

**Hoang Anh Gia Lai Agricultural
Joint Stock Company**

(formerly known as Hoang Anh Gia Lai Rubber Joint Stock Company)

Interim consolidated financial statements

30 June 2015

Hoang Anh Gia Lai Agricultural Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of management	3
Report on review of interim consolidated financial statements	4
Interim consolidated balance sheet	5 - 6
Interim consolidated income statement	7
Interim consolidated cash flow statement	8 - 9
Notes to the interim consolidated financial statements	10 - 56

Hoang Anh Gia Lai Agricultural Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Hoang Anh Gia Lai Agricultural Joint Stock Company (formerly known as Hoang Anh Gia Lai Rubber Joint Stock Company) ("the Company") was incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 5900712753 issued by the Department of Planning and Investment of Gia Lai Province on 26 May 2010 and thirteen (13) subsequent amended Business Registration Certificates.

On 3 April 2015, the Company received the 11th amended Business Registration Certificate No. 5900712753 with the changing its name from Hoang Anh Gia Lai Rubber Joint Stock Company to Hoang Anh Gia Lai Agricultural Joint Stock Company.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 278/QĐ-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 10 July 2015.

The Company had 14 subsidiaries and 1 associate as disclosed in Note 15 to the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2015.

The registered principal activities of the Group are breeding and trading dairy cows and cows for meat; planting rubber trees and trading rubber latex; planting oil palm; planting sugarcane and other perennial trees; afforesting; generating and trading seedlings; providing plantation services and related materials; constructing houses; constructing industrial and civil projects.

The Company's head office is located at No. 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

BOARD OF DIRECTORS

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

<i>Name</i>	<i>Position</i>	
Mr. Doan Nguyen Duc	Chairman	
Mr. Vo Truong Son	Member	appointed on 4 April 2015
Mr. Doan Nguyen Thu	Member	appointed on 4 April 2015
Mr. Nguyen Xuan Thang	Member	
Mrs. Vo Thi Huyen Lan	Member	appointed on 4 April 2015
Mr. Nguyen Ngoc Anh	Member	appointed on 4 April 2015
Mr. Nguyen Quan Anh	Member	appointed on 4 April 2015
Mr. Nguyen Van Minh	Member	resigned on 4 April 2015
Mr. Nguyen Van Su	Member	resigned on 4 April 2015
Mr. Truong Ngoc Thanh	Member	resigned on 4 April 2015
Mr. Phan Thanh Thu	Member	resigned on 4 April 2015
Mr. Tran Quoc Huy	Member	resigned on 4 April 2015

BOARD OF SUPERVISORS

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

<i>Name</i>	<i>Position</i>	
Mr. Le Hong Phong	Head	appointed on 4 April 2015
Mr. Pham Ngoc Chau	Member	appointed on 4 April 2015
Mrs. Dao Dinh Phuong	Member	appointed on 4 April 2015
Mr. Do Van Hai	Head	resigned on 4 April 2015
Mrs. Huynh Thi Lan Hong	Member	resigned on 4 April 2015
Mrs. Truong Thi My Nguyet	Member	resigned on 4 April 2015

Hoang Anh Gia Lai Agricultural Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

<i>Name</i>	<i>Position</i>	
Mr. Nguyen Xuan Thang	Director	appointed on 19 April 2015
Mr. Trinh Xuan Nhan	Director	resigned on 19 April 2015
Mr. Phan Thanh Thu	Vice Director	
Mr. Nguyen Ngoc Anh	Vice Director	
Mr. Trinh Xuan Nhan	Vice Director	appointed on 19 April 2015
Mrs. Vo Thi My Hanh	Vice Director	appointed on 19 April 2015
Mr. Hoang Dinh Quy	Vice Director	appointed on 19 April 2015
Mr. Nguyen Quan Anh	Vice Director	appointed on 19 April 2015
Mr. Vo Nguyen Cong Buu	Vice Director	resigned on 19 April 2015
Mr. Mai Dinh Hong	Vice Director	resigned on 19 April 2015

LEGAL REPRESENTATIVES

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

<i>Name</i>	
Mr. Nguyen Xuan Thang	appointed on 19 April 2015
Mr. Trinh Xuan Nhan	resigned on 19 April 2015

AUDITORS

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

Hoang Anh Gia Lai Agricultural Joint Stock Company

REPORT OF MANAGEMENT

Management of Hoang Anh Gia Lai Agricultural Joint Stock Company (formerly known as Hoang Anh Gia Lai Rubber Joint Stock Company) ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2015.

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

Management is responsible for the interim consolidated financial statements of each financial period which give a true and fair view of the interim consolidated financial position 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.

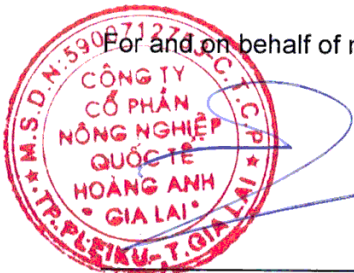
Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2015 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 Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements.

For and on behalf of management:



Nguyễn Xuan Thang
Director

28 August 2015



Building a better
working world

Ernst & Young Vietnam Limited
28th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

Tel: +84 8 3824 5252
Fax: +84 8 3824 5250
ey.com

Reference: 60752790/17892163/LR-HN

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders and the Board of Directors of Hoang Anh Gia Lai Agricultural Joint Stock Company

We have reviewed the accompanying interim consolidated financial statements of Hoang Anh Gia Lai Agricultural Joint Stock Company (formerly known as Hoang Anh Gia Lai Rubber Joint Stock Company) ("the Company") and its subsidiaries ("the Group"), as set out on pages 5 to 56 which comprise the interim consolidated balance sheet as at 30 June 2015, 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.

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, in all material respects, of the interim consolidated financial position of the Group as at 30 June 2015, 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 Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements.

The interim consolidated income statement and interim consolidated cash flows of the Group for the six-month period ended 30 June 2014, presented herein as corresponding figures, have not been reviewed.

Ernst & Young Vietnam Limited


Duong Le Anthony
Deputy General Director
Audit Practicing Registration Certificate
No. 2223-2013-004-1


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

Ho Chi Minh City, Vietnam

28 August 2015

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2015

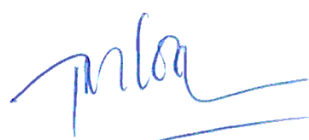
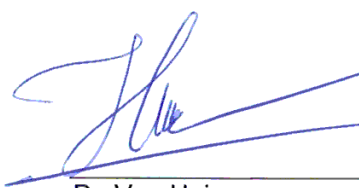
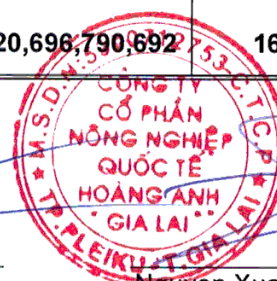
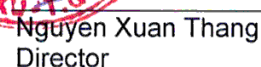
VND'000

Code	ASSETS	Notes	30 June 2015	31 December 2014
100	A. CURRENT ASSETS		7,675,054,083	4,731,873,635
110	I. Cash	5	112,250,459	46,804,781
111	1. Cash		112,250,459	46,804,781
130	II. Current accounts receivable		5,388,062,097	3,494,468,401
131	1. Short-term trade receivables	6	2,568,225,419	1,429,634,589
132	2. Short-term advances to suppliers	7	1,982,583,975	1,661,487,304
135	3. Short-term loan receivables	8	618,076,727	228,989,648
136	4. Other short-term receivables	9	221,072,736	176,253,620
137	5. Provision for doubtful debts	6	(1,896,760)	(1,896,760)
140	III. Inventories	10	2,139,148,543	1,140,636,497
141	1. Inventories		2,139,148,543	1,140,636,497
150	IV. Other current assets		35,592,984	49,963,956
151	1. Short-term prepaid expenses		3,663,357	11,298,721
152	2. Value-added tax deductible		29,724,332	28,331,286
153	3. Tax and other receivables from the State		2,205,295	10,333,949
200	B. NON-CURRENT ASSETS		13,021,736,609	12,227,433,778
210	I. Long-term receivables		662,580,428	615,915,348
215	1. Long-term loan receivables	8	605,656,804	576,215,557
216	2. Other long-term receivables	9	56,923,624	39,699,791
220	II. Fixed assets		4,292,326,434	4,178,392,700
221	1. Tangible fixed assets	11	4,246,273,434	4,135,879,855
222	Cost		4,746,523,347	4,519,219,989
223	Accumulated depreciation		(500,249,913)	(383,340,134)
227	2. Intangible assets	12	46,053,000	42,512,845
228	Cost		54,845,260	48,197,185
229	Accumulated amortisation		(8,792,260)	(5,684,340)
240	III. Long-term assets in progress		6,757,961,021	6,266,089,389
242	1. Construction in progress	13	6,757,961,021	6,266,089,389
250	IV. Long-term investments		287,660,551	248,460,551
252	1. Investment in an associate	15.2	248,460,551	248,460,551
253	2. Investment in other entity	15.3	39,200,000	-
260	V. Other long-term assets		1,021,208,175	918,575,790
261	1. Long-term prepaid expenses	16	916,185,743	893,292,952
262	2. Deferred tax assets	30.2	33,997,881	25,282,838
269	3. Goodwill		71,024,551	-
270	TOTAL ASSETS		20,696,790,692	16,959,307,413

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2015

VND'000

Code	RESOURCES	Notes	30 June 2015	31 December 2014
300	C. LIABILITIES		11,496,692,225	10,069,183,720
310	I. Current liabilities		6,852,535,529	6,281,915,475
311	1. Short-term trade payables	17	694,318,045	247,166,661
312	2. Short-term advances from customers	18	818,244,103	126,467,449
313	3. Statutory obligations	19	338,076,724	256,814,835
314	4. Payables to employees		41,657,387	27,209,734
315	5. Short-term accrued expenses	20	41,725,172	34,999,733
319	6. Other short-term payables	21	976,782,946	1,861,194,194
320	7. Short-term loans	22	3,941,731,152	3,728,062,869
330	II. Non-current liabilities		4,644,156,696	3,787,268,245
337	1. Other long-term liabilities	21	232,890,033	166,523,184
338	2. Long-term loans	22	4,411,266,663	3,620,745,061
400	D. OWNERS' EQUITY		9,200,098,467	6,890,123,693
410	I. Capital		9,200,098,467	6,890,123,693
411	1. Share capital	23.1	7,081,438,950	3,990,670,000
411a	- Shares with voting rights		7,081,438,950	3,990,670,000
412	2. Share premium	23.1	2,550,810	1,295,347,000
417	3. Foreign exchange differences reserve	23.1	53,686,943	143,518,473
421	4. Undistributed earnings	23.1	2,035,140,112	1,438,861,525
421a	- Undistributed earnings accumulated up to the end of prior period		1,438,861,525	770,584,620
421b	- Undistributed earnings of current period		596,278,587	668,276,905
429	5. Non-controlling interests	24	27,281,652	21,726,695
440	TOTAL LIABILITIES AND OWNERS' EQUITY		20,696,790,692	16,959,307,413



