

**INTERIM SEPERATE FINANCIAL STATEMENT
(UNAUDITED VERSION)**

Pan Pacific Corporation

30 June 2014

Pan Pacific Corporation

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Pan Pacific Corporation

GENERAL INFORMATION

THE COMPANY

Pan Pacific Corporation (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0301472704 issued by the Department of Planning and Investment of Ho Chi Minh City on 31 August 2005, as amended.

The Company is listed on the Ho Chi Minh City Stock Exchange (“HOSE”) in accordance with License No. 244/2010/QD-SDGHCM issued by the HOSE on 18 November 2010.

The current principal activities of the Company and its subsidiaries are to perform agricultural activities and related activities, the financial investments and provide cleaning services and other related services.

The Company’s registered office is located at 236/43/2 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. In addition, the Company also has its representative office in Hanoi, Vietnam.

BOARD OF DIRECTORS

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

Mr. Nguyen Duy Hung	Chairman	appointed on 26 April 2013
Mr. Michael Louis Rosen	Member	appointed on 26 April 2013
Mr. Tran Dinh Long	Member	appointed on 26 April 2013
Mrs. Nguyen Thi Tra My	Member	appointed on 26 April 2013
Mrs. Le Thi Le Hang	Member	appointed on 26 April 2013
Mrs. Ha Thi Thanh Van	Member	appointed on 26 April 2013
Mr. Nguyen Van Khai	Member	appointed on 26 April 2013
Mr. Michael Sng Beng Hock	Member	Appointed on 10 May 2014

BOARD OF SUPERVISION

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

Mr. Nguyen Duy Hung	Head	appointed on 26 April 2013
Mrs. Nguyen Thi Thanh Ha	Member	appointed on 26 April 2013
Mr. Nguyen Tuan Anh	Member	appointed on 10 May 2014
Ms. Nguyen Thai Hanh Linh	Member	resigned on 10 May 2014

MANAGEMENT

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

Mr. Michael Louis Rosen	General Director	appointed on 6 May 2013
Mr. Nguyen Van Khai	Deputy General Director	appointed on 6 May 2013

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Nguyen Duy Hung.

Mr. Nguyen Van Khai is authorised by Mr. Nguyen Duy Hung to sign the interim separate financial statements for the six-month period ended 30 June 2014.

INTERIM SEPARATE BALANCE SHEET (UNAUDITED)
as at 30 June 2014

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		541,045,277,545	227,181,846,900
110	I. Cash and cash equivalents	4	437,947,108,188	6,280,443,828
111	1. Cash		426,564,886,279	6,239,283,828
112	2. Cash equivalents		11,382,221,909	41,160,000
120	II. Short-term investments	11.1	50,201,538,765	149,828,958,329
121	1. Short-term investments		50,201,538,765	149,828,958,329
129	2. Provision for short-term investments		-	-
130	III. Current accounts receivable		52,033,871,997	68,826,915,804
131	1. Trade receivables	5	1,906,056,000	18,415,336,784
132	2. Advances to suppliers	6	50,127,815,997	50,173,423,871
135	3. Other receivables	7	-	238,155,149
140	IV. Inventories		-	-
141	1. Inventories		-	-
150	V. Other current assets		862,758,595	2,245,528,939
151	1. Short-term prepaid expenses	8	78,000,000	55,839,271
152	2. Value-added tax deductible		236,358,698	249,891,813
154	3. Tax and other receivables from the State		-	995,015,078
158	4. Other current assets	9	548,399,897	944,782,777
200	B. NON-CURRENT ASSETS		593,698,945,813	300,999,128,732
220	I. Fixed assets	10	8,310,399,829	8,818,708,164
221	1. Tangible fixed assets		8,310,399,829	8,818,708,164
222	Cost		15,697,031,575	15,697,031,575
223	Accumulated depreciation		(7,386,631,746)	(6,878,323,411)
250	II. Long-term investments		585,135,550,678	291,933,754,707
251	1. Investments in subsidiaries	11.2	291,933,754,707	291,933,754,707
252	2. Investments in associates		293,201,795,971	-
258	3. Other long-term investments		-	-
259	4. Provision for long-term investments		-	-
260	III. Other long-term assets		252,995,306	246,665,861
261	1. Long-term prepaid expenses	12	55,203,906	48,874,461
262	2. Deferred tax assets		-	-
268	3. Other long-term assets		197,791,400	197,791,400
270	TOTAL ASSETS		1,134,744,223,358	528,180,975,632

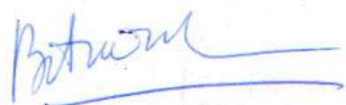
INTERIM SEPARATE BALANCE SHEET (UNAUDITED) (continued)
as at 30 June 2014

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		11,684,837,979	52,282,086,791
310	I. Current liabilities		10,564,324,479	51,161,573,291
311	1. Short-term loan	13	-	9,500,000,000
312	2. Trade payables	14	2,018,978,096	5,571,427,491
313	2. Advances from clients		208,308,899	-
314	3. Statutory obligations	15	260,630,670	216,902,433
315	4. Payables to employees		797,973,236	797,154,211
316	5. Accrued expenses	16	3,950,299,501	165,000,000
319	6. Other payables	17	582,965,455	31,288,058,584
323	7. Bonus and welfare funds		2,745,168,622	3,623,030,572
330	II. Non-current liability	18	1,120,513,500	1,120,513,500
333	1. Other long-term liabilities		1,120,513,500	1,120,513,500
400	B. OWNERS' EQUITY		1,123,059,385,379	475,898,888,841
410	I. Capital	19	1,123,059,385,379	475,898,888,841
411	1. Share capital		403,625,000,000	200,500,000,000
412	2. Share premium		668,503,548,236	226,238,904,236
417	3. Investment and development fund		5,756,899,134	5,756,899,134
418	4. Financial reserve fund		5,756,899,134	5,756,899,134
420	5. Undistributed earnings		39,417,038,875	37,646,186,337
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,134,744,223,358	528,180,975,632

