

**Separate financial statements**  
**Quarter 2 -2011**

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## Report of the Board of Directors

The Board of Directors submits the Separate financial statements of Interfood Shareholding Company (“the Company”) for the period ended 30 June 2011.

### Results

The results of the Company for the period ended 30 June 2011 are set out in the Separate statement of income.

### Financial indicators of the business

	Unit	30 June 2011	2009
<b>Assets structure and capital structure</b>			
<b>Assets structure</b>			
Fixed assets/total assets	%	<b>53.32</b>	56.09
Current assets/total assets	%	<b>46.68</b>	43.91
<b>Capital structure</b>			
Liabilities/total resources	%	<b>69.47</b>	66.88
Owner’s equity/total resources	%	<b>30.53</b>	33.12
<b>Liquidity</b>			
Total assets/liabilities	times	<b>1.44</b>	1.50
Current ratio	times	<b>0.78</b>	0.77
Quick ratio	times	<b>0.03</b>	0.01
<b>Profitability</b>			
<b>Profit (Loss)/net sales</b>			
Profit (Loss) before tax/net sales	%	<b>(3.20)</b>	4.57
Profit (Loss)/net sales	%	<b>(3.20)</b>	3.82
<b>Profit (Loss)/total assets</b>			
Profit (Loss) before tax/total assets	%	<b>(2.16)</b>	3.66
Net profit (loss)/total assets	%	<b>(2.16)</b>	3.06
Net profit (loss)/owner’s equity	%	<b>(7.07)</b>	9.23

### Auditors

The Separate financial statements have been audited by Grant Thornton (Vietnam) Ltd.

### Boards of Management and Directors

The members of the Boards of Management and Directors during the year and to the date of this report were:

<b>Board of Management:</b>		Appointed:	Resigned:
Pang Tee Chiang	Chairman	15-08-2006	31-05-2011
Nguyen Thi Kim Lien	Member	15-08-2006	
Pang Tze Yi	Member	15-08-2006	14-03-2011
Teng Po Wen	Member	15-08-2006	14-03-2011
Pang Tze Wei	Member	28-08-2010	
Ryoichi Yonemura	Member	14-03-2011	
Hiroshi Fujikawa	Member	14-03-2011	
Michio Nagabayashi	Chairman	31-05-2011	
<b>Board of Director:</b>		Appointed:	Resigned:
Pang Tee Chiang	General Director	15-08-2006	23-05-2011
Pang Tze Yi	1st Deputy General Director	15-08-2006	14-03-2011
Nguyen Thi Kim Lien	Director / General Manager of Finance	15-08-2006	
Pang Tze Wei	2nd Deputy General Director	29-08-2010	23-05-2011
Michio Nagabayashi	General Director	23-05-2011	
Hajime Kobayashi	Director/General Manager of Corporate Planning	23-05-2011	
Kazumi Nagashima	Director/General Manager of Factory	23-05-2011	
Hidefumi Matsuo	Director/Finance Controller	23-05-2011	

### Statement of Boards of Directors

The Board of Directors is responsible for ensuring that the separate financial statements are properly drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2011, and of the results of its operations and its cash flows for the year in accordance with Vietnamese Accounting Standards and System and in compliance with relevant statutory requirements. When preparing the separate financial statements, the Board of Directors is required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- comply with the disclosure requirements of Vietnamese Accounting Standards and System;
- maintain adequate accounting records and an effective system of internal control;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and;
- control and direct effectively the Company in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the separate financial statements.

On behalf of the Board of Directors

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Michio Nagabayashi  
Chairman, General Director  
Dong Nai province, Vietnam

# Separate balance sheet

	Notes	Code	30 June 2011		31 December 2010	
			USD	VND million	USD	VND million
<b>ASSETS</b>						
<b>Current assets</b>						
<b>Cash and cash equivalents</b>						
Cash	6	111	570,637	11,765	117,731	2,229
<b>Accounts receivable</b>						
Trade accounts receivable		131	290,182	5,983	434,257	8,221
Prepayments to suppliers		132	688,613	14,198	833,701	15,784
Receivables from related parties	35	134	7,169,024	147,811	6,330,174	119,843
Other receivables	7	135	88,889	1,833	132,933	2,517
Provision for doubtful debts		139	(24,405)	(503)	(24,405)	(462)
		130	8,212,303	169,321	7,706,660	145,902
<b>Inventories</b>						
Inventories	8	141	7,921,876	163,333	7,628,807	144,429
Provision for decline in inventory value	8	149	(342,459)	(7,061)	(146,582)	(2,775)
		140	7,579,417	156,272	7,482,225	141,653
<b>Other current assets</b>						
Short term prepaid expenses		151	45,669	942	6,663	126
Taxes receivable from the state budget	9	154	170,964	3,525	106,907	2,024
Other current assets		158	114,217	2,355	77,128	1,460
		150	330,850	6,821	190,698	3,610
		100	16,693,207	344,181	15,497,314	293,395
<b>Non-current assets</b>						
<b>Long term receivables</b>						
Other non –current receivable	10	211	-	-	-	-
<b>Fixed assets</b>						
<b>Tangible fixed assets</b>						
<i>Cost</i>	10	221	12,231,892	252,197	12,973,525	245,615
<i>Accumulated depreciation</i>			23,609,426	486,779	23,588,797	446,583
<b>Construction in progress</b>	11	230	(11,377,534)	(234,582)	(10,615,272)	(200,968)
		220	200,896	4,142	188,896	3,576
		220	12,432,788	256,339	13,162,421	249,191
<b>Long term investments</b>						
Investments in subsidiaries			4,500,000	92,781	4,500,000	85,194
Investments in associates	12	252	-	-	-	-
			4,500,000	92,781	4,500,000	85,194
<b>Other non-current assets</b>						
Deferred tax assets	14	262	2,135,050	44,020	2,135,050	40,421
		260	2,135,050	44,020	2,135,050	40,421
		200	19,067,838	393,141	19,797,471	374,806
		270	35,761,045	737,321	35,294,785	668,201

