,500	5,055,191,305
Interest expense	2,537,822,410	2,699,097,912
Unpaid leaves	435,336,620	574,018,820
Others	2,585,388,561	1,818,118,920
	10,819,139,091	10,146,426,957

20. Other payables

	30/6/2015	30/6/2014
	VND	VND
Harvest and transportation payables	2,570,106,649	1,576,076,357
Payables to Tay Ninh Sugar Company Ltd.	1,200,000,000	1,200,000,000
Dividends payables	441,188,085	408,948,935
Others	927,158,995	884,831,123
	5,138,453,729	4,069,856,415

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21. Bonus and welfare funds

Movements of bonus and welfare funds during the year/period were as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	22,350,117,493	16,447,220,705
Additions	3,688,248,683	19,120,533,359
Utilisations	(12,851,966,177)	(13,217,636,571)
Closing balance	13,186,399,999	22,350,117,493

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22. Long-term borrowings

	30/6/2015 VND	30/6/2014 VND
Long-term borrowings	620,930,671,000	126,883,550,000
Repayable within twelve months (Note 15)	(112,318,342,000)	(47,413,342,000)
Repayable after twelve months	508,612,329,000	79,470,208,000

Terms and conditions of long-term borrowings are as follows:

	Currency	Interest rate per annum	Year of maturity	30/6/2015 VND	30/6/2014 VND
Secured long-term borrowings:					
• Tay Ninh Investment and Development Funds	VND	9.6%	2016	-	2,633,000,000
• Tay Ninh Investment and Development Funds	VND	9.6%	2016	-	4,750,000,000
• Asia Commercial Joint Stock Bank (i)	VND	7.5%	2022	36,414,963,000	52,328,500,000
• Asia Commercial Joint Stock Bank (i)	VND	7.5%	2022	24,600,000,000	52,854,000,000
• Hongkong and Shanghai Banking Corporation Ltd (ii)	USD	2.28%	2020	546,000,000,000	-
• Vietnam Joint Stock Commercial Bank for Industry and Trade (iii)	VND		2017	434,000,000	-
• Vietnam Joint Stock Commercial Bank for Industry and Trade (iv)	VND		2018	1,550,000,000	-
Unsecured long-term borrowings:					
• Tay Ninh Sugar Company Ltd., (v)	VND	4.62%	2020	11,931,708,000	14,318,050,000
				620,930,671,000	126,883,550,000

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- (i) These loans have a maximum facility of VND100 billion (30/6/2015: VND100 billion). Principal outstanding at 30 June 2015 is repayable in 24 quarterly installments of VND2,542 million each. Final installment will be on 15 May 2022. The loan is secured by 12,630,296 shares of Bien Hoa Sugar Joint Stock Company (30/6/2014: 9,135,148 shares of Bien Hoa Sugar Joint Stock Company and 4,200,000 shares of Gia Lai Cane Sugar Thermoelectricity Joint Stock Company) with carrying value of VND179,612 million (30/6/2014: VND189,198 million) and land use rights in Tay Ninh City with net book value of VND31,923 million, construction in progress with carrying value of VND92,701 million and accounts receivable with carrying value of VND75,000 million. The repayment terms were rescheduled during the year.
- (ii) These loans have a maximum facility of USD25 million. Principal outstanding at 30 June 2015 is repayable in 20 quarterly installments of USD1,250 million each. Final installment will be on 2 June 2020. These loans are secured by land use rights and factory in Tan Chau District with net book value of VND4,450 million and VND114,488 million, respectively. These assets are also pledged for short-term borrowings from HSBC Bank (Vietnam) Ltd (Note 15 (i)).
- (iii) This loan has a maximum facility of VND520 million. Principal outstanding at 30 June 2015 is repayable in 10 quarterly installments of VND43 million each. The final installment will be on 14 November 2017. The loan is secured by land use rights in Tay Ninh Province and machinery with net book value of VND654 million and VND2,874 million. The loan is interest free within the first two years and enjoys 50% reduction on interest in the third year in accordance with Decision 68/2013/QĐ-TTg on 14 November 2013.
- (iv) This loans have a maximum facility of VND1,690 million. Principal outstanding at 30 June 2015 is repayable in 11 quarterly installments of VND140 million each. The final installment will be on 2 February 2018. The loan is secured by land use rights in Tay Ninh Province and machinery with net book value of VND654 million and VND2,874 million. These assets are also pledged for long-term borrowings from this bank (Note 22 (iii)). The loan is interest free within the first two years and enjoys 50% reduction on interest in the third year in accordance with Decision 68/2013/QĐ-TTg on 14 November 2013.
- (v) This loan has a maximum facility of VND36,000 million (30/6/2014: VND36,000 million). Principal outstanding at 30 June 2015 is repayable in 10 equal semi-annually installments of VND1,193 million each. The final installment will be on 10 April 2020.