OFF BALANCE SHEET ITEM

ITEM	Ending balance	Beginning balance
Bad debt written off (VND)	90,730,000	90,730,000


Bui Xuan Tuong
Preparer


Tran Anh Phuong
Chief Accountant

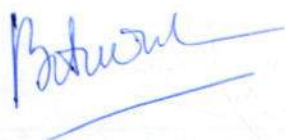
 Nguyen Van Khai
Deputy General Director

17 July 2014

INTERIM SEPARATE INCOME STATEMENT (UNAUDITED)
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	Reporting Period		Accumulative from the beginning of the year to the end of reporting period	
			Quarter 2/2014	Quarter 2/2013	Quarter 2/2014	Quarter 2/2013
01	1. Revenue from sale of goods and rendering of services	20.1	2,796,825,632	10,290,785,862	8,151,167,087	21,291,213,254
02	2. Deductions		-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	20.1	2,796,825,632	10,290,785,862	8,151,167,087	21,291,213,254
11	4. Cost of goods sold and services rendered	0	2,345,833,273	9,737,171,247	7,161,878,911	20,184,039,694
20	5. Gross profit/(loss) from sale of goods and rendering of services		450,992,359	553,614,615	989,288,176	1,107,173,560
21	6. Finance income	20.2	19,365,472,388	4,612,002,075	34,699,269,648	9,654,090,905
22	7. Finance expenses	22	320,005,600	(1,787,082,818)	324,308,833	162,152,062
23	- In which: Interest expense		-	(8,594,444)	35,677,778	-
24	8. Selling expenses		-	-	-	-
25	9. General and administrative expenses	23	5,243,646,941	3,717,330,308	11,774,876,224	6,375,440,637
30	10. Operating profit/(loss)		14,252,812,206	3,235,369,200	23,589,372,767	4,223,671,766
31	11. Other income		-	-	-	501
32	12. Other expenses		-	593,849,897	-	593,849,897
40	13. Other profit/(loss)		-	(593,849,897)	-	(593,849,396)
50	15. Profit/(loss) before tax		14,252,812,206	2,641,519,303	23,589,372,767	3,629,822,370
51	16. Current corporate income tax expense	25.2	1,048,520,229	245,854,167	1,048,520,229	589,261,422
52	17. Deferred income tax income/(expense)	25.3	-	(228,364,513)	-	(228,364,513)
60	18. Net profit/(loss) after tax		13,204,291,977	2,624,029,649	22,540,852,538	3,268,925,461
70	19. Earnings per share	27	-	-	-	-



Bui Xuan Tuong
Preparer



Tran Anh Phuong
Chief Accountant



Nguyen Van Khai
Deputy General Director

17 July 2014

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		23,589,372,767	3,629,822,370
	Adjustments for:			
02	Depreciation	10	508,308,335	630,441,329
03	Provision (or Reversal)		-	(1,064,271,020)
05	Profit from investing activities	20.2	(26,096,818,486)	(3,863,561,336)
06	Interest expense	22	35,677,778	-
08	Operating loss before changes in working capital		(1,963,459,606)	(667,568,657)
09	Decrease in receivables		18,197,974,880	486,991,963
10	Decrease (increase) in inventories		-	3,600,000
11	Increase in payables		(30,219,386,862)	3,715,977,382
12	Increase in prepaid expenses		(28,490,174)	(62,755,475)
13	Interest paid		(35,677,778)	-
14	Corporate income tax paid		-	(241,478,843)
15	Other cash inflows from operating activities		1,731,341,854	-
16	Other cash outflows from operating activities		(1,235,437,533)	(1,458,430,039)
20	Net cash flows from operating activities		(13,553,135,219)	1,776,336,331
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets and other long-term assets		-	-
23	Payments for purchase of shares in other entities		-	(34,624,659,200)
24	Proceeds from sale of shares in other entities		-	42,279,538,313
25	Payments for investments in other entities		(310,689,923,175)	(252,933,147,426)
26	Proceeds from sale of investments in other entities		118,156,521,254	-
27	Interest and dividends received		21,952,884,000	9,363,561,336
30	Net cash flows used in investing activities		(170,580,517,921)	(235,914,706,977)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares	19.1	645,389,644,000	202,720,000,000
33	Drawdown of borrowings		-	37,444,000,000
34	Borrowing repaid		(9,500,000,000)	-
36	Dividends paid	19.2	(20,048,166,500)	-
40	Net cash flows from (used in) financing activities		615,841,477,500	240,164,000,000

INTERIM SEPARATE CASH FLOW STATEMENT (UNAUDITED) (continued)
for the six-month period ended 30 June 2014

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2014	For the six-month period ended 30 June 2013
50	Net increase (decrease) in cash and cash equivalents		431,707,824,360	6,025,629,354
60	Cash and cash equivalents at beginning of period		6,239,283,828	3,491,751,947
70	Cash and cash equivalents at end of period		437,947,108,188	9,517,381,301



Bui Xuan Tuong
Preparer



Tran Anh Phuong
Chief Accountant



Nguyễn Văn Khai
Deputy General Director

17 July 2014

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

1. CORPORATE INFORMATION

Pan Pacific Corporation (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate (“BRC”) No. 0301472704 issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City on 31 August 2005, as amended.

The Company is listed on the Ho Chi Minh City Stock Exchange (“HOSE”) in accordance with License No. 244/2010/QD-SDGHCM issued by the HOSE on 18 November 2010.

The current principal activities of the Company are to provide cleaning services and other related services, and to perform financial investments.

The Company’s registered office is located at 236/43/2 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. In addition, the Company also has its representative in Hanoi, Vietnam.

The number of the Company’s employees as at 30 June 2014 was 16 (31 December 2013: 11).

The Company’s corporate structure includes 3 subsidiaries as presented in Note 11.2 of this interim separate financial statements.

