

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2020

KCP VIETNAM INDUSTRIES LTD
VIETNAM

KCP VIETNAM INDUSTRIES LTD,VIETNAM
(A 100% foreign invested compnay licensed and incorporated in S.R. Viet Nam)

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REPORT OF THE BOARD OF MANAGEMENT AND GENERAL DIRECTOR

The Board of Management present this report together with the audited financial statements for the fiscal year ended 31st December 2020.

• Introduction

KCP Vietnam Industries Limited ("the Company") was established as a 100% foreign invested enterprise in Vietnam under Investment License No. 1969/GP dated 09/08/1997, 1969/GPDC1 dated 26/06/1998, 1969/GPDC2 dated 23/04/1999, 1969/GPDC3 dated 19/05/2000, 1969/GPDC4 dated 22/08/2005, 1969/GPDC5 dated 16/06/2006 issued by Ministry of Planning and Investment. License No. 1969/GCND6/36/1 dated 02/10/2007, 361 023 000 028 dated 27/10/2011, License No.361 023 000 025 dated 06/04/2011 for Dong Xuan Bio-fertilizer project, License No.361 023 000 026 dated 06/04/2011 for Son Hoa Bio-fertilizer project, License No.361 023 000 027 dated 06/04/2011 for Hoa Quang High –Tech Seed farm, Amendment License no. 361 023 000 028 dated 13/04/2011 to incorporate some corrections in the 'License no. 361 023 000 014 dated 08/12/2009, Amendment No.2 dated 27/10/2011 and Amendment No.3 dated 18/04/2013 to License No.361 023 000 028 and Certificate No.03/GXN Dated 25/09/2013 issued by Peoples' Committee of Phu Yen province for providing incentives and additional investment supports for enterprise investing to agriculture production and most economical backward area in accordance with the Decree No. 61/2010/ND-CP dated 04/06/2010 of the Government, Amendment No.4 dated 19/09/2014 to License No.361 023 000 028 issued by Peoples' Committee of Phu Yen province for the expansion of the Son Hoa sugar refinery to 8,000 TCD capacity in 2015-2016 and 10,000 TCD capacity in 2017-2018 with an investment capital of 52.5 M'USD, Amendment No.5 dated 13/05/2015 to License no 361 023 000 028 incorporating additional details and Investment Certificate no 2130740315 dt 10/11/2015 issued by Department of Planning and Investment, Phu Yen province to set up a 60,000 Liters/day capacity distillery unit at Son Hoa unit to produce Fuel Ethanol, Food grade Alcohol and other byproducts Technical Alcohol, CO₂ and Fusel Oil with a total investment capital of 25.7 M'USD, Investment Certificate No. 3002111545 dt 04/01/2016 to invest on a 60 MW Biomass power project based on renewable fuels with a total capital of 59.2 M'USD, Certificate No.3724/16 dt 10/08/2016 to incorporate change in the content of the business field in the Business Registration Certificate, Amendment No.6 dated 10/08/2016 to Business Registration Certificate to incorporate the share capital transfer from M/S MRK Enterprises Private Ltd to The G.V.Reddy Irrevocable Trust all issued by Department of Planning and Investment, Phu Yen Province and Amendment No.7 dated 08/02/2017 to Business Registration Certificate to incorporate the share capital transfer from M/S MORISOT Investment SA to Dr.V.L. Dutt - KCP Welfare fund issued by Department of Planning and Investment, Phu Yen Province.

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• **Total Investment Capital and Legal Capital of the company as on 31.12.2020 are as follows:**

Legal capital	:	USD 30,485,000
Investment capital	:	USD 103,987,000

• **Head office:**

Address	:	24/3 street, Cung Son Town, Son Hoa District, Phu Yen Province
Tel	:	0084 257 3861613
Fax	:	0084 257 3861616
Tax code	:	3300100811

• **Principal Activity:**

Production of sugar, sugar by-products, Fuel Ethanol, Food Grade Alcohol and byproducts of Alcohol, components, spare parts, metal containers, sugarcane seed, bio-fertilizer and power

During the year the following resolutions have been passed by the Member's Council

- 1) Resolution dt 4th Mar, 2020 to elect Dr.Velagapudi Lakshmana Indira Dutt as Chairperson of Member's Council in place of late Chairman Dr.Velagapudi Lakshmana Dutt who passed away on 18th Feb, 2020. Members expressed their shock and grief at the sudden and sad demise of Dr.Velagapudi Lakshmana Dutt. While expressing their gratitude to the contributions of Dr.Velagapudi Lakshmana Dutt as Chairman in developing KCP Vietnam Industries Limited over two decades, all the members conveyed their deepest condolences to the family of Dr.Velagapudi Lakshmana Dutt.
- 2) Resolution dt 06th Mar, 2020 to approve the Amendment no.1 dt 6th Mar,2020 to the Registered Charter dt 27th Dec, 2017 to incorporate the articles to establish Board of Management.
- 3) Resolution dt 6th Mar, 2020 signed by Chairperson to appoint Board of Management for a five year term from 6th Mar, 2020.

Board of Management:

The Board of Management and the General Director of the company from 6th Mar, 2020 till the date of this report are:

Board of Management

<u>Full name</u>	<u>Position</u>
Dr. Velagapudi Lakshmana Indira Dutt	Director and Chairperson of the Board
Mrs.Velagapudi Kavitha Dutt	Director
Mr. Chitturi Ravi Kumar	Director
Mr. P.S.Kumar	Director
Mr. K.V.S.R.Subbaiah	Director and General Director

General Director: Mr. K.V.S.R.Subbaiah

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Comments on the results for the year 2020

Crushing operation was commenced for the season 2019-20 on 05/02/2020 and 15/02/2020 and closed on 12/06/2020 and 24/04/2020 at Son Hoa and Dong Xuan units respectively. Son Hoa plant was operated at 6,000 TCD capacity with 30 MW Power Cogeneration plant to export the power to the national grid and Dong Xuan unit was operated at 1,000 TCD capacity. Though the installed capacity of the Son Hoa factory is 10,000 TCD, it was operated at 6,000 TCD only due to inadequate raw material. The total sugar cane crushed was 467,097 MTs, the lowest quantity in 15 years in the history of the Company. Raw sugar was produced at Dong Xuan unit and transferred to Son Hoa unit for conversion in to high quality refined sugar. Company purchased sugarcane based on CCS to draw the attention of the farming community to improve the sugar cane quality with a minimum assured price. The CCS and extraneous matter were evaluated based on the technical standard issued by Ministry of Agriculture and Rural Development. Compared to the previous season, the raw material availability for the milling was decreased by 47% and the quality of the sugar cane was marginally higher. This is mainly due to reduced sugar cane area and low yield due to severe drought as reported in the annual report for 2019. The average sugarcane yield in the zone was reduced by 28% compared to the previous season. Company improved the sugar production by buying raw sugar from domestic as well as imported sources.

