

Danang Port Join Stock Company

Financial Statements

Quarter III 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 seven times, the most recent of which is by Enterprise Registration Certificate 0400101972 dated 08 August 2019. The Enterprise Registration Certificate was issued by Da Nang Department of Planning and Investment.

Board of Management

Mr. Tran Le Tuan	Chairman
Mr. Phan Bao Loc	Non-executive member
Mr. Le Quang Duc	Member
Mr. Nguyen Quang Dung	Member
Mr. Vu Quyet Thang	Member
Ms. Nguyen Thi Yen	Member

Supervisory Board

Ms. Phan Thi Nhi Ha	Chief
Mr. Nguyen Quang Phat	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 30 September 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	30/09/2019 VND	01/01/2019 VND
CURRENT ASSETS	100		584,260,475,823	473,510,432,353
Cash and cash equivalents	110	4	59,144,713,408	138,034,815,704
Cash	111		5,346,689,974	4,604,364,983
Cash equivalents	112		53,798,023,434	133,430,450,721
Short-term financial investments	120	5	340,493,631,570	179,760,217,808
Held-to-maturity investments	123		340,493,631,570	179,760,217,808
Accounts receivable – short-term	130		132,878,326,097	97,310,360,889
Accounts receivable from customers	131	6	116,274,877,111	90,630,649,632
Prepayments to suppliers	132	7	9,338,072,249	3,009,978,098
Other receivables	136	8	8,126,642,459	5,020,183,041
Allowance for doubtful debts	137	9	(861,265,722)	(1,350,449,882)
Inventories	140	10	13,360,854,999	9,182,867,075
Inventories	141		13,360,854,999	9,182,867,075
Other current assets	150		38,382,949,749	49,222,170,877
Short-term prepaid expenses	151	15	2,220,645,044	1,352,831,895
Deductible value added tax	152		36,162,304,705	47,869,338,982
LONG-TERM ASSETS	200		1,085,772,523,314	1,152,892,932,914
Fixed assets	220		1,047,768,100,671	1,114,865,152,013
Tangible fixed assets	221	11	946,706,190,422	1,014,072,373,485
Cost	222		2,048,594,364,403	2,027,390,537,686
Accumulated depreciation	223		(1,101,888,173,981)	(1,013,318,164,201)
Intangible fixed assets	227	12	101,061,910,249	100,792,778,528
Cost	228		103,912,370,987	103,551,770,987
Accumulated amortisation	229		(2,850,460,738)	(2,758,992,459)
Investment property	230	13	127,600,012	131,950,009
Cost	231		145,000,000	145,000,000
Accumulated depreciation	232		(17,399,988)	(13,049,991)
Long-term work in progress	240		5,743,344,026	5,798,207,662
Construction in progress	242	14	5,743,344,026	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		221,967,656	186,112,281
Long-term prepaid expenses	261	15	111,159,656	75,304,281
Long-term tools, supplies and spare parts	263		110,808,000	110,808,000
TOTAL ASSETS	270		1,670,032,999,137	1,626,403,365,267

The accompanying notes are an integral part of these financial statements

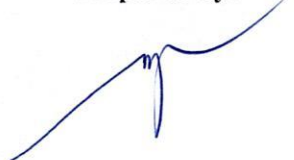
Danang Port Joint Stock Company
Balance sheet as at 30 September 2019 (continued)

