



VinaCafé Bien Hoa Joint Stock Company

Separate Financial Statements
for the year ended 31 December 2017

**VinaCafé Bien Hoa Joint Stock Company
Corporate Information**

**Business Registration
Certificate No.**

3600261626

29 December 2004

The Company's business registration certificate has been amended several times, the most recent of which is dated 5 May 2016. The business registration certificate and its amendments were issued by the Planning and Investment Department of Dong Nai Province.

Board of Directors

Pham Quang Vu	Chairman
Nguyen Hoang Yen	Member
Truong Cong Thang	Member (from 24 August 2017)
Pham Dinh Toai	Member
Pham Hong Son	Member
Nguyen Nam Hai	Member
Le Trung Thanh	Member (until 23 August 2017)

Board of Management

Nguyen Tan Ky	Chief Executive Officer
Nguyen Thanh Tung	Deputy Chief Executive Officer
Doan Quoc Hung	Deputy Chief Executive Officer

Registered Office

Bien Hoa Industrial Zone 1
An Binh Ward
Bien Hoa City
Dong Nai Province
Vietnam

Auditor

KPMG Limited
Vietnam

VinaCafé Bien Hoa Joint Stock Company Statement of the Board of Management

The Board of Management of VinaCafé Bien Hoa Joint Stock Company (“the Company”) presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2017.

The Company’s Board of Management is responsible for the preparation and fair presentation of the separate 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 Company’s Board of Management:

- (a) The separate financial statements set out on pages 5 to 40 give a true and fair view of the separate financial position of the Company as at 31 December 2017, and of its separate results of operation and its separate 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; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying separate financial statements for issue.



On behalf of the Board of Management

Nguyen Tan Ky
Chief Executive Officer

Dong Nai Province, 07 MAR 2018



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders VinaCafé Bien Hoa Joint Stock Company

We have audited the accompanying separate financial statements of VinaCafé Bien Hoa Joint Stock Company ("the Company"), which comprise the separate balance sheet as at 31 December 2017, the separate 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 on 07 MAR 2018 as set out on pages 5 to 40.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these separate 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 Management determines is necessary to enable the preparation of separate 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 separate 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 separate financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the separate 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the separate 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 separate financial statements give a true and fair view, in all material respects, of the separate financial position of VinaCafé Bien Hoa Joint Stock Company as at 31 December 2017 and of its separate results of operation and its separate 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

Vietnam

Audit Report No.: 17-01-531



Chong Kwang Puay
Practicing Auditor Registration
Certificate No. 0864-2018-007-1
Deputy General Director

Chang Hung Chun
Practicing Auditor Registration
Certificate No. 0863-2018-007-1

Ho Chi Minh City, 07 MAR 2018

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 31 December 2017

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2017 VND	1/1/2017 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,816,028,884,393	2,301,453,842,958
Cash and cash equivalents	110	4	2,492,489,365,182	1,610,438,753,970
Cash	111		8,589,365,182	5,038,753,970
Cash equivalents	112		2,483,900,000,000	1,605,400,000,000
Short-term financial investments	120		-	445,000,000,000
Held-to-maturity investments	123	5(a)	-	445,000,000,000
Accounts receivable – short-term	130		45,842,556,287	53,080,410,777
Accounts receivable from customers	131	6	38,963,032,829	47,311,508,637
Prepayments to suppliers	132		948,955,498	284,092,400
Other short-term receivables	136	7(a)	5,930,567,960	6,285,424,425
Allowance for doubtful debts	137		-	(800,614,685)
Inventories	140	8	272,364,700,795	187,616,263,632
Inventories	141		274,264,056,682	190,503,114,348
Allowance for inventories	149		(1,899,355,887)	(2,886,850,716)
Other current assets	150		5,332,262,129	5,318,414,579
Short-term prepaid expenses	151		3,863,046,417	5,318,414,579
Taxes and others receivable from State Treasury	153		1,469,215,712	-

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

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 31 December 2017 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2017 VND	1/1/2017 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		806,886,354,941	847,692,598,331
Accounts receivable – long-term	210		126,276,944,931	101,913,612,201
Long-term loans receivable	215	9	116,000,000,000	98,000,000,000
Other long-term receivables	216	7(b)	10,276,944,931	3,913,612,201
Fixed assets	220		586,858,584,969	658,591,496,693
Tangible fixed assets	221	10	586,178,175,252	657,787,376,120
Cost	222		987,721,829,524	988,717,247,905
Accumulated depreciation	223		(401,543,654,272)	(330,929,871,785)
Intangible fixed assets	227	11	680,409,717	804,120,573
Cost	228		1,880,358,879	1,880,358,879
Accumulated amortisation	229		(1,199,949,162)	(1,076,238,306)
Long-term work in progress	240		7,114,658,178	3,373,536,764
Construction in progress	242	12	7,114,658,178	3,373,536,764
Long-term financial investments	250		35,000,000,000	35,000,000,000
Investment in a subsidiary	251	5(b)	35,000,000,000	35,000,000,000
Other long-term assets	260		51,636,166,863	48,813,952,673
Long-term prepaid expenses	261	13	20,052,096,496	20,094,105,441
Deferred tax assets	262	14	31,584,070,367	28,719,847,232
TOTAL ASSETS (270 = 100 + 200)	270		3,622,915,239,334	3,149,146,441,289