Ho Thi Tuyet Loan
Preparer

Do Van Hai
Chief Accountant

 Nguyen Xuan Thang
Director

28 August 2015


INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2015

VND'000

Code	ITEMS	Notes	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014 (not reviewed)
10	1. Net revenue from sale of goods and rendering of services	26.1	2,072,484,141	1,267,997,837
11	2. Cost of goods sold and services rendered	27	(1,243,451,438)	(616,026,483)
20	3. Gross profit from sale of goods and rendering of services		829,032,703	651,971,354
21	4. Finance income	26.2	103,200,935	20,004,021
22	5. Finance expenses	28	(190,466,723)	(133,297,253)
23	<i>In which: Interest expense</i>		(160,551,941)	(119,258,335)
25	6. Selling expenses		(14,220,631)	(6,149,512)
26	7. General and administrative expenses	29	(68,621,432)	(36,765,860)
30	8. Operating profit		658,924,852	495,762,750
31	9. Other income		440,542	84,130,399
32	10. Other expenses		(44,375,127)	(13,539)
40	11. Other (loss) profit		(43,934,585)	84,116,860
50	12. Accounting profit before tax		614,990,267	579,879,610
51	13. Current corporate income tax expense	30.1	(22,068,521)	(20,962,858)
52	14. Deferred income tax income	30.2	8,715,043	5,306,969
60	15. Net profit after tax		601,636,789	564,223,721
61	16. Net profit after tax attributable to shareholders of the parent		596,410,522	563,963,640
62	17. Net profit after tax attributable to non-controlling interests	24	5,226,267	260,081
70	18. Basic earnings per share (VND)	25	968	945
71	19. Diluted earnings per share (VND)	25	874	883


Ho Thi Tuyet Loan
Preparer


Do Van Hai
Chief Accountant


Nguyen Xuan Thang
Director



28 August 2015

INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2015

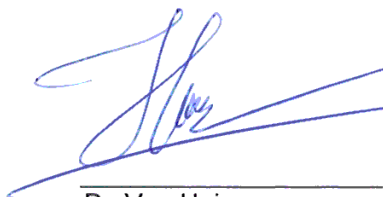
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Code	ITEMS	Notes	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014 (not reviewed)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		614,990,267	579,879,610
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		141,541,134	95,598,201
03	Provisions		-	(317,055)
04	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currency		16,803,728	3,291,105
05	Profits from investing activities		(62,893,819)	(96,214,695)
06	Interest expense	28	160,551,941	122,900,283
08	Operating profit before changes in working capital		870,993,251	705,137,449
09	Increase in receivables		(1,401,442,625)	(549,889,475)
10	Increase in inventories		(1,387,231,461)	(218,306,197)
11	Increase in payables		1,924,722,353	238,487,838
12	Decrease (increase) in prepaid expenses		81,739,187	(36,807,022)
14	Interest paid		(265,170,483)	(128,025,250)
15	Corporate income tax paid	30.1	(6,568,811)	(1,538,922)
17	Other cash outflows from operating activities		(253,814)	(474,248)
20	Net cash flows (used in) from operating activities		(183,212,403)	8,584,173
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(1,617,869,899)	(1,735,196,034)
22	Proceeds from disposals of fixed assets		3,221,331	13,761,072
23	Loans to other entities		(355,465,084)	(414,819,026)
24	Collections from borrowers		311,277,652	137,318,400
25	Payments for investments in other entities		(461,515,726)	(204,885)
27	Interest received		3,384,430	3,456,777
30	Net cash flows used in investing activities		(2,116,967,296)	(1,995,683,696)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2015

VND'000

Code	ITEMS	Notes	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014 (not reviewed)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from capital contribution		1,797,972,760	-
33	Drawdown of borrowings		3,356,961,664	2,520,074,935
34	Repayment of borrowings		(2,706,217,887)	(596,541,301)
36	Dividends paid for owners		(83,091,160)	-
40	Net cash flows from financing activities		2,365,625,377	1,923,533,634
50	Net increase (decrease) in cash		65,445,678	(63,565,889)
60	Cash at beginning of period		46,804,781	150,191,171
70	Cash at end of period	5	112,250,459	86,625,282


Ho Thi Tuyet Loan
Preparer

Do Van Hai
Chief AccountantNguyễn Xuan Thang
Director

28 August 2015

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at and for the six-month period ended 30 June 2015**1. CORPORATE INFORMATION**

Hoang Anh Gia Lai Agricultural Joint Stock Company (formerly known as Hoang Anh Gia Lai Rubber Joint Stock Company) ("the Company") was incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 5900712753 issued by the Department of Planning and Investment of Gia Lai Province on 26 May 2010 and thirteen (13) subsequent amended Business Registration Certificates.

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The Company's shares were listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 278/QĐ-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 10 July 2015.

The Company had 14 subsidiaries and 1 associate as disclosed in Note 15 to the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2015.

The registered principal activities of the Group are breeding and trading dairy cows and cows for meat; planting rubber trees and trading rubber latex; planting sugarcane and other perennial trees; afforesting; generating and trading seedlings; providing plantation services and related materials; constructing houses; constructing industrial and civil projects.

The Group's normal course of business cycle is 12 months.

The Company's head office is located at No. 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

The interim consolidated financial statements of the Group expressed in thousands of Vietnam dong ("VND'000"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27 – Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying interim consolidated financial statements 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 interim consolidated financial position and interim consolidated results of operations and interim consolidated 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 General Journal system.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

2. BASIS OF PREPARATION (continued)

2.3 *Fiscal year*

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

2.4 *Accounting currency*

The interim consolidated financial statements are prepared in Vietnam dong ("VND") which is also the Group's accounting currency.

2.5 *Basis of consolidation*

The interim consolidated financial statements comprise the interim financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2015.

The interim financial statements of subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the Company.

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

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the interim consolidated income statement and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

The subsidiaries are consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which the Group ceases to control. Where there is a loss of control over the subsidiaries, the interim consolidated financial statements still include results for the period of the reporting period during which the Group has control.

Except for subsidiaries acquired under common control which are accounted for under the pooling of interests method (*Note 3.11*), other subsidiaries have been included in the interim consolidated financial statements using the purchase method of accounting that measures the subsidiaries' assets and liabilities at their fair value at the acquisition date.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Changes 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 consolidated financial statements for the year ended 31 December 2014 and the interim consolidated financial statements for the six-month period ended 30 June 2014 except for the changes in the accounting policy in relation to the following:

3.1.1 *Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system*

On 22 December 2014, the Ministry of Finance issued the Circular No. 200/2014/TT-BTC providing guidance on enterprise accounting system ("Circular 200") replacing Decision No. 15/2006/QĐ-BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009 of Ministry of Finance. Circular is effective for the financial years beginning on or after 1 January 2015.

The effects of the change in accounting policies in accordance with Circular 200 to the interim consolidated financial statements of the Group are applied on a prospective basis as Circular 200 does not require for retrospective application. The Group also reclassifies certain corresponding figures of prior period following the presentation of the current period's interim consolidated financial statements in accordance with Circular 200 as disclosed in Note 36.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 *Changes in accounting policies and disclosures* (continued)

3.1.2 *Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements*

On 22 December 2014, the Ministry of Finance issued the Circular No. 202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements ("Circular 202") replacing section XIII of Circular No. 161/2007/TT-BTC dated 31 December 2007. Circular 200 is effective for the preparation and presentation of consolidated financial statements for the financial years beginning on or after 1 January 2015.

The effects of the change in accounting treatment in accordance with Circular 202 are applied on a prospective as this Circular does not require for retrospective application.

3.2 *Cash*

Cash comprise cash on hand and cash in banks.

3.3 *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 interim 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.

3.4 *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 to complete and the estimated costs necessary to make the sale.

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

Raw and construction materials, tools and supplies and merchandise goods	- Actual cost on a weighted average basis
Finished goods and work-in-process	- Cost of direct materials and labour plus attributable overheads based on the normal level of activities

Apartments for sale under construction are carried at the lower of cost and net realisable value. Costs include all expenditures including borrowing costs, directly attributable to the development and construction of the apartments. Net realisable value represents current selling price less estimated cost to complete and estimated selling and marketing expenses.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the interim balance sheet date.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 interim consolidated 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 intangible 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 interim consolidated balance sheet and any gain or loss resulting from their disposal is included in the interim consolidated income statement.

3.7 *Depreciation and amortisation*

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

Buildings & structures	10 - 50 years
Machinery & equipment	5 - 20 years
Means of transportation	8 - 20 years
Office equipment	3 - 10 years
Livestock	6 years
Software system	5 years
Other assets	8 - 15 years

Land use rights with indefinite useful life are not amortised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Depreciation and amortisation* (continued)

Depreciation of rubber plantations is calculated in accordance with Official Letter No. 1937/BTC-TCDN on 9 February 2010 issued by Department of Business Finance – Ministry of Finance providing guidance on depreciation of rubber plantations and Decision No. 221/QD-CSVN issued on 27 April 2010 by Vietnam Rubber Group providing guidance on the depreciation rates applicable to rubber plantations within 20 years as follows:

Year	Rate (%)
First year	2.50
Second year	2.80
Third year	3.50
Fourth year	4.40
Fifth year	4.80
Sixth year	5.40
Seventh year	5.40
Eighth year	5.10
Ninth year	5.10
Tenth year	5.00
Eleventh year	7.00
Twelfth year	6.60
Thirteenth year	6.20
Fourteenth year	5.90
Fifteenth year	5.50
Sixteenth year	5.40
Seventeenth year	5.00
Eighteenth year	5.50
Nineteenth year	5.20
Twentieth year	Remaining carrying value

3.8 *Construction in progress*

Construction in progress represents costs attributable directly to the construction and development of the Group's buildings and structures, factories, rubber, palm oil, sugarcane and other plantations which have not yet been completed as at the interim balance sheet date.