	Notes	Code	30 June 2011		31 December 2010	
			USD	VND million	USD	VND million
<b>RESOURCES</b>						
<b>Liabilities</b>						
<b>Current liabilities</b>						
Short term borrowings and debts	<a href="#">15</a>	311	16,407,280	338,285	13,477,096	255,148
Trade accounts payable	<a href="#">16</a>	312	3,894,337	80,293	4,985,611	94,388
Advances from customers		313	124,966	2,577	249,998	4,733
Taxes payable to state budget	<a href="#">17</a>	314	72,915	1,503	370,098	7,007
Payable to employees		315	341,768	7,047	387,348	7,333
Accrued expenses payable	<a href="#">18</a>	316	300,552	6,197	337,010	6,380
Intercompany payable		317	67,816	1,398	99,083	1,876
Other payables	<a href="#">19</a>	319	84,393	1,740	155,716	2,948
		310	21,294,027	439,040	20,061,960	379,813
<b>Long term liabilities</b>						
Long term deposits		331	1,255	26	1,255	24
Long term borrowings and debts	<a href="#">20</a>	334	3,430,928	70,739	3,430,928	64,954
Provision for severance allowance		336	115,806	2,388	109,751	2,078
		330	3,547,989	73,152	3,541,934	67,056
			24,842,016	512,193	23,603,894	446,869
<b>Owners' equity</b>						
<b>Capital sources and funds</b>						
Share capital	<a href="#">21</a>	411	18,313,995	377,598	18,313,995	346,721
Share premium	<a href="#">22</a>	412	4,082,759	84,178	4,082,759	77,295
Accumulated profit/(loss)		416	(11,477,725)	(236,648)	(10,705,863)	(202,683)
		440	10,919,029	225,129	11,690,891	221,332
			35,761,045	737,321	35,294,785	668,201

**Off balance sheet items**

	30 June 2011	31 December 2010
<b>Foreign currencies</b>		
Million Vietnam Dong	10,046	1,345
Euro	388	369

Date: 19 July 2011

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 Michio Nagabayashi  
 General Director

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 Nguyen Hong Phong  
 Chief Accountant

## Separate statement of income

	Notes	Code	Quarter 2 -2011		Quarter 2 -2010- Restated		First 6 months 2011		First 6 months 2010- Restated	
			USD		USD		USD		USD	
			VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Gross sales	23	1	11,774,036	242,757	14,231,367	262,640	24,777,211	510,857	29,307,338	554,847
Less deductions:	23	2	(296,446)	(6,112)	(100,157)	(1,848)	(633,556)	(13,063)	(1,087,264)	(20,584)
Net sales		10	11,477,590	236,645	14,131,211	260,791	24,143,655	497,794	28,220,073	534,262
Cost of sales	24	11	(9,907,189)	(204,266)	(10,910,273)	(201,349)	(19,844,270)	(409,149)	(22,361,185)	(423,342)
Gross profit		20	1,570,401	32,379	3,220,938	59,442	4,299,385	88,645	5,858,889	110,920
Income from financial activities	25	21	681,340	14,048	858,278	15,840	1,736,594	35,805	949,659	17,979
Expenses for financial activities	26	22	(651,186)	(13,426)	(1,164,028)	(21,482)	(1,853,494)	(38,215)	(1,396,837)	(26,445)
Including: interest expense		23	(403,954)	(8,329)	(785,303)	(14,493)	(794,304)	(16,377)	(557,288)	(10,551)
Selling expenses	27	24	(2,037,855)	(42,016)	(1,839,614)	(33,950)	(3,998,495)	(82,441)	(2,836,042)	(53,692)
General and administration expenses	28	25	(446,505)	(9,206)	(848,343)	(15,656)	(890,711)	(18,365)	(1,341,041)	(25,389)
Operating loss		30	(883,805)	(18,222)	227,231	4,194	(706,721)	(14,571)	1,234,627	23,374
Other income	29	31	44,179	911	253,163	4,672	54,820	1,130	253,163	4,793
Other expenses	30	32	(119,095)	(2,456)	(191,107)	(3,527)	(119,963)	(2,473)	(197,031)	(3,730)
Profit (loss) before tax		50	(958,721)	(19,767)	289,287	5,339	(771,864)	(15,914)	1,290,760	24,437
Current corporate income tax	32	51	-	-	(33,000)	(609)	-	-	(33,000)	(625)
Deferred corporate income tax	32	52	75,670	1,560	(102,901)	(1,899)	-	-	(178,570)	(3,381)
Profit(loss) after tax			(883,051)	(18,207)	153,386	2,831	(771,864)	(15,914)	1,079,189	20,431
Earning(loss) per share	35	70	(0.030)	(0.001)	0.005	0.000	(0.026)	(0.001)	0.037	0.001

Date: 19 July 2011

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Michio Nagabayashi  
General Director

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Nguyen Hong Phong  
Chief Accountant

