



Financial Statements

AN GIANG AGRICULTURE AND FOODS IMPORT -
EXPORT JOINT STOCK COMPANY

For the fiscal year ended as at 31/12/2013
(Audited)

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CONTENTS

	Pages
Report of The Board of General Directors	02-03
Independent Auditors' report	04-05
Audited Financial Statements	06-32
Statement of Financial position	06-07
Statement of Comprehensive income	08
Statement of Cash flows	09
Notes to the Financial statements	10-32

REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of An Giang Agriculture and Foods Import – Export Joint Stock Company (the “Company”) presents its report and the Company’s Financial Statements for the fiscal year ended as at 31/12/2013.

THE COMPANY

An Giang Agriculture and Foods Import – Export Joint Stock Company, transaction name is An Giang Agriculture and Foods Import – Export Company (abbreviated as Aflix), converted from An Giang Import and Export agricultural products Company, a State Enterprise, in accordance with Decision No.1808/QĐ-UBND dated September 22, 2010 issued by The People’s Committee of An Giang province.

The Company operates under Business License No. 1600194461, first registered on 01 April 2011; first revised on 14 July 2011; second revised on 09 May 2013 issued by Department of Planning and Investment of An Giang Province

The company’s head office is located at No 25/40 Tran Hung Dao Street, My Thoi Ward, Long Xuyen City, An Giang Province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of The Board of Management during the fiscal year and to the reporting date are:

Mr. Pham Van Bay	Chairman	
Mr. Nguyen Thanh Xuan	Member	
Mr. Tran Trung Nguon	Member	
Mr. Pham Ngoa Long	Member	
Mr. Tran Bay	Member	Appointed on 14/05/2013
Mr. Pham Thanh Ngoc	Member	Resigned on 14/05/2013
Mr. Le Van Liem	Member	Resigned on 14/05/2013
Mr. To Thien Huu	Member	

The members of The Board of General Directors in the fiscal year and to the reporting date are:

Mr. Pham Van Bay	General Director
Mr. Tran Trung Nguon	Deputy General Director
Mr. Nguyen Thanh Xuan	Deputy General Director
Mr. Pham Ngoa Long	Deputy General Director

The members of the Board of Supervision are:

Mr. Trinh Ngoc Thuan	Head of Control Department
Mr. Nguyen Phuoc Tao	Member
Mr. Bui Ton Son	Member

AUDITORS

The auditors of AASC Auditing Firm Company Limited take the Audit of Financial Statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Financial Statements of each financial year which give a true and fair view of the state of affairs of the Company and results of its operation and its cash flows for the year. In preparing those Financial Statements, The Board of General Directors is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Those charged with governance to ensure the preparation and presentation of financial statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the basis of compliance with accounting standards and system and other related regulations
- Prepare the Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Financial Statements for the fiscal year ended as at 31/12/2013 prepared by us, give a true and fair view of the financial position at 31 December 2013, results of its operation and cash flows in the Year 2013 of Company accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

Other commitments

The Board of General Directors pledges that the company does not offend obligation of information disclosure under regulation of Circular No. 52/2012/TT-BTC dated 05 April 2012 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

On behalf of The Board of General Directors



Phạm Văn Bay
General Director
An Giang, 22 March 2014

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INDEPENDENT AUDITORS' REPORT

For the fiscal year ended as at 31/12/2013

To: Shareholders, The Board of Management and The Board of General Directors
An Giang Agriculture and Foods Import – Export Joint Stock Company

We have audited the Financial Statements of An Giang Agriculture and Foods Import – Export Joint Stock Company prepared on 22 March 2014 as set out on page 06 to page 32, including: Statement of financial position as at 31 December 2013, Statement of comprehensive income, Statement of cash flows and Notes to financial statements for the fiscal year ended as at 31/12/2013.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards and System and comply with relevant statutory requirements and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Basis of qualified opinion

The company has not allocated goodwill which is presented as long-term prepaid expense into 2013 income statement according to Circular No. 138/2012/TT-BTC dated 20/08/2012 with the amount of VND 5,657,000,000 (over 10 years on straight-line basis), resulting in an increase in profit before tax by an equivalent amount (details at note No. 14).

Auditor's opinion

In our opinion, except for the issues mentioned at "Basis of qualified opinion", the Financial Statements of An Giang Agriculture and Foods Import – Export Joint Stock Company give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2013, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and system and comply with relevant statutory requirements.

Branch of AASC Auditing Firm Company Limited



Bui Van Thao

Director

Registered Auditor : 0522-13-002-1.

Ho Chi Minh City, 26 March 2014

Lam Anh Tuan

Auditor

Registered Auditor No : 1859-2013-002-1

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

Code ASSETS	Note	31/12/2013	01/01/2013
		VND	VND
100 A. CURRENT ASSETS		656,646,829,543	878,608,420,677
110 I. Cash and cash equivalents	3	46,481,790,475	215,269,032,463
111 1. Cash		9,181,790,475	18,939,032,463
112 2. Cash equivalents		37,300,000,000	196,330,000,000
130 III. Short-term accounts receivable		254,688,837,609	236,567,482,649
131 1. Trade receivables		121,536,054,706	153,100,820,135
132 2. Advances to suppliers		55,240,071,574	68,571,758,574
135 5. Other receivables	4	82,332,591,459	16,622,550,393
139 6. Provisions for short-term bad debts		(4,419,880,130)	(1,727,646,453)
140 IV. Inventories	5	349,401,310,691	409,026,644,552
141 1. Inventories		368,578,922,524	449,924,394,357
149 2. Provision for obsolescence of inventories		(19,177,611,833)	(40,897,749,805)
150 V. Other current assets		6,074,890,768	17,745,261,013
151 1. Short-term prepaid expenses		3,624,175,894	5,000,835,336
152 2. VAT deductibles		1,849,098,042	7,592,982,625
154 3. Taxes and other receivables from the State	7	2,500,000	4,289,548,191
158 5. Other current assets	8	599,116,832	861,894,861
200 B. NON- CURRENT ASSETS		247,510,558,733	260,435,246,210
220 II. Fixed assets		174,731,515,385	187,467,483,062
221 1. Tangible fixed assets	9	129,082,042,044	138,263,458,879
222 - Cost		352,608,123,099	342,657,278,768
223 - Accumulated depreciation		(223,526,081,055)	(204,393,819,889)
227 3. Intangible fixed assets	10	26,647,672,710	27,539,448,554
228 - Cost		26,818,351,833	28,695,785,349
229 - Accumulated amortization		(170,679,123)	(1,156,336,795)
230 4. Construction in progress	11	19,001,800,631	21,664,575,629
240 III. Investment properties	12	6,877,028,219	7,845,287,456
241 - Cost		16,137,653,892	16,137,653,892
242 - Accumulated depreciation		(9,260,625,673)	(8,292,366,436)
250 IV. Long-term financial investments	13	4,500,000,000	4,500,000,000
252 2. Investments in joint-ventures, associates		4,500,000,000	4,500,000,000
260 V. Other long-term assets		61,402,015,129	60,622,475,692
261 1. Long-term prepaid expenses	14	61,213,614,529	60,436,017,292
268 3. Other long-term assets		188,400,600	186,458,400
270 TOTAL ASSETS		904,157,388,276	1,139,043,666,887

AN GIANG
 AGRICULTURE AND FOODS
 IMPORT-EXPORT JOINT STOCK
 COMPANY

STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(continue)