Vietnam was one of the countries to face Covid-19 early after China but the prompt and tough actions taken by the Government like closure of educational institutions and businesses in service sectors, restrictions on mass travel and gatherings, lock downs in affected areas etc has brought positive results for the domestic production. The units engaged in production without cases of Covid-19 were allowed to operate with Covid checks in place and Company could able to close the sugar cane crushing successfully under tense conditions. Sugar cane farmers faced unexpected surge in harvest labour costs under Covid threat and Company revised Sugar cane price promptly to support farmers who were already suffering with low yields.

The power FIT (Feed in tariff) was revised by the Government from 5.8 US cents/ KWH to 7.03 US cents/ KWH with effective from 25th April, 2020 for Cogeneration plants. Company took initiative to cash upon the new FIT and purchased wood chips, De oiled cashew nut shells, rice husk etc from the neighboring areas to operate the power plant during off season. Though the operation met only direct expenses, Company maintained the production to cover expenses with improved turn over from power. The amended PPA (Power Purchase Agreement) with EVN (Electricity of Vietnam) with new FIT is expected to be signed shortly with effective from 25th April, 2020. The power exported under new FIT is 85,924,701 KWH. Once the PPA is amended, Company will claim 24.178 B'VND from EVN towards the difference amount between old and new FIT.

On 14th March, 2020, accident occurred in the final molasses storage tanks due to Maillard reaction causing combustion and spillover of final molasses. Company took prompt action to treat the spilled over molasses to avoid damage to the environment. A quantity of 4,657 MTs of molasses at a market value of 15.3 B' VND was lost. Company is dealing with the claim filed with the insurer of stocks.

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The international and domestic sugar prices continued upward trend from the last quarter of 2019 till late Feb, 2020 based on a forecast of around 5 Million Tons of deficit in the world. When Covid-19 impacted the most of the world, the international sugar prices dipped rapidly to the lowest level in 13 years by end April, 2020 due to various factors including reduced consumption. At the beginning of the year, the domestic sugar industry expected to face two major negative factors, low sugarcane quantity due to severe drought and free flow of imported sugar due to free market to implement ATIGA (Asean Trade in Goods Agreement) from 1st Jan, 2020. These factors along with unforeseen impact of Covid-19 had brought down the domestic sugar prices to the lowest level by second quarter.

Due to active role played by VSSA (Vietnam Sugarcane and Sugar Association), petitions were filed with Ministry of Commerce (MOC) to apply anti-dumping tax on HFCS (High Fructose Corn Syrup) from China and South Korea and sugar from Thailand which flooded the domestic market during the year. When MOC issued the decision to investigate the petitions, the domestic market reacted positively lifting the sugar prices in the last quarter. At the same time, raising oil prices and a forecast of reduced sugarcane area and poor yields due to severe drought in Thailand, one of the top sugar exporters in the world, lifted international sugar prices late in the year. The volume of the sugar sold is down by 40% and the closing stocks are slightly lower compared to the previous year. Though the turnover is down by 28.5% compared to 2019, the profitable results achieved during the year by the Company are encouraging, considering the most negative factors faced during the year including the impact of pandemic on global production and supply chain.

The drought weather continued till April, 2020 forcing some of the farmers stay away from sugarcane plantations in spite of support policies from the Company and the sugarcane area was down by 21% for 2020-21 season compared to the previous year, the lowest sugarcane area in the 15 years in the history of the Company. Though good rains were experienced from May, 2020, some of the areas harvested early are expected to get low yields. Overall, the sugarcane yields are expected to be better for the crop 2020-21.

Production

Total sugar, molasses and power production details during the year 2020 are as follows:

Particulars	Unit	Production	Total
White Sugar (Refined Grade)	MTs	16,468	66,381
Refined Sugar	MTs	49,913	
Molasses	MTs	30,216	30,216
Power exported to the grid	Kwh	123,752,466	123,752,466

Note: Molasses 4,657 Mts lost/spilled over due to accident

Sales

During the year 67,833 tons of sugar was sold with an opening stock of 16,610 tons and leaving a closing stock of 15,158 tons. In addition, 25,527 tons of molasses was sold with an opening stock of zero tons and leaving a closing stock of 32 tons as on 31st December 2020.

During the year, total power sold to EVN (Electricity of Vietnam) is 123,752,466 Kwh.

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Financial Indicators of the Business

1.	Asset and Equity Structure	2020	2019
1.1	Asset Structure		
	Long Term Assets / Total Assets (%)	37.02%	39.16%
	Current Assets / Total Assets (%)	62.98%	60.84%
1.2	Equity Structure		
	Total Liabilities / Total Resources (%)	11.47%	12.55%
	Owner's Equity / Total Resources (%)	88.53%	87.45%
2.	Liquidity		
2.1	Current Ratio (times)	16.30 times	29.40 times
2.2	Quick Ratio (times)	0.02 times	0.06 times
3.	Profitability		
3.1	Profit Margin		
	Net Profit Before Tax / Total Revenue (%)	12.87%	15.45%
	Net Profit After Tax / Total Revenue (%)	12.87%	15.45%
3.2	Return on Assets		
	Net Profit Before Tax / Total Assets (%)	7.70%	12.84%
	Net Profit After Tax / Total Assets (%)	7.70%	12.84%
3.3	Return on Equity		
	Net Profit After Tax / Owners' Equity (%)	8.70%	14.68%

Future Prospects

For the season 2020-21, crushing operation was commenced at Dong Xuan unit from 17/01/2021 and at Son Hoa unit the production is planned from 17/02/2021 after lunar New Year holiday break. Company issued the sugar cane purchase policy based on the CCS with a minimum assured price. Due to lower sugarcane area, it is estimated that the sugarcane availability for the 2020-2021 crushing season will be around 500,000 Tons and Company is going to source raw sugar to improve the production. Based on the strong prevailing sugar prices, good sugarcane purchase price is announced, the highest in the history of the Company.

The investment policies in the form of seed, fertilizer, cash and mechanization on the raw material zone are continued. Incentives in the form of interest waive off on seed, fertilizer, cash and mechanization investment, soft interest rate on cash investment outside the investment policy and internal transport subsidy are being continued by the Company to provide relief to the farming community. In addition, Company declared non-refundable cash incentive of 4.0 to 7.0 M'VND per ha for new sugarcane plantations for 2021-22 season to encourage farming community to continue to plant sugarcane. With strong sugarcane and sugar prices backed by the expectation of imposing Anti-Dumping tax on Thai sugar and HFCS from China and South Korea, the outlook for the Vietnam sugar industry is bright. The weather conditions are favorable at present and farmers have taken up plantations on large scale. The sugarcane area for 2021-22 is estimated to increase by around 30% compared to 2020-21.