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23. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Investment and development funds VND	Financial reserves VND	Other reserves VND	Retained profits VND	Total owners' equity VND	Minority interest VND	Total VND
Balance as at 1 January 2014	1,485,000,000,000	14,732,000,010	(61,577,199,043)	97,098,444,233	87,560,743,223	(4,960,381,269)	138,748,506,638	1,776,602,113,792	-	1,776,602,113,792
Net profits for the period	-	-	-	-	-	-	47,651,081,870	47,651,081,870	-	47,651,081,870
Appropriations to funds	-	-	-	23,900,666,699	11,950,333,349	-	(54,971,533,407)	(19,120,333,359)	-	(19,120,333,359)
Dividends	-	-	-	-	-	-	(71,086,537,650)	(71,086,537,650)	-	(71,086,537,650)
Balance as at 1 July 2014	1,485,000,000,000	14,732,000,010	(61,577,199,043)	120,999,110,932	99,511,076,572	(4,960,381,269)	80,341,517,451	1,734,046,124,653	-	1,734,046,124,653
Net profits for the year	-	-	-	-	-	-	188,337,154,266	188,337,154,266	635,917,590	188,973,071,856
Appropriations to funds	-	-	-	4,610,310,854	2,305,155,427	-	(10,603,714,964)	(3,688,248,683)	-	(3,688,248,683)
Changes to other reserves	-	-	-	-	-	2,919,523,230	-	2,919,523,230	-	2,919,523,230
Dividends	-	-	-	-	-	-	(666,542,350)	(666,542,350)	-	(666,542,350)
Balance as at 30 June 2015	1,485,000,000,000	14,732,000,010	(61,577,199,043)	125,609,421,786	101,816,231,999	(2,040,858,039)	257,408,414,403	1,920,948,011,116	635,917,590	1,921,583,928,706

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24. Share capital

The Group's authorised and issued share capital are:

	30/6/2015		30/6/2014	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital - par value				
Ordinary shares	148,500,000	1,485,000,000,000	148,500,000	1,485,000,000,000
Treasury shares				
Ordinary shares	(4,993,840)	(61,577,199,043)	(4,993,840)	(61,577,199,043)
Shares currently in circulation - par value				
Ordinary shares	143,506,160	1,435,061,600,000	143,506,160	1,435,061,600,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Group's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

There is no movement in share capital and treasury shares during the year/period.

25. Equity funds

(i) Investment and development funds

Investment and development funds were appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. These funds were established for the purpose of future business expansion.

(ii) Financial reserves

Financial reserves were appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. The reserves are established as resource for the Group's future general business risks.

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26. Total revenue

Total revenue represented the gross value of goods sold and service provided exclusive of value added tax.