Code	RESOURCES	Note	31/12/2013	01/01/2013
			VND	VND
300	A. LIABILITIES		543,135,782,684	764,565,914,402
310	I. Current liabilities		538,395,448,472	755,310,792,977
311	1. Short-term loans and debts	15	429,275,639,006	650,276,279,721
312	2. Trade payables		67,258,114,809	50,690,970,285
313	3. Advances from customers		4,248,198,838	11,557,143,878
314	4. Tax payables and statutory obligations	16	126,628,114	527,072,433
315	5. Payables to employees		764,408,176	2,695,089,050
316	6. Accrued expenses	17	923,936,111	2,161,680,001
319	9. Other payables	18	33,246,295,546	31,353,336,502
323	11. Bonus and welfare fund		2,552,227,872	6,049,221,107
330	II. Long-term liabilities		4,740,334,212	9,255,121,425
333	3. Other long-term payables		503,000,000	520,500,000
334	4. Long-term loans and debts	19	4,237,334,212	8,734,621,425
400	B. OWNER'S EQUITY		361,021,605,592	374,477,752,485
410	I. Equity	20	361,021,605,592	374,477,752,485
411	1. Contributed legal capital		350,000,000,000	350,000,000,000
417	7. Investment and development fund		2,437,539,346	2,002,602,581
418	8. Financial reserve fund		2,437,539,346	2,002,602,581
419	9. Other funds belonging to owners' equity		2,002,602,581	2,002,602,581
420	10. Undistributed earnings		4,143,924,319	18,469,944,742
440	TOTAL RESOURCES		904,157,388,276	1,139,043,666,887

OFF STATEMENT OF FINANCIAL POSITION ITEMS

Items	31/12/2013	01/01/2013
5. Foreign currencies		
- USD	16,215,38	115,181,85
- EUR	319,88	330,68

Prepared by



Trương Thị Thu Hương

Chief Accountant



Trần Kim Uyên

An Giang, 22 March 2014

General Director



Phạm Văn Bảy

STATEMENT OF COMPREHENSIVE INCOME

Year 2013

Code	Items	Note	Year 2013	Year 2012
			VND	VND
01	1. Revenue from sale of goods and rendering of services	21	1,746,583,154,501	2,360,965,014,879
02	2. Deductible items	22	13,983,443,396	12,325,360,270
10	3. Net revenue from sale of goods and rendering of services	23	1,732,599,711,105	2,348,639,654,609
11	4. Cost of sales	24	1,637,118,712,091	2,227,223,233,568
20	5. Gross profit from sale of goods and rendering of services		95,480,999,014	121,416,421,041
21	6. Revenue from financial activities	25	31,796,475,475	23,176,641,469
22	7. Finance costs	26	51,313,470,214	50,284,546,831
23	<i>In which : Interest expenses</i>		36,787,814,600	42,110,070,634
24	8. Selling expenses	27	71,121,749,122	85,720,257,350
25	9. Administrative expenses	28	12,302,605,623	12,463,466,790
30	10. Net profit from operating activities		(7,460,350,470)	(3,875,208,461)
31	11. Other income	29	10,719,702,966	18,573,657,842
32	12. Other expense	30	2,280,562,624	1,330,673,772
40	13. Other profit		8,439,140,342	17,242,984,070
50	14. Total profit before tax		978,789,872	13,367,775,609
51	15. Current corporate income tax expenses	31	-	2,439,472,158
52	16. Deferred corporate income tax expenses		-	-
60	17. Profit after tax		<u>978,789,872</u>	<u>10,928,303,451</u>
70	18. Earnings per share	32	28	312

Prepared by



Trung Thi Thu Huong

Chief Accountant



Tran Kim Uyen

General Director



Pham Van Bay

STATEMENT OF CASH FLOWS

Year 2013
 (Indirect method)

Code	Items	Note	Year 2013	Year 2012
			VND	VND
	I. Cash flows from operating activities			
01	1. Profit before tax		978,789,872	13,367,775,609
	2. Adjustments for			
02	- Depreciation and amortisation		23,094,617,769	23,157,371,300
03	- Provisions		(19,027,904,295)	18,309,998,100
04	- Gain/loss from unrealized foreign exchange		358,713,469	(148,236,898)
05	- Gain/loss from investment activities		24,237,889,249	(19,644,557,466)
06	- Interest expenses		36,787,814,600	42,110,070,634
08	3. Profit from operating activities before changes in working capital		66,429,920,664	77,152,421,279
09	- Increase/Decrease in receivables		(14,508,357,517)	12,838,437,077
10	- Increase/Decrease in inventories		81,345,471,833	(91,442,453,379)
11	- Increase/Decrease in payables (excluding interest payables, enterprise income tax payables)		921,659,646	(14,811,004,044)
12	- Increase/Decrease in prepaid expenses		599,062,205	(1,471,728,745)
13	- Interest expenses paid		(37,322,772,801)	(42,602,345,667)
14	- Corporate Income taxes paid		(2,500,000)	(11,950,710,344)
15	- Other receipts from operating activities		14,952,832,350	239,907,180,397
16	- Other expenses on operating activities		(57,562,832,348)	(260,611,072,808)
20	Net cash flows from operating activities		54,852,484,032	(92,991,276,234)
	II. Cash flow from investing activities			
21	1. Purchase of fixed assets and other long-term assets		(11,835,423,827)	(28,857,158,628)
22	2. Proceeds from disposals of fixed assets and other long-term assets		116,904,763	514,783,000
25	5. Investments in other entities		-	(128,000,000,000)
26	6. Investment returns from other entities		-	128,000,000,000
27	7. Interest, dividends and profit received		23,927,568,220	18,418,843,077
30	Net cash flows from investing activities		12,209,049,156	(9,923,532,551)
	III. Cash flows from financing activities			
33	3. Proceeds from short - term, long - term		2,272,181,915,609	3,005,034,793,970
34	4. Loan repayment		(2,501,226,405,328)	(2,792,055,015,434)
36	6. Dividends, profit paid to equity owners		(6,804,412,000)	(11,918,130,000)
40	Net cash flows from financing activities		(235,848,901,719)	201,061,648,536
50	Net decrease/increase in cash and cash equivalents		(168,787,368,531)	98,146,839,751
60	Cash and cash equivalents at beginning of year		215,269,032,463	117,124,285,922
61	Impact of foreign exchange fluctuation		126,543	(2,093,210)
70	Cash and cash equivalents at end of year	3	46,481,790,475	215,269,032,463

Prepared by

Truong Thi Thu Huong

Chief Accountant

Tran Kim Uyen

An Giang, 22 March 2014

General Director



Pham Van Bay

NOTES TO THE FINANCIAL STATEMENTS*Year 2013***1 .BACKGROUND****Forms of Ownership**

An Giang Agriculture and Foods Import – Export Joint Stock Company, transaction name is An Giang Agriculture and Foods Import – Export Company (abbreviated as Afix), converted from An Giang Import and Export agricultural products Company, a State Enterprise, in accordance with Decision No.1808/QĐ-UBND dated September 22, 2010 issued by The People’s Committee of An Giang province.

The Company operates under Business License No. 1600194461, first registered on 01 April 2011; first revised on 14 July 2011; second revised on 09 May 2013 issued by Department of Planning and Investment of An Giang Province

The company’s head office is located at No 25/40 Tran Hung Dao Street, My Thoi Ward, Long Xuyen City, An Giang Province.

Company's Legal capital: VND 350,000,000,000. Equivalent to 35,000,000 shares with the price of VND 10,000 per share.