Factories, buildings and structures

Costs include attributable costs related directly to the construction of the Group's factories, buildings and structures such as contractors' costs, survey and designing fees and other related costs.

Plantation costs

Plantation costs include costs directly attributable to the rubber, palm oil, sugarcane and other plantations such as survey, land compensation, land clearance, rubber and palm oil seeds, fertilizer, transportation of seeds and other materials, workers' wages, building roads and fences, fire prevention and security guards, anti-botanic drugs and other related costs.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of a particular asset are capitalised as part of the cost of that asset. Capitalisation of borrowing costs is suspended during the periods in which active development of the asset is interrupted unless such interruption is considered necessary. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.10 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim consolidated balance sheet which mainly includes cost of tools and supplies, prepaid land rentals, sugarcane plantation and corn plantation and other plantations. They are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

- ▶ Prepaid land rental are amortised over the periods of land lease; and
- ▶ Sugarcane, corn and grass plantation expenses include stems, land preparation and planting costs. The stem costs are amortised over the lifetime of the trees. Land preparation and planting costs are amortised over the period, in which economic benefits are generated in connection to the costs incurred.

3.11 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over ten (10) years on a straight-line basis.

When the Company acquires the non-controlling interests of a subsidiary, the difference between the cost of acquisition and the carrying amount of the non-controlling interest is reflected as undistributed earnings in the interim consolidated balance sheet.

Where the acquisition of subsidiary which is not a business, instead of an asset acquisition, the individual identifiable assets acquired and liabilities assumed are identified and recognised. The cost of the acquisition shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Business combinations and goodwill* (continued)

Where the business combinations involving entities or businesses under common control, the pooling of interest method is applied as follows:

- ▶ The assets and liabilities of the combining entities are reflected at their carrying amounts;
- ▶ No new goodwill is recognised as a result of the combination;
- ▶ The interim consolidated income statement reflects the results of the combining entities for the full accounting period, irrespective of when the combination took place; and
- ▶ Comparatives are presented as if the entities had always been combined.

3.12 *Investments*

Investments in an associate

The Group's investment in an associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The interim consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associate is presented on face of the interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associate reduces the carrying amount of the investment.

The financial statements of the associate are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Investments in other entity

Investments in other entity are stated at their acquisition costs.

Provision for investments

Provision is made for any diminution in value of investments in capital of other entities at the interim balance sheet 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 26 June 2013, respectively. Increases and decreases to the provision balance are recorded as finance expense in the interim consolidated income statement.

3.13 *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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Group fund by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary shareholders of the Group (after adjusting for interest on the convertible bonds) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.15 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment;
- Capital contributions are recorded at the buying exchange rates of the banks designated for capital contribution; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conduct transactions regularly;
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conduct transactions regularly.

All realised and unrealised foreign exchange differences are taken to the interim consolidated income statement.

3.16 *Appropriation of net profits*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders upon proposal by the Board of Directors and after approval by the shareholders in the annual general meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

3.17 *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, usually upon the delivery of the goods, usually upon the delivery of the goods.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Revenue recognition (continued)

Sale of goods (continued)

For sale of apartments, revenue is recognized when all of the following criteria have been effectively met:

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

Construction contracts

Where the outcome of a construction contract can be estimated reliably and certified by customers, revenue and costs are recognised by reference to the amount of work completed at the interim balance sheet date. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable to be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

Rendering of services

Revenue from rendering of services is recognized when the services are rendered and is stated net of discounts, allowances and non-refundable taxes.

Interest

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

Dividend income

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

Income from disposal of investments

Income from disposal of investments is recognised when the investments transfer procedures are completed and the involving parties have fulfilled their respective contractual obligations.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the interim 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 off-set 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 tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for interim consolidated financial statements 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 temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures 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.

Deferred 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 subsidiaries, associates, and interests in joint ventures, 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 tax assets is reviewed at each interim 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 tax asset to be utilised. Previously unrecognised deferred tax assets are reassessed at each interim balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred 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 interim 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Taxation* (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends 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.

3.19 *Financial instruments*

Financial instruments - Initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 providing guidance for the adoption in Vietnam of the International Accounting 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, trade and other receivables and loan receivables.

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 net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans, borrowings and bonds.

Financial instruments - 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.

3.20 *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 Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influences over the Group, key management personnel, including directors and officers of the Group and close members of the families of these individuals and companies associated with these individuals also constitute related parties.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

4. BUSINESS COMBINATIONS AND DISPOSAL OF EQUITY INTEREST

4.1 Acquisition of interest in Highland Dairy Cattle Joint Stock Company (“BSTN”)

On 27 April 2015, the Company completed its acquisition of 38,993,170 shares, equivalent to 98.61% of ownership in BSTN from Hoang Anh Gia Lai JSC – parent company at the price of VND 11,823 per share in accordance with Stock Transfer Agreement No. 27/4/HDMBCP. Accordingly, BSTN became a subsidiary of the Company at the acquisition date.

BSTN is incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate No. 5900985126 issued by the Department of Planning and Investment of Gia Lai province on 28 April 2014. The current principal activity of BSTN is breeding and trading cows for meat and dairy cows.

Fair values of identifiable assets and liabilities of BSTN at the acquisition date were as follows:

	<i>Fair value recognised at acquisition date</i>
	<i>VND'000</i>
Assets	
Cash	411,433
Short-term trade receivables	205,726,534
Inventories	8,038,851
Short-term prepaid expenses	58,254,349
Tangible fixed assets	23,774,972
Intangible assets	6,648,075
Construction in progress	54,562,778
Investments in other entity	39,200,000
Liabilities	
Other short-term payables	(2,341,549)
Total net assets	394,275,443
Non-controlling interests	(5,500,000)
Goodwill arising on acquisition	72,228,357
Consideration at fair value	(461,003,800)

On 12 May 2015, the Company made the additional contribution of VND'000 154,568,300 to BSTN, increasing its ownership to 99.00%.

The fair values of identifiable assets and liabilities of BSTN as at acquisition dates had not yet been formally assessed and determined, but the Company's management believed that they were not materially different from their carrying amounts.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

4. BUSINESS COMBINATIONS (continued)

4.2 Additional acquisition of interest in Hoang Anh - Quang Minh Rubber Joint Stock Company ("HAQM")

On 18 May 2015, the Company acquired additional 45,500 shares in its subsidiary, HAQM from the non-controlling shareholders for a total consideration of VND'000 910,910, increasing its ownership in HAQM from 97.54% to 97.77%.

Management assessed that the cost of acquisition represents the fair value of the rubber projects owned by HAQM and HAQM's subsidiaries and the acquisition of additional interest in HAQM is primarily to increase its controlling stake in the rubber projects. As a result, the excess amounting to VND'000 131,935 of the purchase consideration over the net assets of HAQM and HAQM's subsidiaries on acquisition date has been recognised into undistributed earnings in the interim consolidated balance sheet.

4.3 Disposal of entire equity interest in Gia Lai Industrial Forest Plantation Joint Stock Company

On 30 June 2015, the Company completed the disposal of its entire equity interest in Gia Lai Industrial Forest Plantation Joint Stock Company of 99.83% to three individuals who are Ms Le Thi Ngoc Bich, Mr Nguyen Van Thieng and Mr Tran Quang Dung with the amount of VND'000 425,663,640 (Note 6). Accordingly, gain from the disposal of VND'000 45,960,202 was recorded as finance income in the interim consolidated income statement.

5. CASH

	VND'000	
	30 June 2015	31 December 2014
Cash on hand	7,479,138	4,859,005
Cash at banks	104,771,321	41,945,776
TOTAL	112,250,459	46,804,781

6. TRADE RECEIVABLES

	VND'000	
	30 June 2015	31 December 2014
Receivables from sales of goods and rendering of services	1,434,857,110	959,132,827
- Mittaphap Import Export Company	567,268,155	425,462,663
- Laman-Sekong Import Export Trading Company	377,037,236	329,864,299
- Trade receivables from other customers	474,651,155	195,463,414
- Trade receivables from related parties (Note 31)	15,900,564	8,342,451
Receivables from the Laos Government for construction of airports	707,704,669	470,501,762
Receivables from disposal of a subsidiary (Note 4.3)	425,663,640	-
TOTAL	2,568,225,419	1,429,634,589
Provision for doubtful debts	(1,896,760)	(1,896,760)
NET	2,566,328,659	1,427,737,829

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND'000	
	30 June 2015	31 December 2014
Advances to suppliers of goods and services	1,283,291,354	648,903,813
Advances to subcontractors of two airport projects in Laos	633,763,330	963,495,248
Advances to contractors of construction and suppliers of machineries	65,529,291	49,088,243
TOTAL	<u>1,982,583,975</u>	<u>1,661,487,304</u>
<i>In which:</i>		
<i>Advance to related parties (Note 31)</i>	1,101,501,305	496,269,578
<i>Advance to other suppliers</i>	881,082,670	1,165,217,726

8. LOAN RECEIVABLES

	VND'000	
	30 June 2015	31 December 2014
Short-term	618,076,727	228,989,648
Receivables from others	309,149,578	105,553,109
- <i>Gia Lai Industrial Forest Plantation Joint Stock Company</i>	185,500,617	-
- <i>Hoang Anh Lumphat Limited Company</i>	114,269,572	92,807,498
- <i>Receivables from others</i>	9,379,389	12,745,611
Receivables from related parties (Note 31)	308,927,149	123,436,539
Long-term	605,656,804	576,215,557
Receivables from others	325,656,804	296,215,557
- <i>Daun Penh Agricultural Limited Company</i>	175,591,697	155,601,407
- <i>Dara Ratanakiri Agricultural Limited Company</i>	141,966,234	136,533,071
- <i>Receivables from others</i>	8,098,873	4,081,079
Receivables from related party (Note 31)	280,000,000	280,000,000
TOTAL	<u>1,223,733,531</u>	<u>805,205,205</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

9. OTHER RECEIVABLES

	VND'000	
	30 June 2015	31 December 2014
Short-term	221,072,736	176,253,620
Advances to employees for business purpose	134,796,380	107,360,461
- Mr Mai Dinh Hong	29,060,647	27,441,261
- Other employees	105,735,733	79,919,200
Interest income	63,188,877	46,764,005
Other receivables	23,087,479	22,129,154
<i>In which:</i>		
Receivables from others	177,460,281	160,340,670
Receivables from related parties (Note 31)	43,612,455	15,912,950
Long-term	56,923,624	39,699,791
Lending of tools, supplies and materials – Khan Say Agricultural Limited Company	35,106,258	33,310,761
Deposits	21,817,366	6,389,030
TOTAL	<u>277,996,360</u>	<u>215,953,411</u>

