

Seaprodex Refrigeration Industry Corporation

Interim consolidated financial statements

30 June 2013



Seaprodex Refrigeration Industry Corporation

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* The following supplementary financial information is provided for information purposes only and is not part of the reviewed interim consolidated financial statements.

Seaprodex Refrigeration Industry Corporation

GENERAL INFORMATION

THE COMPANY

Seaprodex Refrigeration Industry Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 063592 initial issued by the Ho Chi Minh City Department of Planning and Investment ("DPI") on 18 September 1999 and the following amendments:

<u>Amended BRC</u>	<u>No.</u>	<u>Date</u>
The first amendment	063592	29 March 2005
The second amendment	063592	8 July 2005
The third amendment	063592	24 October 2006
The fourth amendment	063592	19 March 2007
The fifth amendment	063592	9 December 2008
The sixth amendment	0301825452	25 August 2010
The seventh amendment	0301825452	4 November 2010
The eighth amendment	0301825452	13 June 2012
The ninth amendment	0301825452	16 August 2012
The tenth amendment	0301825452	31 January 2013
The eleventh amendment	0301825452	21 June 2013

The tenth amendment issued by the DPI approved the change of the Company's head office address to 72-74 Nguyen Thi Minh Khai Street, Ward 6, District 3, Ho Chi Minh City, Vietnam.

The eleventh amendment dated issued by the DPI approved the change of the legal representative of the Company from Mr Nguyen Huu Thinh to Mr Le Tan Phuoc.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with License No. 117/QD-SGDHCM issued by the Deputy General Director of HOSE on 29 September 2009.

The Company's principal activities are to consult, survey, design, supply of materials and equipments and provide installation services in relation to industrial refrigeration projects, supply and install air conditioner, electricity system, fire prevention and fighting system, lift, water system, mechanics for industrial and household projects; produce and process, fabricate refrigeration machinery, equipment and materials; execute construction and interior decoration projects for civil works and industrial projects; provide maintenance and repair services of refrigeration equipment and transportation vehicles; trade materials and goods, machinery and equipment.

The Company's head office is located at 14th Floors, Centec Tower, 72-74 Nguyen Thi Minh Khai Street, Ward 6, District 3, Ho Chi Minh City, Vietnam.

The Company has a branch, Danang Refrigeration Industry Corporation – Seaprodex Refrigeration Industry Corporation ("Searee") which its registered office is located at Road 10, Hoa Khanh Industrial Zone, Lien Chieu District, Da Nang City, Vietnam.

The Company also has a subsidiary, Asia Refrigeration Industry Company Limited ("Arico") which its registered office is located at Lot 25-27 Central Road, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Nguyen Huu Thinh	Chairman	
Mr Le Tan Phuoc	Member	
Mr Nguyen Thanh Son	Member	
Mr Nguyen The Hung	Member	appointed on 30 March 2013
Mr Pham Anh Tu	Member	resigned on 30 March 2013
Mr Takashi Ichiki	Member	appointed on 8 August 2013
Mr Lam Hoang Loc	Member	resigned on 8 August 2013

Seaprodex Refrigeration Industry Corporation

GENERAL INFORMATION (continued)

BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Mr Bui Van Quyet	Head	appointed on 19 July 2013
Mr Pham Viet Hung	Head	resigned on 29 June 2013
Mr Mai Hong Viet	Member	

MANAGEMENT

Members of the Management during the period and at the date of this report are:

Mr Le Tan Phuoc	General Director
Mr Vien Quang Mui	Director of Searee Da Nang
Mr Mai Chanh Thanh	Managing Director M&E
Mr Le Canh Doan	Director of Asia Refrigeration Industry Company Limited

LEGAL REPRESENTATIVE

The legal representatives of the Company during the period and at the date of this report are as follows:

Mr Nguyen Huu Thinh	From 1 January 2013 to 20 June 2013
Mr Le Tan Phuoc	From 21 June 2013 to the date of this report

AUDITORS

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

Seaprodex Refrigeration Industry Corporation

REPORT OF MANAGEMENT

The Board of Directors of Seaprodex Refrigeration Industry Corporation ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiary ("the Group") for the six-month period ended 30 June 2013.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The General Director, the Company's legal representative, and other members of management are responsible for the interim consolidated financial statements for the period ended 30 June 2013 which give a true and fair view of the interim consolidated state of affairs of the Group and of the interim consolidated results of its operations and its interim consolidated cash flows for the period. In preparing those interim consolidated financial statements, management is required to:

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

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

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

APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying interim consolidated financial statements which give a true and fair view of the interim financial position of the Group as at 30 June 2013, and of the interim results of its operations and the interim consolidated cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards and System and comply with relevant statutory requirements.

For and on behalf of the Board of Directors:



Nguyen Huu Thinh
Chairman

19 August 2013



Building a better
working world

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: **The Shareholders of Seaprodex Refrigeration Industry Corporation**

We have reviewed the interim consolidated financial statements of Seaprodex Refrigeration Industry Corporation ("the Company") and its subsidiary (collectively referred to as the "Group"), as set out on page 5 to 38 which comprise the interim consolidated balance sheet as at 30 June 2013, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

The preparation and presentation of these interim consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these interim consolidated financial statements based on our review. The interim consolidated financial statements of the Group for the six-month period ended 30 June 2012 and the consolidated financial statements for the year ended 31 December 2012 presented herein as corresponding figures, were reviewed and audited, respectively, by other auditors who issued unqualified reports on 24 August 2012 and 15 March 2013, respectively.

We conducted our review in accordance with Vietnamese Standard on Auditing No. 910 – Engagements to Review Financial Statements. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim consolidated financial statements are free from material misstatement. A review is limited primarily to inquiries of the Group's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2013, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.



Ernst & Young Vietnam Limited

Mai Viet Hung Tran
Deputy General Director
Audit Practicing Registration Certificate
No. 0048-2013-004-1

Doan Thi Thu Thuy
Auditor
Audit Practicing Registration Certificate
No. 1070-2013-004-1

Ho Chi Minh City, Vietnam

19 August 2013

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2013

VND

Code	ASSETS	Notes	30 June 2013	31 December 2012
100	A. CURRENT ASSETS		580,934,226,229	585,739,575,450
110	I. Cash and cash equivalents	4	234,552,370,994	129,861,171,187
111	1. Cash		6,199,900,355	3,319,143,207
112	2. Cash equivalents		228,352,470,639	126,542,027,980
120	II. Short-term investments	5	6,160,800,114	32,464,001,146
121	1. Short-term investments		7,931,047,144	35,516,078,972
129	2. Provision for short-term investments		(1,770,247,030)	(3,052,077,826)
130	III. Current accounts receivable		149,902,559,331	162,695,461,716
131	1. Trade receivables	6	167,951,747,283	176,582,828,444
132	2. Advances to suppliers		7,049,415,114	9,427,280,759
135	3. Other receivables	7	2,375,721,800	3,070,766,403
139	4. Provision for doubtful debts	6	(27,474,324,866)	(26,385,413,890)
140	IV. Inventories	8	179,410,873,959	255,755,761,635
141	1. Inventories		182,320,901,451	258,727,493,917
149	2. Provision for obsolete inventories		(2,910,027,492)	(2,971,732,282)
150	V. Other current assets		10,907,621,831	4,963,179,766
151	1. Short-term prepaid expenses		2,004,438,888	366,964,270
152	2. Value-added tax deductible		7,018,867,130	623,882,254
154	3. Tax and other receivables from the State		56,644,767	47,548,430
158	4. Other current assets		1,827,671,046	3,924,784,812
200	B. NON-CURRENT ASSETS		115,387,371,760	117,762,064,869
220	I. Fixed assets		73,095,381,608	77,495,116,846
221	1. Tangible fixed assets	9	68,363,877,252	72,553,734,105
222	Cost		127,293,953,612	132,528,086,220
223	Accumulated depreciation		(58,930,076,360)	(59,974,352,115)
227	2. Intangible assets	10	4,672,632,662	4,920,769,444
228	Cost		5,327,631,873	5,700,106,186
229	Accumulated depreciation		(654,999,211)	(779,336,742)
230	3. Construction in progress		58,871,694	20,613,297
260	II. Other long-term assets		42,291,990,152	40,266,948,023
261	1. Long-term prepaid expenses	11	40,757,304,878	39,739,888,735
262	2. Deferred tax assets	24.3	624,139,434	517,059,288
268	3. Other long-term assets		910,545,840	10,000,000
270	TOTAL ASSETS		696,321,597,989	703,501,640,319

