

Danang Port Join Stock Company

Financial Statements

Quarter I 2019

Danang Port Joint Stock Company

General Information

Enterprise Registration Certificate No.

0400101972

14 February 2019

The Company's Enterprise Registration Certificate has been amended six times, the most recent of which is by Enterprise Registration Certificate 0400101972 dated 14 February 2019. The Enterprise Registration Certificate was issued by Da Nang Department of Planning and Investment.

Board of Management

Mr. Tran Le Tuan	Chairman
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	Chief
Mr. Le Duy Duong	Member
Ms. Tran Thi Kieu Oanh	Member

Board of Directors

Mr. Tran Le Tuan	Acting 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 31 March 2019

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

ASSETS	Code	Note	31/03/2019 VND	01/01/2019 VND
CURRENT ASSETS	100		438,022,980,742	473,510,432,353
Cash and cash equivalents	110	4	82,867,303,640	138,034,815,704
Cash	111		9,132,578,287	4,604,364,983
Cash equivalents	112		73,734,725,353	133,430,450,721
Short-term financial investments	120	5	191,142,809,589	179,760,217,808
Held-to-maturity investments	123		191,142,809,589	179,760,217,808
Accounts receivable – short-term	130		106,238,523,517	97,310,360,889
Accounts receivable from customers	131	6	100,207,634,455	90,630,649,632
Prepayments to suppliers	132	7	2,114,464,785	3,009,978,098
Other receivables	136	8	5,266,874,159	5,020,183,041
Allowance for doubtful debts	137	9	(1,350,449,882)	(1,350,449,882)
Inventories	140	10	9,191,183,859	9,182,867,075
Inventories	141		9,191,183,859	9,182,867,075
Other current assets	150		48,583,160,137	49,222,170,877
Short-term prepaid expenses	151	15	2,775,291,721	1,352,831,895
Deductible value added tax	152		45,807,868,416	47,869,338,982
LONG-TERM ASSETS	200		1,128,148,389,371	1,152,892,932,914
Fixed assets	220		1,089,523,435,460	1,114,865,152,013
Tangible fixed assets	221	11	988,753,048,599	1,014,072,373,485
Cost	222		2,034,595,596,047	2,027,390,537,686
Accumulated depreciation	223		(1,045,842,547,448)	(1,013,318,164,201)
Intangible fixed assets	227	12	100,770,386,861	100,792,778,528
Cost	228		103,551,770,987	103,551,770,987
Accumulated amortisation	229		(2,781,384,126)	(2,758,992,459)
Investment property	230	13	130,500,010	131,950,009
Cost	231		145,000,000	145,000,000
Accumulated depreciation	232		(14,499,990)	(13,049,991)
Long-term work in progress	240		6,421,823,263	5,798,207,662
Construction in progress	242	14	6,421,823,263	5,798,207,662
Long-term financial investments	250	5	31,911,510,949	31,911,510,949
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		(1,942,636,200)	(1,942,636,200)
Other long-term assets	260		161,119,689	186,112,281
Long-term prepaid expenses	261	15	50,311,689	75,304,281
Long-term tools, supplies and spare parts	263		110,808,000	110,808,000
TOTAL ASSETS	270		1,566,171,370,113	1,626,403,365,267

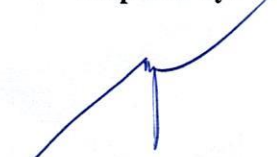
The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Balance sheet as at 31 March 2019 (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	31/03/2019 VND	01/01/2019 VND
LIABILITIES	300		300,659,025,735	401,876,648,118
Current liabilities	310		103,902,993,347	199,175,294,866
Accounts payable to suppliers	311	16	42,672,008,056	95,964,873,258
Advances from customers	312	17	3,696,371,232	5,445,986,705
Taxes payable to State Treasury	313	18	11,162,857,553	11,443,787,086
Payables to employees	314		19,083,862,334	36,227,093,120
Accrued expenses	315	19	329,513,855	1,516,952,820
Unearned revenue – short-term	318		-	18,500,000
Other payables – short-term	319	20	3,091,307,743	23,150,158,059
Short-term borrowings	320	22	12,469,761,775	12,383,328,770
Bonus and welfare funds	322		11,397,310,799	13,024,615,048
Long-term liabilities	330		196,756,032,388	202,701,353,252
Long-term borrowings	338	22	193,644,166,214	199,533,315,078
Provisions – long-term	342	21	3,111,866,174	3,168,038,174
EQUITY	400		1,265,512,344,378	1,224,526,717,149
Owners' equity	410	23	1,265,512,344,378	1,224,526,717,149
Share capital	411		990,000,000,000	990,000,000,000
Ordinary shares with voting rights	411a		990,000,000,000	990,000,000,000
Share premium	412		(215,000,000)	(215,000,000)
Investment and development fund	418		157,162,317,406	157,162,317,406
Retained profits	421		118,565,026,972	77,579,399,743
Retained profits brought forward	421a		77,579,399,743	-
Retained profit for the current year	421b		40,985,627,229	77,579,399,743
TOTAL RESOURCES	440		1,566,171,370,113	1,626,403,365,267