The Company’s member entities are as follows:

<u>Name</u>	<u>Address</u>	<u>Business</u>
- Afix food export enterprise	No.25/40 Tran Hung Dao Street, Thanh An Quarter, My Thoi Ward, Long Xuyen City, An Giang Province.	Foods
- Aquafeed and Livestock Feed Enterprise	National Road 91, Dong Thanh B Quarter, My Thanh Ward, Long Xuyen City, An Giang Province.	Cattle feeds
- Afix Frozen Seafood manufactory	National Road 91, Vinh Thuan Hamlet, Vinh Thanh Trung Ward, Chau Phu District, An Giang Province.	Frozen seafood
- Forestry and Animal Processing Enterprise	National Road 91, Dong Thanh B Quarter, My Thanh Ward, Long Xuyen City, An Giang Province.	Forestry and Animal
- Vinh Khanh Farm	Provincial Road 943, Trung Binh Tien Hamlet, Vinh Trach Ward, Thoai Son District, An Giang Province.	Farming
- Nam Chau Doc Residential Area Trade Center	National Road 91, My Duc village, Chau Phu District, An Giang Province	Real estate
- Branch in Ho Chi Minh City	No.386/3B Le Van Sy Street, Ward 14, District 3, HCMC.	Services

Business field

The Company’s business fields are:

- Trading in food and livestock products;
- Trading in feeds and feed materials and cattle providing services;
- Wood logging;
- Producing, processing and preserving aquatic products;
- Trading in drinks, wine, beer;
- Trading in construction materials;
- Trading in hardware;
- Trading in water supply equipments and spare parts;
- Trading in thermal equipment and spare parts;
- Producing packaging supplies;
- Trading in cosmetic and cosmetic chemicals;
- Producing, processing and preserving of meat;
- Manufacturing grain mill products, starches and starch products;

Business field (continue)

- Manufacturing cattle and aquatic feeds;
- Wholesale of packaging products;
- Trading in fertilizers;
- Trading in veterinary medicine;
- Trading in foods;
- Trading in slaughtered meat and poultry;
- Manufacturing, processing and storing canned vegetable and animal oils and fats;
- Real estate activities;
- Pre-processing wood;
- Manufacturing products of wood;
- Road freight transport;
- Livestock farming; trading in household goods; providing courier services and customs declaration for imported and exported goods; cattle and poultry slaughtering services; producing and trading in chalkboard; processing of oil Bio-Diesel oil and other fuels from fish fat; trading in normal goods; providing veterinary care; Inland waters aquaculture; breeding fish.

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 . Accounting period and accounting monetary unit

Annual accounting period commences from 1st January and ends on 31st December.

The Company maintains its accounting records in VND.

2.2 . Accounting Standards and Accounting system

Accounting System

The company applies Enterprise Accounting System issued under Decision No.15/2006/QĐ-BTC dated 20 March, 2006 by Minister of Finance amended and supplemented in accordance 244/2009/TT-BTC 31/12/2009 Circular of the Minister of Finance.

Announcement on compliance with Vietnamese standards and accounting system

The company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

Form of accounting record

The company is applying accounting record by computer.

2.3 . Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company including cash and cash equivalents, trade receivables and other receivables, lending, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company including loans, trade payables and other payables, accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

Value after initial recognition

There are currently no regulations on revaluation of financial instruments after initial recognition.



2.4 .Cash and cash equivalents

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

2.5 .Receivables

Receivables is presented on the Financial statements according to book value of trade receivable and other receivables after deducting provision for bad receivable debts.

The provision for bad receivable debts is made for each bad receivable debt based on overdue period of debts or possible loss.

2.6 .Inventories

Inventories are stated at original cost. Where the net realizable value is lower than cost, inventories should be measured at the net realizable value. The cost of inventories comprise the purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventory at the year-end is calculated by weighted average method/actual cost method/first in first out method.

Method for valuation of work in process: works in progress is obtained for each construction unfinished or related revenue unrecognised.

Inventory is recorded by perpetual/periodic method.

Provisions for devaluation of inventories made at the end of the year are the excess of original cost of inventory over their net realizable value.

2.7 .Fixed assets and depreciation of fixed assets

Fixed assets (tangible and intangible) are stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and net book value.

In the period, the Company has changed its accounting policies on fixed assets and depreciation method following Circular 45/2013/TT-BTC dated 25/04/2013 of Ministry of Finance guiding on management, use and depreciation of fixed assets which currently following :

- Increase minimum historical cost criteria to record fixed assets from VND 10,000,000 to VND 30,000,000. For fixed assets which were being recorded do not satisfy this condition, its residual value is allocated production and business expenses and period to allocate is from 1-3 years.
- Increase depreciation time of machinery, equipment from 6-12 years to 6-15 years.

Depreciation is provided on a straight-line basis. Its expected useful life as follows:

- Buildings	06 - 25 years
- Machinery, equipment	06 - 15 years
- Transportation equipment	06 - 30 years
- Office equipment and furniture	03 - 08 years
- Perennial plants, cattle	03 - 08 years
- Others	04 - 25 years
- Long-term land use rights	No depreciation
- Software	03 - 08 years

2.8 .Investment property

Investment property is recognised at historical cost. During the period of waiting for capital appreciation or of operating lease, investment property is recorded at cost, accumulated depreciation and net book value.

Investment property is depreciated in the same method with the Company's fixed assets.

- Buildings 17 years

2.9 . Financial investment

Investment in a joint venture entity is accounted by cost method and kept unadjusted thereafter for the post acquisition change in the venture's share of net assets of the joint venture entity. The Statement of comprehensive income reflects the venture's share of the net accumulated profits of the joint venture entity arising as from the contribution date.

Financial investment at the balance sheet date, if:

- Having maturity not over than 3 months from the date of acquisition are recognized as “cash equivalents”;
- Having maturity less than 1 year/1 operating cycle are recognized as short-term assets;
- Having maturity over than 1 year/1 operating cycle are recognized as long-term assets.

2.10 . Borrowing costs

Borrowing costs are recognized into operating costs during the period, except for which directly attributable to the acquisition, construction or production of a qualifying asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in SAV No. 16 “Borrowing costs”.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that takes more than 12 months to put into use under certified purposes or for sale should be included (capitalized) in the cost of that asset, including interest on borrowings, amortization of discounts or premiums relating to issuing bonds and ancillary costs incurred in connection with the arrangement of borrowings.

2.11 . Prepaid expenses

Prepaid expenses only related to present fiscal year are recognised as short-term prepaid expenses and are recorded into operating costs.

Prepaid expenses incurred during the year but related to business operations of several years are recorded as long-term prepaid expenses and are amortised to the income statement in several years.

The calculation and allocation of long-term prepaid expenses to profit and loss account in the period should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

2.12 . Accrued expenses

Expenses not yet occurred may be charged in advance into production and operating costs in order to ensure when these expenses arise, they do not make material influence on production and operating costs on the basis of suitability between revenue and cost. When these expenses arise, if there is any difference with the amount charged, accountants additionally record or make decrease to cost equivalent to the difference.

2.13 . Owner’s equity

Owner’s equity is stated at actually contributed capital of owners.

Profit after tax retained is the profit of business operations after deduction (-) regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous years. The profit is available for appropriation to investors after approval by Board of Management and after making appropriation to reserve funds in accordance with the Company’s Charter and Vietnamese regulatory requirements.

Dividends to be paid to shareholders are recognised as a payable in Statement of financial position after declaration from the Board of Management and announcement closing date receipt dividends of Company.



2.14 . Foreign currency transactions

Transactions in currencies other than accounting unit of the Company (VND/USD) are recorded at the rate of exchange ruling at the dates of transactions. Monetary items denominated in foreign currencies (including cash on hand, cash at bank, cash in transit, receivables and payables and excluding advances from customers, advances to suppliers, revenue received in advance) are revalued at the average exchange rate of commercial banks that the Company opened accounts/ or based on buying rate of the commercial banks that the Company opened account at the time of preparation of financial statements at the balance sheet date. All exchange differences arising on settlement or revaluation at the date of financial statements will be recorded into the financial income or expense in the fiscal year.

2.15 . Revenue

Sale of goods

Revenue from sale of goods should be recognized when all the following conditions have been satisfied:

- The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliable, revenue associate with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of reporting period. The outcome of a transaction can be estimated reliable when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of completion of a transaction may be determined by surveys of work completed method

Financial income

Income from interest, royalties and dividends and other financial income earned by the Company should be recognized when these two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The amount of the income can be measured reliably.