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

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 31 December 2017 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2017 VND	1/1/2017 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		2,812,866,796,349	976,775,277,196
Current liabilities	310		2,806,781,839,880	974,917,068,519
Accounts payable to suppliers	311	15	391,547,224,196	334,772,064,929
Advances from customers	312		17,118,507,057	6,600,908,908
Taxes payable to State Treasury	313	16	26,615,622,062	68,969,408,877
Accrued expenses	315	17	187,458,801,596	201,548,229,028
Other short-term payables	319	18(a)	1,755,848,143,143	1,614,634,876
Short-term borrowings	320	19	407,161,644,368	340,379,924,443
Bonus and welfare funds	322		21,031,897,458	21,031,897,458
Long-term liabilities	330		6,084,956,469	1,858,208,677
Other long-term payables	337	18(b)	1,011,020,719	1,858,208,677
Provisions – long-term	342		5,073,935,750	-
EQUITY (400 = 410)	400		810,048,442,985	2,172,371,164,093
Owners' equity	410	20	810,048,442,985	2,172,371,164,093
Share capital	411	21	265,791,350,000	265,791,350,000
- Ordinary shares with voting rights	411a		265,791,350,000	265,791,350,000
Share premium	412	21	29,974,241,968	29,974,241,968
Investment and development fund	418	23	213,510,848,947	213,510,848,947
Undistributed profits after tax	421		300,772,002,070	1,663,094,723,178
- Undistributed profits after tax brought forward	421a		-	1,259,419,681,720
- Undistributed profit after tax for the current year	421b		300,772,002,070	403,675,041,458
TOTAL RESOURCES (440 = 300 + 400)	440		3,622,915,239,334	3,149,146,441,289

07 MAR 2019

Prepared by:



Hong Do Nguyen Thao
General Accountant

Approved by:



Phan Thi Thuy Hoa
Chief Accountant



Nguyen Tan Ky
Chief Executive Officer

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

VinaCafé Bien Hoa Joint Stock Company
Separate statement of income for the year ended 31 December 2017

Form B 02 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2017 VND	2016 VND
Revenue from sales of goods and provision of services	01	25	3,340,943,744,090	3,391,881,860,579
Revenue deductions	02	25	91,379,739,219	84,163,946,546
Net revenue (10 = 01 - 02)	10	25	3,249,564,004,871	3,307,717,914,033
Cost of sales	11	26	2,025,237,980,285	2,110,313,469,649
Gross profit (20 = 10 - 11)	20		1,224,326,024,586	1,197,404,444,384
Financial income	21	27	98,813,652,158	74,895,177,462
Financial expenses	22	28	11,673,302,206	12,886,087,344
<i>In which: Interest expense</i>	23		11,417,754,176	12,475,029,387
Selling expenses	25	29	719,564,368,482	695,447,773,351
General and administration expenses	26	30	116,456,238,873	84,561,177,882
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		475,445,767,183	479,404,583,269
Other income	31		359,698,118	419,297,095
Other expenses	32		171,319,726	618,862,739
Results of other activities (40 = 31 - 32)	40		188,378,392	(199,565,644)
Accounting profit before tax (50 = 30 + 40)	50		475,634,145,575	479,205,017,625
Income tax expense – current	51	32	86,598,179,818	80,950,428,823
Income tax benefit – deferred	52	32	(2,864,223,135)	(6,349,204,656)
Net profit after tax (60 = 50 - 51 - 52)	60		391,900,188,892	404,603,793,458

07 MAR 2018

Prepared by:



Hong Do Nguyen Thao
General Accountant

Approved by:



Phan Thi Thuy Hoa
Chief Accountant



Nguyen Tan Ky
Chief Executive Officer

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

VinaCafé Bien Hoa Joint Stock Company
Separate statement of cash flows for the year ended 31 December 2017
(Indirect method)

