

**DINH VU PORT DEVELOPMENT AND INVESTMENT  
JOIN STOCK COMPANY**

**REVIEWED INTERIM FINANCIAL STATEMENTS**

**For the period from 1 January 2018 to 30 June 2018**

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### STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Dinh Vu Port Development and Investment Join Stock Company (the "Company") presents this report together with the Company's reviewed interim financial statements for the period from 1 January 2018 to 30 June 2018.

#### THE BOARDS OF MANAGEMENT AND DIRECTORS

The members of the Boards of Management and Directors of the Company who held office during the period and to the date of this report are as follows:

##### Board of Management

Mr. Vu Tuan Duong	Chairman
Mr. Cao Van Tinh	Member (appointed on 23 April 2018)
Mr. Nguyen Tien Dung	Vice Chairman
Mr. Chu Minh Hoang	Member
Mr. Nguyen Viet Hai	Member (appointed on 23 April 2018)
Mr. Duong Thanh Binh	Member (resigned on 23 April 2018)
Mr. Nguyen Ngoc Hong	Member (resigned on 23 April 2018)
Mrs. Nguyen Thi Phuong	Member (resigned on 23 April 2018)
Mr. Phan Tuan Linh	Member (resigned on 23 April 2018)

##### Board of Directors

Mr. Cao Van Tinh	General Director
Mr. Le Thanh Do	Deputy General Director
Mr. Quach Kim Hien	Deputy General Director

##### *Legal representative*

The legal representative of the Company during the period and to the date of this report is as follows:

<u>Name</u>	<u>Position</u>
Mr. Cao Van Tinh	General Director

#### BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company, and its financial performance and its cash flows for the period in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these interim financial statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the interim financial statements so as to minimize errors and frauds.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the interim financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company/Enterprise and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

**STATEMENT OF THE BOARD OF DIRECTORS (Continued)**

For and on behalf of the Board of Directors, 



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**Cao Văn Tuấn**  
General Director  
Hai Phong, 13 August 2018



No.: 286/VACO/BCKT.NV2

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**To: The Shareholders, the Board of Management and Directors  
Dinh Vu Port Development and Investment Joint Stock Company**

We have reviewed the accompanied interim financial statements for the period from 1 January 2018 to 30 June 2018 of Dinh Vu Port Development and Investment Joint Stock Company ("the Company") prepared on 13 August 2018 as set out from page 4 to page 26, which comprise the interim balance sheet as at 30 June 2018, the interim statements of income and cash flows for the period from 1 January 2018 to 30 June 2018 and the notes to the interim financial statements (hereafter called "the financial statements").

### *Board of Directors' Responsibility*

The Board of Directors of the Company is responsible for preparing and presenting the interim financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial report and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim financial statements to be free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express a conclusion on the accompanied interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial statements consists of making inquiries primarily on persons who are responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanied interim financial statements do not give a true and fair view of the financial position of the Company as at 30 June 2018, and its financial performance and its cash flows for the period from 1 January 2018 to 30 June 2018 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial report.

### *Other matter*

The financial statements for the year ended 31 December 2017 and for the period from 1 January 2017 to 30 June 2017 of the Company were audited and reviewed by other auditing company, in which the auditors' report No. 56/2018/UHY-BCKT dated 8 March 2018 providing unqualified opinion and the report on review of interim financial information No. 419/2017/UHY ACA-BCSX dated 11 August 2017 providing unqualified conclusion.



**Le Xuan Thang**  
Deputy General Director  
Audit Practising Certificate No. 0043-2016-156-1  
*For and on behalf of*  
**VACO AUDITING COMPANY LIMITED**  
Hanoi, 13 August 2018

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INTERIM BALANCE SHEET  
 As at 30 June 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>838,406,728,958</b>	<b>703,588,800,491</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>117,788,443,551</b>	<b>23,419,210,144</b>
1. Cash	111	5	117,788,443,551	23,419,210,144
<b>II. Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>610,000,000,000</b>	<b>590,000,000,000</b>
1. Held-to-maturity investments	123		610,000,000,000	590,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>96,427,758,778</b>	<b>77,910,191,497</b>
1. Short-term trade receivables	131	7	74,213,589,472	56,304,249,580
2. Short-term advances to suppliers	132	8	20,304,444,600	13,687,208,000
3. Other short-term receivables	136		2,792,985,673	8,796,213,119
4. Provision for short-term doubtful debts	137		(883,260,967)	(877,479,202)
<b>IV. Inventories</b>	<b>140</b>	<b>9</b>	<b>11,448,673,949</b>	<b>8,671,596,837</b>
1. Inventories	141		11,448,673,949	8,671,596,837
<b>V. Other short-term assets</b>	<b>150</b>		<b>2,741,852,680</b>	<b>3,587,802,013</b>
1. Short-term prepayments	151	10	2,550,371,448	1,937,760,142
2. Value added tax deductibles	152		-	1,643,441,872
3. Taxes and other receivables from the State budget	153	16	191,481,232	6,599,999
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>357,741,095,393</b>	<b>393,900,742,416</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>307,486,000</b>	<b>320,986,000</b>
1. Other long-term receivables	216		307,486,000	320,986,000
<b>II. Fixed assets</b>	<b>220</b>		<b>171,564,228,773</b>	<b>207,817,884,266</b>
1. Tangible fixed assets	221	11	170,808,003,011	207,272,126,845
- Cost	222		1,027,534,801,794	1,027,534,801,794
- Accumulated depreciation	223		(856,726,798,783)	(820,262,674,949)
2. Intangible assets	227	12	756,225,762	545,757,421
- Cost	228		5,497,754,700	5,123,554,700
- Accumulated amortisation	229		(4,741,528,938)	(4,577,797,279)
<b>III. Long-term assets in progress</b>	<b>240</b>	<b>13</b>	<b>13,677,698,389</b>	<b>13,182,346,859</b>
1. Long-term construction in progress	242		13,677,698,389	13,182,346,859
<b>IV. Long-term financial investments</b>	<b>250</b>	<b>14</b>	<b>142,352,013,800</b>	<b>142,352,013,800</b>
1. Investments in joint-ventures, associates	252		142,352,013,800	142,352,013,800
<b>V. Other long-term assets</b>	<b>260</b>		<b>29,839,668,431</b>	<b>30,227,511,491</b>
1. Long-term prepayments	261	10	29,839,668,431	30,227,511,491
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1,196,147,824,351</b>	<b>1,097,489,542,907</b>

