

Danang Port Join Stock Company

Financial Statements

Quarter III 2018



Danang Port Joint Stock Company
General Information

**Enterprise Registration
Certificate No.**

0400101972

17 March 2015

The Company's Enterprise Registration Certificate has been amended four times, the most recent of which is by Enterprise Registration Certificate 0400101972 dated 17 March 2015. The Enterprise Registration Certificate was issued by Da Nang Department of Planning and Investment.

Board of Management

Mr. Tran Le Tuan	Chairman
Mr. Nguyen Huu Sia	Member
Mr. Le Quang Duc	Member
Mr. Phan Bao Loc	Member
Mr. Tran Tuan Hai	Member
Mr. Luong Dinh Minh	Member

Supervisory Board

Ms. Phan Thi Nhi Ha	Chairman
Mr. Le Duy Duong	Member
Ms. Tran Thi Kieu Oanh	Member

Board of Directors

Mr. Nguyen Huu Sia	General Director
Mr. Duong Duc Xuan	Deputy General Director
Mr. Le Quang Duc	Deputy General Director

Registered Office

26 Bach Dang Street, Thach Thang Ward
Hai Chau District, Da Nang City
Vietnam

Danang Port Joint Stock Company
Balance sheet as at 30 September 2018

Form B 01a – DN
Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

ASSETS	Code	Note	30/09/2018 VND	01/01/2018 VND
CURRENT ASSETS	100		490,580,676,509	298,846,610,264
Cash and cash equivalents	110	4	119,185,573,576	140,951,996,201
Cash	111		14,249,558,207	7,912,625,354
Cash equivalents	112		104,936,015,369	133,039,370,847
Short-term financial investments	120	5	206,679,300,000	1,200,000,000
Held-to-maturity investments	123		206,679,300,000	1,200,000,000
Accounts receivable – short-term	130		101,550,565,685	103,294,085,577
Accounts receivable from customers	131	6	94,674,783,770	69,115,769,586
Prepayments to suppliers	132	7	1,716,344,591	33,112,019,425
Other receivables	136	8	6,728,142,312	2,266,846,628
Allowance for doubtful debts	137	9	(1,568,704,988)	(1,200,550,062)
Inventories	140	10	9,379,594,309	9,540,430,753
Inventories	141		9,379,594,309	9,540,430,753
Other current assets	150		53,785,642,939	43,860,097,733
Short-term prepaid expenses	151	15	1,637,187,524	1,398,406,511
Deductible value added tax	152		52,148,455,415	42,461,691,222
LONG-TERM ASSETS	200		1,167,007,723,191	987,991,943,958
Fixed assets	220		1,082,030,115,061	493,025,283,111
Tangible fixed assets	221	11	981,446,372,643	392,465,112,124
Cost	222		1,955,453,026,218	1,282,531,144,077
Accumulated depreciation	223		(974,006,653,575)	(890,066,031,953)
Intangible fixed assets	227	12	100,583,742,418	100,560,170,987
Cost	228		103,313,070,987	103,283,070,987
Accumulated amortisation	229		(2,729,328,569)	(2,722,900,000)
Investment property	230	13	133,400,008	137,750,005
Cost	231		145,000,000	145,000,000
Accumulated depreciation	232		(11,599,992)	(7,249,995)
Long-term work in progress	240		52,648,902,015	462,489,573,464
Construction in progress	242	14	52,648,902,015	462,489,573,464
Long-term financial investments	250	5	32,032,445,149	32,052,445,149
Investments in associates	252		30,089,813,149	30,089,813,149
Equity investments in other entities	253		3,764,334,000	3,764,334,000
Allowance for diminution in the value of long-term financial investments	254		(1,821,702,000)	(1,801,702,000)
Other long-term assets	260		162,860,958	286,892,229
Long-term prepaid expenses	261	15	52,052,958	176,084,229
Long-term tools, supplies and spare parts	263		110,808,000	110,808,000
TOTAL ASSETS	270		1,657,588,399,700	1,286,838,554,222

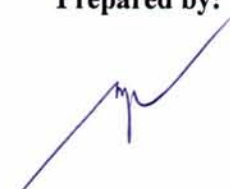
The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Balance sheet as at 30 September 2018 (continued)