Prepared by:


 Ngo Quoc Van
 Accountant

Approved by:


 Nguyen Ngoc Tam
 Head of Finance and Accounting Department




 Tran Le Tuan
 Acting General Director

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of income for quarter I 2019

Mẫu B 02a – DN
*(Ban hành theo Thông tư số 200/2014/TT-BTC
ngày 22/12/2014 của Bộ Tài chính)*

ITEMS	Code	Note	1 st Quarter	
			Current year VND	Previous year VND
Revenue from sales of goods and provision of services	01	25	172,321,402,999	161,622,754,378
Revenue deductions	02		-	-
Net revenue	10		172,321,402,999	161,622,754,378
Cost of sales of goods and provision of services	11	26	108,799,655,269	100,228,210,657
Gross profit	20		63,521,747,730	61,394,543,721
Financial income	21	27	3,372,267,542	2,742,028,831
Financial expenses	22	28	2,608,406,381	8,195,864,470
<i>In which: Interest expense</i>	23		2,101,522,904	3,248,380,559
Selling expenses	24		673,193,535	881,860,785
General and administration expenses	25	29	12,550,833,158	10,988,396,039
Net operating profit	30		51,061,582,198	44,070,451,258
Other income	31	30	32,424,000	122,709,614
Other expenses	32		589,689	49,883,602
Results of other activities	40		31,834,311	72,826,012
Accounting profit before tax	50		51,093,416,509	44,143,277,270
Income tax expense – current	51		10,107,789,280	8,610,407,941
Net profit after tax	60		40,985,627,229	35,532,869,329
Earnings per share	70		414	538

Prepared by:

Ngo Quoc Van
Accountant

Approved by:




Nguyen Ngoc Tam Tran Le Tuan
Head of Finance and Accounting Department Acting General Director



Danang Port Joint Stock Company
Statement of cash flows for quarter I 2019
(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	1 st Quarter	
			Current year VND	Previous year VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		51,093,416,509	44,143,277,270
Adjustments for				
Depreciation and amortisation	02		32,548,224,913	28,125,137,648
Allowances and provisions	03		(56,172,000)	-
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		388,948,526	4,802,420,436
Profits from investing activities	05		(3,301,233,354)	(2,652,354,139)
Interest expense	06		2,101,522,904	3,248,380,559
Operating profit before changes in working capital	08		82,774,707,498	77,666,861,774
Change in receivables	09		(4,234,587,792)	25,602,275,978
Change in inventories	10		(8,316,784)	177,182,366
Change in payables and other liabilities	11		(77,096,127,948)	349,048,961,870
Change in prepaid expenses	12		(1,397,467,234)	(896,329,743)
Interest paid	14		(3,288,961,869)	(3,038,167,839)
Income tax paid	15		(7,382,956,891)	(2,961,864,918)
Other payments for operating activities	17		(1,657,304,249)	(1,458,563,080)
Net cash flows from operating activities	20		(12,291,015,269)	444,140,356,408
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(7,828,673,962)	(130,101,276,648)
Loans granted, purchases of debt instruments of other entities	23		(61,782,591,781)	(400,000,000)
Collection of loans, proceeds from sales of debt instruments of other entities	24		50,400,000,000	-
Receipts of interests and dividends	27		2,326,433,333	-
Net cash flows from investing activities	30		(16,884,832,410)	(130,501,276,648)

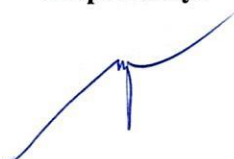
The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of cash flows for quarter I 2019
(Indirect method – continued)