INTERIM BALANCE SHEET (Continued)  
 As at 30 June 2018

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>184,255,598,313</b>	<b>119,715,983,452</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>184,255,598,313</b>	<b>119,715,983,452</b>
1. Short-term trade payables	311	15	10,933,346,290	19,284,131,161
2. Short-term advances from customers	312		313,786,801	196,495,720
3. Taxes and amounts payable to the State budget	313	16	9,419,010,145	7,649,064,990
4. Payables to employees	314		23,611,408,526	25,007,213,164
5. Short-term accrued expenses	315		2,400,000,000	85,311,213
6. Other current payables	319	17	83,626,526,332	3,461,952,980
7. Short-term loans and obligations under finance leases	320	18	10,944,240,300	25,096,353,137
8. Short-term provisions	321	19	32,751,071,000	35,000,000,000
9. Bonus and welfare funds	322		10,256,208,919	3,935,461,087
<b>D. EQUITY</b>	<b>400</b>		<b>1,011,892,226,038</b>	<b>977,773,559,455</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>20</b>	<b>1,011,892,226,038</b>	<b>977,773,559,455</b>
1. Owner's contributed capital	411		400,000,000,000	400,000,000,000
- Ordinary shares carrying voting rights	411a		400,000,000,000	400,000,000,000
2. Other owner's capital	414		142,352,013,800	142,352,013,800
3. Investment and development fund	418		285,921,545,655	207,982,196,884
4. Retained earnings	421		183,618,666,583	227,439,348,771
- Retained earnings accumulated to the prior year end	421a		50,000,000,000	20,000,000,000
- Retained earnings of the current year	421b		133,618,666,583	207,439,348,771
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>1,196,147,824,351</b>	<b>1,097,489,542,907</b>



Cao Van Tinh  
 General director  
 Hai Phong, 13 August 2018

Doan Minh trung  
 Chief Accountant

Le Thi Hai Thanh  
 Preparer



**INTERIM INCOME STATEMENT**  
*For the period from 1 January 2018 to 30 June 2018*

Unit: VND

ITEMS	Codes	Notes	From 01/01/2018 to 30/06/2018	From 01/01/2017 to 30/06/2017
1. Gross revenue from goods sold and services rendered	01		310,284,209,758	321,414,533,579
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10	22	310,284,209,758	321,414,533,579
4. Cost of sales	11	23	143,961,037,044	148,451,673,859
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		166,323,172,714	172,962,859,720
6. Financial income	21	25	11,255,764,501	19,467,214,602
7. Financial expenses	22		311,627,974	1,270,016,153
- In which: Interest expense	23		97,979,496	1,270,016,153
8. Selling expenses	25		-	-
9. General and administration expenses	26	26	28,988,416,586	27,360,686,133
10. Operating profit (30 = 20 + (21 - 22) - (25 + 26))	30		148,278,892,655	163,799,372,036
11. Other income	31		392,603,737	422,837,729
12. Other expenses	32		263,333	-
13. Profit from other activities (40 = 31 - 32)	40		392,340,404	422,837,729
14. Accounting profit before tax (50 = 30 + 40)	50		148,671,233,059	164,222,209,765
15. Current corporate income tax expense	51	27	15,052,566,476	16,177,465,065
16. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		133,618,666,583	148,044,744,700
17. Basic earnings per share	70	29	3,340	3,701



