



VinaCafé Bien Hoa Joint Stock Company

Separate Interim Financial Statements
for the six-month period ended 30 June 2018



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 Department of Planning and Investment of Dong Nai Province.

Board of Directors

Pham Quang Vu	Chairman
Nguyen Hoang Yen	Member
Truong Cong Thang	Member
Pham Dinh Toai	Member
Pham Hong Son	Member
Nguyen Nam Hai	Member

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 interim financial statements of the Company for the six-month period ended 30 June 2018.

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

- (a) the separate interim financial statements set out on pages 5 to 41 give a true and fair view of the separate financial position of the Company as at 30 June 2018, and of its separate results of operations and its separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim 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 interim financial statements for issue.



On behalf of the Board of Management

Nguyễn Tân Kỳ
Chief Executive Officer

Dong Nai Province, 8 August 2018



KPMG Limited Branch
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115 Nguyen Hue Street, Ben Nghe Ward
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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders VinaCafé Bien Hoa Joint Stock Company

We have reviewed the accompanying separate interim financial statements of VinaCafé Bien Hoa Joint Stock Company (“the Company”), which comprise the separate balance sheet as at 30 June 2018, the separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto, which were authorised for issue by the Company’s Board of Management on 8 August 2018, as set out on pages 5 to 41.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 – Review of interim financial information performed by the independent auditor of the entity.

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



Auditor's Conclusion

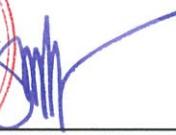
Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the separate financial position of VinaCafé Bien Hoa Joint Stock Company as at 30 June 2018 and of its separate results of operations and its separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 18-01-288




Lam Thi Ngoc Hao
Practicing Auditor Registration
Certificate No. 0866-2018-007-1
Deputy General Director



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2018-007-1

Ho Chi Minh City, 8 August 2018

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 30 June 2018

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

	Code	Note	30/6/2018 VND	1/1/2018 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		1,097,984,180,795	2,816,028,884,393
Cash and cash equivalents	110	7	442,984,640,911	2,492,489,365,182
Cash	111		8,984,640,911	8,589,365,182
Cash equivalents	112		434,000,000,000	2,483,900,000,000
Short-term financial investments	120		100,000,000,000	-
Held-to-maturity investments – short-term	123	8(a)	100,000,000,000	-
Accounts receivable – short-term	130		261,510,024,126	45,842,556,287
Accounts receivable from customers	131	9	254,891,695,236	38,963,032,829
Prepayments to suppliers	132		2,823,539,372	948,955,498
Other short-term receivables	136	10(a)	3,794,789,518	5,930,567,960
Inventories	140	11	292,248,927,685	272,364,700,795
Inventories	141		292,335,147,577	274,264,056,682
Allowance for inventories	149		(86,219,892)	(1,899,355,887)
Other current assets	150		1,240,588,073	5,332,262,129
Short-term prepaid expenses	151		1,195,237,621	3,863,046,417
Taxes and others receivable from State Treasury	153		45,350,452	1,469,215,712

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

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 30 June 2018 (continued)

Form B 01a – DN

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

	Code	Note	30/6/2018 VND	1/1/2018 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		747,193,633,014	806,886,354,941
Accounts receivable – long-term	210		133,123,483,562	126,276,944,931
Long-term loans receivable	215	12	119,000,000,000	116,000,000,000
Other long-term receivables	216	10(b)	14,123,483,562	10,276,944,931
Fixed assets	220		557,054,152,214	586,858,584,969
Tangible fixed assets	221	13	556,435,597,925	586,178,175,252
Cost	222		994,326,384,498	987,721,829,524
Accumulated depreciation	223		(437,890,786,573)	(401,543,654,272)
Intangible fixed assets	227	14	618,554,289	680,409,717
Cost	228		1,880,358,879	1,880,358,879
Accumulated amortisation	229		(1,261,804,590)	(1,199,949,162)
Long-term work in progress	240		1,035,254,974	7,114,658,178
Construction in progress	242	15	1,035,254,974	7,114,658,178
Long-term financial investments	250		28,536,445,632	35,000,000,000
Investment in a subsidiary	251	8(b)	35,000,000,000	35,000,000,000
Allowance for diminution in the value of long-term financial investments	254		(6,463,554,368)	-
Other long-term assets	260		27,444,296,632	51,636,166,863
Long-term prepaid expenses	261	16	20,958,046,929	20,052,096,496
Deferred tax assets	262	17	6,486,249,703	31,584,070,367
TOTAL ASSETS (270 = 100 + 200)	270		1,845,177,813,809	3,622,915,239,334