Dividends should be recognized when the Company's right to receive payment is established

2.16 . Financial expenses

Items recorded into financial expenses consist of:

- Expenses of capital lending and borrowing;
- Loss due to foreign exchange differences arising from transactions relating to foreign currencies;

The above items are recorded by the total amount arising within the period without compensation to financial revenue.

2.17 . Taxation

Current tax

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

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3 . CASH AND CASH EQUIVALENTS

	31/12/2013	01/01/2013
	VND	VND
Cash on hand	3,792,237,329	9,078,041,259
Cash at bank	5,389,553,146	9,860,991,204
Cash equivalents (*)	37,300,000,000	196,330,000,000
	46,481,790,475	215,269,032,463

(*) Cash equivalents are deposit account terms (from 1 - 3 months) at Vietnam Joint Stock Commercial Banks For Industry and Trade-An Giang branch, with interest rate 6,5% - 7,5 %/year.

4 . OTHER SHORT- TERM RECEIVABLES

	31/12/2013	01/01/2013
	VND	VND
Receivables about rice storage interest assistance	-	2,227,514,000
Receivables from The People's Committee of An Giang about	1,834,643,545	1,834,643,545
Receivables about PIT	24,952,922	204,768,121
Receivables social insurance of employees	88,778,735	100,526,055
Receivables from social insurance department	296,702,987	355,589,224
Receivables from farmers money for land-use rights proceedings and paid in advance material	622,376,304	650,744,725
Receivables about accrued interest income	558,071,945	1,091,264,723
Receivables about accrued interest income from fish fats export cooperation (*)	815,714,286	-
Receivables from Thuan An Manufacturing-Commercial-Services about fish fats export cooperation	78,000,000,000	10,000,000,000
Others	91,350,735	157,500,000
	82,332,591,459	16,622,550,393

(*) Export cooperation about 5,000 tones of fish fats according to the order No. NOSP/261113-01/FF-P dated 26/11/2013 with Neste Oil Singapore Pte Ltd, latest delivery date is 31/01/2014.

5 . INVENTORIES

	31/12/2013	01/01/2013
	VND	VND
Goods in transit	35,655,196,069	-
Raw material	148,521,135,780	168,201,391,765
Tools, supplies	5,533,270,699	6,567,944,094
Work in process	15,897,149,470	39,438,840,460
Finished goods	80,657,578,828	147,776,568,632
Merchandise	41,836,823,253	45,082,838,096
Goods on consignment	4,747,268,601	2,486,891,837
Real estate	35,730,499,824	40,369,919,473
Provision for inventories obsolescence	(19,177,611,833)	(40,897,749,805)
	349,401,310,691	409,026,644,552

6 .SHORT-TERM PREPAID EXPENSES

	<u>31/12/2013</u>	<u>01/01/2013</u>
	VND	VND
Tools	298,082,392	448,953,334
Packaging, materials	252,267,933	311,770,531
Expenses for renovation and repair of assets	60,381,492	309,816,850
Expenses for stevedoring and transport	1,261,198,777	1,930,391,939
Insurance expenses	482,357,498	456,372,791
Export expenses	910,691,233	1,282,227,946
Others	359,196,569	261,301,945
	<u>3,624,175,894</u>	<u>5,000,835,336</u>

7 .TAX AND RECEIVABLES FROM STATE BUDGET

	<u>31/12/2013</u>	<u>01/01/2013</u>
	VND	VND
VAT	-	16,047,000
Business income tax	2,500,000	4,273,501,191
	<u>2,500,000</u>	<u>4,289,548,191</u>

8 .OTHER CURRENT ASSETS

	<u>31/12/2013</u>	<u>01/01/2013</u>
	VND	VND
Advances	599,116,832	861,894,861
	<u>599,116,832</u>	<u>861,894,861</u>

An Giang Agriculture and Foods Import – Export Joint Stock Company

No 25/40 Tran Hung Dao Street, My Thoi Ward, Long Xuyen City, An Giang Province

Financial Statements

For the fiscal year ended as at 31/12/2013

9 . TANGIBLE FIXED ASSETS

	Buildings	Machinery, equipment	Transportation equipment	Management equipment	Perennial plants, cattle	Others	Total
	VND	VND	VND	VND	VND	VND	VND
Original cost							
Beginning balance	142,975,502,335	167,123,285,566	25,372,906,522	5,321,799,987	255,000,000	1,608,784,358	342,657,278,768
Increase	1,970,461,114	9,403,651,646	967,685,795	529,028,727	44,000,000	2,734,567,278	15,649,394,560
- Purchase in the year	-	251,413,636	602,785,000	529,028,727	44,000,000	13,545,454	1,440,772,817
- Finished construction investment	1,970,461,114	9,140,601,646	364,900,795	-	-	1,037,810,702	12,513,774,257
- Classification	-	11,636,364	-	-	-	1,683,211,122	1,694,847,486
Decrease	(663,125,166)	(1,783,724,810)	(691,304,828)	(1,686,320,274)	(299,000,000)	(575,075,151)	(5,698,550,229)
- Liquidating, disposing	-	(260,000,000)	(200,000,000)	(70,000,000)	-	(30,000,000)	(560,000,000)
- Others (*)	(663,125,166)	(1,523,724,810)	(491,304,828)	(1,616,320,274)	(299,000,000)	(545,075,151)	(5,138,550,229)
Ending balance	144,282,838,283	174,743,212,402	25,649,287,489	4,164,508,440	-	3,768,276,485	352,608,123,099
Accumulated depreciation							
Beginning balance	82,396,457,905	99,554,748,260	18,255,559,615	3,200,591,553	95,619,868	890,842,688	204,393,819,889
Increase	7,662,162,045	11,704,994,890	2,002,200,699	419,456,299	20,373,045	1,175,492,216	22,984,679,194
- Depreciation in the year	7,662,162,045	11,702,807,899	2,002,200,699	419,456,299	20,373,045	188,958,924	21,995,958,911
- Classification	-	2,186,991	-	-	-	986,533,292	988,720,283
Decrease	(398,598,792)	(1,197,526,673)	(578,742,926)	(1,251,748,750)	(115,992,913)	(309,807,974)	(3,852,418,028)
- Liquidating, disposing	-	(181,522,464)	(200,000,000)	(70,000,000)	-	(30,000,000)	(481,522,464)
- Others(*)	(398,598,792)	(1,016,004,209)	(378,742,926)	(1,181,748,750)	(115,992,913)	(279,807,974)	(3,370,895,564)
Ending balance	89,660,021,158	110,062,216,477	19,679,017,388	2,368,299,102	-	1,756,526,930	223,526,081,055
Net carrying amount							
Beginning	60,579,044,430	67,568,537,306	7,117,346,907	2,121,208,434	159,380,132	717,941,670	138,263,458,879
Ending	54,622,817,125	64,680,995,925	5,970,270,101	1,796,209,338	-	2,011,749,555	129,082,042,044

(*) Fixed assets which not satisfy condition on historical cost were adjusted into allocation expenses according guiding of Circular 45/2013/TT-BTC dated 25/04/2013 of Ministry of Finance.

In which:

- Ending net book value of tangible fixed assets pledged as loan securities : 82,336,074,009 VND.
- Cost of fully depreciated tangible fixed assets but still in use : 49,240,865,398 VND.