Cao Van Tinh  
General director

Hai Phong, 13 August 2018

Doan Minh trung  
Chief Accountant

Le Thi Hai Thanh  
Preparer



**CASH FLOW STATEMENT**  
For the period from 1 January 2018 to 30 June 2018  
(Direct method)

Unit: VND

ITEMS	Codes	From 01/01/2018 to 30/06/2018	From 01/01/2017 to 30/06/2017
<b>I. Cash flows from operating activities</b>			
1. Cash inflow from goods sold, services rendered and other income	01	306,282,572,795	300,268,916,776
2. Payables to suppliers	02	(81,037,423,212)	(80,376,996,961)
3. Payables to employees	03	(67,131,904,870)	(71,894,375,338)
4. Interest paid	04	(323,710,127)	(936,278,848)
5. Corporate income tax paid	05	(13,100,900,903)	(23,148,226,596)
6. Other cash inflows	06	1,317,859,850	1,544,751,970
7. Other cash outflows	07	(17,257,592,399)	(23,198,147,433)
<b>Net cash from operating activities</b>	<b>20</b>	<b>128,748,901,134</b>	<b>102,259,643,570</b>
<b>II. Cash flows from investing activities</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(16,346,670,000)	(15,529,001,003)
2. Cash outflow for lending, buying debt instruments of other entities	23	(535,000,000,000)	(415,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	515,000,000,000	425,000,000,000
4. Interest earned, dividends and profits received	27	16,447,934,291	17,436,006,028
<b>Net cash from (used in) investing activities</b>	<b>30</b>	<b>(19,898,735,709)</b>	<b>11,907,005,025</b>
<b>III. Cash flows from financing activities</b>			
1. Repayment of borrowings	34	(14,294,898,437)	(17,853,995,320)
2. Dividends paid	36	(186,100,000)	(44,500,000)
<b>Net cash from (used in) financing activities</b>	<b>40</b>	<b>(14,480,998,437)</b>	<b>(17,898,495,320)</b>
<b>Net increase/(decrease) in cash (50 = 20 + 30 + 40)</b>	<b>50</b>	<b>94,369,166,988</b>	<b>96,268,153,275</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>	<b>23,419,210,144</b>	<b>27,132,690,994</b>
Effects of changes in foreign exchange rates	61	66,419	2,295,509
<b>Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>117,788,443,551</b>	<b>123,403,139,778</b>



**Cao Van Tinh**  
General director  
Hai Phong, 13 August 2018

**Doan Minh trung**  
Chief Accountant

**Le Thi Hai Thanh**  
Preparer

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**1. GENERAL INFORMATION****Structure of ownership**

Dinh Vu Port Development and Investment Joint Stock Company ("the Company") was established under Decision No. 990/QĐ/TGD dated 11 November 2002 of the General Director of Vietnam National Shipping Lines on approving the investment plan to exploit Dinh Vu port; Business Registration Certificate No. 0200511481 dated 14 January 2003 issued by the Department of Planning and Investment of Hai Phong City and the seventh amended certificate dated 12 July 2017

The charter capital of the Company under the current Business Registration Certificate is VND 400,000,000,000.

The number of shares listed on the Ho Chi Minh City Stock Exchange is 40,000,000 shares with a par value of VND 10,000/share.

The Company's head office is located at Dinh Vu Port, Dong Hai 2 Ward, Hai An District, Hai Phong City.

The total number of employees of the Company as at 30 June 2018 was 447 (as at 31 December 2017: 446).

**Operating industry and principal activities**

- Loading and unloading goods, warehouse business;
- Multimodal transportation; Shipping agency services;

**Normal production and business cycle**

The Company's normal production and business cycle is carried out for a period of 12 months or less.

**2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME****Financial year**

The Company's financial year begins on 1 January and ends on 31 December. The interim financial statements are prepared for the period from 1 January 2018 to 30 June 2018.

**Applied accounting regime**

The Company applied Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

**Declaration of compliance with accounting standard and accounting regime**

The Board of Directors ensures to comply with the requirements of Vietnamese accounting standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of financial statements.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

**3. NEW LAW ON ACCOUNTING**

The Law on Accounting No. 88/2015/HQH13 was passed on 20 November 2015, by the 13th National Assembly of the Socialist Republic of Vietnam, at its 10th session, and takes effect as from 1 January 2017. Pursuant to Article 28 - Evaluation and recognition at fair value. However, by the time of issuing this report, there is no guidance in applying the assessment and recognition at fair value. Therefore, the Company has not applied the fair value in preparing the financial statements.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Accounting convention**

The financial statements are prepared on a time basis (except for information relating to cash flows).

**Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Directors' best knowledge, actual results may differ from those estimates.

**Evaluation and recognition at fair value**

As stated in Note 3, the Law on Accounting came into effect from 1 January 2017, which included regulations on assessment and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Board of Directors has considered and applied as follows:

- a) *Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- b) *For assets and liabilities (except item a as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

**Financial instruments****Initial recognition**

*Financial assets:* At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, deposits and financial investments.

*Financial liabilities:* At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, obligations under finance leases and borrowings.

**Subsequent measurement after initial recognition**

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

**Cash**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Financial investments****Interests in associates**

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Financial investments (Continued)**

Interests in subsidiaries, joint ventures and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries, joint ventures and associates are made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt

**Payables and accrued expenses**

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, inter-company payables and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the Company, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the FIFO method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Inventories are accounted for on perpetual inventory count method.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their following estimated useful lives as follows:

	<u>Useful lives</u>
Buildings and structures	05 - 25
Machinery and equipment	03 - 07
Moto vehicles	03 - 06
Management equipment	03 - 08

**Prepayments**

Prepayments include office repairs, container liners, insurance, land rentals and value of tools and supplies not qualify for recognition of fixed assets which are expected to provide future economic benefit to the Company. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in 3 years.

**Equity**

*Owner's contributed capital:* Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

*Other owner's capital:* Other capital is formed by supplementing from the results of business operations, revaluation of assets and the net book value between the fair value of gifts, donations after deducting the tax payable (if any) related to these assets.

**Profit distribution**

Profit after tax is distributed to owners/shareholders/members after deducting funds in accordance with the Charter of the Company and regulations of the law which has been approved by the General Meeting of Shareholders.

Profit distribution to owners/shareholders/members is referenced to the non-monetary items included in retained earnings that may affect cash flows and the ability to pay dividends/profits such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders or the Decision of the Board of Management.