Net revenue comprised:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Total revenue		
▪ Sales of sugar	1,856,723,222,826	832,043,415,624
▪ Sales of molasses	110,143,954,086	57,596,491,995
▪ Sales of electricity	37,339,285,513	26,875,760,400
▪ Sales of fertilizer	50,853,743,786	78,320,691,875
▪ Others	16,607,663,094	10,206,544,770
	2,071,667,869,305	1,005,042,904,664
Less sales deductions		
▪ Sales allowance	4,767,867,003	1,386,144,246
Net revenue	2,066,900,002,302	1,003,656,760,418

27. Cost of sales

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Cost of sugar	1,602,003,973,065	730,820,421,085
Cost of molasses	110,584,361,555	56,849,034,771
Cost of electricity	33,470,324,847	26,242,526,809
Cost of fertilizer	48,506,318,581	82,584,580,511
Others	13,097,688,514	2,040,450,805
Allowance for inventories	576,934,689	-
	1,808,239,601,251	898,537,013,981

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28. Financial income

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Interest income from prepayments to sugar cane farmers	28,865,824,570	26,114,113,012
Interest income from deposits from banks	1,064,254,900	160,371,896
Interest income from loans to related parties	49,279,279,328	40,000,510,159
Dividends income	3,019,902,000	-
Foreign exchange gains	1,493,954,916	219,131,122
Gains from sales of investments in securities	43,141,297	-
Other financial incomes	25,524,408	-
	83,791,881,419	66,494,126,189

29. Financial expenses

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Interest expense	80,244,824,475	47,857,981,696
Reversal of allowance for the diminution in the value of short-term and long-term investments - net	(25,070,001,931)	(582,436,114)
Allowance for doubtful debts	(1,403,283,247)	10,371,913,324
Losses from disposals of investments in associates	1,671,484,804	-
Losses from sales of investments in securities	242,115,132	-
Foreign exchange losses	3,696,995,640	860,507,138
Other financial expenses	8,888,111,365	-
	68,270,246,238	58,507,966,044

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30. Selling expenses

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Staff costs	5,734,610,188	1,663,817,488
Depreciation and amortisation	197,515,778	170,829,957
Rental fee	1,774,131,891	532,110,324
Logistics fee	51,610,896,875	22,363,989,527
Consultant fee	1,070,000,000	-
Advertising and promotion expense	5,564,711,727	1,566,992,527
Other expenses	2,412,920,122	908,421,065
	68,364,786,581	27,206,160,888

31. General and administration expenses

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Staff costs	29,120,099,452	11,630,558,671
Depreciation and amortisation	3,403,731,557	1,646,296,171
Consultant and audit fee	4,494,816,122	1,858,794,762
Board of Management and Inspection Committee remuneration	6,152,461,138	2,469,135,513
Outside services	14,041,947,928	5,618,488,317
Other expenses	8,329,872,904	5,523,186,261
	65,542,929,101	28,746,459,695

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32. Income tax

(a) Recognised in the consolidated statement of income

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Current tax expense		
Current period	18,317,918,389	4,844,277,890
Under provision in prior periods	-	11,033,186,285
	18,317,918,389	15,877,464,175
Deferred tax expense		
Origination and reversal of temporary differences	-	4,003,890,358
Deferred tax assets written off	1,014,642,696	1,066,675,292
	1,014,642,696	5,070,565,650
Income tax expense	19,332,561,085	20,948,029,825

(b) Reconciliation of effective tax rate

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Profit before tax	208,305,632,941	68,599,111,695
Tax at the Company's applicable tax rate	20,830,563,294	6,859,911,170
Effect of different tax rate applied to subsidiary	978,377,342	-
Tax exempt income	(7,793,777,682)	-
Effect of different tax rate applied to other activities	-	2,421,852,374
Non-deductible expenses	151,780,733	26,848,478
Deferred tax assets written off	1,014,642,696	1,066,675,292
Deferred tax assets/(liabilities) not recognised	4,150,974,702	(460,443,774)
Under provision in prior periods	-	11,033,186,285
Income tax expense	19,332,561,085	20,948,029,825

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(c) Applicable tax rates

Under the terms of its Investment Certificate, the Company has an obligation to pay the government corporate income tax at the rate of 10% of taxable profits for its main activities. The Company currently enjoys incentive tax rate for main activities since it is located in tax incentive area. Therefore, in accordance with Circular 78/2014/TT-BTC dated 18 June 2014 issued by Ministry of Finance, which is effective from 2 August 2014, the Company is also allowed to pay the government corporate income tax rate at the rate of 10% of taxable profits from activities conducted in the tax incentive area. All of the above tax exemption and reduction are not applicable to other activities, except as mentioned above, which is taxed at a rate of 22%.