Form B 01a – DN

*Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

RESOURCES	Code	Note	30/09/2019 VND	01/01/2019 VND
LIABILITIES	300		319,976,444,074	401,876,648,118
Current liabilities	310		128,085,253,915	199,175,294,866
Accounts payable to suppliers	311	16	21,781,681,235	95,964,873,258
Advances from customers	312	17	4,828,888,960	5,445,986,705
Taxes payable to State Treasury	313	18	14,015,589,317	11,443,787,086
Payables to employees	314		50,911,462,362	36,227,093,120
Accrued expenses	315	19	1,185,694,324	1,516,952,820
Unearned revenue – short-term	318		-	18,500,000
Other payables – short-term	319	20	4,510,478,512	23,150,158,059
Short-term borrowings	320	22	12,946,943,995	12,383,328,770
Provisions – short-term	321		705,329,735	-
Bonus and welfare funds	322		17,199,185,475	13,024,615,048
Long-term liabilities	330		191,891,190,159	202,701,353,252
Long-term borrowings	338	22	188,840,831,985	199,533,315,078
Provisions – long-term	342	21	3,050,358,174	3,168,038,174
EQUITY	400		1,350,056,555,063	1,224,526,717,149
Owners' equity	410	23	1,350,056,555,063	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		179,932,610,473	157,162,317,406
Retained profits	421		180,338,944,590	77,579,399,743
Retained profits brought forward	421a		39,600,000,000	-
Retained profit for the current year	421b		140,738,944,590	77,579,399,743
TOTAL RESOURCES	440		1,670,032,999,137	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 III 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	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	226,938,724,739	186,894,389,172	601,048,948,429	517,498,149,773
Revenue deductions	02		91,556,010	53,601,349	126,512,560	53,601,349
Net revenue	10		226,847,168,729	186,840,787,823	600,922,435,869	517,444,548,424
Cost of sales of goods and provision of services	11	26	144,620,649,185	119,095,043,478	383,479,057,494	333,667,057,025
Gross profit	20		82,226,519,544	67,745,744,345	217,443,378,375	183,777,491,399
Financial income	21	27	6,322,312,831	7,679,947,883	18,144,446,425	17,651,859,075
Financial expenses	22	28	3,522,463,787	3,771,584,285	11,632,922,239	12,521,713,259
<i>In which: Interest expense</i>	23		2,947,006,325	3,660,926,439	8,755,480,580	10,912,780,351
Selling expenses	24		981,825,765	357,245,156	2,297,553,173	1,517,759,638
General and administration expenses	25	29	20,771,837,595	13,719,484,277	48,401,364,811	37,898,267,762
Net operating profit	30		63,272,705,228	57,577,378,510	173,255,984,577	149,491,609,815
Other income	31	30	875,550,884	825,833,691	1,445,909,211	978,934,214
Other expenses	32		113,249,944	68,502,369	152,066,706	278,985,971
Results of other activities	40		762,300,940	757,331,322	1,293,842,505	699,948,243

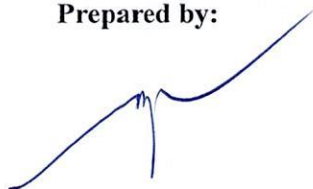
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Danang Port Joint Stock Company
Statement of income for quarter III 2019 (continued)

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		64,035,006,168	58,334,709,832	174,549,827,082	150,191,558,058
Income tax expense – current	51		12,575,149,680	10,690,842,000	33,810,882,492	29,210,911,229
Net profit after tax	60		51,459,856,488	47,643,867,832	140,738,944,590	120,980,646,829
Earnings per share	70		519	481	1,421	1,222

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 cash flows for quarter III 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	Accumulated from the beginning of the year to the end of this quarter	
			Current year	Previous year
			VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		174,549,827,082	150,191,558,058
Adjustments for				
Depreciation and amortisation	02		90,877,428,800	83,951,400,188
Allowances and provisions	03		98,465,575	10,258,592,098
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		2,254,460,901	963,685,170
Profits from investing activities	05		(18,268,143,501)	(15,199,032,145)
Interest expense	06		8,755,480,580	10,912,780,351
Operating profit before changes in working capital	08		258,267,519,437	241,078,983,720
Change in receivables	09		(10,216,475,366)	5,336,472,705
Change in inventories	10		(4,177,987,924)	160,836,444
Change in payables and other liabilities	11		(72,766,230,439)	(50,293,027,647)
Change in prepaid expenses	12		(903,668,524)	(114,749,742)
Interest paid	14		(9,086,739,076)	(10,626,673,346)
Income tax paid	15		(28,481,486,144)	(21,481,934,147)
Other payments for operating activities	17		(11,064,536,249)	(8,325,601,802)
Net cash flows from operating activities	20		121,570,395,715	155,734,306,185
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(23,721,163,825)	(263,111,210,692)
Proceeds from disposals of fixed assets and other long-term assets	22		521,154,546	-
Loans granted, purchases of debt instruments of other entities	23		(587,094,851,371)	(206,679,300,000)
Collection of loans, proceeds from sales of debt instruments of other entities	24		426,361,437,609	1,200,000,000
Receipts of interests and dividends	27		15,656,253,799	9,876,762,015
Net cash flows from investing activities	30		(168,277,169,242)	(458,713,748,677)

The accompanying notes are an integral part of these financial statements

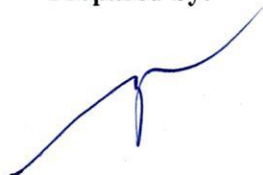
Danang Port Joint Stock Company
Statement of cash flows for quarter III 2019
(Indirect method – continued)