## Separate statements of cash flows

	Code	30 June 2011		31 December 2010	
		USD	VND million	USD	VND million
<b>Cash flows from operating activities</b>					
Profit/Loss before tax	1	(771,862)	(15,914)	814,373	15,418
Adjustments for:					
Depreciation and amortisation	2	762,262	15,716	1,538,111	29,120
Increase in provisions	3	195,877	4,039	(538,959)	(10,204)
Gain on foreign currency translation	4	-	-	(18,200)	(345)
Loss from disposal investments	5	-	-	(300,000)	(5,680)
Interest expense	6	794,304	16,377	1,178,758	22,316
Interest income	7	(199,896)	(4,121)	(455,345)	(8,621)
<b>Operating profit/(loss) before adjustments to working capital</b>	<b>8</b>	<b>780,685</b>	<b>16,096</b>	<b>2,218,738</b>	<b>42,005</b>
Change in accounts receivable	9	(410,112)	(8,456)	(3,613,640)	(68,413)
Change in inventory	10	(293,069)	(6,042)	(392,564)	(7,432)
Change in accounts payable	11	(1,692,063)	(34,887)	(66,608)	(1,261)
Change in prepaid expenses	12	(39,006)	(804)	164,257	3,110
Interest paid	13	(794,304)	(16,377)	(1,178,758)	(22,316)
Interest income	14	-	-	-	-
Interest income received	14	3,220	66	8,953	169
<b>Cash generated from operating activities</b>	<b>20</b>	<b>(2,444,649)</b>	<b>(50,404)</b>	<b>(2,859,622)</b>	<b>(54,138)</b>
<b>Cash flows from investing activities</b>					
Acquisition of fixed assets and investment CIP	21	(32,629)	(673)	(265,504)	(5,027)
Proceeds from disposal of investments and fixed assets	22	-	-	-	-
Additional investment in associate	25	-	-	-	-
<b>Net cash inflows/(outflows) from investing activities</b>	<b>30</b>	<b>(32,629)</b>	<b>(673)</b>	<b>(265,504)</b>	<b>(5,027)</b>
<b>Cash flows from financing activities</b>					
Loan proceeds	33	24,217,723	499,321	25,509,834	482,952
Debt repayments	34	(21,287,539)	(438,906)	(22,494,899)	(425,873)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>40</b>	<b>2,930,184</b>	<b>60,415</b>	<b>3,014,935</b>	<b>57,079</b>
<b>Net increase/(decrease) in cash</b>	<b>50</b>	<b>452,906</b>	<b>9,338</b>	<b>(110,191)</b>	<b>(2,086)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>60</b>	<b>117,731</b>	<b>2,427</b>	<b>227,922</b>	<b>4,315</b>
Effects of changes in foreign exchange rates	61	-	-	-	-
<b>Cash and cash equivalents at year end</b>	<b>70</b>	<b>570,637</b>	<b>11,765</b>	<b>117,731</b>	<b>2,229</b>

Date: 19 July 2011

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 Michio Nagabayashi  
 General Director

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 Nguyen Hong Phong  
 Chief Accountant



# Notes to the Separate financial statements

## 1 Nature of operations

Interfood Shareholding Company (formerly Interfood Processing Industry Ltd.) (“the Company”) was established in the Socialist Republic of Vietnam as a wholly owned subsidiary by Trade Ocean Holdings Sdn. Bhd., a company incorporated in Malaysia for a period of 40 years pursuant to Investment Licence No. 270/GP, dated 16 November 1991.

After the initial investment license, there were a series of amendments as follows:

Investment Licence No. 270 CPH/GP dated 9 August 2005 which allowed the Company to convert into a shareholding company with foreign owned capital under the name of Interfood Shareholding Company with a total investment capital and charter capital of US\$30,000,000 and US\$13,000,000, respectively. The Company’s total number of shares was 13,000,000 with par value of US\$1 per share and held by four founding shareholders;

Investment Licence No. 270 CPH/GPDC2 dated 15 June 2006 allowing the Company to change the par value of its shares from US\$1 per share to VND10,000 per share and the Company’s charter capital was changed from US\$13,000,000 to VND206,336,000 thousand. As a result, the total shares of the Company changed from 13,000,000 shares with par value of US\$1 per share to 20,633,600 shares with par value of VND10,000 per share;

Investment Licence No. 270 CPH/GCND3 dated 23 August 2006 allowed the Company to increase its charter capital to VND242,841,600 thousand. The total shares of the Company increased to 24,284,160 by registering and issuing 3,620,560 new shares.

On 17 October 2006, the Company listed the 3,620,560 new shares mentioned above on the Ho Chi Minh City Securities Trading Centre after receiving Listing Licence No. 61/UBCK-GPNY issued by the State Securities Commission on 29 September 2006. According to the Listing Licence, the founding shareholders were also allowed to sell 2,108,912 shares held by them to the public. The number of shares listed totalled 5,729,472.

Under the latest investment license under Investment Certificate No. 472033000328 dated 28 November 2007 issued by the Board of Management of Dong Nai Industrial Zone, the total investment capital of the Company is VND1,444,500 million, equivalent to US\$90 million. The charter capital of the Company is VND291,409,920 thousand. The total shares of the Company was increased to 29,140,992 with par value of VND10,000 per share. An additional 4,820,832 new shares

were issued and registered, in which 1,145,887 shares were allowed to be listed bringing the total to 6,875,359 shares being listed.

The principal activities of the Company are to process agricultural and aquatic products into canned, dried, frozen, salted, and pickled products and the production of biscuits and snack food, carbonated fruit juice and fruit juice with 5% alcohol content, bottled filtered water and PET bottle; to manufacture packaging for foods and beverages.

Particulars of the Group’s principal subsidiaries are set out in Note 5 to the Separate financial statements.

As at 30 June 2011, the Company had 1089 employees (2009: 923 employees).

## 2 Fiscal year and currency

### Fiscal year

The Company’s fiscal year end is 31 December.

### Reporting currency and foreign exchange

The Company’s separate financial statements and those of the Separate subsidiary are measured and presented using United States dollar (US\$) as approved by the Ministry of Finance in Official Letter No. 550 TC/CDKT dated 5 September 1998

Transactions arising in currencies other than the reporting currency are translated at exchange rates in effect on the transaction dates. Monetary assets and liabilities denominated in currencies other than the reporting currency are translated at the exchange rates in effect at the Separate balance sheet date. Translation gains and losses and expenses relating to foreign exchange transactions arising thereafter are recorded in the Separate statement of income.

## 3 Basis of preparation of Separate financial statements

### 3.1 Basis of preparation

## Interfood Shareholding Company

The Separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System, and relevant statutory requirements of the Ministry of Finance, which may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and standards of the country of the reader.

Accordingly, the Separate financial statements are not intended to present the financial position and results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than The Socialist Republic of Vietnam and furthermore their use is not designed for those who are not informed about Vietnam's principles, procedures and practices.

### 3.2 Separate financial statements

This set of financial statement is the separate financial statements of Interfood Shareholding Company. The consolidated financial statements of the Company and its subsidiaries are to be prepared by the management in accordance with the requirements of Vietnamese Accounting Standards and System and presented separately.