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The international sugar prices have been moving up strongly for last three months. During 2019-20 season the short fall from Thailand in the export market was met by Brazil and India the top two sugar producers in the world at a reduced world consumption. With continued lower production from Thailand, expected lower production in Brazil and surplus from India in spite of lower production due to diversion to Ethanol, the movement of international sugar prices will be linked majorly to oil prices, increased sugar production costs and how fast the war against pandemic is won to lift the consumption and improve the supply chain to pre Covid-19 level. Once the Anti-Dumping tax on Thai sugar and HFCS is in place, the domestic sugar prices will support the domestic production but the fluctuations are expected in line with the international prices as market is free for imports.

Based on the Investment Certificate no 2130740315 dt 10/11/2015 issued by Department of Planning and Investment, Phu Yen province to invest on a 60 KLPD Capacity Distillery project at Son Hoa unit to produce Fuel Grade Ethanol and Food Grade Alcohol with byproducts Technical Alcohol, CO₂ and Fusel Oil, Company acquired the required land of more than 15 ha and will carry out the formalities to implement the project once the sugarcane area is recovered to meet the rated capacity of the sugar factory.

Based on Investment Certificate No. 3002111545 dt 04/01/2016 to invest on a 60 MW Biomass power project, Company already invested on 30 MW Cogeneration power project. To implement the second phase 30 MW independent Biomass power project, Company is awaiting to recover the sugarcane area to meet the rated capacity of the sugar factory as this project will be operated with both surplus bagasse from sugar factory and other bio mass fuels. The revised FIT from Government of Vietnam for the independent bio mass power project is 8.47 US cents/ KWH with effective from 25th April, 2020.

Company is working with local authorities to identify the land for the proposed expansion of the Sugar production chain and Bio fertilizer production facility at Dong xuan Unit.

Company is studying the feasibility of diversifying the field of production by investing in production of disposable rubber gloves for medical sector which is projected to have a long term demand with a good annual growth rate.

Financial position and business results

The financial position as of 31st December 2020, the business results and the cash flows for the year then ended of the company have been expressed in the financial statements attached to this report (from page 10 to page 33).

Subsequent events

The Directors of the company hereby confirm that there have been no events from 31st December 2020 to the date of this report, which need any adjustments on the figures or the disclosures in the financial statements.

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Auditors

Alliance Auditing & Consulting Company Limited have performed the audit on the company's financial statements for this fiscal year and have expressed their willingness to be appointed the company's external auditors in the coming years. Viet Duc Auditing Co. Ltd (VIETDUC) has been renamed as Alliance Auditing Consulting Company Limited vide Investment License No.0309440084.

Confirmations from the Board of Management

The Directors of the company are responsible for the preparation of the financial statements to give a true and fair view of the financial position as of the balance sheet date, the business results and the cash flows of the company for each of the company's fiscal year. In order to prepare these financial statements, the Directors must:

- select the appropriate accounting policies and apply them consistently;
- make judgments and estimates prudently;
- announce the accounting standards to be followed for the material issues to be disclosed and explained in the financial statements and
- Prepare the financial statements of the company on the basis of the going-concern assumption, except for the cases that the going-concern assumption is considered inappropriate.

The Directors hereby ensure that all the requirements mentioned above have been followed when the financial statements are prepared, that all the accounting books of the company have been fully recorded and can fairly reflect the financial position of the company at any time and that all the financial statements have been prepared in compliance with the Vietnamese accounting system and standards.

The Directors are also responsible to protect the assets of the Company and consequently have preceded appropriate measures to prevent and to detect frauds and other irregularities.

We, the Directors of the company, confirm that all the accompanying financial statements and the notes to the financial statements have been properly prepared and have given a true and fair view of the financial position as of 31st December 2020, the business results and the cash flows for the year then ended of the company in compliance with the Vietnamese accounting system and standards as well as other related regulations.



Dr. Velagapudi Lakshmana Indira Dutt

Chairperson

On behalf of the Board of Management

Phu Yen Province, S.R. Vietnam.

Date: 25.01.2021



K.V.S.R. Subbaiah

General Director

No. 0402/AL-BCKT/21

INDEPENDENT AUDITOR'S REPORT

To: Board of Management and General Director of KCP Vietnam Industries Limited

We have audited the accompanying financial statements of KCP Vietnam Industries Limited for the fiscal year ended 31 December 2020 prepared on 25 January 2021 on pages from 10 to 33 including Balance sheet, Income statement, Cash flow and Notes to the financial statements of your Company attached with hereafter.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and statutory regulations relevant to preparation and presentation of financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Company's financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, in the all material respects, these financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of the results of its operations and its cash flow for the year then ended in accordance with Vietnamese Accounting Standards and systems and statutory regulations relevant to preparation and presentation of financial statements.

Alliance Auditing & Consulting Co., Ltd



Lam Vi Hung – Deputy Director
Audit Practicing Registration
Certificate No. 1593-2018-185-1
Ho Chi Minh City, 25 January 2021



Nguyen Tan Binh – Auditor
Audit Practicing Registration
Certificate No. 0843-2018-185-1

KCP VIETNAM INDUSTRIES LTD

(A 100% foreign invested company licensed and incorporated in S.R.Vietnam)

FINANCIAL STATEMENTSFrom 01st January 2020 to 31st December 2020**BALANCE SHEET**

As on 31.12.2020

Unit: 1,000 dong

Items	Code	Notes	As on 31/12/2020	As on 31/12/2019
1	2	3	4	5
ASSETS				
A. CURRENT ASSETS	100		1,221,524,022	1,188,714,030
I Cash and cash equivalents	110		1,779,850	2,579,468
1 Cash	111	V.1	1,779,850	2,579,468
2 Cash equivalents	112		-	-
II. Short-term investments	120		640,150,000	671,000,000
1 Short term investments	121	V.2	640,150,000	671,000,000
III. Accounts receivable	130		338,122,759	329,618,834
1 Short-term trade receivables	131	V.3	164,444,599	163,285,672
2 Short-term advances to suppliers	132	V.3	22,089,641	31,407,255
3 Other short-term receivables	136	V.3	151,588,519	134,925,906
IV. Inventories	140		240,758,322	184,605,504
1 Inventories	141	V.4	240,758,322	184,605,504
V. Other current assets	150		713,092	910,223
1 Short-term prepaid expenses	151	V.5	713,092	910,223
B LONG-TERM ASSETS	200		718,131,749	764,984,753
I. Long-term accounts receivable	210		-	-
II. Fixed assets	220		681,830,282	755,897,818
1 Tangible fixed assets	221	V.6	681,830,282	755,897,818
-Historical Cost	222		1,481,657,170	1,473,773,390
-Accumulated depreciation	223		(799,826,888)	(717,875,571)
2 Intangible fixed assets	227		-	-
-Historical Cost	228	V.6	456,190	456,190
-Accumulated Amortization	229		(456,190)	(456,190)
III. Investment Property	230			
IV. Long-term assets in progress	240		11,301,467	9,086,935
1 Long-term work in progress	241		-	-
2 Construction in progress	242	V.7	11,301,467	9,086,935
V. Long term investments	250		25,000,000	-
1 Investments held to maturity	255	V.8	25,000,000	-
VI. Other long-term assets	260		-	-
TOTAL ASSETS(A+B)	270		1,939,655,771	1,953,698,783