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

ITEMS	Code	Note	1 st Quarter	
			Current year VND	Previous year VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		-	92,161,675,000
Payments to settle loan principals	34		(6,191,664,385)	(10,943,169,493)
Payments of dividends	36		(19,800,000,000)	-
Net cash flows from financing activities	40		(25,991,664,385)	81,218,505,507
NET CASH FLOWS DURING THE PERIOD	50		(55,167,512,064)	394,857,585,267
Cash and cash equivalents at the beginning of the period	60	4	138,034,815,704	140,951,996,201
Effect of exchange rate fluctuations on cash and cash equivalents	61		-	913,793
Cash and cash equivalents at the end of the period	70	4	82,867,303,640	535,810,495,261

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head of Finance and Accounting Department



Tran Le Tuan
Acting General Director

The accompanying notes are an integral part of these financial statements

Danang Port Join Stock Company
Notes to the financial statements for quarter I 2019

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 Join 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/QD-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 31 March 2019, the Company had 649 employees (01/01/2019: 653 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 IV 2018 (continued)

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

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 IV 2018 (continued)

Form B 09a – DN
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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	04 – 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 IV 2018 (continued)

Form B 09a – DN

*(Issued under Circular No. 200/2014/TT-BTC
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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 IV 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 Join Stock Company
Notes to the financial statements for quarter IV 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 I 2019

Form B 09a – DN
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4. Cash and cash equivalents

	31/03/2019	01/01/2019
	VND	VND
Cash on hand	1,512,178,579	190,707,258
Cash in banks	7,620,399,708	4,413,657,725
Cash equivalents	73,734,725,353	133,430,450,721
Total	82,867,303,640	138,034,815,704

Danang Port Join Stock Company
Notes to the financial statements for quarter I 2019 (continued)

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

5. Investments:

	31/03/2019 VND			01/01/2019 VND		
	Cost	Fair value	Allowance for diminution in value	Cost	Fair value	Allowance for diminution in value
Short-term investments	191,142,809,589	191,142,809,589	-	179,760,217,808	179,760,217,808	-
Held-to-maturity investments	191,142,809,589	191,142,809,589	-	179,760,217,808	179,760,217,808	-
Term deposits	191,142,809,589	191,142,809,589	-	179,760,217,808	179,760,217,808	-
Long-term investments	33,854,147,149	31,911,510,949	(1,942,636,200)	33,854,147,149	31,911,510,949	(1,942,636,200)
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	1,821,697,800	(1,942,636,200)	3,764,334,000	1,821,697,800	(1,942,636,200)
Vietnam Vinalines Logistics JSC	2,000,000,000	1,017,363,800	(982,636,200)	2,000,000,000	1,017,363,800	(982,636,200)
Vietnam Maritime Commercial Stock Bank	1,764,334,000	804,334,000	(960,000,000)	1,764,334,000	804,334,000	(960,000,000)

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6. Accounts receivable from customers - short-term

(a) Accounts receivable from customers detailed by significant customer

	31/03/2019	01/01/2019
	VND	VND
Wanhai Lines Company Limited	5,275,791,410	6,504,891,975
Bien Dong Shipping Company Co.,LTD	3,377,746,753	5,043,522,167
Maersk Vietnam Company Limited	5,027,932,444	5,348,407,100
Thien Y Shipping Service Limited	7,099,648,604	4,657,423,126
Vinalines Shipping Company	4,234,904,215	51,805,475
SITC Container Lines Company Limited	4,037,011,423	3,618,177,996
Central Container JSC	2,366,728,283	2,493,171,162
Hoang Anh Khoi Company Limited	4,090,828,676	3,438,907,130
Vinafco Shipping JSC	3,793,360,208	3,781,856,067
CMA CGM Vietnam JSC	3,983,201,744	3,338,361,345
GLS Shipping JSC	4,221,672,564	3,311,479,616
Yang Ming Marine Transport Corp	2,323,780,166	2,791,272,920
Other customers	50,375,027,965	46,251,373,553
Total	100,207,634,455	90,630,649,632

(b) Accounts receivable from customer who are related parties

	31/03/2019	01/01/2019
	VND	VND
Bien Dong Shipping Company Limited	3,377,746,753	5,043,522,167
Vinalines Container Shipping Company	1,461,935,026	1,461,935,026
Vinalines Shipping Company	4,234,904,215	51,805,475
Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency	942,472,005	766,102,806
Total	10,017,057,999	7,323,365,474

7. Prepayments to suppliers

Prepayments to suppliers detailed by significant suppliers

	31/03/2019	01/01/2019
	VND	VND
Construction Consultation for Maritime Building JSC	570,906,505	594,453,868
CiCa Vietnam Company Limited	-	1,492,000,000
Other suppliers	1,543,558,280	923,524,230
Total	2,114,464,785	3,009,978,098