10. INVENTORIES

	VND'000	
	30 June 2015	31 December 2014
Work in process	1,497,433,410	532,495,604
<i>Of which from:</i>		
Cows for meat (*)	1,160,139,018	141,250,534
Manufacturing activities	335,223,577	346,933,204
Construction contracts	2,070,815	44,311,866
Raw materials	320,656,766	305,221,847
Apartments available for sales	153,111,890	170,579,766
Finished goods	150,607,462	114,732,141
Tools and supplies	15,154,735	17,290,299
Merchandise goods	2,184,280	316,840
TOTAL	<u>2,139,148,543</u>	<u>1,140,636,497</u>

(*) All the cows for meat have been mortgaged to secure the Group's outstanding borrowings (Note 22).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

11. TANGIBLE FIXED ASSETS

	VND'000						
	<i>Buildings & structures</i>	<i>Machinery & equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Livestock and perennial trees</i>	<i>Other assets</i>	<i>Total</i>
Cost							
31 December 2014	1,221,103,529	1,202,083,826	947,311,879	1,145,439	1,135,705,300	11,870,016	4,519,219,989
Increase	218,609,008	68,272,378	74,661,581	37,453	48,991,335	13,291,163	423,862,918
<i>Transfer from construction in progress</i>	168,632,881	681,144	20,728,445	-	-	951,218	190,993,688
<i>New purchases</i>	48,628,272	52,948,127	49,680,819	37,453	48,991,335	8,779,219	209,065,225
<i>Increase due to acquisition of a subsidiary</i>	1,347,855	14,643,107	4,252,317	-	-	3,560,726	23,804,005
Decrease	(28,356,931)	(6,075,521)	(73,168,386)	(75,434)	(88,834,465)	(48,823)	(196,559,560)
<i>Disposals</i>	(96,150)	(434,902)	(14,591,934)	-	-	-	(15,122,986)
<i>Decrease due to disposal of a subsidiary</i>	(25,370,394)	(1,066,977)	(54,824,062)	(74,570)	(85,064,532)	-	(166,400,535)
<i>Foreign exchange differences</i>	(2,890,387)	(4,573,642)	(3,752,390)	(864)	(3,769,933)	(48,823)	(15,036,039)
30 June 2015	1,411,355,606	1,264,280,683	948,805,074	1,107,458	1,095,862,170	25,112,356	4,746,523,347
<i>Fully depreciated</i>	-	1,420,919	63,160	75,000	-	-	1,559,079
Accumulated depreciation							
31 December 2014	(113,230,789)	(153,827,136)	(81,348,327)	(810,648)	(31,640,193)	(2,483,041)	(383,340,134)
<i>Depreciation for the year</i>	(32,352,907)	(46,504,599)	(40,596,273)	(99,365)	(17,006,304)	(698,992)	(137,258,440)
Decrease	7,210,198	2,259,740	8,190,161	75,333	1,500,715	1,112,514	20,348,661
<i>Disposals</i>	19,230	62,105	1,406,743	-	-	-	1,488,078
<i>Decrease due to disposal of a subsidiary</i>	6,802,908	627,845	8,169,866	74,570	1,390,920	-	17,066,109
<i>Foreign exchange differences</i>	388,060	1,569,790	(1,386,448)	763	109,795	1,112,514	1,794,474
30 June 2015	(138,373,498)	(198,071,995)	(113,754,439)	(834,680)	(47,145,782)	(2,069,519)	(500,249,913)
Net carrying amount							
31 December 2014	1,107,872,740	1,048,256,690	865,963,552	334,791	1,104,065,107	9,386,975	4,135,879,855
30 June 2015	1,272,982,108	1,066,208,688	835,050,635	272,778	1,048,716,388	23,042,837	4,246,273,434
<i>In which:</i>							
<i>Pledged as loans security (Note 22)</i>	1,272,982,108	1,066,208,688	-	-	1,048,716,388	-	3,387,907,184

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

12. INTANGIBLE ASSETS

	<i>Land use right</i>	<i>Software system</i>	<i>VND'000</i> <i>Total</i>
Cost			
31 December 2014	-	48,197,185	48,197,185
Increase due to acquisition of a subsidiary	6,648,075	-	6,648,075
30 June 2015	6,648,075	48,197,185	54,845,260
Accumulated amortisation			
31 December 2014	-	(5,684,340)	(5,684,340)
Amortisation for the period	-	(3,107,920)	(3,107,920)
30 June 2015	-	(8,792,260)	(8,792,260)
Net carrying amount			
31 December 2014	-	42,512,845	42,512,845
30 June 2015	6,648,075	39,404,925	46,053,000

13. CONSTRUCTION IN PROGRESS

	<i>VND'000</i>	
	<i>30 June 2015</i>	<i>31 December 2014</i>
Rubber and oil palm plantations (*)	5,932,078,620	5,702,401,513
Buildings and structures	506,303,902	314,219,395
Construction of cow projects (*)	159,655,758	57,262,902
Others	159,922,741	192,205,579
TOTAL	6,757,961,021	6,266,089,389

(*) Rubber and oil palm plantations and cow projects for meat have been mortgaged to secure the outstanding loans of the Group (Note 22).

14. CAPITALISED BORROWING COSTS

During the period, the Group has capitalised borrowing costs amounting to VND'000 215,931,195 into construction in progress (for the six-month period ended 30 June 2014: VND'000 196,577,827). These costs incurred from the bank loans and bonds to finance the construction and development of buildings and structures, machinery and equipment, rubber and palm oil plantations.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

15. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE

15.1 Investments in subsidiaries

Details of investment in the Company's subsidiaries as at 30 June 2015 are as follows:

Name	Location	Status of operation	Date of establishment or acquisition	Holding (%)
(1) Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Attapeu, Laos	Operating	12/01/2007	97.77
(2) Hoang Anh - Quang Minh Rubber JSC	Gia Lai, Vietnam	Operating	01/02/2007	97.77
(3) Hoang Anh Dak Lak JSC	Dak Lak, Vietnam	Operating	12/09/2007	99.46
(4) Hoang Anh Attapeu Agriculture Development Co., Ltd.	Attapeu, Laos	Operating	22/05/2008	100.00
(5) Hoang Anh Rattanakiri Co., Ltd.	Rattanakiri, Cambodia	Pre-operating	18/11/2009	100.00
(6) Ban Me Rubber JSC	Dak Lak, Vietnam	Pre-operating	15/01/2010	99.38
(7) Heng Brothers Co., Ltd.	Rattanakiri, Cambodia	Pre-operating	25/01/2010	100.00
(8) Hoang Anh Oyadav Co., Ltd.	Rattanakiri, Cambodia	Pre-operating	16/07/2010	100.00
(9) CRD Co., Ltd.	Rattanakiri, Cambodia	Pre-operating	15/12/2010	100.00
(10) Hoang Anh Gia Lai Cane Sugar JSC	Gia Lai, Vietnam	Operating	26/01/2011	99.99
(11) Hoang Anh Andong Meas Co., Ltd.	Rattanakiri, Cambodia	Operating	17/02/2011	97.77
(12) Hoang Anh Attapeu Sugar-Cane Co., Ltd.	Attapeu, Laos	Operating	01/11/2011	99.99
(13) Hoang Anh Gia Lai Import - Export Trading One member Co., Ltd.	Gia Lai, Vietnam	Operating	05/02/2013	100.00
(14) Highland Dairy Cattle JSC	Gia Lai, Vietnam	Operating	27/04/2015	99.00

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

15. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE (continued)

15.2 Investment in an associate

Name	Business activity	30 June 2015		31 December 2014	
		holding %	Carrying value VND'000	holding %	Carrying value VND'000
Bidiphar Rubber JSC	Rubber plantation	45.22	248,460,551	45.22	248,460,551

The Company's share in the results of the associate during the period has been assessed by management to be insignificant to the interim consolidated financial statements taken as a whole and accordingly, not recognised in the interim consolidated financial statements.

15.3 Investment in other entity

Investment in other entity represents an investment to Gia Lai Livestock Joint Stock Company with interest of 4.9% from High Dairy Cattle Joint Stock Company - a new subsidiary this period.

16. LONG-TERM PREPAID EXPENSES

	VND'000	
	30 June 2015	31 December 2014
Cost of sugar cane plantation	707,800,185	765,142,344
Land rental fees	70,274,308	25,878,208
Cost of corn plantation	51,239,379	48,928,696
Cost of grass plantation	51,171,375	19,108,996
Tools and supplies	24,851,969	22,371,230
Office rental fees	6,041,849	5,325,976
Others	4,806,678	6,537,502
TOTAL	916,185,743	893,292,952

17. SHORT-TERM TRADE PAYABLES

	VND'000	
	30 June 2015	31 December 2014
Payables to suppliers of goods and services	585,917,811	149,918,734
- Gia Lai Livestock Joint Stock Company	150,543,617	33,673,648
- Other trade payables	435,374,194	116,245,086
Payables to suppliers of assets and equipment	90,026,324	50,354,127
Payables to constructors	18,373,910	46,893,800
TOTAL	694,318,045	247,166,661
<i>In which:</i>		
Payables to other suppliers	422,964,642	135,204,571
Payables to related parties (Note 31)	271,353,403	111,962,090

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

18. SHORT-TERM ADVANCE FROM CUSTOMERS

	VND'000	
	30 June 2015	31 December 2014
Advances from customers	736,323,230	126,467,449
- <i>Indochina Cows Joint Stock Company</i>	590,697,783	-
- <i>Other customers</i>	145,625,447	126,467,449
Advances from related parties (Note 31)	81,920,873	-
TOTAL	<u>818,244,103</u>	<u>126,467,449</u>

19. STATUTORY OBLIGATIONS

	VND'000	
	30 June 2015	31 December 2014
Value-added tax	315,097,562	250,852,246
Corporate income tax (Note 30.1)	21,379,956	4,464,177
Personal income tax	1,488,777	1,136,926
Others	110,429	361,486
TOTAL	<u>338,076,724</u>	<u>256,814,835</u>

20. ACCRUED EXPENSES

	VND'000	
	30 June 2015	31 December 2014
Interest expenses	11,963,553	12,329,868
Others	29,761,619	22,669,865
TOTAL	<u>41,725,172</u>	<u>34,999,733</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