Form B 03 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	2017 VND	2016 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	475,634,145,575	479,205,017,625
Adjustments for			
Depreciation and amortisation	02	76,151,881,392	63,307,747,414
Allowances and provisions	03	9,428,164,448	13,970,525,864
Exchange gains arising from revaluation of monetary items dominated in foreign currencies	04	(44,376,301)	(48,940,406)
Profit from investing activities	05	(98,316,859,303)	(71,305,443,495)
Interest expense	06	11,417,754,176	12,475,029,387
Operating profit before changes in working capital	08	474,270,709,987	497,603,936,389
Change in receivables and other assets	09	5,156,035,800	4,285,581,898
Change in inventories	10	(89,102,665,861)	89,897,670,269
Change in payables and other liabilities	11	16,228,217,188	114,977,708,598
Change in prepaid expenses	12	6,268,674,178	1,891,915,482
		412,820,971,292	708,656,812,636
Interest paid	14	(10,402,886,165)	(12,420,427,579)
Corporate income tax paid	15	(94,522,860,729)	(60,113,655,544)
Other payments for operating activities	17	-	(928,752,000)
Net cash flows from operating activities	20	307,895,224,398	635,193,977,513
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long- term assets	21	(14,051,783,601)	(20,754,049,949)
Proceeds from disposals of fixed assets	22	1,817,912,687	375,833,250
Payment for granting loans and other investment	23	(1,418,000,000,000)	(98,000,000,000)
Placement of term deposits at banks	23	(1,178,000,000,000)	(8,810,800,000,000)
Receipts from collecting loans and other investment	24	1,400,000,000,000	-
Withdrawal of term deposits at banks	24	1,623,000,000,000	8,365,800,000,000
Payment for investment in a subsidiary	25	-	(35,000,000,000)
Receipts of interest	27	92,526,612,312	64,879,173,534
Net cash flows from investing activities	30	507,292,741,398	(533,499,043,165)

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

VinaCafé Bien Hoa Joint Stock Company
 Separate statement of cash flows for the year ended 31 December 2017
 (Indirect method - continued)

Form B 03 – DN
(Issued under Circulars No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	2017 VND	2016 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	1,292,951,910,366	1,283,284,091,120
Payments to settle loan principals	34	(1,226,170,190,441)	(1,200,000,293,937)
Net cash flows from financing activities	40	66,781,719,925	83,283,797,183
Net cash flows during the year (50 = 20 + 30 + 40)	50	881,969,685,721	184,978,731,531
Cash and cash equivalents at the beginning of the year	60	1,610,438,753,970	1,425,460,022,439
Effect of exchange rate fluctuations on cash and cash equivalents	61	80,925,491	-
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)	70	2,492,489,365,182	1,610,438,753,970

07 MAR 2019

Prepared by:



Hong Do Nguyen Thao
 General Accountant

Approved by:



Phan Thi Thuy Hoa
 Chief Accountant

Nguyen Tan Ky
 Chief Executive Officer

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

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

VinaCafé Bien Hoa Joint Stock Company (“the Company”) is a joint stock company incorporated in Vietnam.

(b) Principal activities

The principal activities of the Company are to manufacture and sell various kinds of coffees, instant cereals and non-alcoholic drinks in the domestic and oversea markets.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 31 December 2017, the Company had 336 employees (1/1/2017: 386 employees).

As at 31 December 2017, the Company had 1 subsidiary (1/1/2017: 1 subsidiary) as listed in Note 5(b).

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

2. Basis of preparation

(a) Statement of compliance

These separate 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. The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the Company's consolidated financial position, its consolidated results of operation and its consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

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

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND") which is also the currency used for financial statements presentation purpose.

(e) Corresponding figures

The corresponding figures as at 1 January 2017 were brought forward from the audited figures as at 31 December 2016.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circulars No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rate of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of the account transfer buying rates and selling rates at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conduct transactions.

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

(b) 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 amount 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.

(c) Investments

(i) Held-to-maturity investments

Held-to-maturity investments are those that the Company's Board of Management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investment are stated at cost less allowance for doubtful debts.

(ii) Investment in subsidiary

For the purpose of these separate financial statements, investment in subsidiary is initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, the investment is stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company's Board of Management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circulars No. 200/2014/TT-BTC
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(d) Accounts receivable from customers and other receivables

Account receivables from customers and other receivables are stated at cost less allowance for doubtful debts.

(e) 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 direct selling expenses.

The Company applies the perpetual method of accounting for inventories.

(f) 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 repair and maintenance and overhaul cost, is charged to the separate statement of income in the year 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 and structures	5 – 25 years
▪ machinery and equipment	3 – 20 years
▪ office equipment	3 – 7 years
▪ motor vehicles	5 – 10 years

(g) Intangible fixed assets

(i) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circulars No. 200/2014/TT-BTC
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(ii) Brand name

Cost of acquiring brand name is capitalised and treated as an intangible asset and is amortised on a straight-line basis over 8 years.

(h) Construction in progress

Construction in progress represents the costs 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.

(i) Long-term prepaid expenses

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing regulations and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the separate statement of income on a straight-line basis over the remaining term of the lease of 43 years.

(ii) Tools and supplies

Tools and supplies include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and supplies are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(j) Accounts payable to suppliers and other payables

Accounts payable to suppliers and other payables are stated at their costs.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company 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.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circulars No. 200/2014/TT-BTC
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Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

(l) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of tax effects, are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

(m) Taxation

Income tax on the separate profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate 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, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

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 end of the annual accounting period.