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Items	Code	Notes	As on 31/12/2020	As on 31/12/2019
LIABILITIES AND OWNER'S EQUITY				
C. LIABILITIES	300		222,548,442	245,217,646
I. Current liabilities	310		74,945,654	40,429,020
1 Short-term trade payables	311	V.09	20,233,150	13,953,271
2 Short-term advance from customers	312	V.09	5,350,747	3,302,224
3 Taxes and amount payable to state budget	313	V.10	5,397,185	4,120,062
4 Payable to employees	314	V.11	12,872,473	10,334,305
5 Short-term accrued expenses	315	V.12	5,007,397	3,035,777
6 Other short-term payables	319	V.13	4,902,736	5,683,381
7 Short-term loan and financial lease	320	V.14	21,181,965	-
II. Long-term liabilities	330		147,602,788	204,788,626
1 Long-term loan and financial lease	338	V.15	45,590,913	92,733,713
2 Science and technology development funds	343	V.16	102,011,875	112,054,913
D. OWNER'S EQUITY	400		1,717,107,329	1,708,481,137
I. Owner's equity	410		1,717,107,329	1,708,481,137
1 Paid-in capital	411	V.17	545,856,275	545,856,275
2 Undistributed earnings	421	V.17	1,171,251,054	1,162,624,862
- Undistributed earnings up to prior year-end	421a		1,021,930,196	911,747,565
- Net profit after tax this period	421b		149,320,858	250,877,296
II. Other sources and funds	430		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		1,939,655,771	1,953,698,783

Dr. Velagapudi Lakshmana Indira Dutt**Chairperson**On behalf of the Board of Management
Phu Yen Province, S.R. Vietnam

Date: 25/01/2021

**K.V.S.R. Subbaiah****General Director**
K. Venkateswarlu**Manager (Finance)**

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FINANCIAL STATEMENTSFrom 01st January 2020 To 31st December 2020**INCOME STATEMENT**From 01st January 2020 to 31st December 2020

Unit: 1,000 dong

Items	Code	Notes	From 01/01/2020 to 31/12/2020	From 01/01/2019 to 31/12/2019
1	2	3	4	5
Revenues from sale of goods & rendering of services	01	VI.1	1,160,365,496	1,624,286,521
Less: deduction	02		908,982	2,692,870
Net revenues from sale of goods & rendering of services	10		1,159,456,514	1,621,593,650
Cost of goods sold	11	VI.2	968,915,935	1,225,390,309
Gross profit from sale of goods & rendering of services	20		190,540,579	396,203,341
Financial income	21	VI.3	49,631,253	24,458,478
Financial expenses	22	VI.4	14,147,851	10,741,138
- In which: Interest	23		13,237,614	10,460,557
Selling expenses	24	VI.5	43,415,890	78,389,356
General & administration expenses	25	VI.6	33,303,400	80,769,423
Operating profit / (loss)	30		149,304,690	250,761,901
Other income	31	VI.7	16,167	115,395
Other expenses	32		-	-
Other Profit (31 - 32)	40		16,167	115,395
Net Profit Before Tax	50	V.10.1	149,320,858	250,877,296
Current Income Tax	51	V.10.1	-	-
Deferred Income Tax	52		-	-
Net Profit After Tax	60	V.10.1	149,320,858	250,877,296

Dr. Velagapudi Lakshmana Indira Dutt
Chairperson

On behalf of the Board of Management
Phu Yen Province, S.R. Vietnam

Date: 25/01/2021



K.V.S.R. Subbaiah

General Director

K. Venkateswarlu
Manager (Finance)

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FINANCIAL STATEMENTSFrom 01st January 2020 to 31st December 2020**CASH FLOWS STATEMENT**

(As per the Indirect Method)

31/12/2020

Unit: 1000 dongs

Items	Code	Notes	Current Year	Previous Year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit/(loss) before tax	01		149,320,858	250,877,296
2. Adjustments for:				
Depreciation for fixed assets and investment properties	02	V.6	81,951,317	89,867,515
Provisions	03		-	-
Gain (loss) from foreign exchange differences	04		-	-
Gain (loss) from investing activities	05		-	-
Loan interest expenses	06		13,237,614	10,460,557
Other adjustments	07		-	-
3. Operating profit/(loss) before changes in working capital	08		244,509,789	351,205,368
(Increase)/decrease in receivables	09		(8,306,793)	72,041,884
(Increase)/decrease in inventories	10		(56,152,818)	229,088,287
Increase/(decrease) in payables	11		11,363,050	(35,127,764)
(Excluding interest payable, corporation income tax)				
(Increase)/decrease in prepaid expenses	12		1,971,620	(1,737,323)
Interests trading securities			-	-
Interest paid	13		(13,237,614)	(10,460,557)
Business income tax paid	14		-	-
Other receipts from operating activities	15		-	17,082,950
Other payments on operating activities	16		(10,043,038)	-
Net cash flows from operating activities	20		170,104,196	622,092,845
II. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets and other long-term assets	21	V.6,7	(10,098,313)	(6,761,489)
Proceeds from disposals of fixed assets and other long-term assets	22		-	-
Loans given and purchases of debt instruments of other entities	23		-	-
Collections of loans given and disposals of debt instruments of other entities	24		1,369,300,000	900,100,000
Investments in other entities	25		(1,363,450,000)	(1,330,000,000)
Withdrawals of investments in other entities	26		-	-
Receipts of loan interests, dividends and profit shared	27		-	-
Net cash flows from investing activities	30		(4,248,313)	(436,661,489)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		665,680,131	272,689,713
Repayments of borrowings	34		(691,640,966)	(319,832,513)
Dividends and profit paid to the owners	36		(140,694,666)	(140,434,665)
Net cash flows from financing activities	40		(166,655,501)	(187,577,465)
Net cash flows during the period	50		(799,618)	(2,146,111)

KCP VIETNAM INDUSTRIES LTD

(A 100% foreign invested company licensed and incorporated in S.R.Vietnam)

FINANCIAL STATEMENTSFrom 01st January 2020 to 31st December 2020**CASH FLOWS STATEMENT - Contd.,**

Unit: 1,000 dong

Items	Code	Notes	Current Year	Previous Year
Cash and cash equivalents at the beginning of the year/(period)	60	V.1	2,579,468	4,725,579
Effects of fluctuations in foreign exchange rates	61		-	-
Cash and cash equivalents at the end of the year/(period)	70	V.1	1,779,850	2,579,468

Dr. Velagapudi Lakshmana Indira Dutt

Chairperson

On behalf of the Board of Management

Phu Yen Province, S.R. Vietnam

Date: 25/01/2021

**K.V.S.R. Subbaiah**

General Director

K. Venkateswarlu

Manager (Finance)



KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTS

For the fiscal year ended 31st December 2020

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year 2020

These notes are integral part of and should be read in conjunction with the financial statements from 01st January 2020 to 31st December 2020 of KCP VIETNAM INDUSTRIES LTD, VIETNAM ("the Company").