Subsidiaries are all entities over which the Company has the power to control the financial and operating policies. The Company obtains and exercises control through voting rights. In the separate financial statements investment in subsidiaries is accounted for at cost. The results of the subsidiary are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.

### 3.3 Accounting system and form of records

The Company uses the general journal method to record its transactions.

## 4 Accounting policies

### 4.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand and cash in bank as well as bank deposits with the maturity term of not more than 3 months.

### 4.2 Inventory

Inventory is accounted for using the perpetual method and valued at the lower of cost and net realizable value. Cost of finished goods and work in progress, calculated on a weighted average basis, is composed of materials, direct labour and production overhead.

Cost of raw material, tools and supplies is valued at purchase and related costs. Net realizable value comprises estimated sales proceeds less selling expenses. A provision for decline is recorded where cost exceeds net realizable value.

### 4.3 Accounts receivable

Accounts receivable are carried at invoice value less a provision for doubtful debts in an amount that reflects the extent to which it is estimated that the accounts will not be collected in full.

### 4.4 Tangible fixed assets

Tangible fixed assets are valued at historical cost less accumulated depreciation. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follow:

Buildings	15 – 30 years
Plant and machinery	10 – 15 years
Motor vehicles	6 years
Office equipment	10 years

The Company obtained permission from the Ministry of Finance to depreciate based on the depreciation rates above through official letter No.2536/TC-TCND dated 20 March 2003. The said depreciation rates are not consistent with the guidelines under Circular 203/2009/TT-BTC dated 20 October 2009.

Gains or losses from disposals are determined by comparing the net proceeds from disposal with the carrying amounts of the assets sole and are recognised as income or expense in the income statement.

Depreciation of assets which are not in used was recognised as part of “Other expense”.

### 4.5 Construction in progress

Construction in progress represents the costs of new ERP software, construction cost during the period of construction and installation. No depreciation is recognized until the construction and installation is complete and until the asset is available for its intended use at which time the related costs are transferred to tangible fixed assets.

## **Interfood Shareholding Company**

### **4.6 Investment in subsidiaries**

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost.

### **4.7 Investment in associate**

Associates are those entities over which the Group is able to exert significant influence but which are neither subsidiaries nor investments in a joint venture.

In the Company's separate financial statements, investments in associates are stated at cost. The results of associates are accounted for by the Company on the basis of dividends received and receivable at the balance sheet date.

### **4.7 Borrowing costs**

Borrowing costs comprising interest and related costs are recognised as an expense in the period in which they are incurred, except for borrowings costs relating to the acquisition of tangible fixed assets that are incurred during the period of construction and installation of the assets, which are capitalised as a cost of the related assets.

### **4.8 Revenue**

Revenue from sale of goods is recognised in the Separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding the ultimate receipt of the proceeds, the reasonable estimation of the associated costs of the sale or the possibility of the return of the goods.

Interest income is recognised in the Separate statement of income on a time-proportion basis using the effective interest method.

### **I4.9 Provision for severance allowance**

In accordance with Vietnamese labour laws, employees of the Company are entitled to a severance allowance based on their years of service. This will be paid as a lump sum when the employee leaves the Company.

A provision for severance allowance is made for the estimated liability for employment termination as a result of services rendered by employees up to the Separate balance sheet date.

The provision is calculated on the basis of a half-month salary for each employee for each year of service with the Company, based on salary levels at the Separate balance sheet date.

Following a change in current regulation of severance allowance starting 1 January 2009, the Company is no longer liable to accrue and pay for severance allowance for period after 31 December 2008, which will be replaced by the Government's unemployment insurance scheme.

### **4.10 Operating leases**

Leases wherein substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rental payments applicable to such leases are recorded in the results of operations as incurred.

### **4.11 Income taxes**

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the Separate balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year.

All changes to current tax assets or liabilities are recognised as a component of tax expense in the Separate statement of income.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the Separate financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the Separate balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the Separate statement of income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

#### 4.12 Earnings/loss per share

The Group presents basic earnings/loss per share (EPS) for its ordinary shares and this is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

#### 4.13 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

#### 4.14 Segment report

The Group identifies its operating segments based on market segments where the risks and returns are different in each of the markets. For all periods presented, the Group operated in two segments: domestic sales and export sales. In addition, there are two main kinds of product: Drinks and Biscuits.

### 5 Going concern assumption

The separate financial statements have been prepared assuming that the Company will continue as a going concern notwithstanding the fact that the Company's current liabilities exceeded current assets by USD 4,600,820 as at 30 June 2011 (31 December 2010: USD4,564,646).

The Company's continued existence as a going concern is dependent on the continued financial support of its parent company and ultimately on its ability to operate profitably. The parent company issued a formal undertaking to provide financial support in connection with third party undertakings and relief from related party financial obligations.

Accordingly, the Separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Company is unable to continue as a going concern.

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### 6 Cash and cash equivalents

	30 June 2011		31 December 2010	
	USD	VND	USD	VND
	million	million	million	million
Cash on hand	8,832	182	28,943	548
Cash in banks	561,805	11,583	88,788	1,681
	<b>570,637</b>	<b>11,765</b>	117,731	2,229

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### 7 Other receivables

	30 June 2011		31 December 2010	
	USD	VND	USD	VND
	million	million	million	million
Receivable from subsidiary for VAT input	53,373	1,100	53,373	1,010
Other receivables	35,516	732	79,560	1,506
	<b>88,889</b>	<b>1,833</b>	132,933	2,517

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### 8 Inventories

	30 June 2011		31 December 2010	
	USD	VND	USD	VND
	million	million	million	million
Goods in transit	-	-	336,401	6,369
Raw materials	2,851,127	58,785	2,562,539	48,514

**Interfood Shareholding Company**

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Tools and supplies	286,509	5,907	277,095	5,246
Work in progress	1,392,794	28,717	1,173,964	22,225
Finished goods	3,391,446	69,925	3,278,808	62,074
	<b>7,921,876</b>	<b>163,333</b>	<b>7,628,807</b>	<b>144,429</b>
Provision for decline in inventory value	(342,459)	(7,061)	(146,582)	(2,775)
	<b>7,579,417</b>	<b>156,272</b>	<b>7,482,225</b>	<b>141,653</b>

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**9 Taxes and amounts receivable from the State Budget**

The outstanding balance including an amount of US\$106,907 represents over- payment of the Company's corporate income tax made for the year 2007. The amounts will be net off with tax liabilities or tax filings in the succeeding years.