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.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate financial statements for the year ended 31 December 2017
(continued)

Form B 09 – DN
(Issued under Circulars No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(n) Revenue

(i) Sales of goods

Revenue from sales of goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue from sales of goods is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue from sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(ii) Provision of services

Revenue from provision of services is recognised in the separate statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue from provision of services is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Rental income

Rental income from leased property is recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(o) Financial income and financial expenses

(i) Financial income

Financial income comprises interest income from deposits at banks, interest income from loans and other investment, foreign exchange gains.

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

(ii) Financial expenses

Financial expenses comprise interest expenses on borrowings and foreign exchange losses.

Borrowing costs are recognised as an expense in the year 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.

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(p) Operating lease payments

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

(q) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies refer to parent company and its ultimate parent company and their subsidiaries and associates.

4. Cash and cash equivalents

	31/12/2017	1/1/2017
	VND	VND
Cash on hand	106,401,725	66,338,875
Cash at banks	8,482,963,457	4,972,415,095
Cash equivalents	2,483,900,000,000	1,605,400,000,000
	<hr/>	<hr/>
Cash and cash equivalents in the separate statement of cash flows	2,492,489,365,182	1,610,438,753,970
	<hr/>	<hr/>

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transaction dates.

5. Investments

(a) Held-to-maturity investments – short-term

	31/12/2017	1/1/2017
	VND	VND
Term deposits at banks	-	445,000,000,000
	<hr/>	<hr/>

Held-to-maturity investments represented term deposits at banks with remaining terms to maturity of twelve months or less from the end of the annual accounting period.

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(b) Investment in a subsidiary

	Number of shares	31/12/2017 % of economic interests and voting rights	Cost VND	Number of shares	1/1/2017 % of economic interests and voting rights	Cost VND
CDN Production Trading Corporation	2,524,500	85%	35,000,000,000	2,524,500	85%	35,000,000,000

The Company has not determined the fair value of investment in a subsidiary for disclosure in the separate financial statements because information about its 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. The fair value of the investment in a subsidiary may differ from its carrying amount.

There were no allowance for diminution in value of the investment in a subsidiary of the Company in its separate financial statements for the year ended 31 December 2017 and 2016.

CDN Production Trading Corporation (“CDN”) was established in Vietnam in accordance with Business License No. 0312062467 issued by the Planning and Investment Department of Ho Chi Minh City on 22 November 2012. The business license of CDN has been amended several times, the most recent of which is dated 21 August 2017 were issued by the Planning and Investment Department of Dong Nai Province. The principal activities of CDN are to manufacture and sell trade coffee, automatic coffee maker machine. Please refer to Note 33 to the separate financial statements for information about significant transactions between the Company and CDN.

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6. Account receivable from customers

Account receivable from customers who are related parties

	31/12/2017 VND	1/1/2017 VND
Subsidiary		
▪ CDN Production Trading Corporation	2,086,913,837	173,791,147
Other related parties		
▪ Vinh Hao Mineral Water Corporation	834,643,095	-
▪ Ma San PQ Corporation	2,051,555	-
▪ Masan MB One Member Company Limited	3,225,596	-

The trade related amounts from the subsidiary and other related parties were unsecured, interest free and are due within 30 days from invoice date.

7. Other receivables – short-term and long-term

(a) Other short-term receivables

	31/12/2017 VND	1/1/2017 VND
Accrued interest receivable from deposits at banks	4,334,283,333	5,589,586,111
Short-term deposits	1,132,677,200	641,340,000
Others	463,607,427	54,498,314
	5,930,567,960	6,285,424,425

(b) Other long-term receivables

	31/12/2017 VND	1/1/2017 VND
Accrued interest receivable from a subsidiary (*)	10,077,784,931	3,126,275,001
Long-term deposits	199,160,000	787,337,200
	10,276,944,931	3,913,612,201

(*) This represented interest income receivable from loan provided to a subsidiary. Please see Notes 9 and 33 for further information

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8. Inventories

	31/12/2017		1/1/2017	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	21,040,427,795	-	7,328,414,698	-
Raw materials	152,337,473,917	(128,614,804)	72,704,256,296	(1,903,120,199)
Tools and supplies	7,819,180,031	-	9,303,833,294	-
Finished goods	91,648,001,434	(1,770,408,875)	96,803,696,914	(983,730,517)
Merchandise inventories	1,418,973,505	(332,208)	4,362,913,146	-
	274,264,056,682	(1,899,355,887)	190,503,114,348	(2,886,850,716)

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

	2017 VND	2016 VND
Opening balance	2,886,850,716	6,617,541,636
Increase in allowance during the year	4,389,184,746	14,485,944,784
Allowance utilised during the year	(5,341,723,527)	(17,749,249,428)
Written back	(34,956,048)	(467,386,276)
Closing balance	1,899,355,887	2,886,850,716

Included in inventories of the Company at 31 December 2017 was VND1,899 million (1/1/2017: VND2,887 million) of slow-moving inventories.