10 . INTANGIBLE FIXED ASSETS

	Land use rights VND	Other intangible fixed assets VND	Total VND
Original cost			
Opening balance	28,321,190,549	374,594,800	28,695,785,349
Increase	-	-	-
Decrease	(1,821,716,586)	(55,716,930)	(1,877,433,516)
- <i>Classification</i>	(1,694,847,486)	-	(1,694,847,486)
- <i>Others (*)</i>	(126,869,100)	(55,716,930)	(182,586,030)
Ending balance	26,499,473,963	318,877,870	26,818,351,833
Accumulated depreciation			
Opening balance	1,018,163,139	138,173,656	1,156,336,795
Increase	73,871,158	56,528,463	130,399,621
- <i>Depreciation in the year</i>	73,871,158	56,528,463	130,399,621
Decrease	(1,092,034,297)	(24,022,996)	(1,116,057,293)
- <i>Classification</i>	(988,720,283)	-	(988,720,283)
- <i>Others (*)</i>	(103,314,014)	(24,022,996)	(127,337,010)
Ending balance	-	170,679,123	170,679,123
Net book Value			
Opening	27,303,027,410	236,421,144	27,539,448,554
Closing	26,499,473,963	148,198,747	26,647,672,710

(*) Fixed assets which not satisfy condition on historical cost were adjusted into allocation expenses according guiding of Circular 45/2013/TT-BTC dated 25/04/2013 of Ministry of Finance.

11 . CONSTRUCTION IN PROGRESS

	31/12/2013 VND	01/01/2013 VND
Construction in progress	19,001,800,631	21,664,575,629
Improvement re-freezing conveyor with capacity of 600m3/day - Afix Frozen Seafood factory	377,493,568	259,194,329
Construction of quick-freezing conveyor IQF system - Afix Frozen Seafood factory	-	1,581,948,568
Land use rights - Phu Tan fish ponds	2,859,892,000	2,859,892,000
Fish ponds renovation project	-	1,500,917,950
Fish raft cage at Phu Tan and Cho Moi	-	64,603,200
Biogas cellar of sow pigsty	-	304,901,295
Trade Center south of Chau Doc expansion Project	15,685,612,371	14,636,396,056
Fish ponds fence (Phu Tan)	-	82,184,000
Others	78,802,692	374,538,231
	19,001,800,631	21,664,575,629

12 . INVESTMENT PROPERTIES

	Buildings	Total
Original cost		
Beginning balance	16,137,653,892	16,137,653,892
Increase	-	-
Decrease	-	-
Ending balance	16,137,653,892	16,137,653,892
Accumulated depreciation		
Beginning balance	8,292,366,436	8,292,366,436
Decrease	968,259,237	968,259,237
- Depreciation in the year	968,259,237	968,259,237
Ending balance	9,260,625,673	9,260,625,673
Net book Value		
Opening	7,845,287,456	7,845,287,456
Closing	6,877,028,219	6,877,028,219

13 . LONG- TERM FINANCIAL INVESTMENTS

	31/12/2013	01/01/2013
	VND	VND
Investments in associates, joint venture (*)	4,500,000,000	4,500,000,000
	4,500,000,000	4,500,000,000

(*) According to minutes of meeting dated 17/6/2003 between Sai Gon Trading group, Sai Gon Union of trading Co-operatives (Saigon Coop), An Giang Import Export Company (now is An Giang Import and Export joint stock company) and An Giang agriculture and foods Import and Export Company (now is An Giang agriculture and foods Import and Export joint stock Company) on establishment of Saigon - An Giang Trade Co., Ltd (abbreviation SAGICO) with a charter capital of 10 billion VND, of which An Giang agriculture and foods Import and Export joint stock Company contributed 15%/charter capital equivalent to 1.5 billion VND. Structure of management staffs, the parties will nominate staff involved in the management of Saigon - An Giang Trading Co., Ltd.

According boards of SAGICO members minutes dated 26/04/2012, charter capital of Sagico increases from Investment and development funds of company. Rate of the contributed capital is 15% equivalent to 4.500.000.000 VND.

14 . LONG-TERM PREPAID EXPENSES

	Year 2013	Year 2012
	VND	VND
Opening balance	60,436,017,292	61,983,014,660
Increase	4,778,438,134	1,921,534,827
Transferred into expenses in the year	(4,000,840,897)	(3,468,532,195)
Closing balance	61,213,614,529	60,436,017,292

Details of closing balance are as follows:

	31/12/2013	01/01/2013
	VND	VND
Tools and consumables awaiting for allocation	1,397,337,031	329,511,435
Pigs	2,793,955,780	3,275,911,996
The goodwill (*)	55,159,235,944	55,159,235,944
The goodwill of Sagico investments (*)	1,145,323,152	1,303,298,760
Substantial expenditure on fixed asset overhaul	717,762,622	368,059,157
	61,213,614,529	60,436,017,292

(*) In the year 2013, the company has sent the dispatch No. 434/DN.AFIEX dated December 26, 2013 to the People's Committee of An Giang province and the Department of Finance about proposing adjustment to decrease goodwill from the enterprise equitization in 2011 due to the difficult economic situation. It is submitted to the Ministry of Finance by People's Committee of An Giang province according to the dispatch No. 11/UBND-TH dated 03 January 2014. While pending from the authorities, the Company has not allocated goodwill on business results.

15 . SHORT-TERM LOANS AND DEBTS

	31/12/2013	01/01/2013
	VND	VND
Short-term loans (1)	419,359,951,006	641,877,557,125
- From banks	419,359,951,006	634,211,418,625
- From individuals	5,425,688,000	7,666,138,500
Current portion of long-term loan (2)	4,490,000,000	8,398,722,596
- BIDV - An Giang Branch	-	3,385,199,718
- VCB - An Giang Branch	4,490,000,000	5,013,522,878
(2) Details at note No. 19.		
	433,765,639,006	658,675,002,317

(1) Details of Short-term loans

	31/12/2013	01/01/2013
	VND	VND
From banks	419,359,951,006	634,211,418,625
- Vietinbank - An Giang branch (1)	155,657,147,996	215,785,483,905
- Vietcombank - An Giang branch (2)	75,596,819,614	70,778,654,375
- BIDV - An Giang Branch (3)	53,755,192,377	89,266,895,173
- HSBC Viet Nam - Can Tho Branch (4)	94,486,757,319	137,825,148,172
- ANZ Viet Nam - HCM City Branch (5)	31,266,800,000	120,555,237,000
- Natixis Bank - HCM Branch (6)	2,000,000,000	-
- Agribank - An Giang Branch (7)	6,597,233,700	-
From individuals (8)	5,425,688,000	7,666,138,500
	424,785,639,006	641,877,557,125

Detail information on short-term loans is as follows

- (1) Loan Agreement No. 49/2013-HĐTDHM/NHCT740-AFIEX dated 2 August 2013 with detail terms as follows:
- Line of credit: VND 220,000,000,000;
 - Loan purpose : Supplement working capital for trading in food, manufacturing cattle and aquatic feeds;
 - Maturity: Depending on each loan receipt but loan term must not exceed 4 months;
 - Interest rate : Depending on each loan receipt
 - Method of security: Secured by store, machinery in Aflix Frozen Seafood factory.
- (2) Loan Agreement 374/2010/NHNT.AG dated 26/11/2010, with appendixes as follows :
- (2.1) Appendix No.13/CV dated 24/01/2013, with detail terms is as follows :
- Line of credit: VND 250,000,000,000 or USD 11,960,000 ;
 - Loan purpose : Trading in foods;
 - Maturity: 6 months according loans receipts. Disbursement maturity is 12 months;
 - Interest rate : According loan receipts;
 - Method of security: Unsecured;
 - Year-end balance : VND 26,116,532,000.
- (2.2) Appendix No.14/CV dated 28/01/2013, with details information is as follows :
- Line of credit: VND 170.000.000.000 or USD 8.100.000
 - Loan purpose : Manufacturing cattle and aquatic feeds and importing feed materials
 - Maturity: 6 months according loans receipts. Disbursement maturity is 12 months;
 - Interest rate : According loan receipts;
 - Method of security: Unsecured;
 - Year-end balance : VND 49,480,287,614.
- (3) Loan arrangement No. 01/2013/HĐ dated 3 June 2013 with detail terms as follows
- Line of credit: VND 300,000,000,000;
 - Loan purpose : cattle, aquatic feeds processing and importing cattle feeds material;
 - Maturity: depending on each loan receipt, but must not exceed 6 months;
 - Interest rate : Depending on loan receipts;
 - Method of security: Buildings, machines and inventories of AFIEX food export enterprise and Aquafeed and livestock feed.
- (4) Letter of credit proposal No. VNM 120319 dated 20 March 2012 with detail terms is as follows:
- Line of credit: USD 9,700,000 or in VND, EURO, HKD equivalent from February to September , USD 6,000,000 or in VND, EURO, HKD equivalent from October to January;
 - Loan purpose : Import and export merchandise;
 - Maturity: Maximum 120 days and maximum 90% value of Export Agreement ;
 - Interest rate : Basing interest rate in VND, EURO, HKD plus 2%/year ;
 - Method of security: Secured by inventories, receivables, and assets, land at Tran Hung Dao, Long Xuyen City, An Giang province.