Form B 01a – DN
Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

RESOURCES	Code	Note	30/09/2018 VND	01/01/2018 VND
LIABILITIES	300		439,160,435,465	416,487,606,006
Current liabilities	310		211,673,946,128	230,972,507,951
Accounts payable to suppliers	311	16	69,595,727,250	117,322,915,930
Advances from customers	312	17	8,135,214,814	11,393,012,016
Taxes payable to State Treasury	313	18	12,336,477,445	5,687,994,070
Payables to employees	314		51,282,796,625	42,936,477,310
Accrued expenses	315	19	3,467,058,932	1,132,621,017
Unearned revenue – short-term	318		-	29,113,637
Other payables – short-term	319	20	23,244,208,125	28,261,690,969
Short-term borrowings	320	22	16,079,612,791	11,886,338,986
Provisions – short-term	321	21	9,947,477,122	-
Bonus and welfare funds	322		17,585,373,024	12,322,344,016
Long-term liabilities	330		227,486,489,337	185,515,098,055
Long-term borrowings	338	22	224,318,451,163	182,270,019,931
Provisions – long-term	342	21	3,168,038,174	3,245,078,124
EQUITY	400		1,218,427,964,235	870,350,948,216
Owners' equity	410	23	1,218,427,964,235	870,350,948,216
Share capital	411		990,000,000,000	660,000,000,000
Ordinary shares with voting rights	411a		990,000,000,000	660,000,000,000
Share premium	412		(215,000,000)	-
Investment and development fund	418		157,162,317,406	112,277,977,776
Retained profits	421		71,480,646,829	98,072,970,440
Retained profits brought forward	421a		-	98,072,970,440
Retained profit for the current period	421b		71,480,646,829	-
TOTAL RESOURCES	440		1,657,588,399,700	1,286,838,554,222


Prepared by:


 Ngo Quoc Van
 Accountant

Approved by:


 Nguyen Ngoc Tam
 Head of Finance and Accounting Department




 Nguyen Huu Sia
 General Director

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of income for quarter III 2018

Form B 02a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

ITEMS	Code	Note	3 rd Quarter		Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND	Current year VND	Previous year VND
Revenue from sales of goods and provision of services	01	25	186,894,389,172	153,017,036,434	517,498,149,773	439,816,200,268
Revenue deductions	02		53,601,349	224,205,721	53,601,349	224,205,721
Net revenue	10		186,840,787,823	152,792,830,713	517,444,548,424	439,591,994,547
Cost of sales of goods and provision of services	11	26	119,095,043,478	97,688,257,061	333,667,057,025	279,735,635,403
Gross profit	20		67,745,744,345	55,104,573,652	183,777,491,399	159,856,359,144
Financial income	21	27	7,679,947,883	2,331,612,698	17,651,859,075	11,512,131,250
Financial expenses	22	28	3,771,584,285	1,370,822,750	12,521,713,259	7,200,755,867
<i>In which: Interest expense</i>	23		3,660,926,439	631,359,533	10,912,780,351	1,446,183,752
Selling expenses	24		357,245,156	573,780,897	1,517,759,638	1,537,524,613
General and administration expenses	25	29	13,719,484,277	15,026,937,851	37,898,267,762	42,502,879,944
Net operating profit	30		57,577,378,510	40,464,644,852	149,491,609,815	120,127,329,970
Other income	31	30	825,833,691	841,206,106	978,934,214	5,810,518,428
Other expenses	32		68,502,369	303,848,932	278,985,971	1,366,687,588
Results of other activities	40		757,331,322	537,357,174	699,948,243	4,443,830,840


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Danang Port Joint Stock Company
Statement of income for quarter III 2018 (continued)

Form B 02a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

ITEMS	Code	Note	3 rd Quarter		Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND	Current year VND	Previous year VND
Accounting profit before tax	50		58,334,709,832	41,002,002,026	150,191,558,058	124,571,160,810
Income tax expense – current	51		10,690,842,000	8,002,400,405	29,210,911,229	23,618,527,722
Net profit after tax	60		47,643,867,832	32,999,601,621	120,980,646,829	100,952,633,088
Earnings per share	70		481	500	1,222	1,530