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2013

VND

Code	RESOURCES	Notes	30 June 2013	31 December 2012
300	A. LIABILITIES		345,040,142,683	404,626,918,484
310	I. Current liabilities		308,443,927,435	365,201,641,542
311	1. Short-term loans	12	110,147,913,301	95,111,863,641
312	2. Trade payables		59,143,690,617	73,711,534,439
313	3. Advances from customers		49,495,343,605	111,998,524,717
314	4. Statutory obligations	13	1,853,965,414	5,280,165,038
315	5. Payables to employees		6,540,109,840	7,797,115,459
316	6. Accrued expenses	14	55,734,375,506	59,692,086,103
319	7. Other payables	15	4,278,419,681	3,951,765,067
320	8. Short-term provision	16	11,676,240,457	5,440,732,343
323	9. Bonus and welfare fund	17	9,573,869,014	2,217,854,735
330	II. Non-current liabilities		36,596,215,248	39,425,276,942
333	1. Other long-term liabilities		142,000,000	2,167,937,500
334	2. Long-term loans	18	19,496,974,155	23,829,635,077
338	3. Unearned revenues		16,957,241,093	13,427,704,365
400	B. OWNERS' EQUITY		351,281,455,306	298,874,721,835
410	I. Capital	19	351,281,455,306	298,874,721,835
411	1. Contributed share capital		81,320,460,000	81,320,460,000
412	2. Share premium		204,645,865,031	188,731,182,260
414	3. Treasury shares		(268,085,059)	(36,771,902,288)
417	4. Investment and development fund		31,526,528,034	26,439,820,040
418	5. Financial reserve fund		8,132,046,000	8,132,046,000
420	6. Undistributed earnings		25,924,641,300	31,023,115,823
440	TOTAL LIABILITIES AND OWNERS' EQUITY		696,321,597,989	703,501,640,319

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2013

OFF BALANCE SHEET ITEM

ITEM	Notes	30 June 2013	31 December 2012
Foreign currencies			
- Yen (JPY)		1,666,347.00	45,000.00
- United States dollar (US\$)		12,787.70	70,540.38
- Euro (EUR)		267.76	267.76
- Australia dollar (AUD)		0.67	0.67
- Great British Pound (GBP)		11.74	15.04



Mai Thi Kim Dung
Preparer



Nguyen Thi Thanh Huong
Chief accountant



Le Tan Phuoc
General Director

19 August 2013

INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2013

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2013	For the six-month period ended 30 June 2012
10	1. Net revenues from sale of goods and rendering of services	20.1	336,236,937,642	283,734,616,434
11	2. Costs of goods sold and services rendered	21	(292,122,882,410)	(245,550,379,881)
20	3. Gross profit from sale of goods and rendering services		44,114,055,232	38,184,236,553
21	4. Finance income	20.2	11,764,788,013	12,137,431,341
22 23	5. Finance expenses <i>In which: interest expense</i>	22	(6,863,282,342) (5,930,445,366)	(6,602,861,617) (6,189,879,766)
24	6. Selling expense		(286,447,625)	(600,132,023)
25	7. General and administrative expenses	23	(26,892,435,277)	(25,464,771,190)
30	8. Operating profit		21,836,678,001	17,653,903,064
31	9. Other income		848,022,100	44,487,448
32	10. Other expenses		(83,098,801)	(8,223,397)
40	11. Other profit		764,923,299	36,264,051
50	12. Profit before tax		22,601,601,300	17,690,167,115
51	13. Current corporate income tax expense	24.2	(5,482,526,411)	(1,854,888,980)
52	14. Deferred income tax benefit (expense)	24.3	107,080,146	(987,952,126)
60 62	15. Net profit after tax <i>In which: Equity holders of the parent</i>		17,226,155,035 17,226,155,035	14,847,326,009 14,847,326,009
70	16. Basic and diluted earnings per share	19.4	2,295	2,000

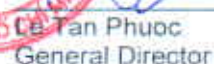


Mai Thi Kim Dung
Preparer



Nguyen Thi Thanh Huong
Chief accountant




Ce Tan Phuoc
General Director

19 August 2013

INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2013

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2013	For the six-month period ended 30 June 2012
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		22,601,601,300	17,690,167,115
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	9,10	3,974,624,461	4,793,717,186
03	Provisions		(254,624,610)	(3,983,961,441)
04	Unrealised foreign exchange losses (gains)		234,191,236	(306,227,390)
05	Profits from investing activities		(10,322,835,187)	(6,589,816,692)
06	Interest expense	22	5,930,445,366	6,189,879,766
08	Operating profit before changes in working capital		22,163,402,566	17,793,758,544
09	Decrease (increase) in receivables		8,570,636,275	(1,838,526,332)
10	Decrease (increase) in inventories		76,406,592,466	(1,508,626,219)
11	Decrease in payables		(80,404,242,222)	(2,514,961,940)
12	Increase in prepaid expenses		(1,718,955,587)	(2,157,953,468)
13	Interest paid		(5,930,445,366)	(6,189,879,766)
14	Corporate income tax paid	24.2	(5,104,689,310)	(1,300,303,323)
15	Other cash inflows from operating activities		2,708,269,267	7,921,056,666
16	Other cash outflows from operating activities		(4,767,474,561)	(15,666,642,769)
20	Net cash flows from (used in) operating activities		11,923,093,528	(5,462,078,607)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(522,651,005)	(2,047,823,104)
22	Proceeds from disposals of fixed assets		7,810,268	-
25	Payments for investments		(5,000,000,000)	(7,000,000,000)
26	Proceeds from sale of investments in other entities		31,220,564,400	3,658,655,787
27	Bank interest and dividends received		11,248,374,514	11,557,983,016
30	Net cash flows from investing activities		36,954,098,177	6,168,815,699

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2013

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2013	For the six-month period ended 30 June 2012
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Re-issuance of treasury shares		52,516,500,000	-
32	Capital redemption		(98,000,000)	-
33	Drawdown of borrowings		134,172,970,464	96,899,489,422
34	Repayment of borrowings		(124,002,671,274)	(73,026,846,076)
36	Dividends paid		(6,775,014,900)	(22,181,551,000)
40	Net cash flows from financing activities		55,813,784,290	1,691,092,346
50	Net increase in cash and cash equivalents		104,690,975,995	2,397,829,438
60	Cash and cash equivalents at beginning of period	4	129,861,171,187	168,653,679,860
61	Impact of exchange rate fluctuation		223,812	(84,063)
70	Cash and cash equivalents at end of period	4	234,552,370,994	171,051,425,235



Mai Thi Kim Dung
Preparer



Nguyen Thi Thanh Huong
Chief accountant



Le Tan Phuoc
General Director

19 August 2013

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at and for the six-month period ended 30 June 2013

1. CORPORATE INFORMATION

Seaprodex Refrigeration Industry Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 063592 initial issued by the Ho Chi Minh City Department of Planning and Investment ("DPI") on 18 September 1999 and the following amendments:

<u>Amended BRC</u>	<u>No.</u>	<u>Date</u>
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The eleventh amendment issued by the DPI approved the change of the legal representative of the Company from Mr Nguyen Huu Thinh to Mr Le Tan Phuoc.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with License No. 117/QD-SGDHCM issued by the Deputy General Director of HOSE on 29 September 2009.

The Company's principal activities are to consult, survey, design, supply of materials and equipments and provide installation services in relation to industrial refrigeration projects, supply and install air conditioner, electricity system, fire prevention and fighting system, lift, water system, mechanics for industrial and household projects, produce and process, fabricate refrigeration machinery, equipment and materials; execute construction and interior decoration projects for civil works and industrial projects; provide maintenance and repair services of refrigeration equipment and transportation vehicles; trade materials and goods, machinery and equipment.

The Company's head office is located at 14th Floors, Centec Tower, 72-74 Nguyen Thi Minh Khai Street, Ward 6, District 3, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 30 June 2013 is 590 (31 December 2012: 613).