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and system*

The separate financial statements of the Company, expressed in Vietnam dong (“VND”), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

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

The Company is the parent company of the subsidiaries listed in Note 11.2 and it is in the process of completing the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the six-month period ended 30 June 2014 to meet the prevailing regulatory reporting requirements.

Users of these separate financial statements should read them together with the consolidated financial statements of the Group for the six-month period ended 30 June 2014 in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

2.2 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system.

2.3 Fiscal year

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

2.4 Accounting currency

The separate financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 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 merchandise goods which are valued at cost of purchase on a weighted average basis.

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 merchandise goods owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

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

3.3 Receivables

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

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

3.4 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 separate income statement as incurred.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

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

3.5 Depreciation

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

Buildings and structures	5 - 25 years
Means of transportation	5 - 10 years
Office equipment	3 - 5 years

3.6 Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted from the cost of the investment.

3.7 Investments in associates

Investments in associates over which the Company has significant influence are accounted for under the cost method of accounting.

Distributions from the accumulated net profits of the associate arising subsequent to the date of acquisition by the Company are recognised as income in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted from the cost of the investment.

3.8 Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs.

3.9 Provision for investments

Provision is made for any diminution in value of investments at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC on 7 December 2009 and Circular No. 89/2013/TT-BTC on 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the interim separate income statement.

3.10 Prepaid expenses

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

3.11 Borrowing costs

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

3.12 Operating lease

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the term of the lease.

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 Company.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

3.14 Provision for severance pay

The severance pay to employee is accrued at the end of each reporting year for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. Commencing 1 January 2009, the average monthly salary used in this calculation will be revised at the end of each reporting year following the average monthly salary of the six-month period ended 30 June 2014 up to the reporting date. Any changes to the accrued amount will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.15 Foreign currency transactions

The Company follows the guidance under Vietnamese Accounting Standard No. 10 - Effects of Changes in Foreign Exchange Rates and Circular No. 179/2012/TT-BTC providing guidance on recognition, measurement, treatment for foreign exchange differences issued by the Ministry of Finance on 24 October 2012 in relation to foreign currency transactions as applied consistently in prior year.

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

3.16 Appropriation of net profits

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

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

- Financial reserve fund
This fund is set aside to protect the Company's normal operations from business risks or losses, or to prepare for unforeseen losses or damages for objective reasons and force majeure, such as fire, economic and financial turmoil of the country or elsewhere.
- Investment and development fund
This fund is set aside for use in the Company's expansion of its operation or in-depth investments.
- Bonus and welfare funds
This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits.

3.17 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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:

Rendering of services

Revenues are recognised upon the completion of the services provided.

Rental income

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

Rental income arising from operating leases is accounted for on a straight line basis over the term of the lease.

Interest income

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

Dividends

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

3.18 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years 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 balance sheet date.

Current income tax is charged or credited to the separate 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 Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred income tax

Deferred income 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 financial reporting purposes.

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

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

- where the deferred income 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 and associates, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred income tax assets to be recovered.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset 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 Company 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 year in which significant amounts of deferred income 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 providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments (“Circular 210”) are classified, for disclosures in the notes to the separate 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 Company determines the classification of its financial assets at initial recognition.

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

The Company’s financial assets include cash and short-term deposits, trade and other receivables, quoted and unquoted financial instruments.

Financial liabilities

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

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

The Company’s financial liabilities include trade, other payables and loan.

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 separate 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.

4. **CASH AND CASH EQUIVALENTS**

	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	57,597,907	60,408,907
Cash in banks	426,507,288,372	6,178,874,921

VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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		<i>Ending balance</i>	<i>Beginning balance</i>	
Cash equivalents		11,382,221,909	41,160,000	
TOTAL		<u>437,947,108,188</u>	<u>6,280,443,828</u>	
5. TRADE RECEIVABLES			VND	
		<i>Ending balance</i>	<i>Beginning balance</i>	
Related parties (Note 26)		418,356,708	12,610,953,445	
Third parties		1,487,699,292	5,804,383,339	
TOTAL		<u>1,906,056,000</u>	<u>18,415,336,784</u>	
6. ADVANCES TO SUPPLIERS			VND	
		<i>Ending balance</i>	<i>Beginning balance</i>	
Related parties (Note 26)		50,103,618,307	50,130,000,000	
Third parties		24,197,690	43,423,871	
TOTAL		<u>50,127,815,997</u>	<u>50,173,423,871</u>	
7. OTHER RECEIVABLES			VND	
		<i>Ending balance</i>	<i>Beginning balance</i>	
Dividends receivables		-	-	
Others		-	238,155,149	
TOTAL		<u>-</u>	<u>238,155,149</u>	
<i>In which:</i>				
- Related parties		-	-	
- Third parties		-	238.155.149	
8. SHORT-TERM PREPAID			VND	
	<i>Beginning balance</i>	Increase for the period	Charges for the period	<i>Ending balance</i>
Tool and equipment	2,439,271	-	2,439,271	-
Other service fee	53,400,000	563,321,000	538,721,000	78,000,000
TOTAL	<u>55,839,271</u>	<u>563,321,000</u>	<u>541,160,271</u>	<u>78,000,000</u>
9. OTHER CURRENT ASSETS			VND	
		<i>Ending balance</i>	<i>Beginning balance</i>	
Short-term deposits		527,700,000	944,582,880	
Advances		20,699,897	199,897	
TOTAL		<u>548,399,897</u>	<u>944,782,777</u>	
10. TANGIBLE FIXED ASSETS			VND	
	<i>Buildings and structures</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
Cost:				
Beginning balance	13,688,708,885	1,660,440,540	347,882,150	15,697,031,575
Purchased	-	-	-	-
Other additions	-	-	-	-
Sold, disposed	-	-	-	-
Transfer to prepaid	-	-	-	-
Ending balance	<u>13,688,708,885</u>	<u>1,660,440,540</u>	<u>347,882,150</u>	<u>15,697,031,575</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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	<u>Buildings and structures</u>	<u>Means of transportation</u>	<u>Office equipment</u>	<u>Total</u>
<i>In which:</i>				
<i>Fully depreciated</i>	3,066,784,752	386,370,000	347,882,150	3,801,036,902
Accumulated depreciation:				
Beginning balance	5,302,780,303	1,232,900,592	342,642,516	6,878,323,411
Sold, disposed	-	-	-	-
Transfer to prepaid	-	-	-	-
Charges for the period	438,661,086	64,407,615	5,239,634	508,308,335
Ending balance	<u>5,741,441,389</u>	<u>1,297,308,207</u>	<u>347,882,150</u>	<u>7,386,631,746</u>
Net carrying amount:				
Beginning balance	<u>8,385,928,582</u>	<u>427,539,948</u>	<u>5,239,634</u>	<u>8,818,708,164</u>
Ending balance	<u>7,947,267,496</u>	<u>363,132,333</u>	<u>-</u>	<u>8,310,399,829</u>
<i>In which:</i>				
<i>Temporarily unused</i>	-	-	-	-
<i>Awaiting disposal</i>	-	-	-	-