Detail information on short-term loans is as follows (continue)

- (5) Letter of credit proposal dated 20 July 2011 and the first amendment dated 23 July 2013 with detail terms is as follows:
- Line of credit: USD 6,000,000 for export receivables item, USD 6,000,000 for rice export assistance item, USD 6,000,000 for rice purchasing assistance item, USD 2,000,000 for export material purchasing assistance item;
 - Loan purpose : export receivables, rice export, export material purchasing and storage ;
 - Maturity: 1,5 months for export receivables item, 3 months for rice export assistance item, 4 months for rice purchasing assistance item and 2 months for export material purchasing assistance item;
 - Interest rate : According loan receipts;
 - Method of security: Secured by inventories, receivables , which in the same items value.
- (6) Short-term loan arrangement dated 8 March 2013 with detail terms is as follows:
- Line of credit: USD 4,000,000;
 - Loan purpose: Trading in food, financing to import cattle feed materials;
 - Maturity: Depending on each loan receipt, but must not exceed 4 months;
 - Interest rate: bank rate plus 2,5%/year;
 - Method of security: Mortgaging rotating inventories or receivables which have minimum value equivalents to 110% of contractual obligations.
- (7) Loan arrangement No. 43/2013/HĐTD dated 2 May 2013 with detail terms is as follows:
- Line of credit: VND 135.000.000.000;
 - Loan purpose: Supplement capital for trading in food, cattle and aquatic feed, importing cattle feed;
 - Maturity: 12 months;
 - Interest rate: Depending on each loan receipt ;
 - Method of security: Unsecured.
- (8) Including individual loans with interest rate changes over time depending on market interest rate; Maturity is 12 months; Unsecured.

16 . TAX AND STATUTORY OBLIGATIONS

	31/12/2013	01/01/2013
	VND	VND
Personal income tax	126,628,114	236,154,631
Property tax and land rental	-	290,917,802
	<u>126,628,114</u>	<u>527,072,433</u>

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

17 . ACCRUED EXPENSES

	31/12/2013	01/01/2013
	VND	VND
Accrued freight expenses	263,431,540	177,569,856
Accrued export expenses	-	533,566,000
Accrued interest expenses	534,663,001	1,069,621,202
Other accrued expenses	125,841,570	380,922,943
	<u>923,936,111</u>	<u>2,161,680,001</u>

18 . OTHER SHORT-TERM PAYABLES

	31/12/2013	01/01/2013
	VND	VND
Trade union fund	47,273,970	720,405,892
Social insurance	710,552,120	727,374,517
Unemployment insurance	47,273,970	47,383,876
Payables on equalization	10,215,528,957	10,215,528,957
Dividend for shareholders payables year 2011	12,509,364,000	12,581,870,000
Dividend for shareholders payables year 2012	7,268,094,000	-
Trade discount payable to customers	1,450,071,804	3,593,344,046
Payable to outsourced workers	288,771,160	701,800,065
Employees' non-interest bearing loan	-	2,144,817,425
Others	709,365,565	620,811,724
	<u>33,246,295,546</u>	<u>31,353,336,502</u>

19 . LONG-TERM LOANS AND DEBTS

	31/12/2013	01/01/2013
	VND	VND
- VietinBank - An Giang Branch (1)	2,410,000,000	2,417,287,213
- Vietcombank - An Giang Branch (2)	1,827,334,212	6,317,334,212
	<u>4,237,334,212</u>	<u>8,734,621,425</u>

Detail information on long-term loans is as follows

(1) Loan Agreement 32/2011/HDTD-CNAG-KHDN dated 04/04/2011, with details information is as follows:

- Line of credit: VND 11,500,000,000 ;
- Loan purpose : Purchasing equipment and increase the capacity of processing at Afix Frozen Seafood factory to 12,000 tons / year.;
- Maturity: 5 years;
- Interest rate : 12 month, deposit interest rate plus 8%/ year;
- Method of security: Mortgage of properties formed from loan capital;
- Year-end balance : VND 2,410,000,000.

(2) Including current Loan agreements :

(2.1) Loan Agreement 99/2010/NHNT.AG dated 13/10/2010, with detail terms is as follows:

- Line of credit: VND 8.143,000,000 ;
- Loan purpose: Building factories milling and drying rice, storage of rice Tan Lap ;
- Maturity: 55 months; Interest rate : According loan receipts;
- Method of security: Building factories milling and drying rice, storage of rice Tan Lap ;
- Year-end balance is VND 2.531.401.238. Proportion of long-term loans due next year is VND 2.040.000.000.

(2.2) Loan Agreement 14/2012/NHNT.AG dated 03/07/2012, with details information is as follows:

- Line of credit: VND 12,000,000,000 ;
- Loan purpose : Building, upgrade store, foods ;
- Maturity: 65 months; Interest rate : According loan receipts;
- Method of security: Foods store, processing facilities
- year-end balance : VND 3,785,932,974 , proportion of long-term loans due next year is VND 2,450,000,000.

AN GIANG AGRICULTURE AND FOODS IMPORT – EXPORT JOINT STOCK COMPANY

No 25/40 Tran Hung Dao Street, My Thoi Ward, Long Xuyen City, An Giang Province

Financial Statements

For the fiscal year ended as at 31/12/2013

20 . OWNER'S EQUITY

a) Increase and decrease in owner's equity

	Contributed legal capital	Investment and development funds	Financial reserve fund	Other funds belonging to owner's equity	Undistributed earnings	Total
	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	350,000,000,000	-	-	-	40,581,106,963	390,581,106,963
Profit of the year	-	-	-	-	10,928,303,451	10,928,303,451
Profit distribution	-	2,002,602,581	2,002,602,581	2,002,602,581	(6,007,807,743)	-
Bonus and Welfare fund	-	-	-	-	(2,002,602,581)	(2,002,602,581)
Bonus for BOM	-	-	-	-	(529,055,348)	(529,055,348)
Paid dividends of year 2011	-	-	-	-	(24,500,000,000)	(24,500,000,000)
Ending balance of previous year	350,000,000,000	2,002,602,581	2,002,602,581	2,002,602,581	18,469,944,742	374,477,752,485
Beginning balance of current year	350,000,000,000	2,002,602,581	2,002,602,581	2,002,602,581	18,469,944,742	374,477,752,485
Profit of the year	-	-	-	-	978,789,872	978,789,872
Profit distribution (*)	-	434,936,765	434,936,765	-	(869,873,530)	-
Bonus and Welfare fund (*)	-	-	-	-	(434,936,765)	(434,936,765)
Paid dividends of year 2012	-	-	-	-	(14,000,000,000)	(14,000,000,000)
Ending balance of current year	350,000,000,000	2,437,539,346	2,437,539,346	2,002,602,581	4,143,924,319	361,021,605,592