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

VinaCafé Bien Hoa Joint Stock Company
Separate balance sheet as at 30 June 2018 (continued)

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

Code	Note	30/6/2018 VND	1/1/2018 VND
RESOURCES			
LIABILITIES (300 = 310 + 330)		736,493,743,787	2,812,866,796,349
Current liabilities		731,200,694,611	2,806,781,839,880
311	18	255,706,754,914	391,547,224,196
312		7,619,547,701	17,118,507,057
313	19	49,210,023,543	26,615,622,062
314		3,736,405,312	-
315	20	33,091,382,816	187,458,801,596
319	21(a)	5,221,397,027	1,755,848,143,143
320	22	355,583,285,840	407,161,644,368
322		21,031,897,458	21,031,897,458
Long-term liabilities		5,293,049,176	6,084,956,469
337	21(b)	463,809,965	1,011,020,719
342		4,829,239,211	5,073,935,750
EQUITY (400 = 410)		1,108,684,070,022	810,048,442,985
Owners' equity		1,108,684,070,022	810,048,442,985
411	24	265,791,350,000	265,791,350,000
411a		265,791,350,000	265,791,350,000
412	24	29,974,241,968	29,974,241,968
418	25	213,510,848,947	213,510,848,947
421		599,407,629,107	300,772,002,070
421a		300,772,002,070	-
421b		298,635,627,037	300,772,002,070
TOTAL RESOURCES (440 = 300 + 400)		1,845,177,813,809	3,622,915,239,334

8 August 2018

Prepared by:


 Nguyen Thi Ngoc Tram
 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 interim financial statements

VinaCafé Bien Hoa Joint Stock Company
Separate statement of income for the six-month period ended 30 June 2018

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

	Code	Note	Six-month period ended	
			30/6/2018 VND	30/6/2017 VND
Revenue from sales of goods and provision of services	01	27	1,480,157,287,551	1,321,764,469,208
Revenue deductions	02	27	15,607,248,131	50,961,410,509
Net revenue (10 = 01 - 02)	10	27	1,464,550,039,420	1,270,803,058,699
Cost of sales	11	28	1,072,255,824,615	809,149,207,988
Gross profit (20 = 10 - 11)	20		392,294,214,805	461,653,850,711
Financial income	21	29	23,016,365,709	42,807,592,917
Financial expenses	22	30	14,231,924,335	4,065,777,119
<i>In which: Interest expense</i>	23		7,727,678,690	3,827,362,920
Selling expenses	25	31	24,178,608,717	397,241,634,506
General and administration expenses	26	32	15,537,435,844	58,063,529,275
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		361,362,611,618	45,090,502,728
Other income	31		10,959,324	345,895,315
Other expenses	32		608,889,556	8,402,368
Results of other activities (40 = 31 - 32)	40		(597,930,232)	337,492,947
Accounting profit before tax (50 = 30 + 40)	50		360,764,681,386	45,427,995,675
Income tax expense – current	51	34	37,031,233,685	9,258,586,102
Income tax expense/(benefit) – deferred	52	34	25,097,820,664	(3,802,563,319)
Net profit after tax (60 = 50 - 51 - 52)	60		298,635,627,037	39,971,972,892

8 August 2018

Prepared by:


 Nguyen Thi Ngoc Tram
 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 interim financial statements

VinaCafé Bien Hoa Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2018
(Indirect method)