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head of Finance and Accounting Department



Nguyen Huu Sia
General Director

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of cash flows for quarter III 2018
(Indirect method)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

ITEMS	Code	Note	Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		150,191,558,058	124,571,160,810
Adjustments for				
Depreciation and amortisation	02		83,951,400,188	76,573,562,280
Allowances and provisions	03		10,258,592,098	556,478,689
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		963,685,170	4,724,546,803
Profits from investing activities	05		(15,199,032,145)	(14,269,024,153)
Interest expense	06		10,912,780,351	1,446,183,752
Operating profit before changes in working capital	08		241,078,983,720	193,602,908,181
Change in receivables	09		5,336,472,705	10,159,074,184
Change in inventories	10		160,836,444	(1,544,198,963)
Change in payables and other liabilities	11		(50,293,027,647)	(12,487,649,809)
Change in prepaid expenses	12		(114,749,742)	(685,796,116)
Interest paid	14		(10,626,673,346)	(1,854,936,297)
Income tax paid	15		(21,481,934,147)	(23,733,788,417)
Other payments for operating activities	17		(8,325,601,802)	(8,073,407,067)
Net cash flows from operating activities	20		155,734,306,185	155,382,205,696
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(263,111,210,692)	(435,222,785,062)
Proceeds from disposals of fixed assets and other long-term assets	22		-	3,591,550,000
Loans granted, purchases of debt instruments of other entities	23		(206,679,300,000)	(73,401,722,717)
Collection of loans, proceeds from sales of debt instruments of other entities	24		1,200,000,000	182,193,647,161
Receipts of interests and dividends	27		9,876,762,015	7,531,252,095
Net cash flows from investing activities	30		(458,713,748,677)	(315,308,058,523)

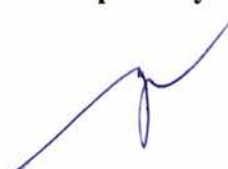
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Danang Port Joint Stock Company
Statement of cash flows for quarter III 2018
(Indirect method – continued)

Form B 03a – DN
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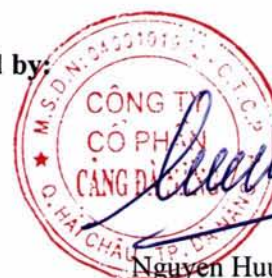
ITEMS	Code	Note	Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash receipt from issuance of bonds or capital contributed by shareholders	31		329,785,000,000	-
Proceeds from borrowings	33		117,816,506,924	53,366,199,479
Payments to settle loan principals	34		(72,541,170,910)	(14,214,084,893)
Payments of dividends	36		(93,850,000,000)	(33,000,000,000)
Net cash flows from financing activities	40		281,210,336,014	6,152,114,586
NET CASH FLOWS DURING THE PERIOD	50		(21,769,106,478)	(153,773,738,241)
Cash and cash equivalents at the beginning of the period	60	4	140,951,996,201	280,624,734,208
Effect of exchange rate fluctuations on cash and cash equivalents	61		2,683,853	(65,698,921)
Cash and cash equivalents at the end of the period	70	4	119,185,573,576	126,785,297,046

Prepared by:


 Ngo Quoc Van
 Accountant

Approved by:


 Nguyen Ngoc Tam
 Head of Finance and Accounting Department




 Nguyen Huu Sia
 General Director

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

Ownership structure

Danang Port Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam through transformation of the ownership form from a State-owned one-member limited liability company to a joint stock company under Decision No. 216/QĐ-HHVN dated 6 May 2014 of the Members’ Council of Vietnam National Shipping Lines.

Principal activities

In accordance with the Enterprise Registration Certificate of the Company, its registered activities comprise loading and unloading services, support services for waterway transportation and other transportation support services, warehousing and storage services, restaurant and catering services, trading of solid, liquid and gas fuels, retail of other goods in specialised shops and other services.

During the period, the Company’s principal activities include loading and unloading services, support services for waterway transportation and other transportation support services, warehousing and storage services.

Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

At as 30 September 2018, the Company had 655 employees (01/01/2018: 645 employees).

2. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting .

Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the indirect method.

Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

Accounting and presentation currency

The Company’s accounting currency is Vietnam Dong (“VND”), which is also the currency used for financial statement presentation purpose.

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

Form B 09a – DN

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3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Investments

Held-to-maturity investments

Held-to-maturity investments are those that the Company's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for doubtful debts

Investments in associates

Investments in associates are initially recognized at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Investments in equity instruments of other entities

Investments in equity instruments of other entities are initially recognized at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Company's management before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Company applies the perpetual method of accounting for inventories.

Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ Building	05 – 30 years
▪ Plant and machinery	05 – 20 years
▪ Motor and vehicles	05 – 10 years
▪ Office equipment	03 – 08 years
▪ Other assets	04 years

Intangible fixed assets

Land use rights

Land use rights comprise:

- Those granted by the State for which land use payments are collected; and
- Those acquired in a legitimate transfer.

Indefinite term land use rights are stated at cost and not amortised.

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 2 to 3 years.

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

Form B 09a – DN
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Investment property

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of Directors. Expenditure incurred after the investment property has been put into operation, such as repairs and maintenance, is charged to the statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property, the expenditure is capitalised as an additional cost of the investment property.

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

- Buildings: 25 years

Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

Prepaid expenses

Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis not over 2 years.

Business advantage

Business advantage arising from equalisation of state-owned enterprises are determined under Circular No. 202/2011/TT-BTC dated 30 December 2011 of the Ministry of Finance guiding financial treatment and enterprise valuation upon transformation from a 100% State-owned company into a joint stock company. Business advantage is amortised on over a period of 3 years.

Trade and other payables

Trade and other payables are stated at their cost.

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Severance allowance

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

Form B 09a – DN

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Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

Share capital

Ordinary shares

Ordinary shares are stated at par value. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognized as a deduction from share premium.

Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Revenue and other incomes

Goods sold

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognized at the net amount after deducting sales discounts stated on the invoice.

Services rendered

Revenue from services rendered is recognised in the statement of income after completion of the services. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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Rental income

Rental income from leased property is recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

Interest income

Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

Dividend income

Dividend income is recognized when the right to receive dividend is established. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the statement of income as an integral part of the total lease expense.

Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalized as part of the cost of the assets concerned.

Earnings per share

The Company presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Board of Directors determined that the Company primarily operates in only one business segment, which is port related services and one primary geographical segment, which is Vietnam, with similar economic, political and regulatory conditions.

Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018

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4. Cash and cash equivalents

	30/09/2018	01/01/2018
	VND	VND
Cash on hand	1,100,745,387	192,708,305
Cash in banks	13,148,812,820	7,719,917,049
Cash equivalents	104,936,015,369	133,039,370,847
Total	119,185,573,576	140,951,996,201

Danang Port Joint Stock Company
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5. Investments:

	30/09/2018 VND			01/01/2018 VND		
	Cost	Fair value	Allowance for diminution in value	Cost	Fair value	Allowance for diminution in value
Short-term investments	206,679,300,000	206,679,300,000	-	1,200,000,000	1,200,000,000	-
Held-to-maturity investments	206,679,300,000	206,679,300,000	-	1,200,000,000	1,200,000,000	-
Term deposits	206,679,300,000	206,679,300,000	-	1,200,000,000	1,200,000,000	-
Long-term investments	33,854,147,149	32,032,445,149	(1,821,702,000)	33,854,147,149	32,052,445,149	(1,801,702,000)
Investments in associates	30,089,813,149	30,089,813,149	-	30,089,813,149	30,089,813,149	-
Da Nang Port Logistics JSC	19,907,661,902	19,907,661,902	-	19,907,661,902	19,907,661,902	-
Da Nang Port Tugboat JSC	10,182,151,247	10,182,151,247	-	10,182,151,247	10,182,151,247	-
Equity investments in other entities	3,764,334,000	1,942,632,000	(1,821,702,000)	3,764,334,000	1,962,632,000	(1,801,702,000)
Vietnam Vinalines Logistics JSC	2,000,000,000	1,180,000,000	(820,000,000)	2,000,000,000	1,200,000,000	(800,000,000)
Vietnam Maritime Commercial Stock Bank	1,764,334,000	762,632,000	(1,001,702,000)	1,764,334,000	762,632,000	(1,001,702,000)