21. OTHER PAYABLES

	VND'000	
	30 June 2015	31 December 2014
Short-term	976,782,946	1,861,194,194
Temporary borrowings payables	906,198,864	1,748,115,939
Land lease payables	41,370,002	16,239,014
Dividend payables	5,334,294	87,824,130
Other payables	23,879,786	9,015,111
<i>In which:</i>		
<i>Payables to other parties</i>	173,370,483	224,378,196
<i>Payables to related parties (Note 31)</i>	803,412,463	1,636,815,998
Long-term	232,890,033	166,523,184
Land lease payables	154,415,931	166,433,291
Borrowing payable - Hoang Anh Lumphat Limited Company	74,601,880	-
Other payables	3,872,222	89,893
TOTAL	<u>1,209,672,979</u>	<u>2,027,717,378</u>

22. LOANS

	VND'000	
	30 June 2015	31 December 2014
Short-term loans	3,941,731,152	3,728,062,869
Current portion of long-term bonds (Note 22.1)	1,994,418,609	1,988,689,724
Short-term loans from banks (Note 22.2)	1,332,284,835	828,650,337
Current portion of long-term loans from banks (Note 22.3)	398,954,708	270,571,455
Current portion of long-term loans from a related party (Note 22.4)	216,073,000	640,151,353
Long-term loans	4,411,266,663	3,620,745,061
Long-term loans from banks (Note 22.3)	2,625,190,310	2,388,747,061
Long-term loans from a related party (Note 22.4)	1,786,076,353	1,231,998,000
TOTAL	<u>8,352,997,815</u>	<u>7,348,807,930</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

22. LOANS (continued)

22.1 Bonds with warrants

On 5 December 2012, the Company announced the issuance of new bonds with a total value of VND 2,000 billion (the par value per bond is VND 100 million) which was arranged by Vietnam Prosperity Bank Securities Company Limited (“VPBS”). These bonds will be repaid after three (3) years and one year grace period. Interest rate is paid for every quarter at the rate 11.37% p.a. for the first three quarters and the ceiling interest rate of deposit of the State Bank of Vietnam (“SBV”) in Vietnam dong with the term from one to twelve (12) months plus margin of 3% p.a. for subsequent periods. Should SBV remove the ceiling interest rate of saving deposit in Vietnam dong with the term from one to twelve (12) months, the interest rate of individual saving deposit in Vietnam dong with the term of twelve (12) months announced by VPBS plus margin of 3% p.a. will be applied for subsequent years. The Company has issued the bonds to EuroCapital Securities Company (“ECS”) in accordance with the contract dated 7 December 2012, 25 December 2012 and 27 December 2012 with proceeds of VND 750 billion, VND 450 billion and VND 800 billion, respectively. Accordingly, total proceeds from these bond issuances were VND 2,000 billion. The purpose of this bond issuance is to finance investment projects of the Group including the project of planting 28,173 hectares of new rubber trees in Rattanakiri Province, Cambodia; projects of planting 9,470 hectares palm oil in Rattanakiri Province, Cambodia; projects of planting 25,000 hectares rubber trees and palm oil in Attapeu and Sekong Province, Laos; projects of planting 5,000 hectares rubber trees in Attapeu and Sekong Province, Laos; projects of planting 3,000 hectares sugar cane trees in Attapeu and Sekong Province, Laos; to restructure existing debts of the Group and finance working capital and finance other investment projects of the Group. These bonds are secured by 143 million shares of the Company held by Hoang Anh Gia Lai JSC, the parent company.

In addition, a warrant was granted for every bond issued and the warrants will be considered independent securities from the bond after being granted. Each warrant grants the holder the right to purchase a number of shares of the Company equivalent to 0.000775% of actual contributed share capital of the Company right after all warrants are exercised. Should all warrants be exercised, the Company committed that warrant holders will own at least 15.5% ownership in the Company.

On 23 June 2015, in accordance with an agreement between ECS – owner of 20,000 warrants and the Company, the exercisable period is extended for two (2) years. Accordingly, the exercisable period of the warrants is increased from four (4) years to six (6) years from the date of issuance of the warrant.

As at 30 June 2015, these bonds were reclassified as current portion and presented in interim consolidated financial statements as a short-term loan.

22.2 Short-term loans from banks

	VND'000	
	30 June 2015	31 December 2014
Bank for Investment Development of Vietnam (“BIDV”)	880,387,650	273,860,292
Lao Vietnam Joint Venture Bank (“Laos – Viet Bank”)	451,897,185	230,424,667
Joint Stock Commercial Bank for Foreign Trade of Vietnam	-	257,987,770
Ho Chi Minh City Development Joint Stock Bank	-	66,377,608
TOTAL	1,332,284,835	828,650,337

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015**22. LOANS** (continued)**22.2 Short-term loans from banks** (continued)

Details of the short-term loans from banks are as follows:

<i>Banks</i>	<i>30 June 2015</i>	<i>Maturity Term</i>	<i>Interest rate</i>	<i>Collateral</i>
	<i>VND'000</i>			
<i>BIDV, Gia Lai branch</i>				
Credit limit contract No. 01/2014/53331375/HDTD dated on 25 June 2014	752,562,583	From 23 July 2015 to 19 May 2016	Floating rate, from 5% to 9.5% p.a.	Unsecured
Credit limit contract No. 04/2015/6261950/HDTD dated on 4 May 2015	127,825,067	From 14 February 2016 to 25 March 2016	Floating rate, from 9% to 10.5% p.a.	Assets financed by the loan (cow projects)
TOTAL	<u>880,387,650</u>			
<i>Laos – Viet Bank, Attapeu branch</i>				
Credit limit contract No.003/HD-LVB.ATP/2015 dated on 20 January 2015	115,013,215	From 9 July 2015 to 24 June 2016	From 9% to 11.25% p.a.	A part of Hoang Anh Attapeu Hotel owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.
Credit limit contract No. 088/NHLV.ATP/2014 dated on 2 October 2014	108,162,050	From 6 October 2015 to 11 December 2015	8.5% p.a.	All of buildings, machinery and equipment served for cows projects and entire cows financed by the loans
Credit limit contract No.089/LVB.ATP/2014 – 02/10/2014. Appendix No.02-089/2014/PL.HDTD dated on 15 June 2015	119,806,720	From 31 December 2015 to 1 April 2016	5.5% p.a., loans in US\$	Assets financed by the loan (cow projects)
Credit limit contract No.026/HD-LVB.ATP/2015 dated on 16 March 2015	108,915,200	From 27 April 2016 to 25 May 2016	9.75% p.a.	Cash in bank and all assets financed by the loan
TOTAL	<u>451,897,185</u>			

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

22. LOANS (continued)

22.3 Long-term loans from banks

	VND'000	
	30 June 2015	31 December 2014
BIDV	2,166,623,938	1,873,427,711
Sai Gon Thuong Tin Commercial Joint Stock Bank ("Sacombank")	512,454,605	512,454,605
Laos - Viet Bank	209,881,831	125,980,407
Asia Commercial Joint Stock Bank ("ACB")	135,184,644	147,455,793
TOTAL	<u>3,024,145,018</u>	<u>2,659,318,516</u>
<i>In which :</i>		
<i>Non - current portion</i>	2,625,190,310	2,388,747,061
<i>Current portion</i>	398,954,708	270,571,455

The Group obtained these loans mainly to finance the development of rubber and sugar cane plantations, purchases of machinery and equipment and cow projects.

Hoang Anh Gia Lai Agricultural Joint Stock Company

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

22. LOANS (continued)

22.3 Long-term loans from banks (continued)

Details of the long-term loans from banks are as follows:

Name of banks	30 June 2015	Maturity term	Interest rate	Collateral
	VND'000			
<i>BIDV, Binh Dinh branch</i>				
Loan Agreement No. 01/2012/BIDV-HAGL_Attapeu dated on 22 March 2012	626,746,748	Repayment in 72 months from the first drawdown date, (i.e. 23 April 2012)	12-month savings deposit interest rate of US\$ plus 3.5% p.a.(from 7 to 8% p.a. for current period)	All assets financed by the loans and equity investment of Hoang Anh Gia Lai – Attapeu Industrial Complex Investment and Construction Project
Loan Agreement No. 01/2013/BIDV-Attapeu dated on 18 February 2013	641,221,596	Repayment in 120 months from the first drawdown date, (i.e. 18 April 2013)	12-month savings deposit interest rate of US\$ plus 5% p.a. (7% per p.a. for current period)	A part of 7,950 ha rubber project and 2,000 ha palm oil project at Attapeu province, Laos and all investments in Hoang Anh Attapeu Agriculture Development Co., Ltd and bank deposit of VND'000 18,200,000 of Hoang Anh Gia Lai JSC
<i>BIDV, Gia Lai branch</i>				
Loan Agreement No. 01/2010/HD-TD dated on 1 April 2010	709,317,948	Repayment in 130 months from the first drawdown date (i.e. 28 April 2010)	12-month savings deposit interest rate of US\$ plus 4.7% p.a. (7% p.a. for current period)	10,000 ha rubber projects at Attapeu province, Laos of subsidiaries
Loan Agreement No. 01/2015/6261950/HDTD dated on 4 May 2015	188,592,220	Repayment in 84 months from the first drawdown date (i.e. 4 May 2015)	BIDV's internal transfer fund interest rate for term of over 12 months plus 3.2% p.a. (10% p.a. for current period)	Assets financed by the loans
Loan Agreement No. 02/2015/6261950/HDTD dated on 4 May 2015	745,426	Repayment in 84 months from the first drawdown date (i.e. 4 May 2015)	BIDV's internal transfer fund interest for term of over 12-month plus 3.2% p.a. (10% p.a. for current period)	Assets financed by the loans

TOTAL 2,166,623,938

In which:

Current portion 338,871,846

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

22. LOANS (continued)

22.3 Long-term loans from banks (continued)

Details of the long-term loans from banks are as follows: (continued)