11. INVESTMENTS

	<i>Ending balance</i>	<i>Beginning balance</i>
		VND
Short-term investments (Note 11.1)		
Marketable equity securities	-	149,828,958,329
Co-operation contract	50,201,538,765	-
Provision for diminution in value of short-term investments	-	-
NET	<u>50,201,538,765</u>	<u>149,828,958,329</u>
Long-term investments		
Investments in subsidiaries (Note 11.2)	291,933,754,707	291,933,754,707
Investments in associates (Note 11.3)	293,201,795,971	-
Other long-term investments	-	-
TOTAL	<u>585,135,550,678</u>	<u>291,933,754,707</u>
Provision for other long-term investments	-	-
NET	<u>585,135,550,678</u>	<u>291,933,754,707</u>

11.1 Short-term investments

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>Number of shares</i>	<i>Cost of investment (VND)</i>	<i>Number of shares</i>	<i>Cost of investment (VND)</i>
Marketable equity securities		-		149,828,958,329
- Listed shares	-	-	5,728,410	149,828,958,329
- Unlisted shares	-	-	-	-
Marketable equity securities		50,201,538,765		-
TOTAL		<u>50,201,538,765</u>		<u>149,828,958,329</u>
Provision for diminution in value of short-term investments		-		-
NET		<u>50,201,538,765</u>		<u>149,828,958,329</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

11.2 Investments in subsidiaries

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>% of ownership</u>	<u>Cost of investment (VND)</u>	<u>% of ownership</u>	<u>Cost of investment (VND)</u>
Ben Tre Aquaproduct Import and Export Joint Stock Company	54.6	244,659,714,707	54,6	244,659,714,707
Pan Pacific Service Limited Company	100.0	25,000,000,000	100,0	25,000,000,000
Pan Pacific Limited Company	100.0	22,274,040,000	100,0	22,274,040,000
TOTAL		<u>291,933,754,707</u>		<u>291,933,754,707</u>

Ben Tre Aquaproduct Import and Export Joint Stock Company is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 5503000010 issued by the DPI of Ben Tre Province on 25 December 2003, as amended. Its registered office is located at Tan Thanh Commune, Chau Thanh District, Ben Tre Province, Vietnam. Its principal activities are culturing and processing exported seafood, processing feeds for aquaculture, livestock and poultry.

Pan Pacific Service Company Limited is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0309493985 issued by the DPI of Ho Chi Minh City on 24 November 2009, as amended. Its registered office is located at 236/43/2 Dien Bien Phu Street, Ward 17, Binh Thanh District, Ho Chi Minh City, Vietnam. Its principal activities are to provide cleaning and maintenance services, landscaping and other facility services.

Pan Pacific Company Limited is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0100230134 issued by the DPI of Hanoi City on 25 December 2008, as amended. Its registered office is located at 3rd Floor, 1C Ngo Quyen Street, Hoan Kiem District, Hanoi City, Vietnam. Its principal activities are to provide investment consulting and cleaning services and to carry on trading activities.

11.3 Investments in associates

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>% of ownership</u>	<u>Cost of investment (VND)</u>	<u>% of ownership</u>	<u>Cost of investment (VND)</u>
Vietnam National Seed Corporation	22.9	259,233,349,616	-	-
Long An Food Processing Export Joint Stock Company	23.0	33,968,446,355	-	-
TOTAL		<u>293,201,795,971</u>		<u>-</u>

Vietnam National Seed Corporation is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0101449271 issued by the DPI of Hanoi City on 6 February 2004, as amended. Its registered office is located at No. 1 Luong Dinh Cua Street, Phuong Mai ward, Dong Da District, Hanoi, Vietnam. Its principal activities are research, breeding and selection, produce, trade, export and import plants in agricultural and silvicultural sectors; Produce, trade, export and import agricultural products and materials.

Long An Food Processing Export Joint Stock Company is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 1100107301 issued by the DPI of Long An Province on 1 January 2000, as amended. Its registered office

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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is located at 81B National Road 62, Ward 2, Tan An City, Long An Province, Vietnam. Its principal activities are processing, production, import and export of goods and services in the agricultural, fisheries, food, machinery, raw materials for production.