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8. Other receivables

	31/03/2019	01/01/2019
	VND	VND
Advances	750,084,021	376,885,071
Accrued interest income	3,659,908,300	4,073,538,200
Receivables from employees	534,145,000	314,450,000
Dividends and profits receivable	-	140,000,000
Others	322,736,838	115,309,770
Total	5,266,874,159	5,020,183,041

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9. Bad and doubtful debts

	31/03/2019				01/01/2019			
	Overdue period	Cost	Allowance	Recoverable amount	Overdue period	Cost	Allowance	Recoverable amount
			VND				VND	
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	-	> 3 years	892,597,523	892,597,523	-
Hong Hoang Hong Investment JSC	> 3 years	16,000,000	16,000,000	-	> 3 years	16,000,000	16,000,000	-
Ong Huynh Khong	> 3 years	41,124,454	41,124,454	-	> 3 years	41,124,454	41,124,454	-
Thang Long Construction and Mining Investment JSC	1-2 years	7,260,000	3,630,000	3,630,000	1-2 years	7,260,000	3,630,000	3,630,000
Lung Lo – VCCP Investment JSC	1-2 years	88,672,320	44,336,160	44,336,160	1-2 years	88,672,320	44,336,160	44,336,160
Total		1,398,416,042	1,350,449,882	47,966,160		1,398,416,042	1,350,449,882	47,966,160

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10. Inventories

	31/03/2019		01/01/2019	
	VND		VND	
	Cost	Allowance	Cost	Allowance
Raw materials	8,855,963,970	-	9,559,933,007	-
Tools and supplies	162,865,916	-	162,759,251	-
Merchandise inventories	172,353,973	-	89,952,812	-
Total	9,191,183,859	-	9,812,645,070	-

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Notes to the financial statements for quarter I 2019 (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	1,130,611,332,107	786,665,447,324	96,646,368,873	11,649,774,146	1,817,615,236	2,027,390,537,686
Increase	-	418,876,545	6,786,181,816	-	-	7,205,058,361
Closing balance	1,130,611,332,107	787,084,323,869	103,432,550,689	11,649,774,146	1,817,615,236	2,034,595,596,047
Accumulated depreciation						
Opening balance	496,367,414,580	410,109,072,664	94,587,508,707	10,467,315,645	1,786,852,605	1,013,318,164,201
Charge for the period	14,314,713,908	17,859,439,040	218,025,354	127,798,755	4,406,190	32,524,383,247
Closing balance	510,682,128,488	427,968,511,704	94,805,534,061	10,595,114,400	1,791,258,795	1,045,842,547,448
Net book value						
Opening balance	634,243,917,527	376,556,374,660	2,058,860,166	1,182,458,501	30,762,631	1,014,072,373,485
Closing balance	619,929,203,619	359,115,812,165	8,627,016,628	1,054,659,746	26,356,441	988,753,048,599

Included in tangible fixed assets were assets costing VND452,141 million which were fully depreciated as of 31 March 2019 (01/01/2019: VND445,034 million), but which are still in active use.

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12. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	100,560,170,987	2,991,600,000	103,551,770,987
Increase	-	-	-
Closing balance	100,560,170,987	2,991,600,000	103,551,770,987
Accumulated depreciation			
Opening balance	-	2,758,992,459	2,758,992,459
Charge for the period	-	22,391,667	22,391,667
Closing balance	-	2,781,384,126	2,781,384,126
Net book value			
Opening balance	100,560,170,987	232,607,541	100,792,778,528
Closing balance	100,560,170,987	210,215,874	100,770,386,861

Included in intangible fixed assets were assets costing VND2,723 million which were fully amortised as of 31 March 2019 (01/01/2019: 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	13,049,991	13,049,991
Charge for the period	1,449,999	1,449,999
Closing balance	14,499,990	14,499,990
Net book value		
Opening balance	131,950,009	131,950,009
Closing balance	130,500,010	130,500,010

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14. Construction in progress

	31/03/2019 VND	01/01/2019 VND
Tien Sa Port Upgrading/Expansion Project - Phase 2	604,555,419	-
Logistics Center in Hoa Vang	5,464,269,026	5,464,269,026
Others	352,998,818	333,938,636
Total	6,421,823,263	5,798,207,662