<i>Name of banks</i>	<i>30 June 2015</i>	<i>Maturity term</i>	<i>Interest rate</i>	<i>Collateral</i>
	<i>VND'000</i>			
Sacombank, Da Nang branch Credit Contract No. LD1400300153 dated on 3 January 2014	262,454,605	Repayment in 60 months from the first drawdown date (i.e. 3 January 2014)	1.125% p.a. for the first three months, the interest rate of individual savings deposit with the term of 13 month plus 0.3333% per month for subsequent period and adjusted four times per year (1.7% p.a. for current period)	Land use right and attached assets in Binh Hien, Binh Thuan, Da Nang of Hoang Anh Construction and Housing Development JSC; 200 apartments and land use rights in Bau Thac Gian, Thac Gian, Da Nang City of Hoang Anh Gia Lai JSC
Sacombank, Thu Duc branch Credit contract No. LD1333200419 dated on 29 November 2013	250,000,000	Repayment in 66 months from the first drawdown date (i.e. 6 December 2013)	Floating rate, 11.28% p.a.	Deposit for VND'000 74,000,000 and land use rights in Nam Duong, Hai Chau, Da Nang of Hoang Anh Gia Lai JSC
TOTAL	512,454,605			

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015**22. LOANS** (continued)**22.3 Long-term loans from banks** (continued)

Details of the long-term loans from banks are as follows: (continued)

<i>Name of banks</i>	<i>30 June 2015</i>	<i>Maturity term</i>	<i>Interest rate</i>	<i>Collateral</i>
	VND'000			
<i>Laos - Viet Bank, Attapeu branch</i>				
Loan Agreement No. 010/2013/LVB-Attapeu dated on 15 March 2013	165,573,097	Repayment in 120 months from the first drawdown date (i.e. 21 March 2013)	12.5% p.a. for the first twelve months, the interest rate of individual savings deposit with the term of 13 month plus 3% p.a. for subsequent periods and adjusted every six months (13.75% per p.a. for current period)	A part of 7,950 ha rubber and 2,000 ha palm oil project at Attapeu province, Laos
Loan Agreement No. 025/LVB.NVKD/2012 dated on 10 September 2012	44,308,734	Repayment in 48 months from the first drawdown date (i.e. 10 September 2012)	13.5% p.a. for the first year, and to be adjusted twice times a year at the 12 month saving deposit rate plus 3% p.a.(13.5% - 13.75% p.a. for current period)	A part of Hoang Anh Attapeu Hotel and Rubber Latex Processing Factory - owned by Hoang Anh Attapeu Agriculture Development Co., Ltd
TOTAL	209,881,831			
<i>In which:</i>				
<i>Current portion</i>	35,461,760			
<i>ACB, Gia Lai branch</i>				
Loan Agreement No. GILDN02041110 dated on 4 November 2010	135,184,644	Repayment in 120 months from the first drawdown date (i.e. 4 November 2010)	Floating rate, from 10.5% to 11% p.a.	19 million shares of the Company and bank deposit of Hoang Anh Gia Lai JSC of VND 24 billion
<i>In which:</i>				
<i>Current portion</i>	24,621,102			

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

22. LOANS (continued)

22.4 Loans from a related party

Details of the loans from a related party are as follows:

<i>Lenders</i>	<i>30 June 2015</i>	<i>Maturity</i>	<i>Interest rate</i>
	<i>VND'000</i>		
<i>Hoang Anh Gia Lai JSC, parent company (Note 31)</i>			
Loan Agreement No. 04/2014/HDV-HAGL dated on 1 April 2014	500,000,000	36 months from the contract date	12% p.a.
Loan Agreement No. 03/2014/HDV-HAGL dated on 6 November 2014	300,000,000	36 months from the contract date	10.87% p.a.
Loan Agreement No. 05-01/2014/HDV-HAGL dated on 28 March 2014	200,000,000	36 months from the contract date	12% p.a.
Loan Agreement No. 20082012/HDV-HAGL dated on 20 August 2012	150,000,000	36 months from the contract date	16% p.a.
Loan Agreement No. 01/2011/HDV-HAGL dated on 28 December 2011 - Appendix No.01/2011/HDV-HAGL_PL4 dated 28 December 2014	150,000,000	72 months from the contract date	11.9% p.a.
Loan Agreement No. 05/2012/HDV-HAGL dated on 28 April 2012	120,872,953	60 months from the contract date	From 14% to 17% p.a.
Loan Agreement No. 03/2012/HDV-HAGL dated on 28 April 2012	120,000,000	60 months from the contract date	14% p.a.
Loan Agreement No. 02/2011/HDV-HAGL dated on 28 December 2011 - Appendix No.02/2011/HDV-HAGL_PL3 dated 28 December 2014	99,278,400	72 months from the contract date	11.9% p.a.
Loan Agreement No. 01/2013/HDV-HAGL dated on 17 May 2013	66,073,000	36 months from the contract date	15% p.a.
Loan Agreement No. 09/12/2014/HDV-HAGL dated on 9 December 2014	65,925,000	36 months from the contract date	12% p.a.
Loan Agreement No. 05 - 02/2014/HDV-HAGL dated on 28 March 2014	50,000,000	36 months from the contract date	12% p.a.
Loan Agreement No. 04/2015/HDV-HAGL dated on 6 January 2015	80,000,000	36 months from the contract date	10.87% p.a.
Loan Agreement No. 02/2015/HDV-HAGL dated on 6 January 2015	100,000,000	36 months from the contract date	10.87% p.a.
TOTAL	<u>2,002,149,353</u>		
<i>In which:</i>			
<i>Non-current portion</i>	1,786,076,353		
<i>Current portion</i>	216,073,000		

Loans from a related party are unsecured loans which were used to finance the Group's working capital requirements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

23. OWNERS' EQUITY

23.1 Increase and decrease in owners' equity

	Share capital	Share premium	Consolidation reserve	Foreign exchange differences	Undistributed earnings	Total
						VND'000
For the six-month period ended 30 June 2014						
<i>(not reviewed)</i>						
1 January 2014	3,990,670,000	1,295,347,000	162,047,860	125,673,607	608,536,760	6,182,275,227
Net profit for the period	-	-	-	-	563,963,640	563,963,640
Foreign exchange differences	-	-	-	69,438,122	-	69,438,122
Remuneration of Board of Director	-	-	-	-	(109,999)	(109,999)
30 June 2014	3,990,670,000	1,295,347,000	162,047,860	195,111,729	1,172,390,401	6,815,566,990
For the six-month period ended 30 June 2015						
1 January 2015	3,990,670,000	1,295,347,000	162,047,860	143,518,473	1,276,813,665	6,868,396,998
<i>(Before reclassification)</i>	-	-	(162,047,860)	-	162,047,860	-
Reclassification <i>(Note 36)</i>						
1 January 2015	3,990,670,000	1,295,347,000	-	143,518,473	1,438,861,525	6,868,396,998
<i>(After reclassification)</i>						
Net profit for the period	-	-	-	-	596,410,522	596,410,522
Issuance of shares in cash <i>(i)</i>	798,723,950	999,248,810	-	-	-	1,797,972,760
Issuance of shares by share premium <i>(ii)</i>	2,292,045,000	(2,292,045,000)	-	-	-	-
Foreign exchange differences	-	-	-	(89,831,530)	-	(89,831,530)
Decrease the parent's control due to capital transactions with non-controlling interest	-	-	-	-	(131,935)	(131,935)
30 June 2015	7,081,438,950	2,550,810	-	53,686,943	2,035,140,112	9,172,816,815

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

23. OWNERS' EQUITY (continued)

23.1 Increase and decrease in owners' equity (continued)

- (i) In accordance with the Resolution of shareholders at Extraordinary General Meeting year 2015 No. 0604/15/DHĐCĐ-NNHAGL ("Minute No. 0604") dated 6 April 2015, the Company offered and issued ordinary shares to Hoang Anh Gia Lai JSC and its employees.
- (ii) In accordance with Minute No. 0604, the Company issued ordinary shares from share premium to its existing owners at the rate of 49.5%.

23.2 Shares

	30 June 2015		31 December 2014	
	Quantity	Amount VND'000	Quantity	Amount VND'000
Issued shares				
<i>Issued and paid-up shares</i>	708,143,895	7,081,438,950	399,067,000	3,990,670,000
Ordinary shares	708,143,895	7,081,438,950	399,067,000	3,990,670,000
Shares in circulation				
Ordinary shares	708,143,895	7,081,438,950	399,067,000	3,990,670,000

24. NON-CONTROLLING INTERESTS

	VND'000	
	For the six-month period ended 30 June 2015	For the six-month period ended 30 June 2014 (not reviewed)
Beginning balance	21,726,695	21,594,718
Share of profit during the period	5,226,267	260,081
Acquisition of a new subsidiary	5,500,000	-
Disposal of a subsidiary	(3,790,480)	-
Acquisition of shares from non-controlling shareholders in subsidiaries	(778,976)	(49,429)
Declaration of dividends to non-controlling shareholders	(601,854)	-
Ending balance	27,281,652	21,805,370

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

25. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
Net profit after tax attributable to ordinary shareholders of the parent (VND'000)	596,410,522	563,963,640
Net interest after tax on convertible bonds charged to the interim consolidated income statement (VND'000)	<u>56,219,345</u>	<u>77,494,137</u>
Net profit attributable to ordinary shareholders of the parent adjusted for the effect of dilution (VND'000)	<u>652,629,867</u>	<u>641,457,777</u>
Weighted average number of ordinary shares during the period for basic earnings per share	616,408,608	596,605,165
Adjusted weighted average number of potential shares from convertible bonds	<u>129,896,217</u>	<u>129,896,217</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	<u>746,304,825</u>	<u>726,501,382</u>
Earnings per share (VND per share)		
- Basic earnings per share	968	945
- Diluted earnings per share	874	883

As disclosed in Note 22.1 to the interim consolidated financial statements, on 5 December 2012, the Company issued VND 2,000 billion warrants at par value of VND 100 million per unit. These warrants could potentially dilute basic earnings per share in the future as calculated for the six-month periods ended 30 June 2015 and 30 June 2014.