12. LONG-TERM PREPAID EXPENSES

	<i>Beginning balance</i>	Increase	Charges for the period	<i>Ending balance</i>	VND
Instruments	48,874,461	31,360,908	25,031,463	55,203,906	
Services cost	-	-	-	-	
Total	48,874,461	31,360,908	25,031,463	55,203,906	

13. SHORT-TERM LOAN

	<i>Ending balance</i>	<i>Beginning balance</i>	VND
Short-term loan from bank	-	9,500,000,000	
TOTAL	-	9,500,000,000	

The Company obtained the short-term loan to finance its working capital requirements. Details of the short-term loan as at 31 December 2013 are as follows:

<i>Details</i>	<i>Ending balance (VND)</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Description of collateral</i>
Vietnam Export and Import Bank	9,500,000,000	8 th January 2014	8.45% p.a.	All securities and cash of the Company at Saigon Securities Incorporation

14. PAYABLE TO SUPPLIERS

	<i>Ending balance</i>	<i>Beginning balance</i>	VND
Related parties (Note 26)	1,527,642,800	5,274,058,852	
Third parties	491,335,296	297,368,639	
TOTAL	2,018,978,096	5,571,427,491	

15. STATUTORY OBLIGATIONS

	<i>Beginning balance</i>	Increase payable	Settled	<i>Ending balance</i>	VND
VAT of the goods sold in territory	-	-	-	-	
VAT of imported goods	-	-	-	-	
Import and export tax	-	-	-	-	
Corporate income tax (Note 25)	(995,015,078)	1,048,520,229	-	53,505,151	
Personal income tax	216,902,433	1,162,576,812	1,172,353,726	207,125,519	
Tax and land lease	-	-	-	-	
Other statutory obligations	-	4,000,000	4,000,000	-	
TOTAL	(778,112,645)	2,215,097,041	1,176,353,726	260,630,670	

16. ACCRUED EXPENSES

VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

	<i>Ending balance</i>	<i>Beginning balance</i>
Accrued service and consultant fees	3,850,299,499	-
Accrued auditing expenses	100,000,002	165,000,000
TOTAL	<u>3,950,299,501</u>	<u>165,000,000</u>
17. OTHER PAYABLES		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Remuneration and operating reserves for Board of Directors and Supervisors	473,578,029	-
Deposit received for sale of stock	-	31,200,000,000
Social, health, unemployment insurance and trade union	97,821,926	83,342,584
Dividend payable	6,463,500	4,630,000
Others	5,102,000	86,000
TOTAL	<u>582,965,455</u>	<u>31,288,058,584</u>
18. OTHER LONG-TERM LIABILITIES		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Provision for severance allowance	803,812,500	803,812,500
Long-term deposits received	316,701,000	316,701,000
TOTAL	<u>1,120,513,500</u>	<u>1,120,513,500</u>
<i>In which:</i>		
- <i>Related parties</i>	267,451,800	267,451,800
- <i>Third parties</i>	853,061,700	853,061,700

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

19. OWNERS' EQUITY**19.1 Movement in owners' equity**

	VND						
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Investment and development fund</i>	<i>Financial reserve fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
<i>For the fiscal year ended</i>							
<i>31 December 2013</i>							
Beginning balance	115,500,000,000	108,518,904,236	-	5,756,899,134	5,756,899,134	17,746,095,148	253,278,797,652
Increase in capital	85,000,000,000	119,000,000,000	-	-	-	-	204,000,000,000
Expenses related to share issuance	-	(1,280,000,000)	-	-	-	-	(1,280,000,000)
Net profit for the year	-	-	-	-	-	22,470,228,740	22,470,228,740
Profit appropriation	-	-	-	-	-	(1,960,137,551)	(1,960,137,551)
Remuneration of management	-	-	-	-	-	(610,000,000)	(610,000,000)
Dividends declared	-	-	-	-	-	-	-
Ending balance	200,500,000,000	226,238,904,236	-	5,756,899,134	5,756,899,134	37,646,186,337	475,898,888,841
<i>For the six-month period</i>							
<i>ended 30 June 2014</i>							
Beginning balance	200,500,000,000	226,238,904,236	-	5,756,899,134	5,756,899,134	37,646,186,337	475,898,888,841
Increase in capital	203,125,000,000	446,875,000,000	-	-	-	-	650,000,000,000
Expenses related to share issuance	-	(4,610,356,000)	-	-	-	-	(4,610,356,000)
Net profit for the Period	-	-	-	-	-	22,540,852,538	22,540,852,538
Profit appropriation	-	-	-	-	-	(720,000,000)	(720,000,000)
Dividends declared	-	-	-	-	-	(20,050,000,000)	(20,050,000,000)
Ending balance	403,625,000,000	668,503,548,236	-	5,756,899,134	5,756,899,134	39,417,038,875	1,123,059,385,379

During the period, the Company issued 20,312,500 new ordinary shares to its strategic investors to increase its charter capital to VND 403,625,000,000 in accordance with the Shareholder's Extraordinary Resolution No. 02-09/2013/NQ-DHĐCĐBT on 10 September 2013. The share issuance was approved by the State Securities Commission under Certificate No. 617/UBCK-QLPH dated 14 February 2014.

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

19.2 Capital transactions with owners and distribution of dividends

	<i>For the six-month period ended 30 June 2014</i>	<i>Previous year</i>
<i>VND</i>		
Issued share capital		
Beginning balance	200,500,000,000	115,500,000,000
Increase	203,125,000,000	85,000,000,000
Ending balance	<u>403,625,000,000</u>	<u>200,500,000,000</u>
Dividends		
Announced and paid by cash	20,048,166,500	-
Announced and unpaid	1,833,500	-

19.3 Shares

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>Quantity</i>	<i>Amount (VND)</i>	<i>Quantity</i>	<i>Amount (VND)</i>
Authorized shares	40,362,500	403,625,000,000	20,050,000	200,500,000,000
Issued shares				
<i>Issued and paid-up shares</i>				
- Ordinary shares	40,362,500	403,625,000,000	20,050,000	200,500,000,000
Shares in circulation				
- Ordinary shares	40,362,500	403,625,000,000	20,050,000	200,500,000,000

20. REVENUES

20.1 Revenue from rendering of services

	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
<i>VND</i>		
<i>Revenue from cleaning services</i>	7,161,878,911	20,184,039,694
<i>Revenue from rental activities</i>	777,008,000	1,107,173,560
<i>Revenue from other services</i>	212,280,176	-
Deduction	-	-
Net revenues	<u>8,151,167,087</u>	<u>21,291,213,254</u>