**Revenue recognition**

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Revenue recognition (Continued)**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

According to Investment Certificate No. 4477/GCN/UB dated 17 September 2004 of the People's Committee of Hai Phong City, Decree No. 164/2003/ND-CP dated 22 December 2003 of the Government and Official Letter No. 141/CT-TT&HT of the Hai Phong Tax Department dated 21 February 2011, the Company is still entitled to the following preferential policies: CIT incentives: enjoy the CIT rate of 10% within the remaining period (enjoyed CIT rate of 20% from 2004 to the end of 1 February 2008), from 2 February 2008 to the end of 2018 for income earned from investment projects executed in geographical areas under the list of geographical areas with exceptionally difficult socio-economic conditions.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

**Related parties**

Parties are considered to be related when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***5. CASH**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	358,696,925	265,084,119
Demand deposits	117,429,746,626	23,154,126,025
<b>Total</b>	<b>117,788,443,551</b>	<b>23,419,210,144</b>

**6. HELD-TO-MATURITY INVESTMENTS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Term deposit (i)	610,000,000,000	590,000,000,000

*Note:* (i) Held-to-maturity investments include term deposits having term from 6 to 12 months with the interest rate from 6,1% to 6,8%.

**7. TRADE RECEIVABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<i>a) Short-term trade receivables</i>	<i>74,213,589,472</i>	<i>56,304,249,580</i>
KMTC (Vietnam) Co., Ltd	20,683,669,978	4,339,169,486
SITC Container Lines Co., LTD	19,312,434,086	19,825,231,019
Others	34,217,485,408	32,139,849,075
<i>In which:</i>		
<i>Receivables from related parties</i>	<i>945,739,215</i>	<i>1,700,762,683</i>
Dinh Vu Logistic JSC	740,499,125	807,614,991
Port of Hai Phong Joint Stock Company	-	718,969,974
SITC- Dinh Vu Logistic Co., Ltd	205,240,090	174,177,718

**8. SHORT- TERM ADVANCES TO SUPPLIERS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<i>Short-term advances to suppliers</i>	<i>20,304,444,600</i>	<i>13,687,208,000</i>
Unico Vina JSC	4,963,426,600	-
Military Petrochemical Joint Stock Company	12,517,928,000	12,517,928,000
Others	2,823,090,000	1,169,280,000
<i>In which:</i>		
<i>Advances to related party</i>	-	-

**9. INVENTORIES**

	<u>Cost</u>	<u>Provision</u>	<u>Cost</u>	<u>Provision</u>
	VND	VND	VND	VND
Tools and supplies	10,536,829,025	-	7,978,638,144	-
Raw materials	911,844,924	-	692,958,693	-
<b>Total</b>	<b>11,448,673,949</b>	<b>-</b>	<b>8,671,596,837</b>	<b>-</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements.***10. PREPAYMENTS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<i>Short-term</i>	<b><i>2,550,371,448</i></b>	<b><i>1,937,760,142</i></b>
Machinery and fire insurance	1,114,728,182	441,095,664
Container repairment	1,223,817,197	1,464,664,472
Expenses waiting for allocation	211,826,069	32,000,006
<i>Long-term</i>	<b><i>29,839,668,431</i></b>	<b><i>30,227,511,491</i></b>
Land rental (i)	29,792,572,435	30,174,528,493
Others	47,095,996	52,982,998

Note: (i) Land rental under the contract No.03/2013/HDT-MP dated 12 July 2013 and appendix of amended contract No.02, 03 dated 3 October 2013 on leasing the land lot CN 2.2: 39.587 m<sup>2</sup> of land and 4.830 m<sup>2</sup> of land extension, allocated within 43 years (from 1 January 2015 to 30 June 2057).



## NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

## 11. INCREASE/ DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Management equipment	Total
	VND	VND	VND	VND	VND
<b>COST</b>					
Opening balance	409,669,506,813	506,235,292,050	95,240,711,327	16,389,291,604	1,027,534,801,794
Disposal	-	-	-	-	-
Closing balance	409,669,506,813	506,235,292,050	95,240,711,327	16,389,291,604	1,027,534,801,794
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	330,153,462,653	385,212,410,164	92,140,231,493	12,756,570,639	820,262,674,949
- Charge for the period	6,283,806,772	27,665,262,778	1,080,925,608	1,434,128,676	36,464,123,834
Closing balance	336,437,269,425	412,877,672,942	93,221,157,101	14,190,699,315	856,726,798,783
<b>NET BOOK VALUE</b>					
Opening balance	79,516,044,160	121,022,881,886	3,100,479,834	3,632,720,965	207,272,126,845
Closing balance	73,232,237,388	93,357,619,108	2,019,554,226	2,198,592,289	170,808,003,011

The cost of tangible fixed assets which have been fully depreciated but are still in use as at 30 June 2018 is VND 517,047,737,687 (as at 31 December 2017: VND 517,047,737,687).  
The net book value of assets used for mortgage purpose as at 30 June 2018 is VND 18,675,737,746 (as at 31 December 2017: VND 70,030,246,207).