The Company also has a branch, Da Nang Refrigeration Industry Corporation – Seaprodex Refrigeration Industry Corporation ("Searee") incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 3213000275 issued by the Da Nang DPI on 17 January 2000 and the fifth amendment BRC No. 0301825452-001 on 28 February 2013. Searee's office is located at Road 10, Hoa Khanh Industrial Zone, Lien Chieu District, Da Nang City, Vietnam.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

1. CORPORATE INFORMATION (continued)

The Company also has a subsidiary, Asia Refrigeration Industry Company Limited ("Arico"), in which the Company holds a 100% charter capital, is a one-member limited liability company established in accordance with the BRC No. 4104002210 issued by the Ho Chi Minh City DPI on 22 October 2007 and the second BRC No. 0305429178 dated 9 October 2010.

Arico's office is located at Lot 25-27 Central Road, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

The principal activities of the subsidiary are to manufacture, process, fabricate equipment, machines, spare parts of refrigeration industry; to provide consulting service; to assemble and supply materials and equipment; to provide execution, installation, and maintenance and repairing systems, thermal mechanical- electrical equipment, automatic and controlled equipment, elevator and rolling leader, and to construct household projects, industrial, interior and exterior decoration.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The interim consolidated financial statements of the Company and its subsidiary ("the Group"), expressed in Vietnam dong ("VND") are prepared in accordance with the Vietnamese Accounting System and Vietnamese Accounting Standard No. 27 - Interim Financial Reporting and other Vietnamese Accounting Standards ("VAS") issued by the Ministry of Finance as per:

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

The accompanying interim consolidated balance sheet, interim consolidated income statement, interim consolidated cash flow statement and related notes, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

2.3 Fiscal year

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

2. BASIS OF PREPARATION (continued)

2.5 *Basis of consolidation*

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiary for the six-month period ended 30 June 2013.

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

The interim financial statements of subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Change in accounting policies and disclosures*

The accounting policies adopted by the Group in preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2012 and the interim consolidated financial statements for the six-month period ended 30 June 2012, except for the change in the accounting policy in relation to foreign currency transactions.

For the preparation of the financial statements for period ended 30 June 2013 and 31 December 2012, the Group adopts Circular No. 179/2012/TT-BTC providing guidance on recognition, measurement, treatment for foreign exchange differences issued by the Ministry of Finance on 24 October 2012 ("Circular 179") in addition to Vietnamese Accounting Standard No. 10 - Effects of Changes in Foreign Exchange Rates (the "VAS 10") adopted in prior years. Following Circular 179, at the balance sheet dates, monetary assets and liabilities denominated in foreign currencies are translated into VND using buying exchange rate announced by the commercial bank where the Group maintains bank accounts.

For the preparation of the financial statements period ended 30 June 2012, inter-bank exchange rates ruling at the balance sheet date was used for the translation as the Circular 179 was issued subsequent to 30 June 2012 and is applied on a prospective basis. Impact of the change from using inter-bank exchange rate to buying exchange rate announced by the commercial bank for the year end translation to the consolidate financial statements as at 30 June 2013 and for the period then ended is not material as a whole.

3.2 *Cash and cash equivalents*

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

3.3 *Inventories*

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, consumables - cost of purchase on a weighted average basis.

Finished goods and work-in process - cost of direct materials and labour plus attributable manufacturing overheads for specific projects.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Inventories (continued)

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc.) of merchandises and medical supplies owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

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

3.4 Receivables

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

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

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

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

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the interim consolidated income statement.

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation

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

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

When intangible assets are sold or retired, their costs and accumulated amortisation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the interim consolidated income statement.

Land use right

Land use right is recorded as an intangible asset, representing the value of the right to use land acquired by the Group. The useful life of the land use right is assessed indefinite, and accordingly, is not amortised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible assets is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 – 25 years
Machinery and equipment	5 – 20 years
Motor vehicles	6 – 10 years
Office equipment	3 – 8 years
Computer software	3 years
Other assets	5 – 20 years

3.8 Construction in progress

Construction in progress comprises tangible fixed assets under construction and is stated at cost. This cost includes construction fees, machinery and equipment and other direct expenses. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

3.9 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the period in which they are incurred.

3.10 Prepaid expenses

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

3.11 Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the marketable investments at the balance sheet date representing the excess of the acquisition cost over the market value at that date in accordance with the guidance under Circular No. 228/2009/TT-BTC and Circular No. 89/2013/TT-BTC issued by the Ministry of Finance on 7 December 2009 and on 28 June 2013, respectively. Increases and decreases to the provision balance are recorded as finance expense in the interim consolidated income statement.

3.12 Payables and accruals

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

3.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.14 Foreign currency transactions

The Group follows the guidance under VAS 10 in relation to foreign currency transactions as applied consistently in prior periods. In addition to VAS 10, starting from 31 December 2012, the Company adopts Circular 179 in relation to foreign currency transaction as presented in Note 3.1.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Foreign currency transactions* (continued)

Transactions in currencies other than the Group's reporting currency of VND are recorded at the exchange rates ruling at the date of the transaction. At the end of the period, monetary assets and liabilities denominated in foreign currencies are translated at buying exchange rate announced by the commercial bank where the Group maintains bank accounts at the balance sheet date. All realised and unrealised foreign exchange differences are taken to the interim consolidated income statement.

3.15 *Treasury shares*

Treasury shares are the shares which have been issued and bought back by the Company. The treasury shares held by the Company does not receive dividends; and have no voting rights or rights to receive assets distribution upon the liquidation of the Company.

Treasury shares are recognised at cost (acquisition and related cost) and deducted from the owners' equity. No gain or loss is recognised in profit or loss upon sale, issue or cancellation of the Company's own equity instruments.

3.16 *Earnings per share*

Basic earnings per share amount is computed by dividing net profit for the period attributable to ordinary shareholders, before appropriation for funds, by the weighted average number of ordinary shares outstanding during the period, where applicable.

3.17 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the general shareholders' meeting, and after making appropriations to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve below funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

Financial reserve fund

This fund is set aside to protect the Group's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.

Investment and development fund

This fund is set aside for use in the Group's expansion or upgrading of its operation or in-depth investments.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits.

3.18 *Revenue recognition*

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Revenue recognition* (continued)

Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the amount of work completed and certified by customers at the balance sheet date. Variations in contract value, claimable receivable and other receivable are included in revenue to the extent that they have been agreed with customers, verified by the customers and issued invoices.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that it is probable that contract costs incurred will be recoverable.

When an invoice is issued in advance to customer for the work that has not been completed by the Group and certified by the customer, the amount is recognised as deferred revenue.

Contract costs are recognised as cost of sales and services rendered based on amount of work completed at the balance sheet date and the estimated gross profit of the projects. The Group's management has the responsibility to follow up, update and adjust the gross profit periodically.

Interest

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

Dividends and appropriation of profits

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

3.19 *Taxation*

Current income tax

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

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

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

Deferred income tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ In respect of taxable temporarily differences associated with investments in a subsidiary where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 *Taxation* (continued)

Deferred income tax (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ Where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ In respect of deductible temporary differences associated with investments in a subsidiary, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxable entity on either the same taxable entity or when the Group intends to either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.20 *Financial instruments*

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210/TT-BTC issued by the Ministry of Finance on 6 November 2009 providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the interim consolidated financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs.

The Group's financial assets include cash and cash equivalents, trade receivables, other receivables and investments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 *Financial instruments* (continued)

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the interim consolidated financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, accrued expenses, and loans.

Subsequent re-measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the interim consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.21 *Related parties*

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influences over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related parties relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2013	31 December 2012
Cash on hand	323,223,349	143,534,460
Cash at banks	5,876,677,006	3,175,608,747
Cash equivalents	<u>228,352,470,639</u>	<u>126,542,027,980</u>
TOTAL	<u>234,552,370,994</u>	<u>129,861,171,187</u>

Cash equivalents represent bank term deposits with the maturity of less than three months.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

5. SHORT-TERM INVESTMENTS

	VND	
	30 June 2013	31 December 2012
Short-term deposits at banks (*)	5,000,000,000	31,000,000,000
Short-term investments in listed securities (**)	1,481,803,200	1,484,335,028
Short-term investments in unlisted securities (**)	1,449,243,944	3,031,743,944
Provision for diminution in value of short-term investments (***)	<u>(1,770,247,030)</u>	<u>(3,052,077,826)</u>
TOTAL	<u>6,160,800,114</u>	<u>32,464,001,146</u>

(*) Term deposits with maturities of more than three months and less than one year.