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

	Code	Six-month period ended	
		30/6/2018 VND	30/6/2017 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	360,764,681,386	45,427,995,675
Adjustments for			
Depreciation and amortisation	02	36,408,987,729	37,645,806,148
Allowances and provisions	03	6,829,797,870	2,206,452,496
Exchange (gains)/losses arising from revaluation of monetary items dominated in foreign currencies	04	(242,722,060)	2,970,468
Profit from investing activities	05	(22,624,189,045)	(42,501,559,655)
Interest expense	06	7,727,678,690	3,827,362,920
Operating profit before changes in working capital	08	388,864,234,570	46,609,028,052
Change in receivables and other assets	09	(213,209,791,558)	24,082,718,379
Change in inventories	10	(20,495,166,931)	(89,967,264,820)
Change in payables and other liabilities	11	(285,941,617,924)	(33,307,187,686)
Change in prepaid expenses	12	4,346,690,363	5,951,210,926
		(126,435,651,480)	(46,631,495,149)
Interest paid	14	(8,266,053,530)	(4,015,978,497)
Corporate income tax paid	15	(22,028,450,990)	(20,446,952,111)
Net cash flows from operating activities	20	(156,730,156,000)	(71,094,425,757)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(5,925,005,606)	(5,762,703,421)
Proceeds from disposals of fixed assets	22	-	1,817,912,687
Payment for granting loans	23	(3,000,000,000)	(5,500,000,000)
Placement of term deposits at banks and payment for other investment	23	(100,000,000,000)	(1,092,000,000,000)
Withdrawal of term deposits at banks	24	-	1,114,500,000,000
Receipts of interest	27	20,058,486,229	38,483,636,084
Net cash flows from investing activities	30	(88,866,519,377)	51,538,845,350

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

VinaCafé Bien Hoa Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2018
(Indirect method - continued)

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

	Code	Six-month period ended	
		30/6/2018 VND	30/6/2017 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	709,371,412,653	517,774,843,477
Payments to settle loan principals	34	(760,949,771,181)	(530,407,404,683)
Payments of dividends	36	(1,752,597,119,200)	-
Net cash flows from financing activities	40	(1,804,175,477,728)	(12,632,561,206)
Net cash flows during the period (50 = 20 + 30 + 40)	50	(2,049,772,153,105)	(32,188,141,613)
Cash and cash equivalents at the beginning of the period	60	2,492,489,365,182	1,610,438,753,970
Effect of exchange rate fluctuations on cash and cash equivalents	61	267,428,834	-
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	442,984,640,911	1,578,250,612,357

8 August 2018

Prepared by:


 Nguyen Thi Ngoc Tram
 General Accountant

Approved by:


 Phan Thi Thuy Hoa
 Chief Accountant


 Nguyen Tan Ky
 Chief Executive Officer


 The stamp contains the text: "CÔNG TY CỔ PHẦN VINACAFÉ BIÊN HÒA", "M.S.N.: 3600261626 - C.T.C.P", and "TP. BIÊN HÒA - T. BÌNH NẠM".

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

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018

Form B 09a – 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 interim 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 30 June 2018, the Company had 312 employees (1/1/2018: 336 employees).

As at 30 June 2018, the Company had 1 subsidiary (1/1/2018: 1 subsidiary) as listed in Note 8(b).

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – 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 interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting. The Company prepares and issues its consolidated interim financial statements separately. For a comprehensive understanding of the consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate interim financial statements should be read in conjunction with the consolidated interim financial statements.

(b) Basis of measurement

These separate interim 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. The separate interim financial statements are prepared for the six-month period ended 30 June 2018.

(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 2018 were brought forward from the audited figures as at 31 December 2017.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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3. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Company in the preparation of these separate interim financial statements are consistent with those adopted in the preparation of the latest separate annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period 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 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 and other investments. These investments are stated at cost less allowance for doubtful debts.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(ii) Investment in a subsidiary

For the purpose of these separate interim financial statements, investment in a 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.

(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 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.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(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.

(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.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – DN

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

(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.

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 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 period 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 period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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 accounting period.

VinaCafé Bien Hoa Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2018 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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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.

(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 mainly comprises interest income from deposits at banks, interest income from loans and other investment, and 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 mainly comprise interest expenses on borrowings, allowance for diminution in value of investment in a subsidiary and foreign exchange losses.