20.2 Finance income

	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
<i>VND</i>		
Dividends income	18,849,924,000	3,746,000,000
Profit from investment cooperation contracts	7,246,894,486	1,159,799,867
Bank interest income	3,032,077,930	117,561,336
Gains from disposal of bonds and stocks	-	4,630,729,702
Gains from short-term financial investments	5,570,373,232	-
TOTAL	<u>34,699,269,648</u>	<u>9,654,090,905</u>

21. COST OF GOOD SOLD

VND

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Raw materials	-	-
Labour costs	-	-
General production expense and external services	7,161,878,911	20,184,039,694
TOTAL	<u>7,161,878,911</u>	<u>20,184,039,694</u>

22. FINANCE EXPENSES

	<i>For the six-month period ended 30 June 2014</i>	<i>VND For the six-month period ended 30 June 2013</i>
Expenses from investment cooperation contracts	-	1,183,870,222
Financial activities expense	281,631,055	-
Commission and brokers expenses	-	33,958,416
Interest expense, deferred interest	42,677,778	8,594,444
(Reversal of provision) provision for diminution in value of investments	-	(1,064,271,020)
TOTAL	<u>324,308,833</u>	<u>162,152,062</u>

23. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the six-month period ended 30 June 2014</i>	<i>VND For the six-month period ended 30 June 2013</i>
Labour costs	4,286,189,562	2,511,701,350
Usage, tool and equipment	27,470,734	34,198,525
Depreciation	508,308,335	630,441,329
Expenses for external services	6,943,907,593	3,185,117,506
Others	9,000,000	13,981,927
TOTAL	<u>11,774,876,224</u>	<u>6,375,440,637</u>

24. OPERATING COSTS

	<i>For the six-month period ended 30 June 2014</i>	<i>VND For the six-month period ended 30 June 2013</i>
Expenses for external services	4,286,189,562	23,369,157,200
Labour costs	27,470,734	2,511,701,350
Depreciation	508,308,335	630,441,329
Merchandise goods	14,105,786,504	-
Others	9,000,000	48,180,452
TOTAL	<u>18,936,755,135</u>	<u>25,559,480,331</u>

25. INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 22% of taxable profits.

The tax returns filed by Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

25.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Current CIT expense	1,048,520,229	589,261,422
Deferred CIT expense (benefit)	-	(228,364,513)
TOTAL	<u>1,048,520,229</u>	<u>360,896,909</u>

25.2 Current CIT

The current tax payable is based on taxable profit for the year. Taxable profit of the Company for the year differs from profit as reported in the separate 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 Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

A reconciliation between the accounting profit before tax in the separate income statement and taxable profit is presented below:

	VND	
	<i>For the six-month period ended 30 June 2014</i>	<i>For the six-month period ended 30 June 2013</i>
Profit before tax	23,589,372,767	3,629,822,370
Adjustments to increase		
<i>Provision for investments</i>	-	5,623,483,202
<i>Provision for severance allowance</i>	-	803,812,500
<i>Non-deductible expenses</i>	26,552,273	593,849,897
Adjustments to decrease		
Dividends income	(18,849,924,000)	(3,746,000,000)
Reversal provision for investments of taxable in previous year	-	(5,513,837,652)
Estimated (tax loss) taxable income profit	4,766,001,040	1,391,130,317
Loss carried forward	-	-
Estimated (tax loss) taxable income profit	4,766,001,040	1,391,130,317
Estimated current CIT expense	1,048,520,229	347,782,579
CIT receivable at beginning of year	(995,015,078)	(995,015,078)
Adjustment for under accrual of tax from prior years	-	241,478,843
CIT paid during the year	-	(241,478,843)
CIT receivable at end of year	<u>53,505,151</u>	<u>(647,232,499)</u>

25.3 Deferred CIT

Movements of deferred tax assets during the current and prior reporting year are as follows:

	VND			
	<i>Interim separate balance sheet</i>		<i>Credit (charge) to Interim separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>For the six- month period ended 30 June 2014</i>	<i>For the six- month period ended 30 June 2013</i>
Net deferred income tax assets				

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

	<i>Interim separate balance sheet</i>		<i>Credit (charge) to Interim separate income statement</i>	
Provision for long-term investments	-	-	-	27,411,388
Provision for severance allowance	-	-	-	200,953,125
Net deferred income tax assets	-	-		
Net deferred income tax (charge) credit to the separate income statement			-	228,364,513

26. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the year were as follows:

<i>Related parties – Relationship</i>	<i>Transactions</i>	<i>VND For the six-month period ended 30 June 2014</i>
Saigon Securities Incorporation – Major shareholder	Consultancy fees	4,356,000,000
	Supply service of office rental	106,776,840
	Fee of managing account	288,631,055
	Transaction fees on stock trading	284,804,730
	Profit from investment cooperation contracts	6,426,139,625
CSC Vietnam Joint Stock Company - Major shareholder	Office rental	348,409,083
	Capital contribution	21,760,000,000
Mutual Fund Populus – Major shareholder	Capital contribution	64,864,000,000
Pan Pacific Service Limited Company - Subsidiary	Other internal revenue cross-charged (office rental fee)	535,970,000
	Cross-charged of services fee	205,751,611
	Cleaning service	7,161,878,911
Ben Tre Aquaproduct Import & Export Joint Stock Company	Dividend received	18,849,924,000
Vietnam National Seed Corporation	Dividend received	3,102,960,000
Mrs. Ha Thi Thanh Van – Member of BOD	Office rental	313,831,000
	Capital contribution	14,400,000,000
Mr. Michael Louis Rosen – Member of BOD, CEO	Capital contribution	10,480,000,000
SSI Asset Management Co., Ltd. - Major shareholder	Capital contribution	129,920,000,000

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

<i>Related parties – Relationship</i>	<i>Transactions</i>	<i>For the six-month period ended 30 June 2014</i>
Tael Two Partners Ltd (acting in its capacity as the General Partner of the Asian Entrepreneur Legacy Two, L.P.) – Major shareholder	Capital contribution	258,336,000,000
TNHH NDH Việt Nam Company – Major shareholder	Capital contribution	39,360,000,000

Terms and conditions of transactions with related parties

The sales of goods to related parties are made at the Group's usual list prices. Purchases are made at market price discounted to reflect the quantity of goods purchased.