(**) Details of listed and unlisted shares are as follows:

	VND			
	30 June 2013		31 December 2012	
	Quantity	Value	Quantity	Value
Listed shares				
Asia Commercial Joint Stock Bank	-	-	54	2,141,188
Vietnam Export Import Joint Stock Bank	-	-	8	188,305
Saigon General Service Corporation	-	-	6	90,733
Vietnam Commercial Joint Stock Bank	-	-	2	111,602
Saigon Phu Yen Brewery Joint Stock Company	17,576	812,500,000	17,576	812,500,000
Danang Seaproducts Import Export Corporation	71,950	<u>669,303,200</u>	71,950	<u>669,303,200</u>
		<u>1,481,803,200</u>		<u>1,484,335,028</u>
Unlisted shares				
Bao Long Insurance Joint Stock Company	-	-	31,350	1,582,500,000
Vien Dong Insurance Joint Stock Company	2,850	1,130,175,000	2,850	1,130,175,000
Namcan Seaproducts Import Export Joint Stock Company	31,906	<u>319,068,944</u>	31,906	<u>319,068,944</u>
		<u>1,449,243,944</u>		<u>3,031,743,944</u>
TOTAL		<u>2,931,047,144</u>		<u>4,516,078,972</u>

(***) Provision for diminution in value of short-term investments and its movement during the period are as follows:

	VND	
	For the six-month period ended 30 June 2013	For the year ended 31 December 2012
Beginning balance	(3,052,077,826)	(7,078,879,796)
Provision	-	(2,278,620,194)
Reversal	<u>1,281,830,796</u>	<u>6,305,422,164</u>
Ending balance	<u>(1,770,247,030)</u>	<u>(3,052,077,826)</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

6. TRADE RECEIVABLES

	VND	
	30 June 2013	31 December 2012
Trade receivable from third parties	167,951,747,283	176,582,828,444
Provision for short-term doubtful debts (*)	<u>(27,474,324,866)</u>	<u>(26,385,413,890)</u>
NET	<u>140,477,422,417</u>	<u>150,197,414,554</u>

(*) Detail of movements of provision for short-term doubtful debts:

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the year ended 31 December 2012</i>
Beginning balance	(26,385,413,890)	(16,943,968,894)
Provision	<u>(1,088,910,976)</u>	<u>(9,441,444,996)</u>
Ending balance	<u>(27,474,324,866)</u>	<u>(26,385,413,890)</u>

7. OTHER RECEIVABLES

	VND	
	30 June 2013	31 December 2012
Interest receivable from incentive investment scheme	452,040,956	1,543,525,501
Interest income receivables	1,289,847,220	846,902,779
Other receivables	<u>633,833,624</u>	<u>680,338,123</u>
TOTAL	<u>2,375,721,800</u>	<u>3,070,766,403</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

8. INVENTORIES

	VND	
	<i>30 June 2013</i>	<i>31 December 2012</i>
Finished goods		
Work in process	138,086,481,523	197,320,860,691
Raw materials	30,629,016,718	34,667,880,294
Finished goods	10,363,079,525	2,844,010,482
Goods in transit	3,242,323,685	23,894,742,450
TOTAL	182,320,901,451	258,727,493,917
Provision for obsolete inventories (*)	(2,910,027,492)	(2,971,732,282)
NET	179,410,873,959	255,755,761,635

(*) Detail of movements of provision for obsolete inventories:

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the year ended 31 December 2012</i>
Beginning balance	(2,971,732,282)	(3,659,292,792)
Provision	-	(493,070,943)
Reversal	61,704,790	1,180,631,453
Ending balance	(2,910,027,492)	(2,971,732,282)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

9. TANGIBLE FIXED ASSETS

						VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Motor vehicles</i>	<i>Office equipment</i>	<i>Other assets</i>	<i>Total</i>
Cost:						
As at 31 December 2012	73,951,971,867	41,763,481,552	10,561,738,125	4,851,550,771	1,399,343,905	132,528,086,220
Newly purchased	-	-	-	484,392,608	-	484,392,608
Transferred to tools and supplies (*)	(284,047,596)	(3,498,875,258)	(55,205,719)	(1,784,448,215)	(81,756,500)	(5,704,333,288)
Sold, disposed	-	-	-	(14,191,928)	-	(14,191,928)
As at 30 June 2013	<u>73,667,924,271</u>	<u>38,264,606,294</u>	<u>10,506,532,406</u>	<u>3,537,303,236</u>	<u>1,317,587,405</u>	<u>127,293,953,612</u>
<i>In which:</i>						
<i>Fully depreciated</i>	<i>7,620,468,525</i>	<i>14,953,577,426</i>	<i>2,185,438,449</i>	<i>766,765,484</i>	<i>432,288,598</i>	<i>25,958,538,482</i>
Accumulated depreciation:						
As at 31 December 2012	20,208,051,993	28,865,580,734	6,309,042,521	3,491,790,459	1,099,886,408	59,974,352,115
Depreciation for the period	1,382,054,294	1,655,647,946	458,709,095	282,337,769	41,245,315	3,819,994,419
Transferred to tools and supplies (*)	(237,898,558)	(3,049,501,843)	(55,205,719)	(1,437,542,234)	(81,756,500)	(4,861,904,854)
Sold, disposed	-	-	-	(2,365,320)	-	(2,365,320)
As at 30 June 2013	<u>21,352,207,729</u>	<u>27,471,726,837</u>	<u>6,712,545,897</u>	<u>2,334,220,674</u>	<u>1,059,375,223</u>	<u>58,930,076,360</u>
Net carrying amount:						
As at 31 December 2012	<u>53,743,919,874</u>	<u>12,897,900,818</u>	<u>4,252,695,604</u>	<u>1,359,760,312</u>	<u>299,457,497</u>	<u>72,553,734,105</u>
As at 30 June 2013	<u>52,315,716,542</u>	<u>10,792,879,457</u>	<u>3,793,986,509</u>	<u>1,203,082,562</u>	<u>258,212,182</u>	<u>68,363,877,252</u>
<i>In which:</i>						
<i>Pledged as loan securities</i>	<i>5,211,341,040</i>	<i>6,880,984,914</i>	<i>573,253,177</i>	<i>116,986,092</i>	<i>-</i>	<i>12,782,565,223</i>

(*) Transferred to tools and supplies in accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

10. INTANGIBLE FIXED ASSETS

	VND			
	<i>Land use right</i>	<i>Computer software</i>	<i>Others</i>	<i>Total</i>
Cost:				
As at 31 December 2012	4,161,384,720	1,427,333,713	111,387,753	5,700,106,186
Transferred to tools and supplies (*)	-	(372,474,313)	-	(372,474,313)
As at 30 June 2013	<u>4,161,384,720</u>	<u>1,054,859,400</u>	<u>111,387,753</u>	<u>5,327,631,873</u>
Accumulated amortisation:				
As at 31 December 2012	-	690,226,502	89,110,240	779,336,742
Amortisation for the period	-	151,845,346	2,784,696	154,630,042
Transferred to tools and supplies (*)	-	(278,967,573)	-	(278,967,573)
As at 30 June 2013	<u>-</u>	<u>563,104,275</u>	<u>91,894,936</u>	<u>654,999,211</u>
Net carrying amount:				
As at 31 December 2012	<u>4,161,384,720</u>	<u>737,107,211</u>	<u>22,277,513</u>	<u>4,920,769,444</u>
As at 30 June 2013	<u>4,161,384,720</u>	<u>491,755,125</u>	<u>19,492,817</u>	<u>4,672,632,662</u>

(*) Transferred to tools and supplies in accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance

11. LONG-TERM PREPAID EXPENSES

	VND	
	<i>30 June 2013</i>	<i>31 December 2012</i>
Land rental	35,757,590,823	36,238,634,643
Tools and supplies	1,223,604,228	392,561,901
Others	3,776,109,827	3,108,692,191
TOTAL	<u>40,757,304,878</u>	<u>39,739,888,735</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