Borrowing costs are recognised as an expense in the 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.

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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. Seasonality of operations

Total revenue of the Company typically increases in the fourth quarter of each year as distributors prepare for an anticipated increase in consumer demand in the months leading up to the Tet (Lunar New Year) holidays, which occur in the first quarter of each year. Accordingly, the Company typically increases the production of coffee, cereals and non-alcoholic drinks products and also increases advertising and promotion efforts in the fourth quarter of each year to boost sales during the period leading to the festive season.

5. Changes in accounting estimates

In preparing these separate interim financial statements, the Board of Management has made several accounting estimates. Actual results may differ from these estimates. There was no significant changes in accounting estimates compared to those made in the most recent separate annual financial statements or those made in the same interim period of the prior year.

6. Changes in the composition of the Company

There was no change in the composition of the Company since the end of the last annual accounting period which affect the Company's separate interim financial statements for the six-month period ended 30 June 2018.

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7. Cash and cash equivalents

	30/6/2018	1/1/2018
	VND	VND
Cash on hand	17,914,666	106,401,725
Cash at banks	8,966,726,245	8,482,963,457
Cash equivalents	434,000,000,000	2,483,900,000,000
	442,984,640,911	2,492,489,365,182

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

8. Investments

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

	30/6/2018	1/1/2018
	VND	VND
Held-to-maturity investment – short-term	100,000,000,000	-

This investment represented the other investment with remaining terms to maturity of twelve months or less from the accounting period.

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(b) Investment in a subsidiary

	% of economic interests and voting rights	30/6/2018		% of economic interests and voting rights	1/1/2018	
		Cost VND	Allowance for diminution in value VND		Cost VND	Allowance for diminution in value VND
CDN Production Trading Corporation	85%	35,000,000,000	(6,463,554,368)	85%	35,000,000,000	-

The Company has not determined the fair value of investment in a subsidiary for disclosure in the separate interim 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 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.

CDN Production Trading Corporation (“CDN”) was established in Vietnam in accordance with Business License No. 0312062467 issued by the Department of Planning and Investment 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 issued by the Planning and Investment Department of Dong Nai Province. The principal activities of CDN are to manufacture and trade coffee, automatic coffee maker machine. Please refer to Note 35 to the separate interim financial statements for information about significant transactions between the Company and CDN.

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9. Accounts receivable from customers

Accounts receivable from customers who are related parties

	30/6/2018	1/1/2018
	VND	VND
The parent of parent company		
▪ Masan Consumer Corporation	232,760,459,286	-
Subsidiary		
▪ CDN Production Trading Corporation	1,081,650,262	2,086,913,837
Other related parties		
▪ Quang Ninh Mineral Water Corporation	794,387,794	-
▪ Vinh Hao Mineral Water Corporation	-	834,643,095
▪ Masan HD One Member Company Limited	13,608,406	-
▪ Ma San PQ Corporation	-	2,051,555
▪ Masan MB One Member Company Limited	-	3,225,596

The trade related amounts due from subsidiary and other related parties were unsecured, interest free and are receivable within 90 days from invoice date.

10. Other receivables

(a) Other short-term receivables

	30/6/2018	1/1/2018
	VND	VND
Accrued interest receivable from deposits at banks and other investment	3,111,287,518	4,334,283,333
Short-term deposits	655,856,000	1,132,677,200
Others	27,646,000	463,607,427
	3,794,789,518	5,930,567,960

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(b) Other long-term receivables

	30/6/2018	1/1/2018
	VND	VND
Accrued interest receivable from a subsidiary (*)	13,866,483,562	10,077,784,931
Long-term deposits	257,000,000	199,160,000
	14,123,483,562	10,276,944,931

(*) This represented interest income receivable from loans provided to a subsidiary. Please see Notes 12 and 35 for further information.