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	30/09/2018	01/01/2018
	VND	VND
Wanhai Lines Company Limited	6,208,810,440	5,383,268,173
Bien Dong Shipping Company Co.,LTD	5,387,750,337	2,867,340,842
Maersk Vietnam Company Limited	5,020,352,323	6,184,251,543
Thien Y Shipping Service Limited	4,289,704,058	-
SITC Container Lines Company Limited	3,539,293,130	3,420,489,671
Central Container JSC	3,208,487,755	2,547,860,313
Hoang Anh Khoi Company Limited	2,995,147,002	2,122,086,225
Vinafco Shipping JSC	2,924,830,226	3,277,663,015
CMA CGM Vietnam JSC	2,914,719,222	2,295,119,095
GLS Shipping JSC	2,803,807,006	1,570,542,598
Asiatrans Vietnam JSC	2,468,136,513	1,539,867,743
Dana-Uc Steel JSC	2,335,853,219	1,514,927,248
Other customers	50,577,892,539	36,392,353,120
Total	94,674,783,770	69,115,769,586

(b) Accounts receivable from customer who are related parties

	30/09/2018	01/01/2018
	VND	VND
Bien Dong Shipping Company Limited	5,387,750,337	2,867,340,842
Vinalines Container Shipping Company	1,605,664,040	2,711,999,586
Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency	2,106,188,749	393,955,020
Total	9,099,603,126	5,973,295,448

7. Prepayments to suppliers**Prepayments to suppliers detailed by significant suppliers**

	30/09/2018	01/01/2018
	VND	VND
Construction Consultation for Maritime Building JSC	427,751,254	624,309,474
Kocks Ardelt Kranbau GmbH	-	30,924,108,600
ECC Engineering and Construction Consultation JSC	91,261,928	273,789,960
Other suppliers	1,197,331,409	1,289,811,391
Total	1,716,344,591	33,112,019,425

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8. Other receivables

	30/09/2018	01/01/2018
	VND	VND
Advances	899,252,938	613,160,576
Accrued interest income	5,700,116,900	549,966,000
Receivables from employees	-	350,000,000
Dividends and profits receivable	-	140,000,000
Others	128,772,474	613,720,052
Total	6,728,142,312	2,266,846,628

Danang Port Join Stock Company
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9. Bad and doubtful debts

	Overdue period	30/09/2018 VND			Recoverable amount	Overdue period	01/01/2018 VND			Recoverable amount
		Cost	Allowance				Cost	Allowance		
Hoa Phuong Do Transport JSC	> 3 years	70,059,000	70,059,000	-	-	> 3 years	70,059,000	70,059,000	-	-
Tan Loc Xanh JSC	> 3 years	51,866,030	51,866,030	-	-	> 3 years	51,866,030	51,866,030	-	-
THA Construction, Trading and Services JSC	> 3 years	110,000,000	110,000,000	-	-	> 3 years	110,000,000	110,000,000	-	-
Long Bao An Production, Trading and Services Co., Ltd.	> 3 years	37,371,000	37,371,000	-	-	> 3 years	37,371,000	37,371,000	-	-
Dong Xanh JSC	> 3 years	63,122,695	63,122,695	-	-	> 3 years	63,122,695	63,122,695	-	-
Hai Nam Shipping Company Limited	> 3 years	20,343,020	20,343,020	-	-	> 3 years	20,343,020	20,343,020	-	-
Nam Van Ly Co., Ltd.	> 3 years	892,597,523	892,597,523	-	-	2-3 years	892,597,523	624,818,266	267,779,257	-
Hong Hoang Hong Investment JSC	2-3 years	16,000,000	11,200,000	4,800,000	-	2-3 years	16,000,000	11,200,000	4,800,000	-
Ong Huynh Khong	2-3 years	41,124,454	28,787,118	12,337,336	-	2-3 years	41,124,454	28,787,118	12,337,336	-
Dai Hiep Production, Trading and Services Co., Ltd.	2-3 years	361,609,866	253,126,906	108,482,960	-	1-2 years	361,609,866	180,804,933	180,804,933	-
Thang Long Construction and Mining Investment JSC	1-2 years	7,260,000	3,630,000	3,630,000	-	6 months	7,260,000	2,178,000	5,082,000	-
Lung Lo – VCCP Investment JSC	6 months	88,672,320	26,601,696	62,070,624	-	- 1 year	88,672,320	-	88,672,320	-
	- 1 year				-	Not overdue				-
Total		1,760,025,908	1,568,704,988	191,320,920			1,760,025,908	1,200,550,062	559,475,846	