(*) Profit after tax distribution according Decision No.257/2013/NQ/ĐHĐCĐ dated 22/06/2013 and Dividend paid announcement no.267/TB-AFIEX dated 28/06/2013.

b) Details of owner's invested capital

	Ratio (%)	Closing VND	Ratio (%)	Beginning VND
People's Committee of An Giang province	51,00%	178,500,000,000	51,00%	178,500,000,000
Vietnam Southern Food Corporation	20,52%	71,816,500,000	20,52%	71,816,500,000
An Giang Lottery One Member State Company Limited	8,63%	30,187,500,000	8,63%	30,187,500,000
Invested capital of others	19,85%	69,496,000,000	19,85%	69,496,000,000
	100%	350,000,000,000	100%	350,000,000,000

c) Capital transactions with owners and distribution of dividends and profits

	Current year VND	Previous year VND
Owner's invested capital	350,000,000,000	350,000,000,000
- At the beginning of year	350,000,000,000	350,000,000,000
- At the closing of year	350,000,000,000	350,000,000,000
Distributed dividends and profit	(14,000,000,000)	-
- Distributed dividends on profit in 2011	-	(24,500,000,000)
- Distributed dividends on profit in 2012	(14,000,000,000)	-

d) Stock

	Closing	Beginning
Quantity of Authorized issuing stocks	35,000,000	35,000,000
Quantity of issued stocks	35,000,000	35,000,000
- Common stocks	35,000,000	35,000,000
Quantity of repurchased stocks	35,000,000	35,000,000
- Common stocks	35,000,000	35,000,000
Per value per stock (10,000 VND/stock)		

e) Company's funds

	31/12/2013 VND	01/01/2013 VND
Investment and development fund	2,437,539,346	2,002,602,581
Financial reserve fund	2,437,539,346	2,002,602,581
Other funds belonging to owners' equity	2,002,602,581	2,002,602,581
	6,877,681,273	6,007,807,743

Purposes of establishing and using funds :

- Investment and development funds is used for invest in expanding the scale of production, business or the depth investment of business.
- Financial reserve fund is used to:
 - + Supplement offset property losses or damages incurred in the business process.
 - + Supplement share capital losses according Decision of Board of management.

21 . TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	Year 2013	Year 2012
	VND	VND
Revenue from sale of merchandise, finished goods	1,682,872,597,818	2,330,071,825,430
Revenue from rendering of services	56,272,884,669	25,168,605,629
Revenue from real estate	7,437,672,014	5,724,583,820
	<u>1,746,583,154,501</u>	<u>2,360,965,014,879</u>

22 . DEDUCTIBLE ITEMS

	Year 2013	Year 2012
	VND	VND
Trade discount	12,894,157,060	9,226,430,674
Sales rebates	-	1,097,635,600
Sales return	1,089,286,336	2,001,293,996
	<u>13,983,443,396</u>	<u>12,325,360,270</u>

23 . NET REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	Year 2013	Year 2012
	VND	VND
Net revenue from sale of goods	1,668,889,154,422	2,317,746,465,160
Net revenue from rendering of services	56,272,884,669	25,168,605,629
Net revenue from real estate	7,437,672,014	5,724,583,820
	<u>1,732,599,711,105</u>	<u>2,348,639,654,609</u>

24 . COSTS OF SALES

	Year 2013	Year 2012
	VND	VND
Costs of merchandise, finished goods	1,601,862,959,657	
Costs of services rendered	52,165,833,484	
Costs of real estate	4,810,056,922	
Refunding provision for inventories obsolescence	(21,720,137,972)	
Provision for inventories obsolescence	-	16,641,391,848
	<u>1,637,118,712,091</u>	<u>16,641,391,848</u>

25 . FINANCIAL INCOME

	Year 2013	Year 2012
	VND	VND
Interest income, interest from loans	7,647,254,445	4,079,803,158
Payment discount	58,622,637	522,900,864
Interest on deferred payment sales	2,099,322,029	887,109,284
Dividends, profits earned	16,562,835,283	8,050,268,495
Interest from cash advances to suppliers	2,195,716,463	6,112,593,529
Realized gain from foreign exchange difference	3,228,527,662	3,375,729,241
Others	4,196,956	148,236,898
	<u>31,796,475,475</u>	<u>23,176,641,469</u>

26 . FINANCIAL EXPENSES

	Year 2013	Year 2012
	VND	VND
Interest expenses	36,787,814,600	42,110,070,634
Payment discount expenses	7,543,818,875	6,146,976,086
Unrealized gain from foreign exchange difference	358,713,470	-
Realized gain from foreign exchange difference	6,621,259,629	2,027,500,111
Others	1,863,640	-
	<u>51,313,470,214</u>	<u>50,284,546,831</u>

27 . SELLING EXPENSES

	Year 2013	Year 2012
	VND	VND
Raw materials	9,286,734,810	14,651,647,975
Labor	11,194,357,416	7,571,777,522
Depreciation expenses	2,405,369,163	1,685,323,683
Expenses from external services	41,839,406,712	52,569,082,583
Other expenses by cash	6,395,881,021	9,242,425,587
	<u>71,121,749,122</u>	<u>85,720,257,350</u>

28 . ADMINISTRATIVE EXPENSES

	Year 2013	Year 2012
	VND	VND
Raw materials	168,775,936	246,000,059
Labor	4,227,387,262	4,661,354,922
Depreciation expenses	1,081,141,658	1,115,109,809
Taxes, fees and charges	36,768,308	10,681,000
Provisions expenses	2,692,233,677	1,668,606,252
Expenses from external services	790,338,401	924,616,721
Other expenses by cash	3,305,960,381	3,837,098,027
	<u>12,302,605,623</u>	<u>12,463,466,790</u>

29 . OTHER INCOME

	Year 2013	Year 2012
	VND	VND
Income from sale of pigs, tools	1,738,705,600	890,776,000
Income from the disposal of assets	106,277,057	514,783,000
Punishment to partner due to breach of contracts	809,550,912	938,673,534
Income from freight bonus	213,750,464	322,357,266
Income from rice storage interest assistance	4,947,390,000	7,626,262,000
Income from surplus of assets	1,149,383,534	7,285,470,008
Income from refunding export insurance fund	-	498,596,335
Income from dairy cow project assistance	-	237,470,000
Income from commission	497,307,000	-
Income from trade discounts	434,215,152	-
Income from insurance compensation	530,799,790	-
Others	292,323,457	259,269,699
	<u>10,719,702,966</u>	<u>18,573,657,842</u>

30 . OTHER EXPENSE

	Year 2013	Year 2012
	VND	VND
Pigs, tools' residual value	1,737,326,018	512,516,813
Disposal asset 's residual value	78,477,536	-
Compensation for loss of goods	210,405,155	268,625,599
Punishment to partner due to breach of contracts	198,260,787	518,749,556
Others	56,093,128	30,781,804
	<u>2,280,562,624</u>	<u>1,330,673,772</u>

31 . INCOME TAX

	Year 2013	Year 2012
	VND	VND
Current income tax expense		
Total profit before tax	987,474,589	13,331,780,996
Adjustments	(1,319,088,759)	(3,408,828,763)
- Adjustments to increase	357,875,706	668,714,686
- Adjustments to decrease	(1,676,964,465)	(4,077,543,449)
Total taxable income	(331.614,170)	9,922,952,233
Tax expenses in respect of the current year taxable profit from business normal activities		2,480,738,058
Corporate income tax is exempted, reduced	-	(833,237,902)
Current business income tax expenses	<u>-</u>	<u>1,647,500,156</u>
Adjustments	-	782,973,349
Tax payable at the beginning of year	-	5,237,736,995
Tax receivables at the beginning of period	(4,273,501,191)	-
Tax refund	4,273,501,191	-
Tax paid in the year	(2,500,000)	(11,941,711,691)
Corporate income tax payable end of the year	<u>(2,500,000)</u>	<u>(4,273,501,191)</u>
<i>Enterprise income tax from real estate</i>	-	-
Total profit before tax from real estate	(8,684,717)	35,994,613
- Adjustments to increase	-	-
- Adjustments to decrease	-	-
Taxable income	-	35,994,613
Current business income tax expenses	<u>-</u>	<u>8,998,653</u>
Tax payable at the beginning of year from real estate	-	-
Tax paid in the year from real estate	-	(8,998,653)
Corporate income tax payable end of the year from real estate	<u>-</u>	<u>-</u>
Total income tax payable end of the year	<u>(2,500,000)</u>	<u>(4,273,501,191)</u>