11. Inventories

	30/6/2018		1/1/2018	
	Cost	Allowance	Cost	Allowance
	VND	VND	VND	VND
Goods in transit	458,620,000	-	21,040,427,795	-
Raw materials	222,550,491,565	(86,219,892)	152,337,473,917	(128,614,804)
Tools and supplies	7,322,945,159	-	7,819,180,031	-
Finished goods	61,226,076,018	-	91,648,001,434	(1,770,408,875)
Merchandise inventories	777,014,835	-	1,418,973,505	(332,208)
	292,335,147,577	(86,219,892)	274,264,056,682	(1,899,355,887)

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

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Opening balance	1,899,355,887	2,886,850,716
Increase in allowance during the period	610,940,041	2,240,974,384
Allowance utilised during the period	(2,424,076,036)	(3,217,067,244)
Written back	-	(34,521,888)
	86,219,892	1,876,235,968

Included in inventories of the Company at 30 June 2018 was VND86 million (1/1/2018: VND1,899 million) of slow-moving inventories.

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12. Long-term loans receivable

	30/6/2018	1/1/2018
	VND	VND
Long-term loans receivable from CDN, a subsidiary	119,000,000,000	116,000,000,000

The long-term loans receivable were unsecured and earned interest at 6.5% per annum as at 30 June 2018 and matures in December 2019. Interests are receivable on the maturity date of loan agreement.

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13. 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	776,619,955,019	3,082,922,634	4,397,487,235	987,721,829,524
Transfer from construction in progress	-	6,235,754,974	368,800,000	-	6,604,554,974
Closing balance	203,621,464,636	782,855,709,993	3,451,722,634	4,397,487,235	994,326,384,498
Accumulated depreciation					
Opening balance	52,113,103,886	343,384,480,813	2,855,601,424	3,190,468,149	401,543,654,272
Charge for the period	5,562,070,734	30,498,159,785	51,405,506	235,496,276	36,347,132,301
Closing balance	57,675,174,620	373,882,640,598	2,907,006,930	3,425,964,425	437,890,786,573
Net book value					
Opening balance	151,508,360,750	433,235,474,206	227,321,210	1,207,019,086	586,178,175,252
Closing balance	145,946,290,016	408,973,069,395	544,715,704	971,522,810	556,435,597,925

Included in the cost of tangible fixed assets were assets costing VND163,546 million which were fully depreciated as of 30 June 2018 (1/1/2018: VND162,397 million), but are still in active use.

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14. 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	195,875,522	1,199,949,162
Charge for the period	-	61,855,428	61,855,428
Closing balance	1,004,073,640	257,730,950	1,261,804,590
Net book value			
Opening balance	-	680,409,717	680,409,717
Closing balance	-	618,554,289	618,554,289

Included in the cost of intangible fixed assets were assets costing VND1,004 million which were fully depreciated as of 30 June 2018 (1/1/2018: VND1,004 million), but which are still in active use.

15. Construction in progress

	Six-month period ended 30 June 2018 VND
Opening balance	7,114,658,178
Additions during the period	3,109,983,770
Transfer to tangible fixed assets	(6,604,554,974)
Transfer to long-term prepaid expenses	(2,584,832,000)
Closing balance	1,035,254,974

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Major constructions in progress were as follows:

	30/6/2018	1/1/2018
	VND	VND
Machinery and equipment	1,026,129,974	7,114,658,178
Others	9,125,000	-
	<hr/>	<hr/>
	1,035,254,974	7,114,658,178
	<hr/>	<hr/>

16. Long-term prepaid expenses

	Prepaid	Tools and	Total
	land costs	supplies	
	VND	VND	VND
Opening balance	14,903,157,509	5,148,938,987	20,052,096,496
Additions during the period	-	475,455,137	475,455,137
Transfer from construction in progress	-	2,584,832,000	2,584,832,000
Amortisation for the period	(201,394,020)	(1,952,942,684)	(2,154,336,704)
	<hr/>	<hr/>	<hr/>
Closing balance	14,701,763,489	6,256,283,440	20,958,046,929
	<hr/>	<hr/>	<hr/>