9. Long-term loans receivable

	31/12/2017 VND	1/1/2017 VND
Long-term loans receivable from CDN, a subsidiary	116,000,000,000	98,000,000,000

The long-term loans receivable were unsecured, bore fixed interest rate at 6.5% per annum as at 31 December 2017 and matures in 2019. The interest is receivable on the maturity of the loan agreement.

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10. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Total VND
Cost					
Opening balance	203,621,464,636	777,698,264,702	2,948,954,634	4,448,563,933	988,717,247,905
Additions during the year	-	-	73,400,000	-	73,400,000
Transfer from construction in progress	-	5,553,893,964	60,568,000	454,980,552	6,069,442,516
Disposals	-	(6,632,203,647)	-	(506,057,250)	(7,138,260,897)
Closing balance	203,621,464,636	776,619,955,019	3,082,922,634	4,397,487,235	987,721,829,524
Accumulated depreciation					
Opening balance	39,451,334,717	285,647,658,671	2,516,667,965	3,314,210,432	330,929,871,785
Charge for the year	12,661,769,169	62,645,152,941	338,933,459	382,314,967	76,028,170,536
Disposals	-	(4,908,330,799)	-	(506,057,250)	(5,414,388,049)
Closing balance	52,113,103,886	343,384,480,813	2,855,601,424	3,190,468,149	401,543,654,272
Net book value					
Opening balance	164,170,129,919	492,050,606,031	432,286,669	1,134,353,501	657,787,376,120
Closing balance	151,508,360,750	433,235,474,206	227,321,210	1,207,019,086	586,178,175,252

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Included in the cost of tangible fixed assets were assets costing VND162,397 million which were fully depreciated as of 31 December 2017 (1/1/2017: VND141,939 million), but are still in active use.

11. Intangible fixed assets

	Software VND	Brand name VND	Total VND
Cost			
Opening and closing balances	1,004,073,640	876,285,239	1,880,358,879
Accumulated amortisation			
Opening balance	1,004,073,640	72,164,666	1,076,238,306
Charge for the year	-	123,710,856	123,710,856
Closing balance	1,004,073,640	195,875,522	1,199,949,162
Net book value			
Opening balance	-	804,120,573	804,120,573
Closing balance	-	680,409,717	680,409,717

Included in the cost of intangible fixed assets were assets costing VND1,004 million which were fully depreciated as of 31 December 2017 (1/1/2017: VND1,004 million), but are still in active use.

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12. Construction in progress

	2017 VND
Opening balance	3,373,536,764
Additions during the year	14,581,861,001
Transfer to tangible fixed assets	(6,069,442,516)
Transfer to long-term prepaid expenses	(4,771,297,071)
	7,114,658,178
Closing balance	7,114,658,178

Major constructions in progress were as follows:

	31/12/2017 VND	1/1/2017 VND
Machinery and equipment	7,114,658,178	3,373,536,764
	7,114,658,178	

13. Long-term prepaid expenses

	Prepaid land costs VND	Tools and Supplies VND	Total VND
Opening balance	15,305,945,549	4,788,159,892	20,094,105,441
Additions during the year	-	428,570,552	428,570,552
Transfer from construction in progress	-	4,771,297,071	4,771,297,071
Disposals	-	(17,471,531)	(17,471,531)
Amortisation for the year	(402,788,040)	(4,821,616,997)	(5,224,405,037)
	14,903,157,509		
Closing balance	14,903,157,509	5,148,938,987	20,052,096,496

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14. Deferred tax assets

Deferred tax assets were recognised in respect of the following items:

	31/12/2017	1/1/2017
	VND	VND
Accrued advertising and promotion expenses	22,546,637,213	23,885,586,840
Accrued logistic expenses	2,641,753,399	1,834,998,172
Accrued sales discounts	3,628,140,556	1,182,383,193
Other accruals	2,767,539,199	1,816,879,027
	<hr/>	<hr/>
	31,584,070,367	28,719,847,232
	<hr/>	<hr/>

15. Accounts payable to suppliers

(a) Accounts payable to suppliers classified by payment term

	31/12/2017		1/1/2017	
	Cost	Amount within	Cost	Amount within
	VND	payment	VND	payment
		capacity		capacity
		VND		VND
Short-term	391,547,224,196	391,547,224,196	334,772,064,929	334,772,064,929
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(b) Accounts payable to suppliers who are related parties

	31/12/2017		1/1/2017	
	Cost VND	Amount within payment Capacity VND	Cost VND	Amount within payment capacity VND
The parent of parent company				
▪ Masan Consumer Corporation	91,698,614,861	91,698,614,861	111,638,116,313	111,638,116,313
Subsidiary				
▪ CDN Production Trading Corporation	-	-	982,973,503	982,973,503
Other related parties				
▪ Vinh Hao Mineral Water Corporation	40,235,273,390	40,235,273,390	38,631,849,379	38,631,849,379
▪ Masan Industrial One Member Company Limited	10,384,145,679	10,384,145,679	2,002,149,996	2,002,149,996

The trade related amounts due to the parent of parent company, subsidiary and other related parties were unsecured, interest free and are payable within 30 days from invoice date.