15. Prepaid expenses

	31/03/2019 VND	01/01/2019 VND
Short-term	2,775,291,721	1,352,831,895
Tools and instruments	477,098,719	297,360,090
Insurance fees	2,022,085,089	877,468,205
Others	276,107,913	178,003,600
Long-term	50,311,689	75,304,281
Tools and instruments	50,311,689	75,304,281

16. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	31/03/2019 VND		01/01/2019 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Phu Xuan Construction and Consultant JSC	17,389,124,873	17,389,124,873	56,614,078,218	56,614,078,218
Hanoi Water Construction JSC	5,870,410,649	5,870,410,649	18,041,827,094	18,041,827,094
Cica Vietnam Co., Ltd.	5,968,000,000	5,968,000,000	-	-
Da Nang Port Tugboat JSC	7,236,531,447	7,236,531,447	7,526,732,643	7,526,732,643
Da Nang Port Logistics JSC	2,024,214,403	2,024,214,403	3,575,753,731	3,575,753,731
Petroleum Co., Ltd. – Region V	1,456,386,545	1,456,386,545	1,161,643,925	1,161,643,925
Others	2,727,340,139	2,727,340,139	9,044,837,647	9,044,837,647
Total	42,672,008,056	42,672,008,056	95,964,873,258	95,964,873,258

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(b) Accounts payable to suppliers who are related parties

	31/03/2019 VND		01/01/2019 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	7,236,531,447	7,236,531,447	7,526,732,643	7,526,732,643
Da Nang Port Logistics JSC	2,024,214,403	2,024,214,403	3,575,753,731	3,575,753,731
Total	9,260,745,850	9,260,745,850	11,102,486,374	11,102,486,374

17. Short-term advances from customers

Short-term advances from customers detailed by significant amount

	31/03/2019 VND		01/01/2019 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
MACS Maritime JSC	3,349,990,954	3,349,990,954	5,246,566,142	5,246,566,142
Other customers	346,380,278	346,380,278	199,420,563	199,420,563
Total	3,696,371,232	3,696,371,232	5,445,986,705	5,445,986,705

18. Taxes and others payable to State Treasury

	Opening balance VND	Incurred VND	Paid/ deducted VND	Closing balance VND
Value added tax	-	9,467,547,841	9,467,547,841	-
Corporate income tax	7,294,446,794	10,107,789,280	7,382,956,891	10,019,279,183
Personal income tax	2,216,994,840	3,883,786,482	5,863,909,338	236,871,984
Land tax	1,764,027,660	906,706,386	1,764,027,660	906,706,386
Others	168,317,792	4,000,000	172,317,792	-
Total	11,443,787,086	24,369,829,989	24,650,759,522	11,162,857,553

Danang Port Joint Stock Company**Notes to the financial statements for quarter I 2019 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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	31/03/2019	01/01/2019
	VND	VND
Interest expense	329,513,855	1,516,952,820
Total	329,513,855	1,516,952,820

20. Other payables – short-term

	31/03/2019	01/01/2019
	VND	VND
Subsidies for demolition and relocation	1,597,938,600	1,597,938,600
Trade union fees	387,536,735	505,132,741
Subsidies for discontinued production to employees	382,427,460	382,427,460
Dividend payables	277,082	19,800,277,082
Others	723,127,866	769,094,155
Total	3,091,307,743	23,054,870,038

21. Long-term provisions

	31/03/2019	01/01/2019
	VND	VND
Severance allowance	3,111,866,174	3,168,038,174
Total	3,111,866,174	3,168,038,174

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22. Borrowings

	31/03/2019 VND		01/01/2019 VND	
	Amount	Amount within repayment capacity	Amount	Amount within repayment capacity
Short-term borrowings				
Vietnam Development Bank – Da Nang Branch (JPY)	12,469,761,775	12,469,761,775	12,383,328,770	12,383,328,770
	12,469,761,775	12,469,761,775	12,383,328,770	12,383,328,770
Long-term borrowings				
Vietnam Development Bank – Da Nang Branch (JPY)	193,644,166,214	193,644,166,214	199,533,315,078	199,533,315,078
Da Nang Development and Investment Fund (VND)	43,644,166,214	43,644,166,214	49,533,315,078	49,533,315,078
	150,000,000,000	150,000,000,000	150,000,000,000	150,000,000,000
Total	206,113,927,989	206,113,927,989	211,916,643,848	211,916,643,848