17. Deferred tax assets

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

	30/6/2018	1/1/2018
	VND	VND
Accrued advertising and promotion expenses	2,471,811,327	22,546,637,213
Accrued logistic expenses	-	2,641,753,399
Accrued sales discounts	362,008,974	3,628,140,556
Other accruals	3,652,429,402	2,767,539,199
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	6,486,249,703	31,584,070,367
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18. Accounts payable to suppliers

(a) Accounts payable to suppliers classified by payment term

	30/6/2018		1/1/2018	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Short-term	255,706,754,914	255,706,754,914	391,547,224,196	391,547,224,196

(b) Accounts payable to suppliers who are related parties

	30/6/2018		1/1/2018	
	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
Other related parties				
▪ Vinh Hao Mineral Water Corporation	78,546,834,060	78,546,834,060	40,235,273,390	40,235,273,390
▪ Masan Industrial One Member Company Limited	9,360,864,122	9,360,864,122	10,384,145,679	10,384,145,679

The trade related amounts due to the parent of parent company and other related parties were unsecured, interest free and are payable within 90 days from invoice date.

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19. Taxes payable to State Treasury

	1/1/2018 VND	Incurred VND	Paid/refunded VND	Deducted VND	30/6/2018 VND
Corporate income tax	26,513,040,845	37,031,233,685	(22,028,450,990)	-	41,515,823,540
Value added tax	-	136,004,552,686	(35,287,732,299)	(93,041,161,484)	7,675,658,903
Personal income tax	102,581,217	2,774,304,581	(2,858,344,698)	-	18,541,100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	26,615,622,062	175,810,090,952	(60,174,527,987)	(93,041,161,484)	49,210,023,543
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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20. Accrued expenses

	30/6/2018	1/1/2018
	VND	VND
Advertising and promotion expenses	13,963,457,944	129,727,486,841
Logistics expenses	-	15,199,962,019
Sales discounts	1,692,260,612	20,875,377,191
Market research expenses	2,045,017,364	4,318,011,343
Bonus and 13 th month salary	4,747,056,385	7,866,413,900
Purchases not yet received invoices	1,950,368,236	855,494,621
Exhibition expenses	-	1,886,733,817
Construction in progress	157,625,000	658,000,000
Accrued interest expenses	887,927,126	1,426,301,966
Others	7,647,670,149	4,645,019,898
	<hr/>	<hr/>
	33,091,382,816	187,458,801,596
	<hr/>	<hr/>

21. Other payables

(a) Other short-term payables

	30/6/2018	1/1/2018
	VND	VND
Dividend payables to parent company	-	1,200,921,084,000
Dividend payables to non-controlling interest	1,907,505,946	553,301,826,000
Short-term deposits received	1,352,568,428	1,093,187,218
Other payables to a related party (*)	1,247,400,200	-
Social insurance, health insurance, unemployment insurance and trade union fees	329,479,649	212,109,190
Others	384,442,804	319,936,735
	<hr/>	<hr/>
	5,221,397,027	1,755,848,143,143
	<hr/>	<hr/>

(*) The non-trade related amounts due to a related party were unsecured, interest free and are payable within 30 days from invoice date.

(b) Other long-term payables

	30/6/2018	1/1/2018
	VND	VND
Long-term deposits received	463,809,965	1,011,020,719
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22. Short-term borrowings

	1/1/2018		Movements during the period		30/6/2018	
	Carrying amount VND	Amount within repayment capacity VND	Addition VND	Decrease VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	407,161,644,368	407,161,644,368	709,371,412,653	(760,949,771,181)	355,583,285,840	355,583,285,840

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

	Currency	Annual interest rate	30/6/2018 VND	1/1/2018 VND
Unsecured bank loan	VND	3.7% – 5.0%	355,583,285,840	407,161,644,368

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23. 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 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 period	-	-	-	39,971,972,892	39,971,972,892
Balance at 30 June 2017	265,791,350,000	29,974,241,968	213,510,848,947	1,703,066,696,070	2,212,343,136,985
Balance at 1 January 2018	265,791,350,000	29,974,241,968	213,510,848,947	300,772,002,070	810,048,442,985
Net profit for the period	-	-	-	298,635,627,037	298,635,627,037
Balance at 30 June 2018	265,791,350,000	29,974,241,968	213,510,848,947	599,407,629,107	1,108,684,070,022

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24. Share capital and share premium

The Company's authorised and issued share capitals are as below:

	30/6/2018		1/1/2018	
	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 period.