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16. Taxes payable to State Treasury

	1/1/2017 VND	Incurred VND	Paid/refunded VND	Deducted VND	Reclassification VND	31/12/2017 VND
Value added tax	34,424,926,330	311,395,923,986	(126,973,205,997)	(220,316,860,031)	1,469,215,712	-
Corporate income tax	34,437,721,756	86,598,179,818	(94,522,860,729)	-	-	26,513,040,845
Personal income tax	106,760,791	1,628,168,394	(1,632,347,968)	-	-	102,581,217
Import tax	-	4,818,503,130	(4,818,503,130)	-	-	-
Other taxes	-	18,159,302,787	(18,159,302,787)	-	-	-
	68,969,408,877	422,600,078,115	(246,106,220,611)	(220,316,860,031)	1,469,215,712	26,615,622,062

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17. Accrued expenses

	31/12/2017	1/1/2017
	VND	VND
Advertising and promotion expenses	129,727,486,841	156,351,979,598
Logistics expenses	15,199,962,019	12,011,662,043
Sales discounts	20,875,377,191	7,739,728,317
Market research expenses	4,318,011,343	4,831,004,249
Bonus and 13 th month salary	7,866,413,900	8,418,492,041
Purchases not yet received invoices	855,494,621	4,721,876,617
Exhibition expenses	1,886,733,817	947,931,934
Construction in progress	658,000,000	-
Accrued interest expenses	1,426,301,966	411,433,955
Others	4,645,019,898	6,114,120,274
	<hr/>	<hr/>
	187,458,801,596	201,548,229,028
	<hr/>	<hr/>

18. Other payables

(a) Other short-term payables

	31/12/2017	1/1/2017
	VND	VND
Dividend payables to parent company	1,200,921,084,000	-
Dividend payables to non-controlling interest	553,301,826,000	-
Short-term deposits received	1,093,187,218	1,115,638,268
Social insurance, health insurance, unemployment insurance and trade union fees	212,109,190	199,032,290
Others	319,936,735	299,964,318
	<hr/>	<hr/>
	1,755,848,143,143	1,614,634,876
	<hr/>	<hr/>

(b) Other long-term payables

	31/12/2017	1/1/2017
	VND	VND
Long-term deposits received	1,011,020,719	1,858,208,677
	<hr/>	<hr/>

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19. Short-term borrowings

	1/1/2017		Movement during the year		31/12/2017	
	Carrying amount VND	Amount within repayment capacity VND	Addition VND	Decrease VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	340,379,924,443	340,379,924,443	1,292,951,910,366	(1,226,170,190,441)	407,161,644,368	407,161,644,368

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

	Currency	Annual interest rate	31/12/2017 VND	1/1/2017 VND
Unsecured bank loan	VND	3.4% – 4.8%	407,161,644,368	340,379,924,443

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20. Changes in owners' equity

	Share capital VND	Share premium VND	Investment and development fund VND	Undistributed profits after tax VND	Total owners' equity VND
Balance at 1 January 2016	265,791,350,000	29,974,241,968	213,510,848,947	1,259,419,681,720	1,768,696,122,635
Net profit for the year	-	-	-	404,603,793,458	404,603,793,458
Board of Directors fee	-	-	-	(928,752,000)	(928,752,000)
Balance at 1 January 2017	265,791,350,000	29,974,241,968	213,510,848,947	1,663,094,723,178	2,172,371,164,093
Net profit for the year	-	-	-	391,900,188,892	391,900,188,892
Dividends (Note 22)	-	-	-	(1,754,222,910,000)	(1,754,222,910,000)
Balance at 31 December 2017	265,791,350,000	29,974,241,968	213,510,848,947	300,772,002,070	810,048,442,985

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21. Share capital and share premium

The Company's authorised and issued share capitals are:

	31/12/2017		1/1/2017	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	26,579,135	265,791,350,000	26,579,135	265,791,350,000
Shares in circulation				
Ordinary shares	26,579,135	265,791,350,000	26,579,135	265,791,350,000
Share premium		29,974,241,968		29,974,241,968

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 Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

There were no movements in share capital during the year.

22. Dividends

On 5 December 2017, the Board of Directors resolved to advance dividends by cash amounting to VND1,754,222 million (1/1/2017: Nil).