I. OPERATION FEATURES

1. **Investment form** : A 100% foreign-owned company.
2. **Operating field** : Production and processing.
3. **Main operations** : Production of sugar, sugar by-products and power.

II. FISCAL YEAR AND STANDARD CURRENCY USED IN ACCOUNTING

1. **Fiscal year**
The fiscal years of the company are from 01st January to 31st December annually.
2. **Standard currency unit**
The standard currency unit used is Vietnam Dong (VND).

III. ACCOUNTING SYSTEM AND STANDARDS

1. **Accounting system**
The Company applies the Vietnamese Enterprise Accounting System in accordance with the Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by Ministry of Finance and relevant amendment documents.
2. **Statement on the compliance with the accounting system and standards**
The Directors ensure to follow all the requirements of the prevailing Vietnamese accounting system and Standards in the preparation of these financial statements.
3. **Accounting form**
The company has applied the general journal recording form.

IV. ACCOUNTING POLICIES

1. **Accounting convention**
All the financial statements are prepared in accordance with the historical cost convention.
2. **Cash and cash equivalents**
Cash and cash equivalents include cash on hand, cash in bank and cash in transit and short-term Investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy and which do not have a lot of risks in the conversion into cash.

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTS

For the fiscal year ended 31st December 2020

Notes to the financial statements (cont.)

3. Inventories

Inventories are recorded at their original costs. Costs include purchasing expenses, processing expenses and other directly related costs to bring the inventories to the current positions and conditions.

Costs of inventories are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Provision for devaluation of inventories is recognized when their costs are higher than their net realizable values. Net realizable values are the estimated selling prices of inventories less the estimated expenses on product completion and other necessary expenses on product consumption.

4. Trade receivable and other receivable

Trade receivable and other receivable are recognized at the values on supporting documents and invoices.

5. Tangible fixed assets

Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets include all the expenses of the company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses during the period.

When a fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/ (loss) arisen are posted into the income or the expenses during the period.

6. Borrowing costs

Borrowing costs are included into expenses during the period. In case the borrowing costs are directly related to the construction or the production of an asset in progress, which has taken a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be capitalized.

In the event of general borrowings which are partly used for acquiring, constructing or producing an asset in progress, the costs eligible for capitalization will be determined according to the capitalization rates applied to average accumulated expenditure on that asset. The capitalization rates are computed at the average interest rates on the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

7. Corporate income tax

In accordance with Investment License No.361 023 000 028 dated 13.05.2015, the tax company has to pay to the state budget:

Corporate Income Tax equal to 10% of yearly profit. The company is exempted from Corporate Income Tax for 4 years from the year when the company starts to earn profit and granted a 50% reduction for the 4 subsequent years for 3000 TCD project and Tax exemption for 04 years and a 50% reduction of the payable tax amount for subsequent 07 years for expansion of sugar refinery project from 3000 TCD to 5000 TCD.

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTS

For the fiscal year ended 31st December 2020

Notes to the financial statements (cont.)

In accordance with Investment License No.361 023 000 028 dated 13.05.2015 and Decree No.218/ND9-CP dated 26/12/2013: The company may choose to enjoy CIT incentives for their operating projects for the remaining duration for sugar refinery project to 10,000 TCD.

In accordance with Decree No.12/2015/ND-CP dated 12/02/2015 and Circular No.96/2015/TT-BTC dated 22/06/2015, the company is exempted from Corporate Income Tax.

Corporate income tax during the period includes current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income during the period at the tax rates applied as of the balance sheet date. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

8. Foreign currency translation

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual exchange rates ruling at the date of the transaction.

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 Company conduct transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All realized and unrealized foreign exchange differences are taken to the income statement.

The exchange rates used as at 31/12/2020:

Selling rate : VND 23,215 /USD

Selling rate : VND 327.81 /INR

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****9. Recognition of sales**

Sales of finished goods are recognized when most of risks and benefits associated with the goods ownership are transferred to customers and there are no uncertain factors related to payments, additional costs or sales returns.

Sales of service provision are recognized when there are no uncertain factors related to payments or additional costs. In case that the services are to be provided in many accounting periods, the determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

Unit: 1,000 dong

1. Cash and cash equivalents:

	2020	2019
Cash on hand	151,916	69,626
Cash in bank	1,627,934	2,509,842
Total	1,779,850	2,579,468

2. Short-term Investments:

	2020	2019
BIDV, Binh Dinh	-	420,000,000
HD Bank, Phu Yen	304,000,000	187,000,000
Vietin Bank, Phu Yen	-	64,000,000
ACB Bank	59,250,000	-
Sacom Bank	133,700,000	-
Kienlong Bank	57,400,000	-
Bac A Bank	32,800,000	-
Viet Post Bank	53,000,000	-
Total	640,150,000	671,000,000

3. Accounts receivable:

	2020	2019
Trade Accounts Receivable	164,444,599	163,285,672
Prepayment to suppliers	22,089,641	31,407,255
Other receivable	151,588,519	134,925,906
Total	338,122,759	329,618,834

Details of accounts receivable: Please see attachment.

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****4. Inventories:**

	2020	2019
Tools and supplies	78,139,584	35,941,284
Finished goods	162,618,738	148,664,220
Total	240,758,322	184,605,504

5. Other current assets

	2020	2019
Prepaid Insurance Expenses	713,092	910,223
Total	713,092	910,223

6. Tangible & Intangible fixed assets:

Please see attachment

7. Construction-in-progress

	Beginning Balance 2020	Increases During the year	Transfer to fixed assets	Ending Balance 2020
Plant & Machinery	433,575	7,807,546	4,463,150	3,777,971
Pre-Operative expenses	-	19,264	-	19,264
Solar Power	112,500	-	112,500	-
Buildings	3,974,625	589,395	1,626,023	2,937,997
Ethanol Plant	4,566,235	-	-	4,566,235
Total	9,086,935	8,416,205	6,201,673	11,301,467

8. Long term investments

	2020	2019
Long term investments in banks	25,000,000	-
Total	25,000,000	-

9. Payable to suppliers & Advances from Customers:

	2020	2019
Trade Accounts Payable	20,233,150	13,953,271
Advances from Customers	5,350,747	3,302,224
Total	25,583,897	17,255,495

Note: Details of accounts payable: Please see attachment

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****10. Taxes and other obligations to the State Budget**

	Beginning balance 2020	Amount payable during the year	Amount paid during the year	Ending balance 2020
VAT	4,119,865	32,187,413	30,912,862	5,394,416
VAT for import goods	-	9,773,306	9,773,306	-
License fees	-	4,000	4,000	-
Export, import taxes	-	8,841,379	8,841,379	-
Corporate Income tax	-	-	-	-
Natural resource tax	197	102,099	99,527	2,769
Total	4,120,062	50,908,197	49,631,074	5,397,185