32 . BASIC EARNINGS PER SHARE

Earning per share distributed to common shareholders of the company is calculated as follows :

	Year 2013	Year 2012
	VND	VND
Profit after tax	978,789,872	10,928,303,451
Profit or loss allocating for shareholders owned common stocks	978,789,872	10,928,303,451
Average circulation of common stocks in the year	35,000,000	35,000,000
Basic earnings per share	28	312

33 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2013	Year 2012
	VND	VND
Raw materials	1,334,977,426,473	1,843,705,750,579
Labor	67,785,171,632	60,500,209,080
Depreciation expenses	23,094,617,769	23,157,372,300
Expenses from external services	93,080,602,078	115,077,278,101
Other expenses by cash	12,323,536,496	23,053,313,916
	1,531,261,354,448	2,065,493,923,976

34 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Company

	Book value			
	31/12/2013		01/01/2013	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	46,481,790,475	-	215,269,032,463	-
Trade and other receivables	203,868,646,165	(4,419,880,130)	169,723,370,528	(1,727,646,453)
Long term investments	4,500,000,000	-	4,500,000,000	-
	254,850,436,640	(4,419,880,130)	389,492,402,991	(1,727,646,453)
			Book value	
			31/12/2013	01/01/2013
			VND	VND
Financial Liabilities				
Loans and debts			433,512,973,218	659,010,901,146
Trade and other payables			101,007,410,355	82,564,806,787
Accrued expenses			923,936,111	2,161,680,001
			535,444,319,684	743,737,387,934

The Company does not assess fair value of financial assets and financial liabilities at the year ended because Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and additional note for financial instruments but do not provide any relevant instructions for assessment and recognition of fair value of financial assets and liabilities, excluding provisions for bad debts and provision for devaluation of securities investments which are presented in relevant notes.

Financial risk management

The Company's financial risks including market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes on prices, exchange rates and interest rates.

Price Risk

The Company bears price risk of equity instruments from short-term and long-term security investments due to uncertainty on future prices of the securities. Long-term securities are held for long-term strategies, at the end of the fiscal year, the Company has no plans to sell these investments.

Exchange rate risk

The Company bears the risk of exchange rate due to fluctuation in fair value of future cash flows of a financial instrument according to changes in exchange rates if loans, revenues and expenses of the Company are done in foreign currencies other than VND.

Interest rate risk

The Company bears the risk of interest rates due to fluctuation in fair value of future cash flow of a financial instrument according to changes in market interest rates if the Company has time or demand deposits, loans and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain any interest profitable for its operation purpose.

Credit Risk

Credit risk is risk in which the potential loss may be incurred if a counterpart fails to perform its obligations under contractual terms or financial instruments. The Company has credit risk from operating activities (mainly for trade receivables) and financial activities (including bank deposits, loans and other financial instruments).

	Up to 1 year	In 1 to 5 years	In more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2013				
Cash and cash equivalents	46,481,790,475	-	-	46,481,790,475
Trade and other receivables	199,448,766,035	-	-	199,448,766,035
Long-term investment	-	4,500,000,000	-	4,500,000,000
	<u>245,930,556,510</u>	<u>4,500,000,000</u>	<u>-</u>	<u>250,430,556,510</u>
As at 01/01/2013				
Cash and cash equivalents	215,269,032,463	-	-	215,269,032,463
Trade and other receivables	167,995,724,075	-	-	167,995,724,075
Long-term investment	-	4,500,000,000	-	4,500,000,000
	<u>383,264,756,538</u>	<u>4,500,000,000</u>	<u>-</u>	<u>387,764,756,538</u>

Liquidity Risk

Liquidity risk is the risk in which the Company has trouble in settlement of its financial obligations due to lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Up to 1 year VND	In 1 to 5 years VND	In more than 5 years VND	Total VND
As at 31/12/2013				
Loans and borrowings	429,275,639,006	4,237,334,212	-	433,512,973,218
Trade and other payables	100,504,410,355	503,000,000	-	101,007,410,355
Accrued expenses	923,936,111	-	-	923,936,111
	<u>530,703,985,472</u>	<u>4,740,334,212</u>	-	<u>535,444,319,684</u>
As at 01/01/2013				
Loans and borrowings	650,276,279,721	8,734,621,425	-	659,010,901,146
Trade and other payables	82,044,306,787	520,500,000	-	82,564,806,787
Accrued expenses	2,161,680,001	-	-	2,161,680,001
	<u>734,482,266,509</u>	<u>9,255,121,425</u>	-	<u>743,737,387,934</u>

The Company believes that risk level of loan repayment is low. The Company has the ability to pay debts matured from cash flows from its operating activities and cash received from matured financial assets.

35 . EVENTS AFTER BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date, which would require adjustments or disclosures to be made in the financial statements.

36 . SEGMENT REPORTING

Main segment reporting – under business fields:

	Farm, forest products and seafood trading VND	Real Estate and services VND	Grand total VND
Net revenue from sales to external customers	1,668,889,154,422	63,710,556,683	1,732,599,711,105
Gross profit from sale of goods and rendering of services	88,746,332,737	6,734,666,277	95,480,999,014
The total cost to acquire fixed assets	11,291,772,076	-	11,291,772,076
Total assets	775,343,006,342	-	-
Segment liabilities	500,771,088,027	-	500,771,088,027
Total liabilities	543,135,782,684	-	543,135,782,684

Secondary segment reporting – Under geographical areas:

	Domestic VND	Export VND	Grand total VND
Net revenue from sales to external customers	1,200,395,043,911	532,204,667,194	1,732,599,711,105
The total cost to acquire segment assets	11,291,772,076	-	11,291,772,076

37 . TRANSACTION WITH RELATED PARTIES

During operation, there are a number of transactions between the companies with related parties as follows:

	Relation	Year 2013 VND	Year 2012 VND
Revenue			
- Vietnam Southern Food Corporation	Shareholders	146,642,065,408	523,598,480,929
- Sai Gon-An Giang Trade Company Limited	Joint-venture	2,301,372,930	2,309,328,700
Freight, commission fee			
- Vietnam Southern Food Corporation	Shareholders	1,264,505,018	4,102,651,325

Outstanding balances with related parties up to the reporting date are as follows:

	Relation	Year 2013 VND	Year 2012 VND
Receivables			
- Vietnam Southern Food Corporation	Shareholders	53,350,312,754	24,489,231,463
- Sai Gon-An Giang Trade Company Limited	Joint-venture	124,186,594	363,684,440
Payables			
- Vietnam Southern Food Corporation	Shareholders	379,000,147	-

Transactions with other related parties:

	Year 2013 VND	Year 2012 VND
Remuneration to members of Board of Management and Board of General Directors	1,645,000,000	2,440,359,888

38 . COMPARATIVE FIGURES

The corresponding figures are those taken from the accounts for the fiscal year ended as at 31 December 2012, which was audited by Auditing and Accounting Financial Consultancy Company Limited (AASC) (now is AASC Auditing Firm Company Limited).

Prepared by



Trung Thi Thu Huong

Chief Accountant



Tran Kim Uyen

An Giang, 22 March 2014

General Director



Pham Van Bay