Under the terms of Income Tax Law, the subsidiary has obligation to pay the government corporate income tax at the rate of 22% of taxable profits.

The usual income tax rate applicable to enterprises before any incentives is 22% for 2014 and 2015, and will be reduced to 20% from 2016.

33. Basic earnings per share

The calculation of basic earnings per share for the year ended 30 June 2015 was based on the profit attributable to ordinary shareholders of VND188,973 million (from 1/1/2014 to 30/6/2014: VND47,651 million) and a weighted average number of ordinary shares outstanding of 143,506,160 (from 1/1/2014 to 30/6/2014: 143,506,160), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Net profit attributable to ordinary shareholders	188,973,071,856	47,651,081,870

(ii) Weighted average number of ordinary shares

	From 1/7/2014 to 30/6/2015	From 1/1/2014 to 30/6/2014
Weighted average number of ordinary shares for the year/period	143,506,160	143,506,160

34. Financial instruments

(a) Financial risk management

(i) Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk; and
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

The Board of Management oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, prepayments to sugar cane farmers and investments in debt securities.

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Exposure to credit risk

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	30/6/2015 VND	30/6/2014 VND
Cash and cash equivalents	(*)	137,028,958,788	256,951,887,379
Short-term investments in debt instruments	(**)	179,000,000,000	96,016,483,079
Trade and other receivables	(***)	321,647,116,691	443,257,204,000
Prepayments to sugar cane farmers	(****)	283,631,515,128	400,793,916,142
		921,307,590,607	1,197,019,490,600

(*) *Cash and cash equivalents*

Cash and cash equivalents of the Group is mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Group.

() *Short-term investments in debt instruments***

Short-term investments represented loans to a shareholder. The Group expose to credit risk if the shareholder cannot repay the loans. The Group manage this risk by on going monitoring the financial performance and position of the shareholder. Management believes that those short-term investments are of high credit quality.

(*) *Trade and other receivables***

The Group's exposure to credit risk in relation with receivables is mainly influenced by the individual characteristics of each customer. In response to the risk, management of the Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. In addition, the Group asks for collateral from some customers for each sale order. Receivables are due within 30 days from the date of billing. Debtors with balances that are more than 30 days outstanding are requested to settle the balances before further credit is granted.

Trade and other receivables that are neither past due or impaired are mostly due from companies with good collection track records with the Group. Management believes that those receivables are of high credit quality.

Based on historic default rates, the Group's management believe that, apart from the amount provided, no further allowance for doubtful debts is necessary in respect of the outstanding trade and other receivables balances as of 30 June 2015.

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The aging analysis of trade receivables and other receivables that were past due but not impaired is as follows:

	30/6/2015 VND	30/6/2014 VND
Past due 0 – 30 days	27,171,997,930	25,238,516,053
Past due 31 – 180 days	4,727,748,834	50,001,046,737
Past due 181 – 365 days	2,609,086,623	10,926,711,926
Past due more than 365 days	623,622,765	549,742,421
	35,132,456,152	86,716,017,137

(**) *Prepayments to sugar cane farmers***

The Group's exposure to credit risk in relation with the prepayments to sugar cane farmers is mainly influenced by the individual characteristics of each farmer. In response to the risk, management of the Group has established a loans policy under which each financial support request from each farmer is analysed individually for creditworthiness before the Group's standard drawdown and loans terms and conditions are offered. Certain sugar cane farmers are required to pledge their land use rights as the security for the prepayments. In addition, sugar cane farmers are also required to sell all of their sugar cane to the Group and this amount will be net off with the relevant prepayments. The prepayments are collected according to each drawdown and based on the schedule to be mutually agreed between the farmers and the Group. Farmers with balances that are overdue are requested to settle the balances before further credit is granted.