23. Investment and development fund

Investment and development fund was appropriated from profit after tax in accordance with the resolution of Annual General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

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24. Off balance sheet items

(a) Lease commitments

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

	31/12/2017	1/1/2017
	VND	VND
Within 1 year	6,009,948,200	16,372,646,400
Within 2 to 5 years	5,810,136,000	8,789,421,400
	11,820,084,200	25,162,067,800
	11,820,084,200	25,162,067,800

(b) Foreign currency

	31/12/2017		1/1/2017	
	Original currency	VND equivalent	Original currency	VND Equivalent
USD	56,025	1,269,529,446	161,941	3,679,293,840
		1,269,529,446		3,679,293,840

(c) Capital expenditure commitments

The Company had the following outstanding capital commitments approved but not provided for in the separate balance sheets:

	31/12/2017	1/1/2017
	VND	VND
Approved but not contracted	2,748,510,000	1,430,963,349
Approved and contracted	190,950,000	1,693,050,291
	2,939,460,000	3,124,013,640
	2,939,460,000	3,124,013,640

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25. Revenue from sales of goods and provision of services

Total revenue represented the gross value of goods sold and provision of services exclusive of value added tax.

Net revenue comprised:

	2017	2016
	VND	VND
Total revenue		
▪ Sales of goods	3,339,615,722,761	3,386,836,985,988
▪ Other sales	1,328,021,329	5,044,874,591
	<hr/>	<hr/>
	3,340,943,744,090	3,391,881,860,579
	<hr/>	<hr/>
Less revenue deductions		
▪ Sales discounts	50,514,661,505	59,100,480,565
▪ Sales returns	40,865,077,714	25,063,465,981
	<hr/>	<hr/>
	91,379,739,219	84,163,946,546
	<hr/>	<hr/>
Net revenue	3,249,564,004,871	3,307,717,914,033
	<hr/>	<hr/>

26. Cost of sales

	2017	2016
	VND	VND
Total cost of sales		
▪ Goods sold	2,019,802,764,065	2,094,663,492,009
▪ Other sales	1,080,987,522	1,631,419,132
▪ Allowance for inventories	4,354,228,698	14,018,558,508
	<hr/>	<hr/>
	2,025,237,980,285	2,110,313,469,649
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27. Financial income

	2017 VND	2016 VND
Interest income from deposits at banks	72,279,072,091	67,819,051,312
Interest income from loans provided to third parties and other investment	18,992,237,443	-
Interest income from loans provided to a subsidiary	6,951,509,930	3,126,275,001
Foreign exchange gains	590,832,694	1,440,430,259
Other financial income	-	2,509,420,890
	<hr/>	<hr/>
	98,813,652,158	74,895,177,462
	<hr/>	<hr/>

28. Financial expenses

	2017 VND	2016 VND
Interest expense	11,417,754,176	12,475,029,387
Foreign exchange losses	255,548,030	411,057,957
	<hr/>	<hr/>
	11,673,302,206	12,886,087,344
	<hr/>	<hr/>

29. Selling expenses

	2017 VND	2016 VND
Advertising and promotion expenses	528,026,805,205	487,417,161,006
Management service charge	75,397,863,310	104,614,360,064
Logistics expenses	87,828,755,016	84,775,432,048
Exhibition expenses	13,067,874,524	7,632,143,252
Marketing research expenses	13,275,287,783	6,802,415,699
Staff costs	799,123,707	868,205,038
Other selling expenses	1,168,658,937	3,338,056,244
	<hr/>	<hr/>
	719,564,368,482	695,447,773,351
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30. General and administration expenses

	2017	2016
	VND	VND
Management service charge	86,191,212,608	46,238,819,119
Staff costs	18,083,879,323	17,325,102,213
Research and development expenses	410,000,511	7,855,004,524
Depreciation and amortisation of fixed assets	647,334,058	945,500,552
System lease line and information technology services	420,764,168	798,151,355
Others expenses	10,703,048,205	11,398,600,119
	<hr/>	<hr/>
	116,456,238,873	84,561,177,882
	<hr/>	<hr/>

31. Production and business costs by element

	2017	2016
	VND	VND
Raw material costs included in production costs	1,745,332,504,978	1,798,042,890,878
Staff costs	85,435,259,833	84,562,166,237
Depreciation and amortisation	76,151,881,392	63,307,747,414
Outside services	891,540,723,501	836,610,268,832
Other expenses	62,798,217,936	107,799,347,521
	<hr/>	<hr/>

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32. Income tax

(a) Recognised in the separate statement of income

	2017 VND	2016 VND
Current tax expense		
Current year	84,170,343,268	80,470,348,143
Under provision in prior years	2,427,836,550	480,080,680
	<hr/> 86,598,179,818	<hr/> 80,950,428,823
Deferred tax income		
Origination and reversal of temporary differences	1,089,708,544	(3,310,780,947)
Effect of change in tax rate	(3,953,931,679)	(3,038,423,709)
	<hr/> (2,864,223,135)	<hr/> (6,349,204,656)
Income tax expense	<hr/> 83,733,956,683	<hr/> 74,601,224,167