12. SHORT-TERM LOANS

	VND	
	30 June 2013	31 December 2012
Short-term loans (*)	101,482,591,457	86,446,541,797
Current portion of long-term loans (Note: 18)	<u>8,665,321,844</u>	<u>8,665,321,844</u>
TOTAL	<u>110,147,913,301</u>	<u>95,111,863,641</u>
<i>In which:</i>		
<i>Ho Chi Minh City Office obtained from banks</i>	55,092,058,933	24,646,450,823
<i>Da Nang Branch obtained from a bank</i>	3,002,309,000	20,970,606,152
<i>Arico obtained from banks</i>	52,053,545,368	49,494,806,666

(*) Details of the short-term loans obtained from banks as at 30 June 2013 are as follows:

	VND
<i>Banks</i>	<i>30 June 2013</i>
<i>Ho Chi Minh City Office</i>	
Hongkong and Shanghai Banking Corporation – Ho Chi Minh Branch	27,661,271,980
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	24,752,274,122
Bank for Investment and Development Vietnam – Ho Chi Minh Branch	2,678,512,831
<i>Da Nang Branch</i>	
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	3,002,309,000
<i>Arico</i>	
JSC Bank for Foreign Trade of Vietnam – Ho Chi Minh Branch	39,745,748,053
Hongkong and Shanghai Banking Corporation – Ho Chi Minh Branch	804,201,132
Bank for Investment and Development Vietnam – Ho Chi Minh Branch	<u>2,838,274,339</u>
TOTAL	<u>101,482,591,457</u>

The Group obtained these short-term loans to finance its working capital requirements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

13. STATUTORY OBLIGATIONS

	VND	
	30 June 2013	31 December 2012
Corporation income tax (Note 24.2)	1,643,209,066	1,265,371,965
Personal income tax	190,001,963	494,845,918
Value-added tax	-	3,519,947,155
Import tax	20,754,385	-
TOTAL	<u>1,853,965,414</u>	<u>5,280,165,038</u>

14. ACCRUED EXPENSES

	VND	
	30 June 2013	31 December 2012
Accrued expenses for projects	54,586,125,665	58,996,896,443
Others	1,148,249,841	695,189,660
TOTAL	<u>55,734,375,506</u>	<u>59,692,086,103</u>

15. OTHER PAYABLES

	VND	
	30 June 2013	31 December 2012
Payable to employees	1,221,471,223	762,070,951
Land rental	505,725,750	-
Dividends payable	431,377,000	412,345,900
Social insurance, health insurance and trade union fees	467,908,767	202,141,158
Asset surplus awaiting resolution	21,635,420	21,635,420
Others	1,630,301,521	2,553,571,638
TOTAL	<u>4,278,419,681</u>	<u>3,951,765,067</u>

16. SHORT-TERM PROVISION

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the year ended 31 December 2012</i>
Beginning balance	5,440,732,343	10,104,690,026
Provision	7,314,817,226	-
Utilisation	(1,079,309,112)	(4,663,957,683)
Ending balance	<u>11,676,240,457</u>	<u>5,440,732,343</u>

Short-term provision represents warranty for projects that have been completed and handed over at the balance sheet date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

17. BONUS AND WELFARE FUNDS

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the year ended 31 December 2012</i>
Beginning balance	2,217,854,735	968,609,338
Appropriation from net profit	10,443,875,564	10,884,424,258
Utilisation	<u>(3,087,861,285)</u>	<u>(9,635,178,861)</u>
Ending balance	<u>9,573,869,014</u>	<u>2,217,854,735</u>

18. LONG-TERM LOANS

	VND	
	<i>30 June 2013</i>	<i>31 December 2012</i>
Non-current portion	28,162,295,999	32,494,956,921
Current portion (Note 12)	<u>(8,665,321,844)</u>	<u>(8,665,321,844)</u>
TOTAL	<u>19,496,974,155</u>	<u>23,829,635,077</u>

At Arico:

Long-term loans as at 30 June 2013 represent loans obtained from Bank for Investment and Development Vietnam – Ho Chi Minh Branch (Vietnam dong) under the loan contract No. 00310/2009/0001403 dated 31 December 2009.

These loans are secured by the buildings and structures, machinery and equipment and vehicles in accordance with Collateral Certificate No. 70/2009/3216846 dated 31 December 2009 (Note 9)

These loans are supported at 50% loan interest and will be expired in 7 years (according to Decision No. 4728/QĐ-UBND dated 14 October 2009 of the People's Committee in Ho Chi Minh City).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

19. OWNERS' EQUITY

19.1 Increase and decrease in owners' equity

	VND						
	Contributed share capital	Share premium	Treasury shares	Investment and development fund	Financial reserve fund	Undistributed earnings	Total
For the six-month period ended 30 June 2012							
As at							
31 December 2011	81,320,460,000	188,731,182,260	(19,716,403,356)	20,258,092,694	6,567,339,319	42,487,011,189	319,647,682,106
Net profit for the period	-	-	-	-	-	14,847,326,009	14,847,326,009
Dividends declared	-	-	-	-	-	(14,849,812,000)	(14,849,812,000)
Profit appropriation	-	-	-	6,181,727,346	1,564,706,681	(18,630,858,285)	(10,884,424,258)
As at 30 June 2012	<u>81,320,460,000</u>	<u>188,731,182,260</u>	<u>(19,716,403,356)</u>	<u>26,439,820,040</u>	<u>8,132,046,000</u>	<u>23,853,666,913</u>	<u>308,760,771,857</u>
For the six-month period ended 30 June 2013							
As at							
31 December 2012	81,320,460,000	188,731,182,260	(36,771,902,288)	26,439,820,040	8,132,046,000	31,023,115,823	298,874,721,835
Re-issuance of treasury shares (*)	-	15,914,682,771	36,503,817,229	-	-	-	52,418,500,000
Net profit for the period	-	-	-	-	-	17,226,155,035	17,226,155,035
Dividends declared	-	-	-	-	-	(6,794,046,000)	(6,794,046,000)
Profit appropriation (**)	-	-	-	5,086,707,994	-	(15,530,583,558)	(10,443,875,564)
As at 30 June 2013	<u>81,320,460,000</u>	<u>204,645,865,031</u>	<u>(268,085,059)</u>	<u>31,526,528,034</u>	<u>8,132,046,000</u>	<u>25,924,641,300</u>	<u>351,281,455,304</u>

(*) Re-issuance of 1,338,000 treasury shares.

(**) Remaining was appropriated for bonus and welfare fund (Note 17).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

19. OWNERS' EQUITY (continued)

19.2 Details of contributed share capital

	30 June 2013		%
	Shares	VND	
Shares owned by the State	1,038,000	10,380,000,000	12.76
Shares owned by others	7,084,246	70,842,460,000	87.12
Treasury shares	9,800	98,000,000	0.12
TOTAL	8,132,046	81,320,460,000	100.00

19.3 Shares

	Number of shares	
	30 June 2013	31 December 2012
Authorized shares	8,132,046	8,132,046
Issued and paid-up shares	8,132,046	8,132,046
Repurchase of shares	(9,800)	(1,338,000)
Shares in circulation	8,122,246	6,794,046

19.4 Earnings per share

	For the six-month period ended 30 June 2013	For the six-month period ended 30 June 2012
Net profit after tax attributable to ordinary equity holders for basic earnings (VND)	17,226,155,035	14,847,326,009
Weighted average number of ordinary shares	7,506,869	7,424,906
Basic and diluted earnings per share (VND)	2,295	2,000

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

20. REVENUES

20.1 Revenues from sale of goods and rendering of services

	VND	
	For the six-month period ended 30 June 2013	For the six-month period ended 30 June 2012
Total revenues	336,236,937,642	283,734,616,434
<i>In which:</i>		
- Revenue from construction contracts	335,528,365,333	282,828,753,620
- Revenue from sale of goods	708,572,309	905,862,814

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

20. REVENUES (continued)

20.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Interest income	11,656,684,155	11,437,266,200
Realised foreign exchange gains	73,469,058	16,609,801
Dividends earned	34,634,800	307,882,340
Unrealised foreign exchange gains	-	349,400,749
Gain from diminution in investments	-	26,272,251
TOTAL	<u>11,764,788,013</u>	<u>12,137,431,341</u>

21. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Cost of construction contracts	291,560,984,996	244,895,908,086
Cost of goods sold	623,602,204	1,373,657,828
Reversal of provision for decline in value of inventory	(61,704,790)	(719,186,033)
TOTAL	<u>292,122,882,410</u>	<u>245,550,379,881</u>

22. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Loan interest	5,930,445,366	6,189,879,766
Loss on sale of investments	1,364,467,428	5,181,604,099
Realised foreign exchange losses	615,380,380	367,400,629
Reversal of provision for diminution in value of investments	(1,281,830,796)	(5,188,720,074)
Unrealised foreign exchange loss	234,191,236	43,173,359
Others	628,728	9,523,838
TOTAL	<u>6,863,282,342</u>	<u>6,602,861,617</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

23. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Staff costs	16,954,843,715	15,795,107,961
Raw material costs	736,988,653	504,591,740
Depreciation and amortization	1,455,353,005	1,775,582,317
Fees	46,208,756	79,103,446
Provision	956,850,301	1,923,944,666
Outside service expenses	3,188,659,977	3,052,274,371
Others	3,553,530,870	2,334,166,689
TOTAL	<u>26,892,435,277</u>	<u>25,464,771,190</u>

24. CORPORATE INCOME TAX

The Company is obliged to pay corporate income tax ("CIT") at the rate of 25% of taxable profit.