Based on historic default rates, the Group's management believe that, apart from the amount provided, no further allowance for diminution in value of prepayments to sugar cane farmers is necessary in respect of the outstanding prepayments balances as of 30 June 2015.

The ageing analysis of the prepayments that were past due but not impaired is as follows:

	30/6/2015 VND	30/6/2014 VND
Past due 181 – 365 days	10,016,511,025	2,212,686,010
Past due more than 365 days	238,727,019	754,835,157
	10,255,238,044	2,967,521,167

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The movements of allowances for doubtful debts during the year/period are as follows:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Opening balance	31,782,826,019	22,345,608,300
Additions	4,164,659,898	10,371,913,324
Utilisations	(7,092,267,222)	(934,695,605)
Written back	(5,567,943,145)	-
Closing balance	23,287,275,550	31,782,826,019

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(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

30 June 2015	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	1 – 2 years VND	2 – 5 years VND	More than 5 years VND
Short-term borrowings and liabilities						
Short-term borrowings	555,558,945,507	562,694,849,703	562,694,849,703	-	-	-
Accounts payable – trade	82,666,961,595	82,666,961,595	82,666,961,595	-	-	-
Payables to employees	4,512,096,380	4,512,096,380	4,512,096,380	-	-	-
Accrued expenses	10,819,139,091	10,819,139,091	10,819,139,091	-	-	-
Other payables	5,138,453,729	5,138,453,729	5,138,453,729	-	-	-
Long-term borrowings						
Long-term borrowings	620,930,671,000	674,530,375,467	92,978,360,020	138,083,950,767	389,735,904,289	53,732,160,391
	1,279,626,267,302	1,340,361,875,965	758,809,860,518	138,083,950,767	389,735,904,289	53,732,160,391

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30 June 2014	Carrying amount VND	Contractual cash flows VND	Within 1 year VND	1 – 2 years VND	2 – 5 years VND	More than 5 years VND
Short-term borrowings and liabilities						
Short-term borrowings	1,355,634,416,331	1,381,906,561,814	1,381,906,561,814	-	-	-
Accounts payable – trade	70,009,425,207	70,009,425,207	70,009,425,207	-	-	-
Payables to employees	2,205,023,120	2,205,023,120	2,205,023,120	-	-	-
Accrued expenses	10,146,426,957	10,146,426,957	10,146,426,957	-	-	-
Other payables	4,069,856,415	4,069,856,415	4,069,856,415	-	-	-
Long-term borrowings						
Long-term borrowings	126,883,550,000	146,753,552,479	58,103,400,428	53,525,982,004	32,653,765,278	2,470,404,769
	1,568,948,698,030	1,615,090,845,992	1,526,440,693,941	53,525,982,004	32,653,765,278	2,470,404,769

The Group manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments and maintaining several bank facilities.

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(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the accounting currency of the Group, which is the VND. The currency in which these transactions primarily are denominated are in United States Dollars ("USD").

The Group's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

Exposure to currency risk

At 30 June 2015, the Group had the following significant net monetary (liability)/asset positions exposed to currency risk:

	30/6/2015 USD	30/6/2014 USD
Cash	3,624	201
Accounts receivable	96,217	276,705
Short-term borrowings	(7,000,000)	-
Trade payables	(16,400)	-
Long-term borrowings	(25,000,000)	-
	(31,916,559)	276,906

The followings are the significant exchange rates applied by the Group:

	Exchange rate as at 30/6/2015 VND	30/6/2014 VND
USD1	21,780	21,300

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Below is an analysis of the possible impact on the net profit of the Group after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at reporting date. The analysis assumes that all variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

	Effect to net profits VND
30/6/2015	
USD (2% strengthening)	(12,512,567,790)
30/6/2014	
USD (1% strengthening)	54,127,670

The opposite movement of the currency would have the equal but opposite effect to the net profit of the Group as at 30 June 2015.