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***12. INTANGIBLE FIXED ASSETS**

	<u>Computer software</u>	<u>Total</u>
	VND	VND
<b>COST</b>		
Opening balance	5,123,554,700	5,123,554,700
Increase	374,200,000	374,200,000
Closing balance	<u>5,497,754,700</u>	<u>5,497,754,700</u>
<b>ACCUMULATE AMORTISATION</b>		
Opening balance	4,577,797,279	4,577,797,279
Increase	163,731,659	163,731,659
Closing balance	<u>4,741,528,938</u>	<u>4,741,528,938</u>
<b>NET BOOK VALUE</b>		
Opening balance	<u>545,757,421</u>	<u>545,757,421</u>
Closing balance	<u>756,225,762</u>	<u>756,225,762</u>

The cost of fixed assets which have been fully depreciated but are still in use as at 30 June 2018 is VND 4,309,554,700 (as at 31 December 2017: VND 4,309,554,700).

**13. CONTRUCTION IN PROGRESS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<i>Purchase</i>	<u>13,419,035,662</u>	<u>12,923,684,132</u>
04 RTG Crane (Phase 2)	13,012,362,026	12,758,010,496
Repair yard bridge 1	406,673,636	165,673,636
<i>Construction in progress</i>	<u>258,662,727</u>	<u>258,662,727</u>
Design consultant + examine the installation of 20m STS crane on the wharf No. 1	161,222,727	161,222,727
2 floors office	97,440,000	97,440,000
<b>Total</b>	<u>13,677,698,389</u>	<u>13,182,346,859</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***14. LONG-TERM FINANCIAL INVESTMENTS**

	Closing balance			Opening balance		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
<b>Equity investments in other entities</b>						
- Investments in associates	142,352,013,800	-	-	142,352,013,800	-	-
SITC- Dinh Vu Logistic Co., Ltd	128,672,013,800	-	(*)	128,672,013,800	-	(*)
Dinh Vu Logistic JSC	13,680,000,000	-	(*)	13,680,000,000	-	(*)
<b>Total</b>	<b>142,352,013,800</b>	<b>-</b>	<b>-</b>	<b>142,352,013,800</b>	<b>-</b>	<b>-</b>

Note: (\*) The Company has not determined the fair value of these investments to disclose in the financial statements because there are no listed price on the market for these investments and Vietnamese Accounting Standards, Vietnamese Accounting policies for enterprises and other current relevant regulations have not yet guided on calculating the fair value. The fair value of these investments may differ from the book value if they are identified

The details of Company's associates as at 30 June 2018 are as follows:

Name of subsidiaries	Place of incorporation	Owing rate	Voting rate	Principal activity
SITC- Dinh Vu Logistic Co., Ltd	Hai Phong City	51	50	Warehouse business
Dinh Vu Logistic JSC	Hai Phong City	45.6	45.6	Warehouse business, towing ship

**Operating situation of joint ventures and associates**

SITC - Dinh Vu Logistics Co., Ltd operates in the field of transportation, loading and unloading goods and freight. As at 30 June 2018, the profit after tax of this company was VND 28,458,272,281. Dinh Vu Logistics Joint Stock Company operates in the field of transportation, loading and unloading goods and freight. As at 30 June 2018, the profit after tax was VND 6,721,421,832.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

## 15. TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
<i>Short-term trade payables</i>	<b>10,933,346,290</b>	<b>10,933,346,290</b>	<b>19,284,131,161</b>	<b>19,284,131,161</b>
Dolphin JSC	2,844,263,400	2,844,263,400	3,172,225,100	3,172,225,100
Dinh Vu Logistic JSC	2,600,941,488	2,600,941,488	2,552,810,756	2,552,810,756
Van Xuan JSC	1,399,151,600	1,399,151,600	1,445,087,600	1,445,087,600
Other payables	4,088,989,802	4,088,989,802	12,114,007,705	12,114,007,705
<i>In which</i>				
<i>Trade payables to related parties</i>	<b>2,709,891,147</b>	<b>2,709,891,147</b>	<b>2,620,085,667</b>	<b>2,620,085,667</b>
Dinh Vu Logistic JSC	2,600,941,488	2,600,941,488	2,552,810,756	2,552,810,756
Port of Hai Phong JSC	108,949,659	108,949,659	67,274,911	67,274,911

## 16. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
<b>Payables</b>				
Value added tax	-	4,141,409,726	3,353,686,320	787,723,406
Corporate income tax	6,679,621,166	15,052,566,476	13,100,900,903	8,631,286,739
Personal income tax	969,443,824	2,566,996,592	3,536,440,416	-
Other taxes	-	3,000,000	3,000,000	-
<b>Total</b>	<b>7,649,064,990</b>	<b>21,763,972,794</b>	<b>19,994,027,639</b>	<b>9,419,010,145</b>
<b>Receivables</b>				
Value added tax	6,599,999	6,599,999	-	-
Personal income tax	-	-	191,481,232	191,481,232
<b>Total</b>	<b>6,599,999</b>	<b>6,599,999</b>	<b>191,481,232</b>	<b>191,481,232</b>

## 17. OTHER CURRENT PAYABLES

	Closing balance	Opening balance
	VND	VND
<i>Short-term</i>	<b>83,626,526,332</b>	<b>3,461,952,980</b>
Union fees	329,478,462	790,910,762
Social insurance	669,882,440	-
Health insurance	122,382,983	3,326,673
Unemployment insurance	66,662,135	13,283,633
Dividend payables	81,899,008,550	2,085,108,550
Others payables	539,111,762	569,323,362