However, at Searee Da Nang, the Company's management assessed that the branch is entitled to a CIT rate of 20% on taxable income, CIT exemption for 2 years and CIT reduction of 50% for 6 years from 2005. From 2013, the branch has the obligation to pay CIT at the rate of 25% on taxable income.

At Arico: The Company's management assessed that the Arico is entitled to CIT incentives, as follows:

- At tax rate of 15% for 12 years since the date of arising revenue.
- CIT exemption for 3 years and a 50% CIT reduction for 7 years thereafter from 2010.

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

24.1 CIT expenses

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Current CIT expense	5,482,526,411	1,854,888,980
Deferred CIT (benefit) expense	<u>(107,080,146)</u>	<u>987,952,126</u>
TOTAL	<u>5,375,446,265</u>	<u>2,842,841,106</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

24. CORPORATE INCOME TAX (continued)

24.2 Current CIT

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

A reconciliation between the accounting profit as reported in the income statement and the tax loss is presented below:

	VND	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Net profit before tax	22,601,601,300	17,690,167,115
<i>Adjustments:</i>		
Non-deductible expenses	722,786,448	903,346,345
Temporary differences	239,540,180	(4,279,316,829)
Non-taxable income	(34,634,800)	(307,882,340)
Effect of realized profit in consolidation	(149,946,515)	-
Others	(874,588,482)	-
Estimated current taxable profit	22,504,758,131	14,006,314,291
<i>In which:</i>		
<i>Un-incentive taxable income</i>	21,683,826,004	4,254,766,588
<i>Incentives taxable income</i>	820,932,127	9,751,547,703
Estimated CIT at normal tax rate of 25%	5,626,189,533	3,501,578,573
CIT incentives	(143,663,122)	(1,646,689,593)
Estimated CIT after incentives	5,482,526,411	1,854,888,980
CIT payable at beginning of period	1,265,371,965	697,981,704
CIT paid during the period	(5,104,689,310)	(1,300,303,323)
CIT payable at end of period	1,643,209,066	1,252,567,361

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

24. CORPORATE INCOME TAX (continued)

24.3 Deferred CIT

The following are the deferred tax assets recognised by the Group, and the movements thereon, during the current and previous period:

	<i>Balance sheet</i>		<i>Income statement</i>	
	<i>30 June</i>	<i>31 December</i>	<i>For the six-month</i>	<i>For the six-month</i>
	<i>2013</i>	<i>2012</i>	<i>period ended</i>	<i>period ended</i>
			<i>30 June 2013</i>	<i>30 June 2012</i>
Provision for doubtful debts	468,559,311	448,750,210	19,809,101	(64,262,980)
Accrued expenses	140,755,060	68,172,182	72,582,878	(85,550,826)
Unrealised foreign exchange	-	136,896	(136,896)	(22,930)
Provision for severance allowance	-	-	-	27,704,318
Unpaid salary and bonus	14,825,063	-	14,825,063	(865,819,708)
Deferred tax assets	624,139,434	517,059,288		
Net deferred income tax benefit (expense)			107,080,146	(987,952,126)

25. TRANSACTIONS WITH RELATED PARTIES

Significant transaction with a related party during the period was as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i>
			<i>Amount</i>
Phuong Nam Star Corporation	Related party	Office rental	1,786,067,952

Remuneration to members of the Board of Directors and Supervision, salaries and benefits of key management are as follows:

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2013</i>	<i>For the six-month period ended 30 June 2012</i>
Salaries and benefits of key management	4,504,233,980	3,545,580,901
Allowance for the Boards of Directors and Supervision	348,000,000	348,000,000
TOTAL	4,852,233,980	3,893,580,901

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

26. OPERATING LEASE COMMITMENT

The Group leases its office premises and land under operating lease arrangements. The minimum lease commitments as at 30 June 2013 under operating lease agreements are as follows:

	VND	
	30 June 2013	31 December 2012
Less than 1 year	4,477,413,660	2,702,448,000
From 1 - 5 years	12,353,558,640	8,690,640,000
More than 5 years	25,631,950,766	12,774,300,000
TOTAL	<u>42,462,923,066</u>	<u>24,167,388,000</u>

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade payables, accrued expenses, and loans and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has loans and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Group does not hold or issue derivative financial instruments.

The Group is exposed to market risk, credit risk and liquidity risk.

The Company's management reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk. Financial instruments affected by market risk include loans, cash and cash equivalents and investments.

The sensitivity analyses in the following sections relate to the position as at 30 June 2013 and 31 December 2012.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans, cash and cash equivalents.

The Group manages its interest rate risk by keeping close watch on relevant market situation, including domestic and international money market and economic, in order to contemplate and adapt its leverage level as well as financing strategies to the prevailing situation.

With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, cash and cash equivalents as follows:

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Interest rate sensitivity (continued)

	<i>Increase/decrease in basis points</i>	<i>VND Effect on profit before tax</i>
For the six-month period ended 30 June 2013		
VND	100	1,099,074,835
VND	(100)	(1,099,074,835)
For the six-month period ended 30 June 2012		
VND	100	792,226,291
VND	(100)	(792,226,291)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Certain expenses of the Group's are denominated in currencies other than VND. The Group considers that the exposure to foreign currency risk is insignificant.

Equity price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Group manages equity price risk by placing a limit on equity investments. The Group's Board of Directors reviews and approves sales of investment in appropriate time.

At 30 June 2013, the exposure to listed equity securities at fair value was VND 1,160,800,114 (31 December 2012: VND 1,464,001,146). If the price of these shares increased/ decreased by 10%, the Company's profit before tax would not be impacted significantly.

Commodity price risk

The Group is exposed to commodity price risk in relation to purchase of certain commodities. The Group manages its commodity price risk by keeping close watch on relevant information and situation of commodity market in order to properly manage timing of purchases, production plans and inventories level. The Group does not employ any derivative financial instruments to hedge its commodity price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (primarily for cash at banks).

Trade receivables

Customer credit risk is managed by the Group based on its established policy, procedures and control relating to customer credit risk management.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Company seeks to maintain strict control over its outstanding receivables.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Trade receivables (continued)

The Group continually monitors its accounts receivable due from customers. Due to the characteristics of the Group's business, there is no significant concentration of credit risk. If there is any uncertain collectability, the Group would make provision for bad debts under fair value.

Bank deposits

The Group's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by management in accordance with the Group's policy. The Group's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Group evaluates the concentration of credit risk in respect to bank deposit as low.

Liquidity risk

The liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligation due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Group monitors its liquidity risk by maintaining a level of cash and loans deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual discounted payments:

	<i>Less than 1 year</i>	<i>From 1 to over 5 years</i>	<i>VND</i> <i>Total</i>
30 June 2013			
Loans	110,147,913,301	19,496,974,155	129,644,887,456
Trade payables	59,143,690,617	-	59,143,690,617
Other payables and accrued expenses	71,689,035,644	142,000,000	71,831,035,644
	<u>240,980,639,562</u>	<u>19,638,974,155</u>	<u>260,619,613,717</u>
31 December 2012			
Loans	95,111,863,641	23,829,635,077	118,941,498,718
Trade payables	73,711,534,439	-	73,711,534,439
Other payables and accrued expenses	69,084,583,513	2,167,937,500	71,252,521,013
	<u>237,907,981,593</u>	<u>25,997,572,577</u>	<u>263,905,554,170</u>

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it as low and access to sources of funding is sufficiently available.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2013

29. SEGMENT REPORTING

Segment information is presented in respect of business activity or geography. The Group is not operating in more than one segment of business activity nor geographic area other than mainly operating in the only activity is to consult, supply and provide installation services in relation to industrial refrigeration projects, and in Vietnam only. Therefore, the Group does not present segmental information.