Outstanding balances at 30 June 2014 are unsecured, interest free and will be settled in cash. For the six-month period ended 30 June 2014, the Company has not made any provision for doubtful debts relating to amounts owed by related parties. This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

Amounts due to and due from related parties at the balance sheet date were as follows:

		<i>VND</i>
		<i>Ending balance</i>
Pan Pacific Service Limited Company – Subsidiary	Office rental	418,356,708
Saigon Securities Incorporation – Major shareholder	Advances	50,100,000,000
	Transaction fees on stock trading pending invoices	3,618,307
CSC Vietnam Joint Stock Company – Major shareholder	Office rental deposit	108,591,400
Mrs Ha Thi Thanh Van – Member of BOD	Office rental deposit	79,200,000
	Receivables	<u>50,709,766,415</u>
Pan Pacific Service Limited Company – Subsidiary	Cleaning service fee	1,527,642,800
	Office rental deposit	189,189,000
Saigon Securities Incorporation – Major shareholder	Office rental deposit	78,262,800
	Payables	<u>1,795,094,600</u>

Remuneration to members of the Boards of Directors and Supervision and Management were as follows:

	<i>VND</i>
	<i>For six-month period ended 30 June 2014</i>
Wage, Salaries	2,250,903,683
Bonus	563,839,600
TOTAL	<u>2,814,743,283</u>

Pan Pacific Corporation

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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27. BASIC EARNINGS PER SHARE

The Company did not present this item in this interim separate financial statements according to the Vietnam Accounting Standard No. 30 “Earning per share”, in case the Company has to prepare both interim separate financial statement and the interim consolidated financial statement, the information on earning per share should be presented in the interim consolidated financial statement.

28. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Company’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

The Company’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.

The revenue and cost of gold sold presented on the interim separate financial statement mainly from cross charge for subsidiary (Note 20.1 and Note 0) for cleaning service (business segment Note 28.1) and at Southern of Vietnam (geographical segment Note 28.2).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

28.1 Business segment

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

	<u>Cleaning Service</u>	<u>Investment</u>	<u>Elimination</u>	<u>VND Total</u>
As at and for the six-month period ended 30 June 2014				
Revenue				
Sales to external customers	8,151,167,087	-	-	8,151,167,087
Inter-segment sales	-	-	-	-
Total revenue	8,151,167,087	-	-	8,151,167,087
Results				
Segment net profit/(loss) before tax	-	23,589,372,767	-	23,589,372,767
Income tax expense	-	(1,048,520,229)	-	(1,048,520,229)
Net profit for the period	-	22,540,852,538	-	22,540,852,538
Assets and liabilities				
Segment assets	-	1,134,744,223,358	-	1,134,744,223,358
Unallocated assets	-	-	-	-
Total assets	-	1,134,744,223,358	-	1,134,744,223,358
Total liabilities	-	11,684,837,979	-	11,684,837,979
Other segment information				
Capital expenditure	-	-	-	-
Depreciation	-	508,308,335	-	508,308,335
Amortisation/allocation of prepaid expenses	-	(516,128,808)	-	(516,128,808)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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The following tables present revenue and profit and certain assets and liability information regarding the Company's business segment:

	<u>Cleaning Service</u>	<u>Investment</u>	<u>Elimination</u>	<u>VND Total</u>
As at and for the six-month period ended 30 June 2013				
Revenue				
<i>Sales to external customers</i>	21,291,213,254	-	-	21,291,213,254
<i>Inter-segment sales</i>	-	-	-	-
Total revenue	21,291,213,254	-	-	21,291,213,254
Results				
<i>Segment net profit/(loss) before tax</i>	-	3,629,822,370	-	3,629,822,370
<i>Income tax expense</i>	-	(360,896,909)	-	(360,896,909)
Net profit for the period	-	3,268,925,461	-	3,268,925,461
Assets and liabilities				
<i>Segment assets</i>	-	512,537,865,414	-	512,537,865,414
<i>Unallocated assets</i>	-	-	-	-
Total assets	-	512,537,865,414	-	512,537,865,414
Total liabilities	-	55,840,279,852	-	55,840,279,852
Other segment information				
Capital expenditure	-	-	-	-
Depreciation	-	630,441,329	-	630,441,329
Amortisation/allocation of prepaid expenses	-	287,386,445	-	287,386,445

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

28.2 Geographical segment

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

	<i>Southern region</i>	<i>Middle region</i>	<i>Northern region</i>	<i>Total</i>
As at and for the six-month period ended 30 June 2014				
<i>Sales to external customers</i>	8,151,167,087	-	-	8,151,167,087
<i>Inter-segment sales</i>	-	-	-	-
Total revenue	8,151,167,087	-	-	8,151,167,087
Other segment information				
<i>Segment assets</i>		-	-	
<i>Unallocated assets</i>	1,134,744,223,358	-	-	1,134,744,223,358
Total assets	1,134,744,223,358	-	-	1,134,744,223,358
<i>Tangible fixed assets</i>	-	-	-	-
<i>Intangible fixed assets</i>	-	-	-	-
Capital expenditure	-	-	-	-
As at and for the six-month period ended 30 June 2013				
<i>Sales to external customers</i>	21,291,213,254	-	-	21,291,213,254
<i>Inter-segment sales</i>	-	-	-	-
Total revenue	21,291,213,254	-	-	21,291,213,254
Other segment information				
<i>Segment assets</i>	512,537,865,414	-	-	512,537,865,414
<i>Unallocated assets</i>	-	-	-	-
Total assets	512,537,865,414	-	-	512,537,865,414
<i>Tangible fixed assets</i>	-	-	-	-
<i>Intangible fixed assets</i>	-	-	-	-
Capital expenditure	-	-	-	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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29. COMMITMENTS AND CONTINGENCIES

Operating lease commitment

The Company leases office premises under operating lease arrangements. The minimum lease commitment as at 31 December 2013 under the operating lease agreements is as follows:

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Less than 1 year	1,701,524,716	1,155,548,400
More than 1 to 5 years	2,676,524,534	2,559,314,209
Over five years	9,025,164,474	7,319,605,263
TOTAL	<u>13,403,213,724</u>	<u>11,034,467,872</u>

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Company is exposed to market risk, credit risk and liquidity 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 comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loan, deposits and available-for-sale investments.