**DINH VU PORT DEVELOPMENT AND INVESTMENT JSC**

Dinh Vu Port, Dong Hai 2 Ward

Hai An District, Hai Phong City

**FORM B 09 a -DN**

Issued under Circular No. 200/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***18. LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	30/06/2018		During the period		01/01/2018	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Short-term</b>	<b>10,944,240,300</b>	<b>10,944,240,300</b>	<b>142,785,600</b>	<b>14,294,898,437</b>	<b>25,096,353,137</b>	<b>25,096,353,137</b>
Asia Commercial Joint Stock Bank	10,944,240,300	10,944,240,300	142,785,600	14,294,898,437	25,096,353,137	25,096,353,137

**Note:**

Loan contract No. HAP.DN.0425011/DH dated 17 February 2011 between Asia Commercial Joint Stock Bank - Hai Phong Branch and Dinh Vu Port Development and Investment Joint Stock Company. The loan limit is USD 6,577,200 with the loan term from 10 May 2011 to 10 November 2018. The purpose of the loan is to procure 02 QC Gantry Crane. The interest rate is under the debt recognition.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***19. SHORT-TERM ACCRUED EXPENSES**

	Closing balance	Opening balance
	VND	VND
Fixed assets repayment	13,751,071,000	16,000,000,000
Cost of dredging port	19,000,000,000	19,000,000,000
<b>Total</b>	<b>32,751,071,000</b>	<b>35,000,000,000</b>

**20. OWNER'S EQUITY**

	Owner's contributed capital	Other owner's capital	Development and investment fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Opening balance of prior year	400,000,000,000	142,352,013,800	184,319,264,837	186,806,644,387	913,477,923,024
Profit(loss) during the year	-	-	-	287,439,348,771	287,439,348,771
Bonus and welfare fund	-	-	-	(6,000,000,000)	(6,000,000,000)
Development and investment fund	-	-	51,706,644,387	(51,706,644,387)	-
Dividend paid	-	-	-	(180,000,000,000)	(180,000,000,000)
Decrease during the year	-	-	(28,043,712,340)	-	(28,043,712,340)
Bonus for Executive Board	-	-	-	(500,000,000)	(500,000,000)
Employees bonus	-	-	-	(8,600,000,000)	(8,600,000,000)
<b>Opening balance of current period</b>	<b>400,000,000,000</b>	<b>142,352,013,800</b>	<b>207,982,196,884</b>	<b>227,439,348,771</b>	<b>977,773,589,455</b>
Increase during the period	-	-	-	-	-
Profit(loss) during the period	-	-	-	133,618,666,583	133,618,666,583
Development and investment fund (i)	-	-	77,939,348,771	(77,939,348,771)	-
Dividend paid (i)	-	-	-	(80,000,000,000)	(80,000,000,000)
Bonus and welfare fund (i)	-	-	-	(19,000,000,000)	(19,000,000,000)
Bonus for Executive Board (i)	-	-	-	(500,000,000)	(500,000,000)
<b>Closing balance of current period</b>	<b>400,000,000,000</b>	<b>142,352,013,800</b>	<b>285,921,545,655</b>	<b>183,618,666,583</b>	<b>1,011,892,226,038</b>

Note: (i) Paying dividends, bonus and welfare fund and investment and development fund in accordance with the Resolution of the Annual General Meeting of Shareholders No.11/NQ-DHDCD dated 23 April 2018.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***20. OWNER'S EQUITY (Continued)**

Detail of owner's contributed capital:	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Port of Hai Phong JSC	204,000,000,000	204,000,000,000
Agricultural Products and Materials JSC	74,800,000,000	74,800,000,000
Samarang Ucits - Sarang Asian Prosperity	20,626,300,000	20,626,300,000
Pyn Elite Fund (Non - Ucits)	19,580,000,000	19,580,000,000
Others	80,993,700,000	80,993,700,000
<b>Total</b>	<b>400,000,000,000</b>	<b>400,000,000,000</b>
<b>Capital transactions with owners and distribution of dividends, profit sharing</b>	<b>From 01/01/2018 to 30/06/2018</b>	<b>From 01/01/2017 to 30/06/2017</b>
	VND	VND
Owner's contributed capital		
- Opening capital	400,000,000,000	400,000,000,000
- Addition	-	-
- Decrease	-	-
- Closing capital	400,000,000,000	400,000,000,000
<b>Dividends received</b>	<b>80,000,000,000</b>	<b>100,000,000,000</b>
<b>Shares</b>	<b>Closing balance</b>	<b>Opening balance</b>
	Shares	Shares
Number of shares to issue	40,000,000	40,000,000
Shares bought		
- Common shares	40,000,000	40,000,000
Number of circulating shares	-	-
- Common shares	40,000,000	40,000,000
Face vale of circulating shares (VND)	10,000	10,000
<b>Company's funds</b>		
- Development and investment funds	285,921,545,655	207,982,196,884
- Bonus and welfare fund	142,352,013,800	142,352,013,800

**21. OFF BALANCE SHEET ITEM**

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
USD	282.66	282.66
EUR	5.14	5.14