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	30/09/2018		01/01/2018	
	VND		VND	
	Cost	Allowance	Cost	Allowance
Raw materials	8,957,892,599	-	9,194,131,471	-
Tools and supplies	191,141,701	-	187,213,586	-
Merchandise inventories	230,560,009	-	159,085,696	-
Total	9,379,594,309	-	9,540,430,753	-

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 2018 (continued)

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11. Tangible fixed assets

	Buildings VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	616,108,208,828	559,336,680,241	94,854,550,689	10,414,089,083	1,817,615,236	1,282,531,144,077
Increase	466,471,629,115	204,839,092,780	895,909,092	715,251,154	-	672,921,882,141
Closing balance	1,082,579,837,943	764,175,773,021	95,750,459,781	11,129,340,237	1,817,615,236	1,955,453,026,218
Accumulated depreciation						
Opening balance	438,491,671,615	347,236,864,988	92,474,237,922	10,094,029,583	1,769,227,845	890,066,031,953
Charge for the period	39,940,603,740	41,886,463,140	1,867,495,588	232,840,584	13,218,570	83,940,621,622
Closing balance	478,432,275,355	389,123,328,128	94,341,733,510	10,326,870,167	1,782,446,415	974,006,653,575
Net book value						
Opening balance	177,616,537,213	212,099,815,253	2,380,312,767	320,059,500	48,387,391	392,465,112,124
Closing balance	604,147,562,588	375,052,444,893	1,408,726,271	802,470,070	35,168,821	981,446,372,643

Included in tangible fixed assets were assets costing VND433,816 million which were fully depreciated as of 30 September 2018 (01/01/2018: VND376,073 million), but which are still in active use.

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	100,560,170,987	2,722,900,000	103,283,070,987
Increase	-	30,000,000	30,000,000
Closing balance	100,560,170,987	2,752,900,000	103,313,070,987
Accumulated depreciation			
Opening balance	-	2,722,900,000	2,722,900,000
Charge for the period	-	6,428,569	6,428,569
Closing balance	-	2,729,328,569	2,729,328,569
Net book value			
Opening balance	100,560,170,987	-	100,560,170,987
Closing balance	100,560,170,987	23,571,431	100,583,742,418

Included in intangible fixed assets were assets costing VND2,723 million which were fully amortised as of 30 September 2018 (01/01/2018: VND2,723 million), but which are still in use.

13. Investment property

	Buildings VND	Total VND
Cost		
Opening balance	145,000,000	145,000,000
Increase	-	-
Closing balance	145,000,000	145,000,000
Accumulated depreciation		
Opening balance	7,249,995	7,249,995
Charge for the period	4,349,997	4,349,997
Closing balance	11,599,992	11,599,992
Net book value		
Opening balance	137,750,005	137,750,005
Closing balance	133,400,008	133,400,008

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***14. Construction in progress**

	30/09/2018 VND	01/01/2018 VND
Tien Sa Port Upgrading/Expansion Project - Phase 2	46,313,760,719	456,479,077,349
Logistics Center in Hoa Vang	5,464,269,026	5,464,269,026
Others	870,872,270	546,227,089
Total	52,648,902,015	462,489,573,464

15. Prepaid expenses

	30/09/2018 VND	01/01/2018 VND
Short-term	1,637,187,524	1,398,406,511
Tools and instruments	133,009,075	432,927,095
Insurance fees	1,261,930,598	742,406,326
Others	242,247,851	223,073,090
Long-term	52,052,958	176,084,229
Tools and instruments	52,052,958	176,084,229