(ii) Interest rate risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	30/6/2015	30/6/2014
	VND	VND
Fixed rate instruments		
Short-term investments	179,000,000,000	96,016,483,079
Long-term borrowings	(11,931,708,000)	(21,701,050,000)
	167,068,292,000	74,315,433,079
Variable rate instruments		
Cash in banks	137,028,958,788	256,951,887,379
Short-term prepayments to sugar cane farmers	247,727,216,070	379,429,930,142
Long-term prepayments to sugar cane farmers	35,904,299,058	21,363,986,000
Short-term borrowings	(555,558,945,507)	(1,355,634,416,331)
Long-term borrowings	(608,998,963,000)	(105,182,500,000)
	(743,897,434,591)	(803,071,112,810)

No policy was in place pertaining to the mitigation of any potential volatility of the interest rate. An increase of 100 basis points in interest rates would have decreased the net profit of the Group by VND6,695 million (30/6/2014: VND7,227 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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(c) Fair values

The carrying amounts of financial assets and liabilities shown in the balance sheet are as follows:

	Carrying amount	
	30/6/2015	30/6/2014
	VND	VND
Categorised as loans and receivables:		
- Cash and cash equivalents	138,062,494,402	258,582,561,758
- Short-term investments in debt instruments	179,000,000,000	96,016,483,079
- Trade and other receivables	321,647,116,691	443,257,204,000
- Prepayments to sugar cane farmers	283,631,515,128	400,793,916,142
- Other long-term investments	701,729,297	701,729,297
Categorised as available-for-sale financial assets:		
- Short-term investments in equity securities	7,021,531,368	-
- Other long-term investments in securities	93,667,053,100	74,915,050,000
Categorised as financial liabilities at amortised cost:		
- Short-term borrowings	555,558,945,507	1,355,634,416,331
- Trade and other payables	87,805,415,324	74,079,281,622
- Other short-term liabilities	15,331,235,471	12,351,450,077
- Long-term borrowings	620,930,671,000	126,883,550,000

The following policies were used to estimate the fair value for each class of financial instrument:

Cash and cash equivalents, short-term debt investments, trade and other short-term receivables, trade and other short-term payables, short-term prepayments to sugar cane farmers, short-term borrowings and other short-term liabilities:

The carrying amounts approximate their respective fair values due to the short-term maturity of these instruments.

Long-term borrowings, long-term prepayments to sugar cane farmers and other long-term investments in Can Tho Sugar Joint Stock Company shares:

The Group has not determined fair values of these financial instruments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. Their fair values of these financial instruments may differ from their carrying amounts.

Long-term and short-term investments in securities except for investments in Can Tho Sugar Joint Stock Company shares

The fair value of investments in securities, is determined by reference to the market price on Ho Chi Minh City Stock Exchanges as at 30 June 2015. Fair value of short-term and long-term investments in securities as at 30 June 2015 was VND7,195,541,700 and VND73,716,409,200, respectively (30/6/2014: nil and VND73,716,409,200).

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35. Significant transactions with related parties

In additions to balances with related parties disclosed in other notes to these consolidated financial statements, during the year/period, there were the following significant transactions with related parties:

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Shareholders		
Thanh Thanh Cong Investment Joint Stock Company		
Lending	229,000,000,000	180,000,000,000
Interest income	17,050,557,748	13,517,758,274
Sales of goods	129,196,707,607	65,695,731,423
Purchases of raw sugar	58,396,211,667	41,272,763,199
Advances received for purchase sugar and molasses	121,630,400,000	102,583,598,641
Purchases of service	11,583,767,151	535,477,370
Sales of service	40,909,091	-
Purchases of shares	7,920,000,000	-
Dividend distribution	-	17,623,800,000
Thuan Thien Trading and Investment Limited Company		
Lending	-	70,000,000,000
Interest income	3,852,917,347	2,886,239,129
Purchases of goods	44,391,388,825	71,478,013,333
Advances paid for purchase goods	60,098,000,000	-
Purchase of shares	3,500,520,200	-
Sale of shares	23,125,000,000	-
Dividend distribution	7,807,991,922	17,527,835,000
Other related parties		
Thanh Thanh Cong Trading Joint Stock Company		
Lending	80,000,000,000	-
Interest income	2,355,680,555	1,183,739,577
Sales of goods and services	1,187,618,116	1,356,319,046
Tank rental income	229,090,910	130,909,092
Purchases of goods	196,821,222,523	210,951,314,963
Purchases of service	2,734,839,036	-
Thanh Thanh Cong Industrial Zone Joint Stock Company		
Settlement of loans	128,960,577,469	60,000,000,000
Interest income from loans	5,598,962,922	10,664,773,696
Interest income from prepayments	8,149,348,898	11,772,322,666
Bien Hoa Sugar Joint Stock Company		
Sales of goods	1,603,214,378	22,777,015,714
Purchases of goods	70,605,510,379	11,400,000
Purchases of service	1,036,116,057	-
Processing fees	7,406,757,000	440,371,300
Sales of warehouse storage service	34,403,748	408,490,386
Dividends receipts	13,630,296,000	-

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	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company		
Contribution of share capital	-	266,995,596
Purchases of sugar cane	1,028,708,000	1,006,534,000
Purchases of sugar cane sprouts	49,600,000	43,515,000
Purchases of service	308,000,000	-
Land rental	240,000,000	240,000,000
Sales of goods	170,602,929	-
Nuoc Trong Sugar Joint Stock Company		
Dividend receipts	-	1,389,302,000
Sales of cutting sugar cane	1,517,060,000	6,688,500
Gia Lai Cane Sugar Thermoelectricity Joint Stock Company		
Contribution of share capital	-	25,200,000,000
Lending	10,000,000,000	-
Purchases of raw sugar	50,931,942,844	63,571,428,571
Interest income	293,333,334	-
Sales of service	634,093,523	92,934,551
Sales of goods	158,511,690	15,032,000
Disposal of fixed assets	7,700,000,000	-
Dang Huyuh Industrial Zones Exploitation and Management Joint Stock Company		
Purchases of raw sugar	57,991,406,145	-
Purchases of service	651,265,000	-
Land rental	67,491,898,320	-
Board of Management		
Remuneration and business allowances	4,795,923,114	2,204,594,444

36. Non-cash investing and financing activities

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Interest receivables converted into loans receivables	6,771,612,399	10,724,713,751
Interest receivables offset against trade payables	25,315,210,440	37,540,656,114
Acquisition of construction in progress but not yet paid	1,988,290,000	-

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37. Commitments

(a) Capital commitments

As at 30 June 2015, the Group had the following outstanding capital commitments approved but not provided for in the balance sheet:

	30/6/2015 VND	30/6/2014 VND
Approved but not contracted (*)	682,633,992,072	667,319,552,785
Approved and contracted	58,651,577,936	7,750,800,000
	741,285,570,008	675,070,352,785

(*) Major capital commitments approved but not contracted as at 30 June 2015 are as follows:

	30/6/2015 VND
Project Ethanol	442,341,796,890
Project Espace Bourbon Tay Ninh	240,292,195,182
	682,633,992,072

(b) Leases

The future minimum lease payments under non-cancellable operating leases were:

	30/6/2015 VND	30/6/2014 VND
Within one year	884,237,386	852,231,908
Within two to five years	-	469,806,938
	884,237,386	1,322,038,846

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38. Production and business costs by elements

	From 1/7/2014 to 30/6/2015 VND	From 1/1/2014 to 30/6/2014 VND
Raw material costs included in production costs	1,605,220,025,182	817,948,974,087
Labour costs and staff costs	88,162,865,829	47,052,907,628
Depreciation and amortisation	88,574,404,824	42,430,274,595
Outside services	84,528,186,253	32,953,567,797
Other expenses	75,661,834,845	14,103,910,457

28 September 2015

Prepared by:



Le Phat Tin
Chief Accountant

Approved by:



Nguyen Thanh Ngu
General Director