**22. REVENUE**

	<u>From 01/01/2018 to 30/06/2018</u>	<u>From 01/01/2017 to 30/06/2017</u>
	VND	VND
<b>Sales of services</b>	<b>310,284,209,758</b>	<b>321,414,533,579</b>
Sales of services	310,284,209,758	321,414,533,579
<b>Revenue from related parties</b>	<b>5,329,019,155</b>	<b>9,795,958,464</b>
Dinh Vu Logistic JSC	4,390,740,713	3,940,420,767
Port of Hai Phong JSC	71,372,460	4,968,206,156
SITC- Dinh Vu Logistic Co., Ltd	866,905,982	887,331,541
<b>Total</b>	<b>310,284,209,758</b>	<b>321,414,533,579</b>
<b>Deductions</b>		
Total	-	-
<b>Net revenue from goods sold and services</b>	<b>310,284,209,758</b>	<b>321,414,533,579</b>



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***23. COST OF SERVICES PROVIDED**

	<b>From 01/01/2018 to 30/06/2018</b>	<b>From 01/01/2017 to 30/06/2017</b>
	VND	VND
Cost of services provided	143,961,037,044	148,451,673,859
<b>Total</b>	<b>143,961,037,044</b>	<b>148,451,673,859</b>

**24. PRODUCTION COST BY NATURE**

	<b>From 01/01/2018 to 30/06/2018</b>	<b>From 01/01/2017 to 30/06/2017</b>
	VND	VND
Raw materials and consumables	11,893,075,967	10,787,712,837
Labour	66,849,815,532	63,287,263,981
Depreciation and amortisation	36,457,881,325	41,630,338,276
Out-sourced services	50,832,937,955	39,671,155,842
Other monetary expenses	6,915,742,851	20,435,889,056
<b>Total</b>	<b>172,949,453,630</b>	<b>175,812,359,992</b>

**25. FINANCIAL INCOME**

	<b>From 01/01/2018 to 30/06/2018</b>	<b>From 01/01/2017 to 30/06/2017</b>
	VND	VND
Interest income	10,408,281,513	14,579,913,094
Dividend	-	4,104,000,000
Foreign exchange gain	847,482,988	783,301,508
<b>Total</b>	<b>11,255,764,501</b>	<b>19,467,214,602</b>

**26. GENERAL AND ADMINISTRATION EXPENSES**

	<b>From 01/01/2018 to 30/06/2018</b>	<b>From 01/01/2017 to 30/06/2017</b>
	VND	VND
<b>General and administration expenses incurred in the period</b>		
Employees	18,551,286,394	15,890,420,186
Stationery	206,286,609	-
Depreciation and amortization	2,475,950,231	2,583,473,170
Taxes, fees and charges	22,498,728	-
Out-sources services	7,726,612,859	40,950,000
Provisions from bad debt	5,781,765	524,984,262
Others	-	8,320,858,515
<b>Total</b>	<b>28,988,416,586</b>	<b>27,360,686,133</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***27. CORPORATE INCOME TAX EXPENSE**

	From 01/01/2018 to 30/06/2018	From 01/01/2017 to 30/06/2017
	VND	VND
<b>Profit before tax</b>	<b>148,671,233,059</b>	<b>164,222,209,765</b>
<b>Adjustments for taxable income</b>	<b>1,854,431,698</b>	<b>(2,447,559,111)</b>
<b>Less: Non-taxable income</b>	<b>179,676,635</b>	<b>4,141,508,293</b>
- Dividend	-	4,104,000,000
- Unrealised foreign exchange gain of the current ye	179,676,635	37,508,293
<b>Add: Non- deductible expenses</b>	<b>2,034,108,333</b>	<b>1,693,949,182</b>
- Unreasonable expenses	2,034,108,333	1,693,949,182
<b>Taxable income</b>	<b>150,525,664,757</b>	<b>161,774,650,654</b>
Corporate income tax rate	10%	10%
<b>Current corporate income tax expense</b>	<b>15,052,566,476</b>	<b>16,177,465,065</b>

The Company has calculated the current corporation income tax based on the difference between accounting expenses and tax expenses which is VND 2,034,108,333. Corporation income tax payable of the Company will depend on the results of the tax authorities' examinations.

**28. BASIC EARNINGS PER SHARE**

	From 01/01/2018 to 30/06/2018	From 01/01/2017 to 30/06/2017
	VND	VND
Earnings to calculate basic earnings per share	133,618,666,583	148,044,744,700
Profit to calculate basic earnings per share	133,618,666,583	148,044,744,700
Weighted average number of ordinary shares used to calculate basic earnings per share	40,000,000	40,000,000
Basis earning per share	3,340	3,701
Face value per share	10,000	10,000

The Company has not planned to allocate the Bonus and welfare funds of 2018. The bonus and welfare allocated in 2017 will be eliminated to determine earnings per share (EPS) for the whole of 2017. The company has not deducted allocated bonus and welfare when calculate EPS for the first 6 months of 2017.

**29. FINANCIAL INSTRUMENTS****Capital risk management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and owners' shareholders equity (comprising capital, reserves and retained earnings). As at 30 June 2018, the leverage ratio was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	10,944,240,300	25,096,353,137
Less: Cash and cash equivalents	(117,788,443,551)	(23,419,210,144)
Net debt	-	-
Equity	1,011,892,226,038	977,773,559,455
Net debt to equity ratio	-	-

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***29. FINANCIAL INSTRUMENTS (Continued)****Significant accounting policies**

Details of significant accounting policies and methods adopted by the Company (including the criteria for recognition, basis for determination of value and basis for recognition of earnings and expenses) for each financial assets and liabilities are disclosed in Note 4.

Financial assets of the Company mainly include cash, deposits at credit institutions, receivables from customers, other receivables and other financial investments. Financial liabilities of the Company consist of loans, trade payables, accrued expenses and other short-term payables.