30. EVENTS AFTER THE BALANCE SHEET DATE

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

Mai Thi Kim Dung
Preparer

Nguyen Thi Thanh Huong
Chief accountant



Le Tan Phuoc
General Director

19 August 2013

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities

VND

Code	ASSETS	30 June 2013			
		Searefico	Arico	Elimination	Total
100	A. CURRENT ASSETS	482,601,061,984	101,640,811,863	(3,307,647,618)	580,934,226,229
110	I. Cash	222,752,494,599	11,799,876,395	-	234,552,370,994
111	1. Cash	5,400,023,960	799,876,395	-	6,199,900,355
112	2. Cash equivalents	217,352,470,639	11,000,000,000	-	228,352,470,639
120	II. Short-term investments	6,160,800,114	-	-	6,160,800,114
121	1. Short-term investments	7,931,047,144	-	-	7,931,047,144
129	2. Provision for short-term investments	(1,770,247,030)	-	-	(1,770,247,030)
130	III. Current accounts receivable	117,458,977,512	35,751,229,437	(3,307,647,618)	149,902,559,331
131	1. Trade receivables	133,302,006,799	34,964,780,535	(315,040,051)	167,951,747,283
132	2. Advances to suppliers	6,794,359,651	255,055,463	-	7,049,415,114
135	3. Other receivables	4,573,538,693	794,790,674	(2,992,607,567)	2,375,721,800
139	4. Provision for doubtful debts	(27,210,927,631)	(263,397,235)	-	(27,474,324,866)
140	IV. Inventories	127,413,131,268	51,997,742,691	-	179,410,873,959
141	1. Inventories	128,962,491,154	53,358,410,297	-	182,320,901,451
149	2. Provision for obsolete inventories	(1,549,359,886)	(1,360,667,606)	-	(2,910,027,492)
150	V. Other current assets	8,815,658,491	2,091,963,340	-	10,907,621,831
151	1. Short-term prepaid expenses	1,872,812,223	131,626,665	-	2,004,438,888
152	2. Value-added tax deductible	5,447,897,122	1,570,970,008	-	7,018,867,130
154	3. Tax and other receivables from the State	56,644,767	-	-	56,644,767
158	4. Other current assets	1,438,304,379	389,366,667	-	1,827,671,046

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities (continued)

VND

Code	ASSETS	30 June 2013			
		Searefico	Arico	Elimination	Total
200	B. NON-CURRENT ASSETS	88,846,326,017	96,541,045,743	(70,000,000,000)	115,387,371,760
220	i. Fixed assets	14,864,235,449	58,231,146,159	-	73,095,381,608
221	1. Tangible fixed assets	10,568,787,420	57,795,089,832	-	68,363,877,252
222	Cost	30,388,892,125	78,483,446,838	18,421,614,649	127,293,953,612
223	Accumulated depreciation	(19,820,104,705)	(20,688,357,006)	(18,421,614,649)	(58,930,076,360)
227	2. Intangible fixed assets	4,258,369,892	414,262,770	-	4,672,632,662
228	Cost	4,775,281,473	552,350,400	-	5,327,631,873
229	Accumulated amortisation	(516,911,581)	(138,087,630)	-	(654,999,211)
230	3. Construction in progress	37,078,137	21,793,557	-	58,871,694
250	ii. Long-term investments	70,000,000,000	-	(70,000,000,000)	-
251	1. Investments in subsidiaries	70,000,000,000	-	(70,000,000,000)	-
260	iii. Other long-term assets	3,982,090,568	38,309,899,584	-	42,291,990,152
261	1. Long-term prepaid expenses	2,457,405,294	38,299,899,584	-	40,757,304,878
262	2. Deferred tax assets	624,139,434	-	-	624,139,434
268	3. Other long-term assets	900,545,840	10,000,000	-	910,545,840
270	TOTAL ASSETS	571,447,388,001	198,181,857,606	(73,307,647,618)	696,321,597,989

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities (continued)

VND

Code	RESOURCES	30 June 2013			
		Searefico	Arico	Elimination	Total
300	A. LIABILITIES	225,888,592,332	122,459,197,969	(3,307,647,618)	345,040,142,683
310	i. Current liabilities	208,789,351,239	102,962,223,814	(3,307,647,618)	308,443,927,435
311	1. Short-term loans	58,094,367,933	52,053,545,368	-	110,147,913,301
312	2. Trade payables	54,590,463,729	4,868,266,939	(315,040,051)	59,143,690,617
313	3. Advances from customers	40,809,669,586	8,685,674,019	-	49,495,343,605
314	4. Statutory obligations	1,635,630,090	218,335,324	-	1,853,965,414
315	5. Payables to employees	5,391,835,841	1,148,273,999	-	6,540,109,840
316	6. Accrued expenses	26,702,449,117	29,031,926,389	-	55,734,375,506
319	7. Other payables	2,363,012,245	4,908,015,003	(2,992,607,567)	4,278,419,681
320	8. Short-term provision	11,041,453,544	634,786,913	-	11,676,240,457
323	9. Bonus and welfare fund	8,160,469,154	1,413,399,860	-	9,573,869,014
330	ii. Non-current liabilities	17,099,241,093	19,496,974,155	-	36,596,215,248
333	1. Other long-term liabilities	142,000,000	-	-	142,000,000
334	2. Long-term loans and debts	-	19,496,974,155	-	19,496,974,155
338	3. Unearned revenues	16,957,241,093	-	-	16,957,241,093
400	B. OWNERS' EQUITY	345,558,795,669	75,722,659,637	(70,000,000,000)	351,281,455,306
410	i. Capital	345,558,795,669	75,722,659,637	(70,000,000,000)	351,281,455,306
411	1. Share capital	81,320,460,000	70,000,000,000	(70,000,000,000)	81,320,460,000
412	2. Share premium	204,645,865,031	-	-	204,645,865,031
414	3. Treasury shares	(268,085,059)	-	-	(268,085,059)
417	4. Investment and development fund	27,380,716,788	4,145,811,246	-	31,526,528,034
418	5. Financial reserve fund	8,132,046,000	-	-	8,132,046,000
420	6. Undistributed earnings	24,347,792,909	1,576,848,391	-	25,924,641,300
440	TOTAL LIABILITIES AND OWNERS' EQUITY	571,447,388,001	198,181,857,606	(73,307,647,618)	696,321,597,989

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities (continued)

VND

Code	ASSETS	31 December 2012			
		Searefico	Arco	Elimination	Total
100	A. CURRENT ASSETS	478,863,820,913	113,446,381,696	(6,570,627,159)	585,739,575,450
110	I. Cash	118,347,482,507	11,513,688,680	-	129,861,171,187
111	1. Cash	2,805,454,527	513,688,680	-	3,319,143,207
112	2. Cash equivalents	115,542,027,980	11,000,000,000	-	126,542,027,980
120	II. Short-term investments	32,464,001,146	-	-	32,464,001,146
121	1. Short-term investments	35,516,078,972	-	-	35,516,078,972
129	2. Provision for short-term investments	(3,052,077,826)	-	-	(3,052,077,826)
130	III. Current accounts receivable	118,333,620,964	50,782,521,396	(6,420,680,644)	162,695,461,716
131	1. Trade receivables	129,036,927,924	48,264,380,395	(718,479,875)	176,582,828,444
132	2. Advances to suppliers	8,851,313,713	575,967,046	-	9,427,280,759
135	3. Other receivables	6,830,793,217	1,942,173,955	(5,702,200,769)	3,070,766,403
139	4. Provision for doubtful debts	(26,385,413,890)	-	-	(26,385,413,890)
140	IV. Inventories	205,753,788,263	50,151,919,887	(149,946,515)	255,755,761,635
141	1. Inventories	207,364,852,939	51,512,587,493	(149,946,515)	258,727,493,917
149	2. Provision for obsolete inventories	(1,611,064,676)	(1,360,667,606)	-	(2,971,732,282)
150	V. Other current assets	3,964,928,033	998,251,733	-	4,963,179,766
151	1. Short-term prepaid expenses	126,583,965	240,380,305	-	366,964,270
152	2. Value-added tax deductible	623,882,254	-	-	623,882,254
154	3. Tax and other receivables from the State	47,548,430	-	-	47,548,430
158	4. Other current assets	3,166,913,384	757,871,428	-	3,924,784,812