25. 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.

26. Off balance sheet items

(a) Lease commitments

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

	30/6/2018	1/1/2018
	VND	VND
Within 1 year	8,060,752,000	6,009,948,200
Within 2 to 5 years	2,884,800,000	5,810,136,000
	10,945,552,000	11,820,084,200

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(b) Foreign currency

	30/6/2018		1/1/2018	
	Original currency	VND equivalent	Original currency	VND Equivalent
USD	168,061	3,851,956,515	56,025	1,269,529,446

(c) Capital expenditure commitments

As at 30 June 2018, the Company had the following outstanding capital commitments approved but not provided for in the separate balance sheets:

	30/6/2018 VND	1/1/2018 VND
Approved but not contracted	2,248,536,880	2,748,510,000
Approved and contracted	3,790,171,054	190,950,000
	<hr/> 6,038,707,934	<hr/> 2,939,460,000

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27. 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:

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Total revenue		
▪ Sales of goods	1,475,213,279,887	1,319,369,982,405
▪ Other sales	4,944,007,664	2,394,486,803
	<hr/>	<hr/>
	1,480,157,287,551	1,321,764,469,208
	<hr/>	<hr/>
Less revenue deductions		
▪ Sales discounts	3,966,131,135	14,511,102,627
▪ Sales returns	11,641,116,996	36,450,307,882
	<hr/>	<hr/>
	15,607,248,131	50,961,410,509
	<hr/>	<hr/>
Net revenue	1,464,550,039,420	1,270,803,058,699
	<hr/>	<hr/>

28. Cost of sales

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Total cost of sales		
▪ Goods sold	1,065,736,671,489	805,311,461,546
▪ Other sales	5,908,213,085	1,631,293,946
▪ Allowance for inventories	610,940,041	2,206,452,496
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	1,072,255,824,615	809,149,207,988
	<hr/>	<hr/>

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29. Financial income

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Interest income from deposits at banks and other investment	18,835,490,414	39,045,523,584
Interest income from loans provided to a subsidiary	3,788,698,631	3,361,996,232
Foreign exchange gains	392,176,664	400,073,101
	<hr/>	<hr/>
	23,016,365,709	42,807,592,917
	<hr/>	<hr/>

30. Financial expenses

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Interest expense	7,727,678,690	3,827,362,920
Allowance for diminution in value of investment in a subsidiary	6,463,554,368	-
Foreign exchange losses	40,691,277	238,414,199
	<hr/>	<hr/>
	14,231,924,335	4,065,777,119
	<hr/>	<hr/>

31. Selling expenses

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Advertising and promotion expenses	15,801,401,702	295,373,176,934
Management fee	-	37,243,324,004
Logistics expenses	4,503,026,139	45,280,558,895
Exhibition expenses	-	7,572,640,422
Staff costs	313,388,158	389,143,108
Other selling expenses	3,560,792,718	11,382,791,143
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	24,178,608,717	397,241,634,506
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32. General and administration expenses

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Management fee	720,000,000	43,426,135,580
Staff costs	7,790,994,398	8,299,765,238
Research and development expenses	353,043,912	347,051,186
Depreciation and amortisation of fixed assets	181,337,048	352,347,716
System lease line and information technology services	58,564,847	281,112,359
Others expenses	6,433,495,639	5,357,117,196
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	15,537,435,844	58,063,529,275
	<hr/>	<hr/>

33. Production and business costs by element

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Raw material costs included in production costs	932,139,811,218	679,977,160,494
Labour and staff costs	40,497,083,608	36,095,518,381
Depreciation and amortisation	36,408,987,729	37,645,806,148
Outside services	69,330,354,869	484,226,206,036
Other expenses	33,595,631,752	26,509,680,710
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34. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Current tax expense		
Current period	38,514,732,221	9,258,586,102
Over provision in prior periods	(1,483,498,536)	-
	37,031,233,685	9,258,586,102
Deferred tax expense/(income)		
Origination and reversal of temporary differences	25,682,980,080	414,563,357
Effect of change in tax rate	(585,159,416)	(4,217,126,676)
	25,097,820,664	(3,802,563,319)
Income tax expense	62,129,054,349	5,456,022,783