**Categories of financial instruments**

	Carrying value	
	Closing balance	Opening balance
	VND	VND
<b>Financial assets</b>		
Cash and cash equivalents	117,788,443,551	23,419,210,144
Trade and other receivables	77,006,575,145	65,100,462,699
Short-term financial investments	610,000,000,000	590,000,000,000
<b>Total</b>	<b>804,795,018,696</b>	<b>678,519,672,843</b>
<b>Financial liabilities</b>		
Borrowings	10,944,240,300	25,096,353,137
Trade and other payables	94,559,872,622	22,746,084,141
Accrued expenses	2,400,000,000	85,311,213
<b>Total</b>	<b>107,904,112,922</b>	<b>47,927,748,491</b>

The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

**Financial risk management objectives**

Financial risks include market risk and liquidity risk.

**Market risk**

The Company's activities expose it primarily to the market, including price risk, credit risk and other price risks.

*Credit risk*

Credit risk is the risk that a participant in a financial instrument or a contract in which the customer does not perform its obligations and make the Company suffer from financial loss. The Company will bear the credit risk primarily for trade accounts receivable and financial activities such as bank deposits.

For trade accounts receivable: The Company manages the risk of receivables based on the policies, audit procedures as well as provision for bad debts. The Company monitors closely receivables, analyst credit situation of each customer by time.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying financial statements***29. FINANCIAL INSTRUMENTS (Continued)***Credit risk (Continued)*

For bank deposits: The Company maintains its deposits at banks where the Company evaluates as reputable bank and has long-term relationship with the Company.

*Liquidity risk management*

This is a risk when the Company has difficulty in performing its financial obligations due to lack of funds, mainly due to financial assets and financial liabilities having different maturities. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year	From 1 year to 5 years	More than 5 years	Total
	VND	VND	VND	VND
<b>Closing balance</b>				
Cash and cash equivalents	117,788,443,551	-	-	117,788,443,551
Trade and other receivables	77,006,575,145	-	-	77,006,575,145
Short-term financial investments	610,000,000,000	-	-	610,000,000,000
<b>Total</b>	<b>804,795,018,696</b>	<b>-</b>	<b>-</b>	<b>804,795,018,696</b>
<b>Closing balance</b>				
Borrowings	10,944,240,300	-	-	10,944,240,300
Trade and other payables	94,559,872,622	-	-	94,559,872,622
Accrued expenses	2,400,000,000	-	-	2,400,000,000
<b>Total</b>	<b>107,904,112,922</b>	<b>-</b>	<b>-</b>	<b>107,904,112,922</b>
<b>Net liquidity gap</b>	<b>696,890,905,774</b>	<b>-</b>	<b>-</b>	<b>696,890,905,774</b>
	Less than 1 year	From 1 year to 5 years	More than 5 years	Total
	VND	VND	VND	VND
<b>Opening balance</b>				
Cash and cash equivalents	23,419,210,144	-	-	23,419,210,144
Trade and other receivables	65,100,462,699	-	-	65,100,462,699
Short-term financial investments	590,000,000,000	-	-	590,000,000,000
<b>Total</b>	<b>678,519,672,843</b>	<b>-</b>	<b>-</b>	<b>678,519,672,843</b>
<b>Opening balance</b>				
Borrowings	25,096,353,137	-	-	25,096,353,137
Trade and other payables	22,746,084,141	-	-	22,746,084,141
Accrued expenses	85,311,213	-	-	85,311,213
<b>Total</b>	<b>47,927,748,491</b>	<b>-</b>	<b>-</b>	<b>47,927,748,491</b>
<b>Net liquidity gap</b>	<b>630,591,924,352</b>	<b>-</b>	<b>-</b>	<b>630,591,924,352</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

## 29. FINANCIAL INSTRUMENTS (Continued)

*Liquidity risk management (Continued)*

The Board of Directors assessed the liquidity risk at average level. The Board of Directors believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

## 30. RELATED PARTY TRANSACTION AND BALANCES

*List of related parties with significant transactions and balances during the period was as follows:*

<u>Related parties</u>	<u>Relationship</u>
Port of Hai Phong JSC	Parent company
SITC- Dinh Vu Logistic Co., Ltd	Joint venture
Dinh Vu Logistic JSC	Associates
Members of Boards of Management and Director	

In addition to the transactions and balances with related parties as disclosed in Note 7, 15 and 22, there are other transactions with the related parties as follows:

	<u>From 01/01/2018 to 30/06/2018</u>	<u>From 01/01/2017 to 30/06/2017</u>
	VND	VND
<b>Purchase</b>		
Dinh Vu Logistic JSC	12,373,259,065	12,688,702,691
Port of Hai Phong JSC	677,451,575	1,064,992,971

**Remuneration of the Boards of Management and Directors**

	<u>From 01/01/2018 to 30/06/2018</u>	<u>From 01/01/2017 to 30/06/2017</u>
	VND	VND
Remuneration of Boards of Management and Directors	2,699,141,228	2,482,177,500

## 31. COMPARATIVE FIGURES

Comparative figure are those on the financial statements for the period from 1 January 2017 to 30 June 2017 and the financial statements for the year ended 31 December 2017 of the Company which were audited and reviewed by another auditing company.



Cao Văn Tinh  
General director  
Hai Phong, 13 August 2018

Doan Minh trung  
Chief Accountant

Le Thi Hai Thanh  
Preparer