10.1. Corporate Income Tax payable and profit after tax in the period:**Unit: 1,000 dongs**

-Total Profit before Tax	149,320,858
-Operating Income	149,320,858
-Corporate income tax payable	0
-Net Profit after tax	149,320,858

Unit: Dongs

Profit before tax as per Income Statement	149,320,857,944
Add: Expenses of Son Hoa (Not Allowed)	583,700,000
Add: Expenses of Dong Xuan (Not Allowed)	6,700,000
Profit before tax	149,911,257,944

Tax calculated @ 10% as per investment licence No. 1969/GPDC/3 Dt 19.05.2000"

14,991,125,794**Tax Payable****14,991,125,794**

Exemption 100% As per Circular 78/2014/TT-BTC – Dt 18.06.2014

14,991,125,794

CIT Payable**0****11. Payable to employees**

	2020	2019
Payable to employees	12,872,473	10,334,305
Total	12,872,473	10,334,305

12. Accrued expenses and other provisions

	2020	2019
Accrued expenses	5,007,397	3,035,777
Total	5,007,397	3,035,777

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****13. Other payable**

	2020	2019
Trade Union fee	199,695	98,238
Staff Income Tax Payable	227,542	268,105
Other Payables	4,475,499	5,317,038
Total	4,902,736	5,683,381

14. Short-term loan and financial lease

	2020	2019
BIDV – Binh Dinh	10,581,965	-
Vietin Bank, Phu Yen	10,600,000	-
Closing balance	21,181,965	-

15. Long-term loan and financial lease (Vietnam Development Bank)

	2020	2019
Opening balance	92,733,713	139,876,513
Loan taken during the year	-	-
Loan repayment during the year	47,142,800	47,142,800
Closing balance	45,590,913	92,733,713

Loan contract No.02/2015/HĐTDĐT-NHPT, Mortgage contracts No.01/2015/HĐTCTS-NHPT

The value of collateral is 1,016,249 MVND

16. Scientific and technological development fund*16.1 Scientific and technological development fund*

	2020	2019
Opening balance	50,000,000	25,000,000
Increase during the year	-	25,000,000
Utilizing Fund	27,336,663	-
Closing balance	22,663,337	50,000,000

16.2 Scientific and technological development fund that forms fixed assets

	2020	2019
Opening balance	62,054,913	69,971,965
Increase during the year	27,336,663	-
Utilizing Fund (depreciation expenses)	(10,043,038)	(7,917,050)
Closing balance	79,348,538	62,054,913

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****17. Owner's equity****Owners invested equity as follows**

	As in the company's charter		Legal capital already invested (USD)
	USD	Rate (%)	
The KCP Ltd	20,323,332	66.667	20,323,332
The G V Reddy Irrevocable Trust	4,996,152	16.389	4,996,152
Dr V L Dutt KCP Welfare fund	4,742,111	15.556	4,742,111
Subba Rao Vallabhaneni	84,681	0.278	84,681
Uma Subba Rao Vallabhaneni	84,681	0.278	84,681
Devasena Vallabhaneni	84,681	0.278	84,681
Krishna Prasad Vallabhaneni	84,681	0.278	84,681
Raghuveer Vallabhaneni	84,681	0.278	84,681
Total	30,485,000	100%	30,485,000

Statement of fluctuations in owner's equity

	Capital	Retained earnings	Total
Opening balance of the previous year	545,856,275	1,052,182,231	1,598,038,506
Capital increased in the previous year	-	-	-
Profit of the previous year	-	250,877,296	250,877,296
Profit distribution of the previous year	-	(140,434,665)	(140,434,665)
Closing balance of the previous year	545,856,275	1,162,624,862	1,708,481,137
Opening balance of the current year	545,856,275	1,162,624,862	1,708,481,137
Capital increased in the year	-	-	-
Profit of the current year	-	149,320,858	149,320,858
Profit distribution of the current year	-	(140,694,666)	(140,694,666)
Closing balance of the current year	545,856,275	1,171,251,054	1,717,107,329

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT**

Unit: 1,000 dongs

1. Sales

	2020	2019
Gross sales	1,160,365,496	1,624,286,521
<i>Sales of goods</i>	992,935,348	1,524,589,940
Deductions:	908,982	2,692,870
<i>Sales of power</i>	167,430,149	99,696,580
Net sales	1,159,456,514	1,621,593,650
<i>In which:</i>		
<i>Sales of goods</i>	992,026,366	1,521,897,070
<i>Sales of power</i>	167,430,149	99,696,580

2. Costs of goods sold**2.1 Costs of sugar, sugar by-products**

	2020	2019
Direct materials	647,286,811	763,309,831
Direct labor	38,939,485	24,215,730
General manufacturing expenses	78,189,839	96,092,100
Total manufacturing expenses	764,416,135	883,617,661
Differences on work-in-process	-	-
Total costs of goods manufactured	764,416,135	883,617,661
Differences of finished goods	(13,954,518)	229,497,610
Loss of inventory	15,303,739	-
Costs of finished goods already provided	765,765,356	1,113,115,271

2.2 Costs of power

	2020	2019
Direct materials	152,710,474	68,213,710
Direct labor	6,097,144	2,241,056
General manufacturing expenses	44,342,962	41,820,272
Costs of power manufactured already provided	203,150,580	112,275,038
Total	968,915,936	1,225,390,309

3. Financial income

	2020	2019
Interest received from banks	49,631,253	24,084,942
Gain from unrealized foreign exchange	-	373,536
Total	49,631,253	24,458,478

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**Notes to the financial statements (cont.)****4. Financial expenses**

	2020	2019
Interest on Long term and Short term loan	13,237,614	10,741,138
Loss on unrealized foreign exchange	910,237	-
Total	14,147,851	10,741,138

5. Selling expenses

	2020	2019
Packing Materials	7,396,718	12,408,425
Freight - outward	26,627,716	42,350,831
Other expenses	9,391,456	23,630,100
Total	43,415,890	78,389,356

6. Administrative overheads

	2020	2019
Expenses for employees & benefits	28,079,531	44,428,049
Depreciation of fixed assets	438,941	604,569
Provision for Science & Technology Fund	-	25,000,000
Other Administrative overheads	4,784,928	10,736,805
Total	33,303,400	80,769,423

7. Other income

	2020	2019
Miscellaneous receipts	16,167	115,395
Total	16,167	115,395

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R. Vietnam)

FINANCIAL STATEMENTS

For the fiscal year ended 31st December 2020

Notes to the financial statements (cont.)

VII. Additional Information:

1. Transactions with related parties.

Related parties of the Company include:

Related parties	Relationship
The KCP Ltd	The parent company

During the year, the company has made the following transactions with the related parties:

Unit: 1,000 VND

	2020	2019
The KCP Ltd		
Purchase of Spares, Machinery & Equipment	-	-
Payments	-	-

2. Some items of overall evaluation of the operating and finance performance of the Business:

Please refer to the Report of Board of Management and General Director – item “Financial Indicators of the Business”

3. Events after closing date

No events after closing date have affected significantly in the following fiscal years and have been adjusted or mentioned in the financial statement.