26. REVENUES

26.1 Net revenues from sale of goods and rendering of services

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
Net revenue	<u>2,072,484,141</u>	<u>1,267,997,837</u>
<i>Of which:</i>		
Sale of cows	766,447,163	-
Sale of sugars	501,149,162	787,999,920
Sale of corns	282,102,026	113,812,892
Revenue from construction contracts	280,681,191	201,262,660
Sale of rubber latex	105,398,223	71,603,415
Sale of goods	85,387,163	69,224,535
Revenue from rendering of services	33,435,213	6,125,153
Sale of apartments	17,884,000	17,969,262

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

26. REVENUES (continued)

26.2 Finance income

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
		VND'000
Income from disposal of a subsidiary	45,997,846	-
Foreign exchange gains	39,818,211	8,360,914
Interest income from loans to other companies	16,878,426	11,111,340
Others	506,452	531,767
TOTAL	103,200,935	20,004,021

27. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
		VND'000
Cost of cows sold	477,286,406	-
Cost of sugars sold	269,631,340	348,066,632
Cost of corns sold	119,848,010	48,844,582
Cost of construction contracts	182,212,057	101,582,496
Cost of rubber latex sold	66,792,926	33,760,391
Cost of goods sold	81,491,762	57,437,242
Cost of services rendered	29,021,717	7,883,526
Cost of apartments sold	17,167,220	18,451,614
TOTAL	1,243,451,438	616,026,483

28. FINANCE EXPENSES

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
		VND'000
Interest expenses on banks loan and bonds	160,551,941	122,900,283
Foreign exchange losses	28,625,056	9,751,922
Bonds issuance expenses	1,289,726	436,938
Others	-	208,110
TOTAL	190,466,723	133,297,253

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

29. ADMINISTRATIVE EXPENSES

	VND'000	
	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
Salary expenses	40,922,171	12,681,768
Depreciation and amortisation expenses	8,064,068	3,448,084
External services	12,314,864	12,593,302
Others	7,320,329	8,042,706
TOTAL	68,621,432	36,765,860

30. CORPORATE INCOME TAX

The Company and subsidiaries located in Vietnam have the obligation to pay corporate income tax ("CIT") at the rate of 22% of taxable profits.

The Company's subsidiaries located at Laos and Cambodia have the obligations to pay CIT at the rates of 24% and 20%, respectively, of their taxable profits. They are entitled to CIT exemption and reduction in accordance with their respective Business Registration Certificates, Investment Licences and applicable tax regulations.

The Company and its subsidiaries' tax returns 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 change at a later date upon final determination by the tax authorities.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

30. CORPORATE INCOME TAX (continued)

30.1 Current CIT

	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
		VND'000
Accounting profit before tax	614,990,267	579,879,610
<i>Adjustments to increase</i>		
Foreign exchange difference	43,400,086	-
Losses of subsidiaries	35,507,868	9,906,389
Non-deductible expenses	24,222,651	-
Change in intra-group unrealised profits	11,667,329	33,182,928
Others	5,943,194	10,326,468
<i>Adjustments to decrease</i>		
Profit from subsidiaries which are in exempted period	(593,923,773)	(528,071,275)
Gain from disposal of a subsidiary	(45,960,202)	-
Estimated current taxable profit	95,847,420	105,224,120
Estimated current CIT expense	19,180,942	23,149,306
Adjustment for under (over) accrual of CIT in previous period	2,887,579	(2,186,448)
Estimated current CIT for the period	22,068,521	20,962,858
CIT payable at beginning of the period	699,945	2,309,178
Disposal of a subsidiary	4,020,511	-
CIT paid during the period	(6,568,811)	(1,538,922)
CIT payable at end of the period	20,220,166	21,733,114
<i>In which:</i>		
CIT payable (Note 19)	21,379,956	21,733,114
CIT receivable (i)	(1,159,790)	-

- (i) The overpaid CIT was included in balance of "Tax and other receivables from the State" amounting to VND'000 2,205,295 on the interim consolidated balance sheet.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015**30. CORPORATE INCOME TAX** (continued)**30.2 Deferred tax**

The following comprises the Group's deferred tax assets and the movements thereon during the financial year:

	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2015</i>	<i>31 December 2014</i>	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
	<i>VND'000</i>			
Deferred tax assets				
Tax losses of subsidiaries	-	-	-	(1,993,275)
Unrealised intra-group profits	25,317,864	25,282,838	35,026	7,300,244
Foreign exchange difference	8,680,017	-	8,680,017	-
TOTAL	33,997,881	25,282,838		
Deferred tax benefit			8,715,043	5,306,969

31. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the financial period ended 30 June 2015 and 30 June 2014 were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>	
			<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
Hoang Anh Gia Lai JSC	Parent company	Purchase of goods, services and raw materials	282,350,756	288,371,389
		Purchase of shares	461,016,248	4,308,576
		Interest expenses	140,297,881	85,113,653
		Purchase of assets	86,481,346	48,671,743
		Sale of goods	25,060,941	49,238,624
An Phu Real Estate Investment Joint Stock Company	Related party	Interest income	16,878,426	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties as at 30 June 2015 and 31 December 2014 were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>	
			<i>30 June 2015</i>	<i>31 December 2014</i>
<i>Short-term trade receivables</i>				
Hoang Anh Gia Lai JSC	Parent company	Sales of goods	10,759,368	4,347,645
Hoang Anh Gia Lai Bridge & Road JSC	Related party	Sales of assets	3,743,026	3,322,776
Hoang Anh Attapeu Power JSC	Related party	Sale of goods and services	1,254,671	562,626
Others	Related party	Sales of goods	143,499	109,404
			<u>15,900,564</u>	<u>8,342,451</u>
<i>Short-term advances to suppliers</i>				
Hoang Anh Gia Lai JSC	Parent company	Advance for purchase of materials	1,087,066,266	485,527,578
Hoang Anh Gia Lai (Bangkok) Co., Ltd.	Related party	Advance for purchase of seeds	10,885,500	10,742,000
Hoang Anh Gia Lai Bridge & Road JSC	Related party	Advance for construction contract	3,524,521	-
Others	Related party	Advance for purchase of goods	25,018	-
			<u>1,101,501,305</u>	<u>496,269,578</u>
<i>Short-term loan receivables</i>				
Hoang Anh Gia Lai JSC	Parent company	Lending	294,155,599	109,285,839
Hoang Anh Gia Lai Vientiane Co., Ltd.	Related party	Lending	11,374,899	11,165,951
V&H Corporation (Laos) Co., Ltd.	Related party	Lending	3,396,651	2,984,749
			<u>308,927,149</u>	<u>123,436,539</u>
<i>Long-term loan receivable</i>				
An Phu Real Estate Investment Joint Stock Company	Related party	Lending	<u>280,000,000</u>	<u>280,000,000</u>

This represents an unsecured loan to An Phu Real Estate Investment Joint Stock Company in accordance with unsecured loan agreement No. 02/08/HDV/AP/XNK – HAGL Import Export dated 8 August 2014 with the credit limit of VND 300 billion and bears interest at rate of 12% p.a.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties as at 30 June 2015 and 31 December 2014 were as follows: (continued)

Related parties	Relationship	Transactions	VND'000	
			30 June 2015	31 December 2014
Other short-term receivables				
An Phu Real Estate Investment Joint Stock Company	Related party	Interest income	28,143,333	11,250,000
Mr Doan Nguyen Duc	Chairman	Payment on behalf	10,000,000	-
Hoang Anh Gia Lai JSC	Parent company	Payment on behalf	4,826,950	4,662,950
Others	Related party	Payment on behalf	642,172	-
			43,612,455	15,912,950
Short-term trade payables				
Hoang Anh Gia Lai JSC	Parent company	Purchase of assets	200,356,232	48,671,743
		Construction services	66,223,525	22,442,100
		Purchase of materials	-	28,542,141
Hoang Anh Gia Lai Mineral JSC	Related party	Purchase of materials	1,677,308	3,471,349
		Purchase of assets	-	3,493,692
Hoang Anh Gia Lai Bridge & Road JSC	Related party	Construction services	1,598,214	1,271,684
Hoang Anh Gia Lai Mineral Kontum JSC	Related party	Purchase of materials	1,353,000	-
Hoang Anh Gia Lai Hospital JSC	Related party	Services received	145,124	30,109
Hoang Anh Attapeu Power JSC	Related party	Purchase of materials	-	2,624,770
Hoang Anh Xekong Mineral Co., Ltd.	Related party	Purchase of materials	-	1,045,726
		Construction services	-	368,776
			271,353,403	111,962,090
Short-term advance from customer				
Hoang Anh Gia Lai JSC	Parent company	Advance for purchases of goods	81,920,873	-
Other short-term payables				
Hoang Anh Gia Lai JSC	Parent company	Borrowings and interest expenses	795,294,900	1,424,950,604
		Payment on behalf	-	125,853,486
		Dividend	-	83,091,160
Hoang Anh Attapeu Power JSC	Related party	Borrowings	6,037,436	2,714,596
Others	Related party	Payment on behalf	2,080,127	206,152
			803,412,463	1,636,815,998
Long-term loans				
Hoang Anh Gia Lai JSC	Parent company	Long-term loans	2,002,149,353	1,872,149,353

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Salaries, bonus and remunerations for the members of the Board of Directors and the Board of Management are as follows:

	VND'000	
	<i>For the six-month period ended 30 June 2015</i>	<i>For the six-month period ended 30 June 2014 (not reviewed)</i>
Salary, remunerations and bonus	<u>882,648</u>	<u>865,991</u>

32. OPERATING LEASE COMMITMENTS

The Group leases parcels of land in Vietnam, Laos and Cambodia to build factories, hotels, plant rubber and other plantations and offices lease. The future lease commitments under the operating lease agreements are as follows:

	VND'000	
	<i>30 June 2015</i>	<i>31 December 2014</i>
Less than one year	42,142,813	42,031,436
From one to five years	168,664,441	168,125,746
More than five years	<u>2,105,267,273</u>	<u>2,041,849,572</u>
TOTAL	<u>2,316,074,527</u>	<u>2,252,006,754</u>

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise bonds, loans and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets comprise loan receivables, trade and other receivables, and cash and cash in bank that arise directly from its operations.

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

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 include interest rate risk, currency risk, real estate price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include bonds and loans.

The sensitivity analyses in the following sections relate to the position as at 30 June 2015 and 31 December 2014.

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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

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 market risk for changes in interest rate relates primarily to the Group's cash, bonds and loans.

The Group manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favorable for its purposes within its risk management limits.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans.

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

	<i>Increase/decrease basis point</i>	<i>Effect on profit before tax</i>
		<i>VND'000</i>
For the six-month period ended 30 June 2015		
VND	+300	(86,540,025)
VND	-300	86,540,025
For the six-month period ended 30 June 2014 (not reviewed)		
VND	+300	(67,022,172)
VND	-300	67,022,172

The assumed movement in percentages 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. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US\$ exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Group's exposure to foreign currency changes for all other currencies is not material.