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**10**

	Building USD	Machinery & Equipment USD	Motor vehicles USD	Office equipment USD	Total USD
<b>Historical cost</b>					
01/01/2011	-	22,836,629	505,662	246,506	23,588,797
Acquisition	-	20,629	-	-	20,629
Transfer from CIP	-	-	-	-	-
Disposals	-	-	-	-	-
30/06/2011	-	22,857,258	505,662	246,506	23,609,426
30 June 2011 (VND million)	-	432,734	9,573	4,667	446,974
<i>Fully depreciated</i>		1,023,178	262,559	52,207	1,337,944
<i>Fixed assets not in use (**)</i>		3,883,518	134,013	87,404	4,104,936
<b>Accumulated depreciation</b>					
01/01/2011	-	(10,050,926)	(418,156)	(146,190)	(10,615,272)
Charge for the year	-	(731,956)	(20,277)	(10,029)	(762,262)
Disposals	-	-	-	-	-
30/06/2011	-	(10,782,882)	(438,433)	(156,219)	(11,377,534)
30 June 2011 (VND million)	-	(204,142)	(8,300)	(2,958)	(215,399)
<i>Fixed assets not in use (**)</i>		2,477,913	133,277	83,256	2,694,445
<b>Net book value</b>					
01/01/2011	-	12,785,703	87,506	100,316	12,973,525
30/06/2011	-	12,074,376	67,229	90,287	12,231,892
30 June 2011 (VND million)	-	228,592	1,273	1,709	231,574
<i>Fixed assets not in use (**)</i>		1,405,606	736	4,149	1,410,490

As at 30 June 2011, certain fixed assets with an aggregate carrying value of USD 6,763,897 (2010: USD 9,803,601) have been pledged with Vietcombank as security for short-term and long term borrowings (Note 17 and Note 22).

(\*\*) Those assets had been moved from the old factory located in the central of Bien Hoa City to new one located in Tam Phuoc Industrial Park, Bien Hoa City. The Company has insufficient demand to warrant bringing these assets into use at the present time.

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**11 Construction in progress**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Opening balance	188,896	3,895	293,956	5,565
Additions during the year	12,000	247	98,824	1,871
Transferred to tangible fixed assets	-	-	(203,884)	(3,860)
Closing balance	200,896	4,142	188,896	3,576

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**12 Investment in subsidiaries**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Avafood Shareholding company	4,500,000	92,781	4,500,000	85,194
	4 500 000	92 781	4 500 000	85 194

**13 Investment in associate**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Opening balance			3,000,000	56,796
Dispose Investment in Crown Dong Nai			(3,000,000)	(56,796)
	-	-	-	-

On 18th May 2010, the Company entered into an agreement to sell remaining 20% ownership of Crown Beverage Cans (Dong Nai) Limited to Crown Packaging Investment Pte. Ltd, a Singaporean company which is parent company of Crown Beverage Cans (Dong Nai) Limited. This transaction was approved by the shareholders under resolution No. EGM100531 date 31 May 2010.

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**14 Deferred tax assets**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Deferred tax assets	2,135,050	44,020	2,135,050	40,421

This pertains to the deferred income tax recognized in 2008 relative to the Company's net loss reported for that year.

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**15 Short term borrowings and debts**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Loans from Vietcombank, Dong Nai (1)	9,407,280	193,959	10,496,785	198,725
Loans from Viet A Bank (2)	-	-	2,980,311	56,423
Loans from Kirin Group (3)	7,000,000	144,326	-	-
	16,407,280	338,285	13,477,096	255,148

**(1) Loans from Vietcombank Dong Nai**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Denominated in USD	1,371,685	28,281	1,484,741	28,109
Denominated in EUR	-	-	50,322	953
Denominated in VND	8,035,595	165,678	8,961,722	169,663
	9,407,280	193,959	10,496,785	198,725

The company has a short-term revolving credit line from Vietcombank, Dong Nai Branch under the Loan agreement No 2008148/NHNT dated 9 September 2008 which pertains to working capital credit facility with a credit limit of 162 billion VND. On 20 August 2010, Vietcombank Dong Nai increased the credit line to 200 billion VND (equivalent to USD10,564,124 as at 31 December 2010) as covered by the principal Agreement No 2010031/KHDN/NHNT dated 20 August 2010 for the term of 60 months from agreement date. The credit facility is subject to interest based on the actual rates at the time each loan is drawn and such interest is payable on the 26th day of each month.

The applicable interest rates of these loans in 2011 for dollar denominated loans were 6% to 7% while it was 12.0% to 19% for VND denominated loans. (In 2010 for dollar denominated loans were 6% to 7% while it was 12.0% to 15.5% for VND denominated loans)

All loans from Vietcombank are secured under the following mortgaged agreements:

- Agreement No. 2007114/HDBD/NHNT dated 10 Jul 2007 and Appendix No. 2 dated 20 Aug 2010, in which subject loans are secured by pledged machinery and equipment. As at 31 December 2010, the aggregate carrying values of these pledged assets amounts to USD 3,765,800 (Note 8).

- Agreement No. 2010020/HDBD/NHNT dated 20 August 2010 regarding mortgaged ownership of capital contribution of Interfood Shareholding Company ("Interfood"), the parent company, in Avafood amounting to USD 4,500,000. In addition, Interfood also issued a guarantee which includes performance of guaranteed obligations in the event of dissolution, bankruptcy or insolvency in accordance with Agreement No. 201009/HDBL/NHNT dated 20 August 2010. This agreement has been terminated when Avafood settled all outstanding debts to Vietcombank in June 2011.

- Agreement No.016/QHKH/NHNT dated 24 September 2004, in which these loans are secured by the aggregated values of certain machinery. As at 31 December 2010, the carrying value of these pledged assets amounted to USD4,113,505 (Note 10).

