

Interfood Shareholding Company

Lot 13, Tam Phuoc IZ,
Bien Hoa City, Dong Nai

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

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No : /CV-IFS-2015

Bien Hoa, 27th March 2015

To : State Securities Commission

(Re: Explanatory for Consolidated business results of year 2014)

First we would like to thank for your support recently.

We would like to provide the result of consolidation income statement for the year 2014 as following:

| Descriptions | Year 2014 | % | Year 2013 | % | Variance | % |
|-------------------------------------|---------------|------|---------------|------|---------------|------|
| | Thousand VND | | Thousand VND | | Thousand VND | |
| Gross sales | 1,185,919,021 | | 1,022,018,674 | | 163,900,347 | 16% |
| Less deductions: | 38,707,794 | | 28,872,788 | | 9,835,006 | 34% |
| Net sales | 1,147,211,227 | 100% | 993,145,886 | 100% | 154,065,341 | 16% |
| Cost of sales | 833,364,938 | 73% | 709,078,303 | 71% | 124,286,635 | 18% |
| Gross profit | 313,846,289 | 27% | 284,067,583 | 29% | 29,778,706 | 10% |
| Income from financial activities | 10,267,773 | 0.9% | 2,595,965 | 0.3% | 7,671,808 | 296% |
| Expenses for financial activities | 23,923,970 | 2% | 15,945,780 | 2% | 7,978,190 | 50% |
| <i>Including: interest expense</i> | 6,959,861 | 1% | 8,402,063 | 1% | (1,442,202) | -17% |
| Selling expenses | 449,269,706 | 39% | 414,545,956 | 42% | 34,723,750 | 8% |
| General and administration expenses | 34,010,542 | 3% | 36,532,865 | 4% | (2,522,323) | -7% |
| Operating profit (loss) | (183,090,156) | -16% | (180,361,053) | -18% | (2,729,103) | 2% |
| Other income | 10,634,422 | 1% | 115,374,238 | 12% | (104,739,816) | -91% |
| Other expenses | 3,998,944 | 0% | 11,259,845 | 1% | (7,260,901) | -64% |
| Profit (loss) before tax | (176,454,678) | -15% | (76,246,660) | -8% | (100,208,018) | 131% |
| CIT for the current year | - | 0% | 3,172,595 | 0% | (3,172,595) | |
| Deferred CIT | (40,234) | 0% | 458,403 | 0% | (498,637) | 0% |
| Profit(loss) after tax | (176,414,444) | -15% | (79,877,658) | -8% | (96,536,786) | 121% |
| Minority interest | 491,227 | 0% | 3,600,036 | 0% | (3,108,809) | -86% |
| Net profit | (176,905,671) | -15% | (83,477,694) | -8% | (93,427,977) | 112% |

We would like to explain several factors related to the results of consolidated operations as of the reporting period as follows:

In 2014 the Company has expanded sales outlets across the country, launched new product, deployed additional sales programs, specially supported for customers and sales staffs in order to increasing consumers. Even though the general economic difficulties as consumers tighten spending together with the intense competition in the beverage market, but in year 2014, the Company' net sales still reached 1,147 million VND, up 16% compared to 2013.

In 2014, the purchase price of raw materials for some key products such as aluminum cans, sugar, coconut materials increased. However, the Company continued to maintain the plan of production cost saving, improving production capacity and holding the manufacturing cost steady at 73% of net revenue, up 2% compared with 71% of last year.

Financial income increased primarily due to fluctuations in the exchange rate difference.

Financial expenses increased primarily due to fluctuations in the exchange rate difference, the loan interest was kept at 1% per net sale, beside the Company is still maintaining the inter-company off-shore loans with interest rates about 1.9% per annual.

In 2014, the Company promoted the sales support programs such as special discount programs and promotions, bonus sales to distributors and sales team, customer loyalty programs for point of sale ... making cost of sales remained at high level reached 39% of sales.

The general and administration expenditure in 2014 was kept steady at 3% of sales compare with 4% of last period

Other income in this period increased due to the discounts from the main suppliers.

Other expenses mostly referred to the depreciation cost of several idled assets.

Above are some explanation for operating results of year 2014.

Thanks and best regards!

ONBEHALF OF THE COMPANY

(Signed and Sealed)

Toru Yamasaki
Chairman, General Director