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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term loan.

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

No analysis on interest sensitivity was performed for the years ended 30 June 2014 and 31 December 2013 since a significant portion of borrowings are fixed rate during that year.

Equity price risk

The Company's listed equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages equity price risk by placing a limit on equity investments. The Company's Board of Directors reviews and approves all equity investment decisions.

There is not equity 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 Company is exposed to

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade receivables

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

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

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. The Company's maximum exposure to credit risk for the components of the separate balance sheet at each reporting dates are the carrying amounts as illustrated in Note 4. The Company evaluates the concentration of credit risk in respect to bank deposits as low.

Other financial instruments

The Company's management evaluates all financial assets are neither past due nor impaired as they related to recognized and creditworthy counterparties except for the following receivable which are past due but not impaired as at 30 June 2014.

		VND		
		<u>Past due but not impaired</u>		
	<i>Total</i>	<i>Neither past due nor impaired</i>	<i>6 months to less than < 6 months</i>	<i>More than 1 year 1 year</i>
Ending balance	490,727,171,482	490,727,171,482	-	-
Beginning balance	25,838,154,892	25,838,154,892	-	-

Liquidity risk

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

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

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

		VND	
	<i>Less than 12 months</i>	<i>More than 12 months</i>	<i>Total</i>
Ending balance			
Loans	-	-	-
Convertible bond	-	-	-
Trade payables	2,018,978,096	-	2,018,978,096
Other payables and accrued expenses	4,533,264,956	1,120,513,500	5,653,778,456
	<u>6,552,243,052</u>	<u>1,120,513,500</u>	<u>7,672,756,552</u>
Beginning balance			
Loans	9,500,000,000	-	9,500,000,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
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Trade payables	5,571,427,491	-	5,571,427,491
Other payables and accrued expenses	<u>31,369,716,000</u>	<u>1,120,513,500</u>	<u>32,490,229,500</u>
	<u>46,441,143,491</u>	<u>1,120,513,500</u>	<u>47,561,656,991</u>

Collateral

The Company has pledged its securities investments and cash at Saigon Securities Incorporation in order to fulfil the collateral requirements for the loan obtained from Vietnam Export Import Bank (*Note 11 (beginning balance)*).

The Company did not hold collateral as at 30 June 2014 and 31 December 2013.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

31. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the separate financial statements:

	<i>Carrying amount</i>				<i>Fair value</i>		<i>VND</i>
	<i>Ending balance</i>		<i>Beginning balance</i>		<i>Ending balance</i>	<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>			
Financial assets							
Held for trading investments	-	-	-	-	-	-	-
- Listed shares	-	-	149,828,958,329	-	-	149,828,958,329	-
- Unlisted shares	-	-	-	-	-	-	-
Short-term and long-term deposits	50,201,538,765	-	1,142,374,280	-	50,201,538,765	1,142,374,280	-
Trade receivables	1,906,056,000	-	18,415,336,784	-	1,906,056,000	18,415,336,784	-
Other receivables	548,399,897	-	238,155,148	-	548,399,897	238,155,148	-
Cash and cash equivalents	437,947,108,188	-	6,280,443,828	-	437,947,108,188	6,280,443,828	-
TOTAL	490,603,102,850	-	175,905,268,369	-	490,603,102,850	175,905,268,369	
Financial liabilities							
Loan	-	-	-	9,500,000,000	-	-	9,500,000,000
Trade payables	2,018,978,096	-	2,018,978,096	5,571,427,491	2,018,978,096	5,571,427,491	-
Other current liabilities	6,947,778,456	-	6,947,778,456	32,490,229,500	6,947,778,456	32,490,229,500	-
TOTAL			8,966,756,552	47,561,656,991	8,966,756,552	47,561,656,991	

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (UNAUDITED) (continued)
as at and for the six-month period ended 30 June 2014

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following method and assumption were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. As at 30 June 2014, the carrying amounts of such receivables, net of allowances, are not materially different from their calculated fair values.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets, if available.

32. EVENT AFTER THE BALANCE SHEET DATE

On 11 July 2014, the Company completed additional buying 896,947 shares of ABT to increase voting rate from 54.6% to 62.5%.

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

33. EXPLANATION FOR CHANGES IN BUSINESS RESULT

As stipulated in Circular No. 52/2012/TT-BTC dated on 5 April 2012 by Ministry of Finance about periodic announcement and explanation for changes in business result of listed company, the Company hereafter gives the explanation for changes in business result:

Profit before tax of Quarter 2/2014 was 14.2 billion (increased by 11.6 billion against 2.6 billion of Quarter 2/2013), the accumulated profit before tax of six-month period ended 30 June 2014 was 23.5 billion (increased by 19.9 billion) mainly because of receiving dividend and gaining from co-operation contract, deposit interest and disposal financial investment on AGF stock; the revenue of Quarter 2/2014 and of six-month period ended 30 June 2014 were decreased because of transferring cleaning activity to subsidiary, the cleaning services company.



Bui Xuan Tuong
Preparer



Tran Anh Phuong
Chief Accountant




Nguyen Van Khai
Deputy General Director

17 July 2014