(b) Reconciliation of effective tax rate

	2017 VND	2016 VND
Accounting profit before tax	475,634,145,575	479,205,017,625
Tax at the Company's tax rate	95,126,829,115	71,880,752,644
Effect of change in tax rate	(3,953,931,679)	(3,038,423,709)
Effect of different tax rate applied to other income	-	3,056,674,427
Non-deductible expenses	212,823,465	1,045,602,564
Effect of different tax rate applied to expansion project	(10,079,600,768)	1,176,537,561
Under provision in prior years	2,427,836,550	480,080,680
	<hr/> 83,733,956,683	<hr/> 74,601,224,167

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(c) Applicable tax rates

According to the corporate income tax law and the Law on encouragement of domestic investment, the Company has an obligation to pay the government corporate income tax at the incentive tax rate of 15% of taxable profits for the first twelve years (2005 to 2016) since the Company is a joint stock company which was converted from a state-owned enterprise before 2006. The Company is also exempted from corporate income tax for three years starting from the first year it generates taxable profits (2005 to 2007) and entitled to a 50% reduction in corporate income tax for seven succeeding years (2008 to 2014). All the above tax incentives are not applicable to other incomes and taxable profits from expansion project, which are subject to the normal corporate income tax rate.

The Company obtained an Investment Licence No. 47221000778 on 24 December 2009 for Bien Hoa II Coffee Manufacturing Factory based in Long Thanh District, Dong Nai Province (“Long Thanh Factory”). According to the first amended Investment Licence, taxable profits generated from Long Thanh Factory will be subject to the normal corporate income tax rate and is eligible to apply the tax exemption and reduction period as follows:

- Exempted from corporate income tax for two years starting from the first year Long Thanh Factory generates taxable profits (2014 to 2015); and
- Entitled to a 50% reduction in corporate income tax for four succeeding years (2016 to 2019).

The normal corporate income tax rate applicable to enterprises before any incentives is 20%.

(d) Tax contingencies

The taxation laws and their application in Vietnam are subject to interpretation and change over time as well as from one tax office to another. The final tax position may be subject to audit and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Vietnam that are substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, including documentations in determination of market price in business transaction between related parties and computation of corporate income tax. However, the relevant authorities may have different interpretations and the effects could be significant.

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During the year and as at year end, the Company has the following significant transactions and balances with related parties:

	Transaction value		Receivables/(payables) as at	
	2017 VND	2016 VND	31/12/2017 VND	1/1/2017 VND
Parent of the parent company				
Masan Consumer Corporation				
Purchases of goods	50,224,165,565	52,845,750,553	(3,870,083,455)	(6,078,604,247)
Sales of goods	411,007,822	1,163,846,614	-	-
Management service charge	159,438,082,170	151,605,481,211	(87,828,531,406)	(105,559,512,066)
Parent company				
Masan Beverage Company Limited				
Dividends	1,200,921,084,000	-	(1,200,921,084,000)	-
Related parties				
Masan Industrial One Member Company Limited				
Sales of goods	397,001,288	195,880,144	-	-
Purchases of goods and service	15,115,615,812	3,588,244,500	(8,018,052,556)	(2,002,149,996)
Management service charge	2,150,993,748	1,440,000,000	(2,366,093,123)	-
Purchase of fixed assets	118,094,403	31,882,155	-	-

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	Transaction value		Receivables/(payables) as at	
	2017 VND	2016 VND	31/12/2017 VND	1/1/2017 VND
Vinh Hao Mineral Water Corporation				
Sales of goods	1,213,067,402	2,752,739,338	834,643,095	-
Purchases of goods	151,529,434,461	150,422,632,359	(22,218,429,105)	(17,639,556,739)
Purchase of service	88,482,480,192	90,376,154,736	(18,016,844,285)	(20,992,292,640)
Subsidiary				
CDN Production Trading Corporation				
Sales of goods	267,419,904	20,087,062	170,255,307	-
Sales of service	604,789,654	157,991,952	351,953,419	173,791,147
Sales of fixed assets	1,676,020,000	-	1,564,705,111	-
Purchases of goods	5,460,906,912	14,668,646,937	(689,905,498)	(982,973,503)
Purchases of fixed assets	464,980,552	-	-	-
Loans receivable	18,000,000,000	98,000,000,000	116,000,000,000	98,000,000,000
Interest income from loans	6,951,509,930	3,126,275,001	10,077,784,931	3,126,275,001
Key management personnel				
Remunerations	1,623,309,867	2,058,256,000	-	-

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As at 31 December 2017, the Company has current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank at normal term.

07 MAR 2019

Prepared by:



Hong Do Nguyen Thao
General Accountant

Approved by:



Phan Thi Thuy Hoa
Chief Accountant



Nguyen Tan Ky
Chief Executive Officer