(3) Loans from Viet A Bank	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Denominated in USD	-	-	2,980,311	56,423
	-	-	2,980,311	56,423

The loan from Viet A Bank under Contract No. 131/10/VAB/HDTHH dated 26 March 2010 pertains to working capital credit facility with a credit limit of USD 3,000,000. The credit facility is subject to interest based on the actual rates at the time each loan is drawn and such interest is payable on the 25th day of each month or after one month of withdrawal.

The applicable interest rate in 2011 was from 7% to 10% per annual. The loans are secured by the aggregated values of certain machineries amounting to VND'000 47,260,000 (equivalent to USD 2,496,303 as at 31 December 2010) under contract No. No.274/10/VAB-SGD/TCDS dated on 21 December 2010 and machineries amounting to VND'000 42,000,000 (equivalent to USD 2,218,466 as at 31 December 2010) under contract No. No.242/10/VAB-SGD/TCDS dated on 11 November 2010. As at 31 December 2010, the carrying value of these pledged assets amounts to USD 5,690,096 (Note 11).

The Company has settled all loan and interest to Viet A bank in Jun'2011 and Viet A bank has discharged all secured assets to the company in Jun'2011

(3) Loans from Kirin Holding Limited	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Denominated in USD	7,000,000	144,326	-	-
	7,000,000	144,326	-	-

In May' 2011, the Company has a unsecured revolving loan agreement with Kirin Holdings Company, Ltd amount to USD7,000,000 with loan interest of 1.731% per annual and maturity date on 30/05/2012

In Jun' 2011, the Company also has a revolving loan agreement with Kirin Holdings Company, Ltd amount to USD3,000,000 with loan interest of 1.749% per annual and maturity date on 01/06/2012, this loan amount have been released to Interfood in July 2011.

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### 16 Trade accounts payable

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Payable to suppliers	3,505,383	72,274	3,590,165	67,969
Payable to related parties (Note 39)	388,954	8,019	1,395,446	26,419
	3,894,337	80,293	4,985,611	94,388

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### 17 Taxes and amounts payable to state budget

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Value added tax	-	-	242,514	4,591
Personal income tax	40,395	833	122,254	2,315
Import, export tax	23,944	494	2,076	39
Other taxes	8,576	177	3,254	62

	72,915	1,503	370,098	7,007
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**18 Accrued expenses payable**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Transportation	187,215	3,860	205,841	3,897
Trade discounts	71,254	1,469	83,659	1,584
Others	42,083	868	47,510	899
	<b>300,552</b>	<b>6,197</b>	<b>337,010</b>	<b>6,380</b>

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**18 Internal payable**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Royalty fee for Wonderfarm Biscuits and Confectionery SDN BHD	67,816	1,398	99,083	1,876
	<b>67,816</b>	<b>1,398</b>	<b>99,083</b>	<b>1,876</b>

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**19 Other payables**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Dividend payable (Note 35)	24,265	500	24,265	459
Trade union, social and health insurance	29,885	616	13,003	246
Other payables to Chairman (Note 33)	30,177	622	106,851	2,023
Other payable	66	1	11,597	220
	<b>84,393</b>	<b>1,740</b>	<b>155,716</b>	<b>2,948</b>

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**20 Long term borrowings and debts**

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Loan from Trade Ocean Holding Company (TOH)	3,430,928	70,739	3,430,928	64,954
	<b>3,430,928</b>	<b>70,739</b>	<b>3,430,928</b>	<b>64,954</b>

This represents an assumed loan resulting from a swap of liabilities between the Company and Crown Dong Nai. The Company assumed, this assumed liability was subsequently converted into a five-year shareholder loan under a loan agreement dated 30 July 2009. The loan bears interest at SIBOR three months less 1%. In Feb'2011 Between IFS, TOH and Mr. Pang TC have signed a novation loan agreement to transfer this loan owed by IFS to Mr. Pang TC into TOH.

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**21 Owner's equity**

	Share capital	Share premium	Undistribute d earnings	Total
	USD	USD	USD	USD
Prior year's opening balance	18,313,995	4,082,759	(11,318,220)	11,078,534
Prior year's net profit/loss	-	-	612,357	612,357
Prior year's closing balance	18,313,995	4,082,759	(10,705,863)	11,690,891
31 December 2010 (VND million)	346,721	77,295	(202,683)	221,332
Current year's opening balance	18,313,995	4,082,759	(10,705,863)	11,690,891
Current year's net profit/loss	-	-	(771,864)	(771,864)
Current year's closing balance	18,313,995	4,082,759	(11,477,727)	10,919,027
30 June 2011 (VND million)	377,598	84,178	(236,648)	225,128

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**22 Paid-in capital**

The Company's charter capital is VND291,409,840 thousand (equivalent US\$18,313,995), which is divided into 29,140,984 ordinary shares with par value of VND10,000 each.



	Number of shares	VND'000	USD equivalent
Authorized	29,140,992	291,409,920	<b>18,314,000</b>
Issued and fully paid	29,140,984	291,409,840	<b>18,313,995</b>

Details of shareholders as at 31 December 2010 are as follows:

	Number of shares		Total	Par value VND'000	Equivalent capital amount VND'000	%
	Listed shares	Unlisted shares				
Trace Ocean Holding SDN BHD	-	16,684,646	<b>16,684,646</b>	10	<b>166,846,460</b>	57.25%
Indochina Beverage Holding LTD	-	5,499,840	<b>5,499,840</b>	10	<b>54,998,400</b>	18.87%
Yau Hau Jan	-	81,139	<b>81,139</b>	10	<b>811,390</b>	0.28%
Public shareholders	6,875,367	-	<b>6,875,367</b>	10	<b>68,753,670</b>	23.59%
	6,875,367	22,265,625	<b>29,140,992</b>		<b>291,409,920</b>	<b>100%</b>