(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2018	30/6/2017
	VND	VND
Accounting profit before tax	360,764,681,386	45,427,995,675
Tax at the Company's tax rate	72,152,936,277	9,085,599,135
Effect of change in tax rate	(585,159,416)	(4,217,126,676)
Non-deductible expenses	151,107,346	850,217,621
Over provision in prior periods	(1,483,498,536)	-
Effect of different tax rate applied to expansion project	(8,106,331,322)	(262,667,297)
	62,129,054,349	5,456,022,783

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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 review 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 transfer pricing requirements and computation of corporate income tax. However, the relevant authorities may have different interpretations and the effects could be significant.

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35. Significant transactions with related parties

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

	Transaction value		Receivables/ (payables) as at	
	Six-month period ended 30/6/2018 VND	30/6/2017 VND	30/6/2018 VND	1/1/2018 VND
Parent of the parent company				
Masan Consumer Corporation				
Purchases of goods	28,303,748,062	20,200,660,707	-	(3,870,083,455)
Sales of goods	1,138,634,423,887	243,016,869	232,760,459,286	-
Management fee	-	79,593,962,710	-	(87,828,531,406)
Parent company				
Masan Beverage Company Limited				
Dividends	-	-	-	(1,200,921,084,000)
Related parties				
Masan Industrial One Member Company Limited				
Sales of goods	77,821,858	186,386,818	-	-
Purchases of goods and service	9,123,550,048	6,019,316,192	(10,608,264,322)	(8,018,052,556)
Management fee	720,000,000	1,075,496,874	(720,000,000)	(2,366,093,123)
Vinh Hao Mineral Water Corporation				
Sales of goods	36,471,500	1,161,359,077	-	834,643,095
Purchases of goods	74,851,396,367	78,038,092,419	(41,842,549,212)	(22,218,429,105)
Purchase of service	46,318,707,504	43,849,104,192	(36,704,284,848)	(18,016,844,285)
Quang Ninh Mineral Water Corporation				
Sales of goods	745,229,922	47,170,162	794,387,794	-
Masan Brewery Distribution Company Limited				
Sales of goods	480,400	775,848,210	-	-
Purchases of goods	56,753,864	121,061,954	-	-

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	Transaction value		Receivables/ (payables) as at	
	Six-month period ended 30/6/2018 VND	30/6/2017 VND	30/6/2018 VND	1/1/2018 VND
Masan HD One				
Member Company				
Limited				
Sales of goods	33,388,778	10,718,274	13,608,406	-
Ma San PQ Corporation				
Sales of goods	5,186,821	-	-	2,051,555
Masan MB One				
Member Company				
Limited				
Sales of goods	26,782,300	11,272,255	-	3,225,596
Subsidiary				
CDN Production				
Trading				
Corporation				
Sales of goods	600,500	112,642,352	1,081,650,262	170,255,307
Sales of service	427,248,000	142,416,000	-	351,953,419
Sales of fixed assets	542,319,088	1,676,020,000	-	1,564,705,111
Purchases of goods	2,072,473,499	6,552,910,011	-	(689,905,498)
Loans receivable	3,000,000,000	5,500,000,000	119,000,000,000	116,000,000,000
Interest income from loans	3,788,698,631	3,361,996,232	13,866,483,562	10,077,784,931
Key management				
personnel				
Remunerations	2,369,933,936	735,322,107	-	-

As at 30 June 2018, the Company has current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank at normal terms.

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36. Post balance sheet events

There has been no other significant event occurring after the balance sheet date which would require adjustment or disclosures to be made in the separate interim financial statements.

8 August 2018

Prepared by:


Nguyen Thi Ngoc Tram
General Accountant

Approved by:


Phan Thi Thuy Hoa
Chief Accountant


Nguyen Tan Ky
Chief Executive Officer