	<i>Change in exchange rate</i>	<i>Effect on profit before tax</i>
	<i>%</i>	<i>VND'000</i>
For the six-month period ended 30 June 2015		
US\$	+2	(33,081,961)
US\$	-2	33,081,961
For the six-month period ended 30 June 2014 (not reviewed)		
US\$	+1	(8,625,446)
US\$	-1	8,625,446

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Real estate price risk

The Group has identified the following risks associated with the real estate portfolio: (i) the cost of the development schemes may increase if there are delays in the planning process. The Group uses advisers who are experts in the specific planning requirements in the scheme's location in order to reduce the risks that may arise in the planning process; (ii) the exposure of the fair values of the portfolio to market and occupier fundamentals.

Commodity price risk

The Group is exposed to commodity price risk in relation to its rubber and sugar production. 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, including deposits with banks and loan to other companies.

Trade receivables

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Group seeks to maintain strict control over its outstanding receivables and has a credit control personnel to minimize credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

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 the Group's treasury department 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 5*. The Group's management evaluates the concentration of credit risk in respect to bank deposit as low.

Loans receivables

The Group mainly loans to Hoang Anh Lum Phat Co., Ltd., Daun Penh Agrico Co., Ltd., Dara Rattanakiri Agriculture One Member Co., Ltd. located in Cambodia and An Phu Real Estate Investment located in Vietnam. The Group's management evaluates the risk in respect to these loans 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 bank loans deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

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

	<i>Less than 1 year</i>	<i>From 1 to 5 year</i>	<i>VND'000</i> <i>Total</i>
30 June 2015			
Loans	1,947,312,543	4,411,266,663	6,358,579,206
Bonds with warrants	1,994,418,609	-	1,994,418,609
Trade payables	694,318,045	-	694,318,045
Other payables and accrued expenses	1,018,508,118	-	1,018,508,118
Other long-term liabilities	-	232,890,033	232,890,033
TOTAL	<u>5,654,557,315</u>	<u>4,644,156,696</u>	<u>10,298,714,011</u>
31 December 2014			
Loans	1,739,373,145	3,620,745,061	5,360,118,206
Bonds with warrants	1,988,689,724	-	1,988,689,724
Trade payables	247,166,661	-	247,166,661
Other payables and accrued expenses	1,896,193,927	-	1,896,193,927
Other long-term liabilities	-	166,523,184	166,523,184
TOTAL	<u>5,871,423,457</u>	<u>3,787,268,245</u>	<u>9,658,691,702</u>

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

Collateral

The Group has pledged its rubber plantations, cows, buildings and structures, machinery and equipment to fulfil the collateral requirements for the obtained loans (*Note 22*).

The Group did not hold collateral at 30 June 2015 and 31 December 2014.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

34. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Carrying amount		Fair value	VND'000
	30 June 2015	31 December 2014		
Financial assets				
Trade receivables	2,550,428,095	1,419,395,378	2,550,428,095	1,419,395,378
Other receivables	734,393,907	207,629,956	734,393,907	207,629,956
Receivables from related parties	648,440,168	427,691,940	648,440,168	427,691,940
Cash	112,250,459	46,804,781	112,250,459	46,804,781
TOTAL	4,045,512,629	2,101,522,055	4,045,512,629	2,101,522,055
Financial liabilities				
Loans	8,352,997,815	7,348,807,930	8,352,997,815	7,348,807,930
Payables to related parties	1,074,765,866	1,748,778,088	1,074,765,866	1,748,778,088
Trade payables	422,964,642	135,204,571	422,964,642	135,204,571
Other current liabilities	215,095,655	259,377,929	215,095,655	259,377,929
Other long-term liabilities	232,890,033	166,523,184	232,890,033	166,523,184
TOTAL	10,298,714,011	9,658,691,702	10,298,714,011	9,658,691,702

It is management's assessment that the fair values of these financial assets and liabilities are not materially different from their carrying amounts as at the interim balance sheet date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

35. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in preparation of the interim consolidated financial statements.

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

35.1 *Business segment*

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- ▶ Plantation: planting rubber, sugarcane and palm oil trees, processing and trading of rubber latex, rubber wood, sugar, palm oil and other tree plantations;
- ▶ Breeding and trading cows for meat and dairy cows;
- ▶ Trading and services: managing properties and trading of goods; and
- ▶ Others: developing apartments and office buildings for sale and lease and building airports.

Management monitors the operating results of its business units separately for the purposes of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the interim consolidated financial statements. Group financing, including finance costs and finance revenue, and income taxes are managed on a Group basis and are not allocated to operating segments.

The segment information of the hotel industry has been combined into the trading and services industry during the period as the hospitality industry is currently not the Group's core business.

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment:

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

35. SEGMENT INFORMATION (continued)

35.1 Business segment (continued)

	Plantation	Breeding	Trading and services	Others	Eliminations	Total
For the six-month period ended 30 June 2014 (not reviewed)						
<i>Revenue</i>						
External customers	973,416,227	-	75,349,688	219,231,922	-	1,267,997,837
Inter-segment elimination	16,324,644	-	236,164,074	-	(252,488,718)	-
Total	989,740,871	-	311,513,762	219,231,922	(252,488,718)	1,267,997,837
<i>Results</i>						
Segment results	542,744,622	-	10,028,920	99,197,812	-	651,971,354
Unallocated expenses						41,201,488
Profit before income tax, financial income and financial expense						693,172,842
Financial income						20,004,021
Financial expense						(133,297,253)
Profit before tax						579,879,610
Current corporate income tax						(20,962,858)
Deferred tax benefit						5,306,969
Net profit for the year						564,223,721
As at 31 December 2014						
<i>Assets and liabilities</i>						
Segment assets	13,908,330,919	251,835,195	668,564,706	1,178,386,880	-	16,007,117,700
Cash of the Group						46,804,781
Investments in associates						248,460,551
Unallocated assets						656,924,381
Total assets						16,959,307,413
Segment liabilities	(4,143,982,411)	(153,480,369)	(5,763,539,593)	-	-	(10,061,002,373)
Unallocated liabilities						(8,181,347)
Total liabilities						(10,069,183,720)

VND'000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

35. SEGMENT INFORMATION (continued)

35.1 Business segment (continued)

	Plantation	Breeding	Trading and services	Others	Eliminations	Total
For the six-month period ended 30 June 2015						
<i>Revenue</i>						VND'000
External customers	888,649,411	766,447,163	118,822,376	298,565,191	-	2,072,484,141
Inter-segment elimination	64,759,929	-	224,952,601	-	(289,712,530)	-
Total	953,409,340	766,447,163	343,774,977	298,565,191	(289,712,530)	2,072,484,141
<i>Results</i>						
Segment results	432,377,135	289,160,757	8,308,897	99,185,914	-	829,032,703
Unallocated expenses						(126,776,648)
Profit before income tax, financial income and financial expense						702,256,055
Financial income						103,200,935
Financial expense						(190,466,723)
Profit before tax						614,990,267
Current income tax expense						(22,068,521)
Deferred tax benefit						8,715,043
Net profit for the year						601,636,789
As at 30 June 2015						
<i>Assets and liabilities</i>						
Segment assets	14,923,011,500	2,340,303,069	1,605,655,371	789,573,747	-	19,658,543,687
Cash of the Group						112,250,459
Investments in associates						248,460,551
Unallocated assets						677,535,995
Total assets						20,696,790,692
Segment liabilities	(5,198,994,992)	(1,365,470,139)	(4,939,972,024)	-	-	(11,504,437,155)
Unallocated liabilities						7,744,930
Total liabilities						(11,496,692,225)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

35. SEGMENT INFORMATION (continued)

35.2 Geographical segment

The following tables present revenue, profit and certain asset information regarding the Group's geographical segments:

	Vietnam	Laos	Cambodia	Others	VND'000 Total
For the six-month period ended 30 June 2014 (not reviewed)					
<i>Revenue</i>					
Sales to external customers	71,120,025	1,178,831,067	14,804,019	3,242,726	1,267,997,837
<i>Capital expenditure</i>					
Tangible fixed assets	84,364,552	468,250,586	420,489,444	-	973,104,582
As at 31 December 2014					
<i>Other segment information</i>					
Segment assets	2,283,949,106	10,187,712,862	3,535,455,732	-	16,007,117,700
Cash					46,804,781
Investment in associates					248,460,551
Unallocated assets					656,924,381
Total assets					16,959,307,413
For the six-month period ended 30 June 2015					
<i>Revenue</i>					
Sales to external customers	281,079,378	1,573,569,225	187,138,794	30,696,744	2,072,484,141
<i>Capital expenditure</i>					
Tangible fixed assets	195,699,185	1,052,282,184	142,021,447	-	1,390,002,816
Intangible fixed assets	6,648,075	-	-	-	6,648,075
As at 30 June 2015					
<i>Other segment information</i>					
Segment assets	3,894,209,517	11,688,964,696	4,075,369,474	-	19,658,543,687
Cash					112,250,459
Investment in associates					248,460,551
Unallocated assets					677,535,995
Total assets					20,696,790,692

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2015

36. CORRESPONDING FIGURES

Certain corresponding figures on the consolidated financial statements for the year ended 31 December 2014 have been reclassified to reflect the presentation of the current period's interim consolidated financial statements in accordance with Circular 200 and Circular 202. Details are as follows:

	31 December 2014 (previously presented)	Reclassification	31 December 2014 (reclassified)
CONSOLIDATED BALANCE SHEET			
Short-term loan receivables	-	228,989,648	228,989,648
Other receivables	626,979,445	(450,725,825)	176,253,620
Other short-term assets	107,790,141	(107,790,141)	-
Long-term loan receivables	280,000,000	296,215,557	576,215,557
Other long-term receivables	-	39,699,791	39,699,791
Long-term prepaid expenses	904,603,228	(11,310,276)	893,292,952
Other long-term assets	6,389,030	(6,389,030)	-
Short-term loans	3,739,373,145	(11,310,276)	3,728,062,869
Consolidation reserve	162,047,860	(162,047,860)	-
Undistributed earnings	1,276,813,665	162,047,860	1,438,861,525

37. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

On 10 July 2015, the Company's shares were listed on the Ho Chi Minh City Stock Exchange in accordance with Decision No. 278/QĐ-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 10 July 2015. The Company's shares were officially traded in market on 20 July 2015 with trading code HNG.

Except for these above events, there has been no significant event occurring after the interim balance sheet date which would require adjustments or disclosures to be made in the interim consolidated financial statements of the Group.





Ho Thi Tuyet Loan Do Van Hai Nguyen Xuan Thang
 Preparer Chief Accountant Director

28 August 2015