16. Accounts payable to suppliers**(a) Accounts payable to suppliers detailed by significant suppliers**

	30/09/2018 VND		01/01/2018 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Phu Xuan Construction and Consultant JSC	37,473,150,389	37,473,150,389	54,408,034,794	54,408,034,794
Hanoi Water Construction JSC	15,165,573,119	15,165,573,119	27,248,504,570	27,248,504,570
Huynh Thy Trading and Services Co., Ltd.	-	-	19,883,524,416	19,883,524,416
Da Nang Port Tugboat JSC	6,928,274,818	6,928,274,818	7,523,020,534	7,523,020,534
Da Nang Port Logistics JSC	2,555,033,367	2,555,033,367	2,226,238,685	2,226,238,685
Petroleum Co., Ltd. – Region V	943,311,392	943,311,392	605,410,519	605,410,519
Others	6,530,384,165	6,530,384,165	5,428,182,412	5,428,182,412
Total	69,595,727,250	69,595,727,250	117,322,915,930	117,322,915,930

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	30/09/2018 VND		01/01/2018 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	6,928,274,818	6,928,274,818	7,523,020,534	7,523,020,534
Da Nang Port Logistics JSC	2,555,033,367	2,555,033,367	2,226,238,685	2,226,238,685
Total	9,483,308,185	9,483,308,185	9,749,259,219	9,749,259,219

17. Short-term advances from customers**Short-term advances from customers detailed by significant amount**

	30/09/2018 VND		01/01/2018 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
MACS Maritime JSC	7,277,903,412	7,277,903,412	11,209,538,319	11,209,538,319
Other customers	857,311,402	857,311,402	183,473,697	183,473,697
Total	8,135,214,814	8,135,214,814	11,393,012,016	11,393,012,016

18. Taxes and others payable to State Treasury

	Opening balance VND	Incurred VND	Paid/ deducted VND	Closing balance VND
Value added tax	-	51,518,129,748	51,518,129,748	-
Corporate income tax	2,961,864,918	29,210,911,229	21,481,934,147	10,690,842,000
Personal income tax	2,726,129,152	5,119,163,812	7,106,363,908	738,929,056
Land tax	-	2,881,119,077	1,974,412,688	906,706,389
Others	-	1,835,013,111	1,835,013,111	-
Total	5,687,994,070	90,564,336,977	83,915,853,602	12,336,477,445

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	30/09/2018	01/01/2018
	VND	VND
Interest expense	1,418,728,022	1,132,621,017
Other accrued expenses	2,048,330,910	-
Total	3,467,058,932	1,132,621,017

20. Other payables – short-term

	30/09/2018	01/01/2018
	VND	VND
Subsidies for demolition and relocation	1,597,938,600	1,597,938,600
Trade union fees	562,085,753	996,328,777
Subsidies for discontinued production to employees	382,427,460	382,427,460
Dividend payables	20,000,277,082	24,750,277,082
Others	701,479,230	534,719,050
Total	23,244,208,125	28,261,690,969

21. Provisions

	30/09/2018	01/01/2018
	VND	VND
Short-term provisions	9,947,477,122	-
Uniforms	3,200,000,000	-
Provision for repair costs	6,747,477,122	-
Long-term provisions	3,168,038,174	3,245,078,124
Severance allowance	3,168,038,174	3,245,078,124

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22. Borrowings

	30/09/2018 VND		01/01/2018 VND	
	Amount	Amount within repayment capacity	Amount	Amount within repayment capacity
Short-term borrowings	16,079,612,791	16,079,612,791	11,886,338,986	11,886,338,986
Vietnam Development Bank – Da Nang Branch (JPY)	12,079,612,791	12,079,612,791	11,886,338,986	11,886,338,986
Da Nang Development and Investment Fund (VND)	4,000,000,000	4,000,000,000	-	-
Long-term borrowings	224,318,451,163	224,318,451,163	182,270,019,931	182,270,019,931
Vietnam Development Bank – Da Nang Branch (JPY)	48,318,451,163	48,318,451,163	59,431,694,931	59,431,694,931
Da Nang Development and Investment Fund (VND)	176,000,000,000	176,000,000,000	122,838,325,000	122,838,325,000
Total	240,398,063,954	240,398,063,954	194,156,358,917	194,156,358,917