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities (continued)

VND

Code	ASSETS	31 December 2012			
		Searefico	Arico	Elimination	Total
200	B. NON-CURRENT ASSETS	87,765,656,222	99,996,408,647	(70,000,000,000)	117,762,064,869
220	i. Fixed assets	16,153,576,321	61,341,540,525	-	77,495,116,846
221	1. Tangible fixed assets	11,688,937,168	60,864,796,937	-	72,553,734,105
222	Cost	32,126,416,445	79,506,091,353	20,895,578,422	132,528,086,220
223	Accumulated depreciation	(20,437,479,277)	(18,641,294,416)	(20,895,578,422)	(59,974,352,115)
227	2. Intangible fixed assets	4,464,639,153	456,130,291	-	4,920,769,444
228	Cost	5,128,755,786	571,350,400	-	5,700,106,186
229	Accumulated amortisation	(664,116,633)	(115,220,109)	-	(779,336,742)
250	ii. Long-term investments	70,000,000,000	-	(70,000,000,000)	-
251	1. Investments in subsidiaries	70,000,000,000	-	(70,000,000,000)	-
260	iii. Other long-term assets	1,612,079,901	38,654,868,122	-	40,266,948,023
261	1. Long-term prepaid expenses	1,095,020,613	38,644,868,122	-	39,739,888,735
262	2. Deferred tax assets	517,059,288	-	-	517,059,288
268	3. Other long-term assets	-	10,000,000	-	10,000,000
270	TOTAL ASSETS	566,629,477,135	213,442,790,343	(76,570,627,159)	703,501,640,319

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 1: Consolidated balance sheet by entities (continued)

VND

Code	RESOURCES	31 December 2012			
		Searefico	Arico	Elimination	Total
300	A. LIABILITIES	275,462,294,044	135,585,305,084	(6,420,680,644)	404,626,918,484
310	i. Current liabilities	262,901,509,739	108,720,812,447	(6,420,680,644)	365,201,641,542
311	1. Short-term loans	45,617,056,975	49,494,806,666	-	95,111,863,641
312	2. Trade payables	68,654,315,882	5,775,698,432	(718,479,875)	73,711,534,439
313	3. Advances from customers	108,959,126,286	3,039,398,431	-	111,998,524,717
314	4. Statutory obligations	2,501,946,488	2,778,218,550	-	5,280,165,038
315	5. Payables to employees	6,833,996,052	963,119,407	-	7,797,115,459
316	6. Accrued expenses	20,491,882,275	39,200,203,828	-	59,692,086,103
319	7. Other payables	2,841,901,044	6,812,064,792	(5,702,200,769)	3,951,765,067
320	8. Short-term provision	4,941,962,647	498,769,696	-	5,440,732,343
323	9. Bonus and welfare fund	2,059,322,090	158,532,645	-	2,217,854,735
330	ii. Non-current liabilities	12,560,784,305	26,864,492,637	-	39,425,276,942
333	1. Other long-term liabilities	-	2,167,937,500	-	2,167,937,500
334	2. Long-term loans and debts	-	23,829,635,077	-	23,829,635,077
338	3. Unearned revenues	12,560,784,305	866,920,060	-	13,427,704,365
400	B. OWNERS' EQUITY	291,167,183,091	77,857,485,259	(70,149,946,515)	298,874,721,835
410	i. Capital	291,167,183,091	77,857,485,259	(70,149,946,515)	298,874,721,835
411	1. Share capital	81,320,460,000	70,000,000,000	(70,000,000,000)	81,320,460,000
412	2. Share premium	188,731,182,260	-	-	188,731,182,260
414	3. Treasury shares	(36,771,902,288)	-	-	(36,771,902,288)
417	4. Investment and development fund	22,294,008,794	4,145,811,246	-	26,439,820,040
418	5. Financial reserve fund	8,132,046,000	-	-	8,132,046,000
420	6. Undistributed earnings	27,461,388,325	3,711,674,013	(149,946,515)	31,023,115,823
440	TOTAL LIABILITIES AND OWNERS' EQUITY	566,629,477,135	213,442,790,343	(76,570,627,159)	703,501,640,319

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 2: Consolidated income statement by entities

VND

Code	ITEMS	For the six-month period ended 30 June 2013			
		Searefico	Arico	Elimination	Total
10	1. Net revenues from sale of goods and rendering of services	291,400,416,107	44,991,707,808	(155,186,273)	336,236,937,642
11	2. Costs of goods sold and services rendered	(258,945,957,859)	(33,482,057,339)	305,132,788	(292,122,882,410)
20	3. Gross profit	32,454,458,248	11,509,650,469	149,946,515	44,114,055,232
21	4. Finance income	13,467,759,951	620,434,860	(2,323,406,798)	11,764,788,013
22	5. Finance expenses	(4,007,091,633)	(2,856,190,709)	-	(6,863,282,342)
	<i>In which: Interest expense</i>	<i>(3,604,987,494)</i>	<i>(2,325,457,872)</i>	-	<i>(5,930,445,366)</i>
24	6. Selling expenses	-	(286,447,625)	-	(286,447,625)
25	7. General and administrative expenses	(19,414,146,618)	(7,478,288,659)	-	(26,892,435,277)
30	8. Operating profit	22,500,979,948	1,509,158,336	(2,173,460,283)	21,836,678,001
31	9. Other income	832,538,517	146,697,357	(131,213,774)	848,022,100
32	10. Other expenses	(196,875,183)	(17,437,392)	131,213,774	(83,098,801)
40	11. Other profit	635,663,334	129,259,965	-	764,923,299
50	12. Profit before tax	23,136,643,282	1,638,418,301	(2,173,460,283)	22,601,601,300
51	13. Current CIT	(5,420,956,501)	(61,569,910)	-	(5,482,526,411)
52	14. Deferred income tax benefit	107,080,146	-	-	107,080,146
60	15. Net profit after tax	17,822,766,927	1,576,848,391	(2,173,460,283)	17,226,155,035

The information on pages 39 to 46 is voluntarily presented by the Group and does not form part of the consolidated financial statements

Seaprodex Refrigeration Industry Corporation

Appendix 2: Consolidated income statement by entities (continued)

VND

Code	ITEMS	For the six-month period ended 30 June 2012			
		Searefico	Arico	Elimination	Total
10	1. Net revenues from sale of goods and rendering of services	231,561,762,567	52,172,853,867	-	283,734,616,434
11	2. Costs of goods sold and services rendered	(204,950,446,920)	(40,599,932,961)	-	(245,550,379,881)
20	3. Gross profit	26,611,315,647	11,572,920,906	-	38,184,236,553
21	4. Finance income	15,230,543,442	1,453,228,803	(4,546,340,904)	12,137,431,341
22	5. Finance expenses	(2,415,137,612)	(4,187,724,005)	-	(6,602,861,617)
23	in which: Interest expense	(2,160,832,086)	(4,029,047,680)	-	(6,189,879,766)
24	6. Selling expenses	-	(600,132,023)	-	(600,132,023)
25	7. General and administrative expenses	(18,628,150,795)	(6,836,620,395)	-	(25,464,771,190)
30	8. Operating profit	20,798,570,682	1,401,673,286	(4,546,340,904)	17,653,903,064
31	9. Other income	59,947,380	36,867,001	(52,326,933)	44,487,448
32	10. Other expenses	(58,242,578)	(2,307,752)	52,326,933	(8,223,397)
40	11. Other profit	1,704,802	34,559,249	-	36,264,051
50	12. Profit before tax	20,800,275,484	1,436,232,535	(4,546,340,904)	17,690,167,115
51	13. Current CIT	(1,854,888,980)	-	-	(1,854,888,980)
52	14. Deferred income tax expense	(987,952,126)	-	-	(987,952,126)
60	15. Net profit after tax	17,957,434,378	1,436,232,535	(4,546,340,904)	14,847,326,009

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