Dr. Velagapudi Lakshmana Indira Dutt


Chairperson

On behalf of Board of Management

Phu Yen Province, S.R. Vietnam

Date: 25/01/2021


K.V.S.R. Subbaiah
General Director


K. Venkateswarlu
Manager (Finance)

KCP VIETNAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R.Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**AMOUNT RECEIVABLE FROM CUSTOMERS
ACCOUNT CODE : 131 (DR)***Unit: 1,000 dongs*

Sl.No.	Name of the Customer	Amount
1	Acecook Viet Nam Joint Stock Co.	8,307,944
2	Branch Acecook Vietnam JSC - Binh Duong	242,556
3	Coca Cola Beverages Viet Nam Co. Ltd	26,566,918
4	Coca Cola Beverage VN - Ha Noi Branch	25,244,294
5	Phu Ngoc NT Trad. Ser. Co.Ltd	46,960
6	Phu Yen Food Ind. One Member Liability Co.	146,200
7	Cholimex Food Jointstock Co.	10,880,820
8	Purator Grand - Place Viet Nam Limited	3,249,036
9	URC Viet Nam Co. Ltd	2,320,500
10	FES Viet Nam Co.,Ltd	9,387,710
11	Asia Foods III Sole member Co.Ltd	6,238,848
12	Unilever Viet Nam International Co., Ltd	7,376,627
13	Viet Nam Spirits and Wine Co. Ltd	475,225
14	Binh Dinh Pharmaceutical and Medical Equipment JSC	107,802
15	Branch Acecook Vietnam JSC - Hung Yen	542,136
16	Branch TNI One Member Co.Ltd - Tan Uyen	6,620,864
17	Sai Gon - Phu Yen Trading & Ser. One Member Co. Ltd	193,400
18	Acecook Vietnam JSC - Danang Branch	136,466
19	Viet Nam Liwayway Joint Stock Company	1,393,056
20	Quy Nhon Mineral Water JointStock Co.	1,055,400
21	FrieslandCampina Vietnam Co.Ltd	7,480,200
22	Nam Duong International Foodstuff Corporation	2,116,036
23	Branch Acecook Vietnam JSC - Bac Ninh	28,707
24	Branch of Coca Cola Beverages VietNam Co.Ltd in DaNang City	9,956,787
25	Nestle Viet Nam Co. Ltd	21,698,107
26	Quoc Tao Trade Co. Ltd	38,740
27	Vietnam Taisho Company	4,353,690
28	Pepsico Viet Nam Food Co. Ltd	218,925
29	Heineken Viet Nam Brewery Co. Ltd	2,392,583
30	Electric Selling Buying Company	5,628,061
	Total	164,444,599

KCP VIET NAM INDUSTRIES LIMITED

(A 100% foreign invested company licensed and incorporated in S.R.Vietnam)

FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**DETAILS OF ADVANCE TO SUPPLIERS
ACCOUNT CODE : 331 (DR)***Unit: 1,000 dongs*

Sl.No.	Name of the Suppliers	Amount
1	Industrial consultancy center Phu Yen	195,455
2	BSI Viet Nam Co.Ltd	38,000
3	Nam Khanh construction & survey Co.Ltd	29,227
4	Kim Ha Viet Co.Ltd	17,492,635
5	Fives cail- KCP Ltd	1,995,390
6	1/5 Co.Ltd	2,044,917
7	Office of registering land using right Phu Yen	30,969
8	Thanh Long environment Co.Ltd	140,145
9	Chau Khac Tung	22,447
10	Mai Thao shop	54,763
11	Quang Anh Phat import-export trading one member Co.Ltd	40,000
12	GE TRIVENI LIMITED	5,694
	Total	22,089,641

KCP VIET NAM INDUSTRIES LIMITED

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FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**OTHER SHORT TERM RECEIVABLES
ACCOUNT CODE : 136***Unit: 1,000 dongs*

Sl.No.	Name	Amount
1	Other receivable	18,557,626
2	Travel advance to staff	40,000
3	Salary advance	7,765
4	Misc advance	21,700
5	Miscellaneous deposit	10,000
6	Advance to HCMC office	50,168
7	Cash loan to farmers	55,473,238
8	Deposit- Distillery project	2,000,000
9	Cah loan to farmers (implements)	3,474,662
10	Additional cash loan	1,661,946
11	Cash investment for plantation	9,313,985
12	Filter cake loan to farmers	3,413,578
13	Seed loan to farmers	8,827,350
14	Fertilizer loan to farmers	48,736,502
	Total	151,588,519

KCP VIET NAM INDUSTRIES LIMITED

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FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**AMOUNT PAYABLE TO SUPPLIERS
ACCOUNT CODE : 331 (CR)**

Unit: 1,000 VND

Sl.No.	Name of the Supplier	Amount
1	Phuc Nhan Phat Co.Ltd	102,596
2	Hong Thuan trading & service development Co.Ltd	20,018
3	Hung Lan Co.Ltd	254
4	Nguyen Huu Thinh	2,768
5	Tan Hung Thai Co.Ltd	119,152
6	Hoang Kim industrial equipment one member Co.Ltd	41,584
7	Hoa Thang real estate JSC	26,584
8	Nguyen Thi Thu Thuy	1,541
9	Nhat Huy Ninh Hoa Co.Ltd	26,126
10	Le Phuong technology one member Co.Ltd	1,360
11	Ngoc Phuong Co.Ltd	1,100
12	Bach Yen transportation trading one member Co.Ltd	43,867
13	Hoang Son valves trading service Co.Ltd	117,583
14	Thang Long engineering trading production Co.Ltd	1,458
15	Department of Radio Frequency	5,300
16	Tuy Hoa industrial gas JSC	9,488
17	Phan Thi Bich Hong	400
18	Kim Nguyen shop	8,120
19	Nguyen Xuan Tinh	1,270
20	Sai Gon max Co.Ltd	162,655
21	Weico technology Co.Ltd	534
22	Le Thi Kim Hoa	4,703
23	Japan Viet Nam fertilizer Co.	5,735,680
24	Chinh An Sieu pro-trading service Co.Ltd	1,100
25	Mechanical engineering & metallurgy	770
26	Mien Nam filtering Co.Ltd	193
27	Tran Dao Phuong	2,217
28	Tien Thanh Dat consultancy & construction Co.Ltd	8,800
29	Kim Ngoc Khanh construction & service Co.Ltd	1,611,964
30	Thanh Long environment Co.Ltd	308,822
31	Cuc Tu tourist & transportation private enterprise	950
32	Vo Le Vu	5,414
33	Ngoc Giau trade & transport Co.Ltd	135,563

KCP VIET NAM INDUSTRIES LIMITED

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FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**AMOUNT PAYABLE TO SUPPLIERS****ACCOUNT CODE : 331 (CR)***Unit: 1,000 VND*