23. Changes in owners' equity

	Shared capital VND	Share premium VND	Investment and Development fund VND	Retained profits VND	Total VND
Opening balance	660,000,000,000	-	112,277,977,776	98,072,970,440	870,350,948,216
Increase during the period	330,000,000,000	-	44,884,339,630	120,980,646,829	495,864,986,459
Decrease during the period	-	(215,000,000)	-	(147,572,970,440)	(147,787,970,440)
Closing balance	990,000,000,000	(215,000,000)	157,162,317,406	71,480,646,829	1,218,427,964,235

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***Details of owners' equity are as follows:**

	30/09/2018		01/01/2018	
	VND		VND	
Vietnam National Shipping Lines	742,500,000,000	75%	495,000,000,000	75%
Others	247,500,000,000	25%	165,000,000,000	25%
Total	990,000,000,000		660,000,000,000	

24. Off balance sheet items**Foreign currencies**

	30/09/2018	01/01/2018
USD	7,681.63	7,691.53
JPY	44,000.00	-

25. Revenue from sales of goods and provision of services

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax.

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Revenue from sales of goods	9,364,484,602	-
Revenue from provision of services	508,133,665,171	439,816,200,268
Total	517,498,149,773	439,816,200,268

26. Cost of sales

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Cost of goods sold	8,944,361,001	-
Cost of provision of services	324,722,696,024	279,735,635,403
Total	333,667,057,025	279,735,635,403

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Interest income from deposits	10,787,323,345	7,340,677,268
Dividends	4,411,708,800	3,729,937,000
Foreign exchange gains	2,452,826,930	441,516,982
Total	17,651,859,075	11,512,131,250

28. Financial expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Foreign exchange losses	1,588,932,908	6,027,825,189
Interest expense	10,912,780,351	1,446,183,752
Provision/(reversal) of allowance for diminution in the value of investments	20,000,000	(280,000,000)
Other expenses	-	6,746,926
Total	12,521,713,259	7,200,755,867

29. General and administration expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Salary and salary deductions expenses	24,633,918,859	21,757,581,331
Depreciation and amortisation expenses	806,231,278	1,153,452,798
Outside services expenses	881,631,496	1,434,057,460
Materials and office supplies expenses	747,081,488	884,166,195
Provision of allowance for doubtful debts	368,154,926	318,633,148
Other expenses	10,461,249,715	16,954,989,012
Total	37,898,267,762	42,502,879,944

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2018 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Bonus for ship unloading capacity	115,247,178	1,108,937,230
Income from disposal of fixed assets	-	3,702,681,817
Others	863,687,036	998,899,381
Total	978,934,214	5,810,518,428

31. Trading and business costs by element

	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Salary and salary deductions expenses	135,954,634,301	112,741,234,416
Depreciation and amortisation expenses	83,951,400,188	76,569,212,283
Outside services expenses	85,378,876,555	69,472,914,188
Materials and office supplies expenses	19,070,673,933	19,439,355,457
Provision of allowance for doubtful debts	368,154,926	318,633,148
Other expenses	48,359,344,522	45,234,690,468

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32. Significant transactions with related parties


In addition to related party balances disclosed in other notes to the financial statements, the Company had the following significant transactions with related parties during the period:

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Parent company		
<i>Vietnam National Shipping Lines</i>		
Dividends paid	71,575,000,000	24,750,000,000
Related companies		
<i>Danang Port Logistics JSC</i>		
Sales of goods and services	2,450,844,354	3,378,971,785
Purchase of goods and services	16,408,753,825	17,118,926,540
<i>Danang Port Tugboat JSC</i>		
Sales of goods and services	3,158,483,175	200,008,545
Purchase of goods and services	42,179,726,352	37,183,149,974
<i>Bien Dong Shipping Company Limited</i>		
Sales of services	12,432,096,730	15,499,872,173
<i>Vinalines Container Shipping Company</i>		
Sales of services	2,838,708,187	9,553,477,357
<i>Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency</i>		
Sales of services	6,007,618,381	5,530,930,444
<i>Vietnam Ocean Shipping JSC (VOSCO)</i>		
Sales of services	17,580,000	618,520,479
Members of Board of Directors and Board of Management		
Compensation	3,400,903,097	3,902,219,067

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Head of Finance and Accounting Department


Nguyen Huu Sia
General Director