23. Changes in owners' equity

	Shared capital VND	Share premium VND	Investment and Development fund VND	Retained profits VND	Total VND
Opening balance	990,000,000,000	(215,000,000)	157,162,317,406	77,579,399,743	1,224,526,717,149
Increase during the period	-	-	-	40,985,627,229	40,985,627,229
Decrease during the period	-	-	-	-	-
Closing balance	990,000,000,000	(215,000,000)	157,162,317,406	118,565,026,972	1,265,512,344,378

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Details of owners' equity are as follows:

	31/03/2019		01/01/2019	
	VND		VND	
Vietnam National Shipping Lines	742,500,000,000	75%	742,500,000,000	75%
Others	247,500,000,000	25%	247,500,000,000	25%
Total	990,000,000,000		990,000,000,000	

24. Off balance sheet items

Foreign currencies

	31/03/2019	01/01/2019
USD	30,050.03	22,653.33
JPY	44,000.00	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.

	1st quarter	
	Current year	Previous year
	VND	VND
Revenue from sales of goods	2,399,798,802	2,193,246,690
Revenue from provision of services	169,921,604,197	159,429,507,688
Total	172,321,402,999	161,622,754,378

26. Cost of sales

	1st quarter	
	Current year	Previous year
	VND	VND
Cost of goods sold	2,182,672,983	2,091,165,406
Cost of provision of services	106,616,982,286	98,137,045,251
Total	108,799,655,269	100,228,210,657

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27. Financial income

	1 st quarter	
	Current year VND	Previous year VND
Interest income from deposits	3,301,233,354	1,662,354,139
Dividends	-	990,000,000
Foreign exchange gains	71,034,188	89,674,692
Total	3,372,267,542	2,742,028,831

28. Financial expenses

	1 st quarter	
	Current year VND	Previous year VND
Foreign exchange losses	506,883,477	4,947,483,911
Interest expense	2,101,522,904	3,248,380,559
Total	2,608,406,381	8,195,864,470

29. General and administration expenses

	1 st quarter	
	Current year VND	Previous year VND
Salary and salary deductions expenses	7,770,210,328	7,543,392,634
Depreciation and amortisation expenses	214,403,112	197,009,683
Outside services expenses	259,937,503	285,323,774
Materials and office supplies expenses	251,901,595	272,834,882
Provision of allowance for doubtful debts	4,054,380,620	2,689,835,066
Other expenses		
	12,550,833,158	10,988,396,039
Total		

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30. Other income

	1st quarter	
	Current year	Previous year
	VND	VND
Bonus for ship unloading capacity	-	94,080,578
Income from disposal of fixed assets	32,424,000	28,629,036
Others		
	32,424,000	122,709,614
Total		

31. Trading and business costs by element

	1st quarter	
	Current year	Previous year
	VND	VND
Salary and salary deductions expenses	42,790,560,515	40,862,802,942
Depreciation and amortisation expenses	32,552,574,910	28,123,687,649
Outside services expenses	30,060,241,816	26,326,347,352
Materials and office supplies expenses	4,684,094,113	6,071,400,742
Other expenses	11,936,210,608	10,714,228,796

Danang Port Joint Stock Company
Notes to the financial statements for quarter I 2019 (continued)

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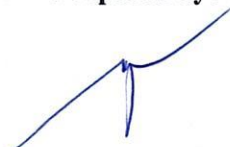
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32. Significant transactions with related parties

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:

	1st quarter	
	Current year	Previous year
	VND	VND
Parent company		
<i>Vietnam National Shipping Lines</i>		
Dividends paid	14,850,000,000	-
Related companies		
<i>Danang Port Logistics JSC</i>		
Sales of goods and services	930,543,390	640,810,697
Purchase of goods and services	8,124,031,059	4,307,859,074
<i>Danang Port Tugboat JSC</i>		
Sales of goods and services	1,057,321,937	1,122,344,524
Purchase of goods and services	14,270,508,088	15,486,940,509
<i>Bien Dong Shipping Company Limited</i>		
Sales of services	1,711,503,748	3,460,295,358
<i>Vinalines Container Shipping Company</i>		
Sales of services	6,720,000	1,745,386,912
<i>Vinalines Shipping Company</i>		
Sales of services	3,811,365,671	-
<i>Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency</i>		
Sales of services	1,084,160,927	1,392,289,278
<i>Vietnam Ocean Shipping JSC (VOSCO)</i>		
Sales of services	-	17,580,000
Members of Board of Directors and Board of Management		
Compensation	1,295,690,135	1,387,557,584

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head of Finance and Accounting Department



Tran Le Tuan
Acting General Director