Sl.No.	Name of the Supplier	Amount
34	Hoang Phu trade & transport Co.Ltd	43,200
35	CA POLYTECH PVT.LTD	155,123
36	Dao Sy Anh	3,541
37	Nguyen Thi Minh Hien	950
38	Le Nguyen trading service Co.Ltd	1,617
39	Thuong Tin trade & transport Co.Ltd	26,065
40	Y Hong Nga private enterprise	53,040
41	Thuan Thanh Phat trade & service Co.Ltd	98,544
42	P & C warehouse logistics Ltd	292,727
43	Van Phuc mechanical service trading Co.Ltd	231
44	Viettel Phu Yen	13,500
45	Phu Huu petrol private enterprise	6,348
46	Huynh Thanh Thao	19,123
47	Bat Tuan trading Co.Ltd	8,943
48	Cash purchase	190
49	Vinh Loi trade & transport Co.Ltd	34,650
50	Thanh Duc trading Co.Ltd	15,787
51	Xuan Phan transport trading enterprise	2,460
52	Hai Son bags manufacturing Co.Ltd	22,748
53	Nguyen Thi Xuan	18,641
54	EVD equipment & value development Co.Ltd	6,433
55	Servo Viet Nam JSC	178,510
56	GE Triveni Limited	3,435
57	Fives cail-KCP Limited	1,921,540
58	Tran Nhan Nhan	2,948
59	Nguyen Xuan Hung	6,764
60	Son Ha trade & transport private enterprise	35,050
61	Vo Ngoc Thanh	4,496
62	Hoan Phuc JSC	70,206
63	Dat Viet telecommunication Co.	8,140
64	IMCO ALLOYS PVT.LTD	92,732
65	EDCOM Viet Nam investment JSC	677,000
66	Nam Chau transport Co.Ltd	140,008



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FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**AMOUNT PAYABLE TO SUPPLIERS**
ACCOUNT CODE : 331 (CR)

Unit: 1,000 VND

Sl.No.	Name of the Supplier	Amount
67	Hanjin Global Logistics Viet Nam Co.Ltd	22,459
68	Phuong Lai Co.Ltd	9,434
69	Dao Tan Phat	2,494
70	Loc Hang sugar & sugar cane trading Co.Ltd	5,500
71	Tai Dung transport private enterprise	102,940
72	Ty Linh transport private enterprise	5,000
73	Hai Lam trade Co.Ltd	124,419
74	Long Nhi transport private enterprise	72,800
75	Alliance auditing & consulting Co.Ltd	51,150
76	Minh Thien trade service Co.Ltd	18,315
77	Do Uc Man	450
78	Nhat Truong Vinh Co.Ltd	46,012
79	Anh Duong consulting & equipment technology JSC	2,061,355
80	Hong Phuc rubber plastic Co.Ltd	30,690
81	Ngoc Tien technical rubber enterprise	3,610
82	Nguyen Ngoc Sanh	1,900
83	Hai Phuc transporr Co.Ltd	40,130
84	Hai Han transporr Co.Ltd	2,200
85	Lieu Hoang trade & service Co.Ltd	431,773
86	Nguyen Khanh transport & trade private enterprise	38,670
87	Phu Yen province forest protection and development fund	34,033
88	Lubricant Viet Nam Co.Ltd	2,310
89	Vien Thong PH trade & service Co.Ltd	24,090
90	Nhat Kien technology service Co.Ltd	85,272
91	Nhan Dan newspaper in Da nang	10,000
92	Post office Son Hoa	3,716
93	Nhan Tam trade transport Co.Ltd	10,890
94	Vinapackink Co.Ltd	144,587
95	Logistics portserco JSC	447
96	Transportation retention payable	3,930
97	Cane suppliers balance payable	2,448
98	Amount payable to farmers- interest	4,365,506
	Total	20,233,150

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FINANCIAL STATEMENTSFor the fiscal year ended 31st December 2020**ADVANCE RECEIVED FROM CUSTOMERS
ACCOUNT CODE : 131 (CR)***Unit: 1,000 dong*

Sl.No.	Name of the Supplier	Amount
1	Minh Tam industrial foodstuff Co.Ltd	386,884
2	Fnano Co.Ltd	12,445
3	Phuc Quang private enterprise	31,797
4	Dac My Phat trade Co.Ltd	7,200
5	Chu Dinh Khanh	5,614
6	Tran Nhut	76,000
7	Hung Thinh Co.Ltd	513,762
8	Kim Ha Viet Co.Ltd	262,200
9	Nguyen Thi Mong Loan	4,608
10	Ngo Thi Tuyet Nhung	1,416
11	Thanh Thanh Cong trade JSC	3,463,662
12	Son Ha agricultural development Co.Ltd	60,555
13	Hoang Tuan distributor	14,300
14	Ngoc Mai trading & pro.service Co.Ltd	31,404
15	Oneway Bio-Organic fertilizer JSC	2,171
16	Vinh Loi trading service transport Co.Ltd	12,060
17	Thanh My Phat trade & service Co.Ltd	57,157
18	Nguyen Van Manh	1,287
19	Ngo Minh Duy	17,447
20	Kim Ngoc Khanh construction & service Co.Ltd	11,690
21	Le Gia trading & pro.Co.Ltd	377,090
Total		5,350,747



KCP VIETNAM INDUSTRIES LIMITED

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FINANCIAL STATEMENTSFor the Fiscal year ended 31st December 2020**INCREASE AND DECREASE OF FIXED ASSETS AS AT 31.12.2020***Unit : 1000 dong*

Item	Buildings	Plant & Machinery	Intangible Assets	Means of Transportation	Office Equipment and Others	Dong Xuan Assets	Total
1/Original price							
+ At 01/01/2020	226,970,859	1,233,553,150	456,190	7,243,570	3,883,319	2,122,492	1,474,229,580
+ Increase during the year	1,626,022	6,257,758	-	-	-	-	7,883,780
+Decrease during the year	-	-	-	-	-	-	-
+ At 31/12/2020	228,596,881	1,239,810,908	456,190	7,243,570	3,883,319	2,122,492	1,482,113,360
in which, fully depreciated assets still in use	-	377,874,270	456,190	5,031,615	3,883,319	2,122,492	389,367,886
2/Depreciation							
+ At 01/01/2020	63,577,209	642,556,123	456,190	5,799,337	3,820,410	2,122,492	718,331,762
+Increase during the year	9,088,522	62,380,817	-	376,032	62,909	-	71,908,279
- Decrease during the year	-	-	-	-	-	-	-
2.1 Depreciation - Sci & Tech	-	-	-	-	-	-	-
+Increase during the year	-	10,043,038	-	-	-	-	10,043,038
+ At 31/12/2020	72,665,731	714,979,977	456,190	6,175,370	3,883,319	2,122,492	800,283,079
3/ Net book value							
+ At 01/01/2020	163,393,650	590,997,026	-	1,444,233	62,909	-	755,897,818
+ At 31/12/2020	155,931,150	524,830,930	-	1,068,201	-	-	681,830,282