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### 23 Revenues

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
<b>Revenue</b>				
Domestic sales	<b>10,694,593</b>	<b>220,501</b>	14,007,474	258,508
Export sales	<b>1,079,443</b>	<b>22,256</b>	604,067	11,148
	<b>11,774,036</b>	<b>242,757</b>	14,611,541	269,656
Sales deduction:				
Sales allowance	<b>(293,863)</b>	<b>(6,059)</b>	(468,760)	(8,651)
Sales return	<b>(2,583)</b>	<b>(53)</b>	(11,570)	(214)
	<b>11,477,590</b>	<b>236,645</b>	14,131,211	260,791
<b>Net sales</b>	<b>11,477,590</b>	<b>236,645</b>	14,131,211	260,791

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### 24 Cost of goods sold

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Cost of goods sold for domestic sales	<b>8,965,271</b>	<b>184,846</b>	10,451,501	192,882
Cost of goods sold for export sales	<b>941,918</b>	<b>19,420</b>	458,772	8,467
	<b>9,907,189</b>	<b>204,266</b>	10,910,273	201,349

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### 25 Income from financial activities

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Interest income from bank deposits	<b>3,681</b>	<b>76</b>	5,524	102
Interest income from loan to a related party (Note 33)	<b>196,216</b>	<b>4,046</b>	79,561	1,468
Interest income from disposal investment in subsidiary	-	-	300,000	5,537
Unrealised gains from foreign exchange	<b>481,444</b>	<b>9,926</b>	473,192	8,733
	<b>681,340</b>	<b>14,048</b>	858,278	15,840

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### 26 Expenses for financial activities

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Interest expense	<b>403,953</b>	<b>8,329</b>	338,021	6,238
Realised foreign exchange losses	<b>247,233</b>	<b>5,097</b>	826,008	15,244
	<b>651,186</b>	<b>13,426</b>	1,164,028	21,482

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### 27 Selling expenses

Quarter 2 - 2011                      Quarter 2 - 2010

	USD	VND million	USD	VND million
Transportation expense	658,433	13,576	425,451	7,852
Salary	438,691	9,045	597,755	11,032
Sale commission and promotion	853,416	17,596	581,725	10,736
Depreciation	6,731	139	14,305	264
Other expenses	80,584	1,661	220,378	4,067
	<b>2,037,855</b>	<b>42,016</b>	<b>1,839,614</b>	<b>33,950</b>

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**28 General and administration expenses**

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Salary	196,885	4,059	335,418	6,190
Depreciation expenses	3,365	69	3,583	66
Office expenses	77,549	1,599	-	-
Bank charges	11,520	238	15,550	287
Others	157,185	3,241	493,792	9,113
	<b>446,505</b>	<b>9,206</b>	<b>848,343</b>	<b>15,656</b>

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**29 Other income**

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Income from disposal of fixed assets	-	-	-	-
Promotion from suppliers	-	-	-	-
Compensation for loss of inventories	-	-	-	-
Other income	44,179	911	253,163	4,672
	<b>44,179</b>	<b>911</b>	<b>253,163</b>	<b>4,672</b>

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**30 Other expenses**

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Depreciation of idle assets	119,095	2,456	149,185	2,753
Administration penalty	-	-	-	-
Others	-	-	41,922	774
	<b>119,095</b>	<b>2,456</b>	<b>191,107</b>	<b>3,527</b>

**31 Cost by element**

	Quarter 2 - 2011		Quarter 2 - 2010	
	USD	VND million	USD	VND million
Raw materials	9,786,270	201,773	9,659,327	182,870
Labour cost	1,009,259	20,809	1,189,260	22,515
Depreciation and amortisation	493,329	10,171	362,717	6,867
Outside service costs	1,701,216	35,076	1,299,028	24,593
Other costs	1,222,012	25,195	695,370	13,165
	<b>14,212,086</b>	<b>293,025</b>	<b>13,205,701</b>	<b>250,010</b>

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**32 Corporate income tax****Interfood Shareholding Company**

The Company is liable to corporate income tax at the rate of 15% for a period of 12 years from 1994, the year it commenced commercial operations. Thereafter, from 2006 onwards the Company is subject to income tax at the rate of 25%.

According to Decree No. 24/2007/NĐ-CP dated 14 February 2007 (which replaced Decree No. 164/2003/NĐ-CP dated 22 December 2003), the Company is entitled to tax incentives in relation to the relocation of its business activities out of an urban area. In 2006, the Company relocated one of its production lines from Bien Hoa City to Tam Phuoc Industrial Zone, Bien Hoa City.

### Interfood Shareholding Company

As a result, profit derived from this line is exempt from Corporate income tax for 2 years and a reduction of 50% for the following 6 years.

Also as stated in this Decree, the Company is entitled to tax incentives in relation to investments made in new production lines that are qualified under this Decree. The tax incentives include one year of exemption from Corporate income tax and a reduction of 50% for the following four years applied to profit derived from the new production lines

In accordance to Letter No. 11924/TC-CST dated 20 October 2004 issued by the Ministry of Finance, the Company is entitled to a 50% reduction for two years after listing its shares in Ho Chi Minh City Securities Trading Centre. The Company has completed the registration with the tax authority to apply the incentives commencing from 2007.

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Accounting profit/loss before tax	(771,864)	(15,914)	1,290,760	24,437
<b>Permanent difference</b>				
- Expenses without appropriate supporting document	-	-	4,194	79
- Depreciation of idle assets	-	-	214,528	4,061
- Administration Penalty	-	-	237,598	4,498
- Others	-	-	13,401	254
<b>Temporary difference</b>				
- Accrued expenses	-	-	436,093	8,256
- Unrealized loss from foreign exchange difference	-	-	5,019	95
- Severances allowances	-	-	45,691	865
<b>Less: Adjustments for decreasing profit before tax</b>				
- Accrued expenses recognized from prior years	-	-	(560,040)	(10,603)
- Unrealised loss on foreign exchange difference in the prior year is realize	-	-	(3,797)	(72)
<b>Taxable Profit (loss) from normal business</b>	<b>(771,864)</b>	<b>(15,914)</b>	<b>1,683,447</b>	<b>31,871</b>
Less: Gain on capital assignment	-	-	300,000	5,680
<b>Taxable profit for normal operating activities</b>	<b>(771,864)</b>	<b>(15,914)</b>	<b>1,383,447</b>	<b>26,191</b>
Income tax expenses at tax rate of 25%	-	-	345,862	6,548
Tax incentive on income from incremental investment and relocation	-	-	99,749	1,888
Income tax expense from normal operating activities	-	-	246,113	4,659
Corporate income tax expenses from disposal of capital assignment	-	-	75,000	1,420
Corporate income tax expense	-	-	321,113	6,079
Utilization of taxable loss carried forward	-	-	(321,113)	(6,079)
	-	-	-	-
<b>Total corporate income tax expenses for the current year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Tax losses can be carried forward to offset future years' taxable income up to five years from the year in which they were incurred. The actual amount of accumulated losses that can be carried forward is subject to the result of tax audit carried out by the local tax authorities. Tax losses available for offset against future taxable income are as follows:

Year	Status of tax audit	Tax losses USD
2008	Not yet	13,074,272
2009	Not yet	29,892
		<b>13,104,164</b>

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### 33 Related party transaction and balances

During the year, the following transactions with related parties were recorded:

Related parties	Relation	Transaction	USD
Mr. Pang Tee Chiang (Note 23)	Chairman	Loan and Interest	94,597
Kirin Holding Limited.	Parent Company	Shot term loan	7,000,000
Trade Ocean Holdings Sdn Bhd	Parent Company	Convert from Mr Pang's Loan	3,430,928
Wonderfarm Biscuit and Confectionery SDN BHD	AVA's Parent Com	Royalty fee	60,399

At 30 June 2011, the following balances were outstanding with related parties:

Related parties	Relation	Transaction	Other payable USD	Trade payable USD	Loan USD
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**Interfood Shareholding Company**

Kirin Holding Limited.	Parent Company	Shot term loan	<b>7,000,000</b>
Trade Ocean Holdings Sdn Bhd	Parent Company	Convert from Mr Pang's Loan	<b>3,430,928</b>
Wonderfarm Biscuit and Confectionery SDN BHD	AVA's Parent Com	Royalty fee	<b>67,816</b>
			<b>-</b>
			<b>-</b>
			<b>10,498,744</b>

**34 Segmental information**

At 30 June 2011, management determined the following reportable segments by categories of sales: (1) domestic sales and (2) export sales. The Company analyses segment revenue and cost of sales.

The segment results for the Quarter 2 - 2011 are as follows:

	Domestic USD	Export USD	Total USD
Sales revenue - net	10,397,608	1,079,983	<b>11,477,590</b>
Cost of sales	(8,965,271)	(941,918)	<b>(9,907,189)</b>
Gross profit	1,432,336	138,065	1,570,401
Gross profit - VND Million	27,117	2,614	29,731

The segment results for the Quarter 2 - 2010 are as follows:

	Domestic USD	Export USD	Total USD
Sales revenue - net	13,527,144	604,067	<b>14,131,211</b>
Cost of sales	(10,451,501)	(458,772)	<b>(10,910,273)</b>
Gross profit	3,075,642	145,296	3,220,938
Gross profit - VND Million	58,228	2,751	60,979

Management also determined the following reportable segments by categories of products: (1) drinks, (2) biscuits and (3) others. The Company analyses segment revenue and cost of revenue.

The segment results for the Quarter 2 - 2011 are as follows:

	Drinks USD	Biscuits USD	Others USD	Total USD
Sales revenue - net	8,742,917	379,974	2,354,698	<b>11,477,590</b>
Cost of sales	(8,221,853)	(550,187)	(1,135,148)	<b>(9,907,189)</b>
Gross profit	<b>521,064</b>	<b>(170,213)</b>	<b>1,219,550</b>	<b>1,570,401</b>
Gross profit - VND Million	9,865	(3,222)	23,089	29,731

The segment results for the Quarter 2 - 2010 are as follows:

	Drinks USD	Biscuits USD	Others USD	Total USD
Sales revenue - net	12,585,102	189,528	1,356,580	<b>14,131,211</b>
Cost of sales	(9,724,127)	(138,097)	(1,048,049)	<b>(10,910,273)</b>
Gross profit	<b>2,860,975</b>	<b>51,431</b>	<b>308,531</b>	<b>3,220,938</b>
Gross profit - VND Million	54,164	974	5,841	60,979

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**35 Profit/Loss per share and dividends**

Basic loss per share is shown below:

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Profit/(Loss) attributable to shareholders of the Company	<b>(771,864)</b>	<b>(15,914)</b>	1,079,189	20,431
Weighted average number of ordinary shares on issue	<b>29,140,984</b>	<b>29,140,984</b>	29,140,984	29,140,984
Basic loss per share	<b>(0.026)</b>	<b>(0.001)</b>	0.037	0.001

No dividend was declared in 1st 9 months 2010. As at 30 June 2011, the 2007 dividends payable amounting to USD24,265 was not paid and included in the other payables (Note 22).

**36 Board of Director and Management's remuneration**

During the year, the members of Board of Director and Management received remuneration as follows :

	30 June 2011		31 December 2010	
Board of Management fees	10,439	215	13,863	262
Salary	165,935	3,421	370,754	7,019
	176,374	3,636	384,617	7,282

### 37 Commitments

As at 30 June 2011, the Company was committed under non cancellable operating lease agreements in the following amounts:

	30 June 2011		31 December 2010	
	USD	VND million	USD	VND million
Within the next year	127,405	2,627	127,405	2,412
Within two to five years	139,911	2,885	139,911	2,649
	267,316	5,512	267,316	5,061

### 38 Subsequent events

Mr. Pang TC has been approved to transfer his unlisted shares to Indochina and Indochina will become to a founding shareholder of IFS replaced for Mr. Pang TC, but this transaction is not completed yet. IFS's BOM has approved to delist IFS's shares listed on HOSE but the Company must wait for approval from Shareholders and Authority Bodies

The Separate financial statements were approved by the Board of Directors on 19 July 2011

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Michio Nagabayashi  
General Director

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Nguyen Hong Phong  
Chief Accountant