Form B 03a – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

ITEMS	Code	Note	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
Payments to settle loan principals	34		(12,383,328,769)	(72,541,170,910)
Payments of dividends	36		(19,800,000,000)	(93,850,000,000)
Net cash flows from financing activities	40		(32,183,328,769)	281,210,336,014
NET CASH FLOWS DURING THE PERIOD	50		(78,890,102,296)	(21,769,106,478)
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		-	2,683,853
Cash and cash equivalents at the end of the period	70	4	59,144,713,408	119,185,573,576

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head of Finance and Accounting Department



Trần Lê Tuan
Acting 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 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 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 2019, the Company had 665 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 III 2019 (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 2019 (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 | 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 III 2019 (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.

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

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Severance allowance

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 III 2019 (continued)

Form B 09a – DN
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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.

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*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

4. Cash and cash equivalents

	30/09/2019	01/01/2019
	VND	VND
Cash on hand	873,705,859	190,707,258
Cash in banks	4,472,984,115	4,413,657,725
Cash equivalents	53,798,023,434	133,430,450,721
Total	59,144,713,408	138,034,815,704

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

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5. Investments:

	30/09/2019 VND			01/01/2019 VND		
	Cost	Fair value	Allowance for diminution in value	Cost	Fair value	Allowance for diminution in value
Short-term investments	264,116,480,884	264,116,480,884	-	179,760,217,808	179,760,217,808	-
Held-to-maturity investments	264,116,480,884	264,116,480,884	-	179,760,217,808	179,760,217,808	-
Term deposits	264,116,480,884	264,116,480,884	-	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)

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

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6. Accounts receivable from customers - short-term

(a) Accounts receivable from customers detailed by significant customer

	30/09/2019	01/01/2019
	VND	VND
Maersk Vietnam Company Limited	6,280,583,913	5,348,407,100
Vinalines Shipping Company	4,181,149,133	51,805,475
CMA CGM Vietnam JSC	6,715,090,222	3,338,361,345
SITC Container Lines Company Limited	10,357,005,675	3,618,177,996
Wanhai Lines Company Limited	6,217,876,673	6,504,891,975
Hoang Anh Khoi Company Limited	4,869,855,289	3,438,907,130
GLS Shipping JSC	5,386,873,788	3,311,479,616
Thien Y Shipping Service Limited	2,552,435,487	4,657,423,126
Vinafco Shipping JSC	2,675,447,174	3,781,856,067
Bien Dong Shipping Company Co.,LTD	13,041,000	5,043,522,167
Other customers	67,025,518,756	51,535,817,635
Total	116,274,877,111	90,630,649,632

(b) Accounts receivable from customer who are related parties

	30/09/2019	01/01/2019
	VND	VND
Bien Dong Shipping Company Limited	13,041,000	5,043,522,167
Vinalines Container Shipping Company	1,461,935,026	1,461,935,026
Vinalines Shipping Company	4,181,149,133	51,805,475
Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency	1,792,187,392	766,102,806
Total	7,448,312,552	7,323,365,474

7. Prepayments to suppliers

Prepayments to suppliers detailed by significant suppliers

	30/09/2019	01/01/2019
	VND	VND
Construction Consultation for Maritime Building JSC	1,204,125,605	322,273,236
Truong Phat Material Handling Co., Ltd	2,929,947,900	-
Danang Electronics and Informatics JSC	1,620,000,000	-
CiCa Vietnam Company Limited	-	1,492,000,000
Other suppliers	3,583,998,744	1,195,704,862
Total	9,338,072,249	3,009,978,098

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

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8. Other receivables

	30/09/2019	01/01/2019
	VND	VND
Advances	719,979,021	376,885,071
Accrued interest income	6,820,039,300	4,073,538,200
Receivables from employees	-	314,450,000
Dividends and profits receivable	-	140,000,000
Others	586,624,138	115,309,770
Total	8,126,642,459	5,020,183,041

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

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9. Bad and doubtful debts

	Overdue period	30/09/2019 VND		Recoverable amount	Overdue period	01/01/2019 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	446,297,523	446,297,523	-	> 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	5,082,000	2,178,000	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
Total		863,443,722	861,265,722	2,178,000		1,398,416,042	1,350,449,882	47,966,160

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***10. Inventories**

	30/09/2019		01/01/2019	
	VND		VND	
	Cost	Allowance	Cost	Allowance
Raw materials	12,853,948,848	-	9,559,933,007	-
Tools and supplies	347,085,081	-	162,759,251	-
Merchandise inventories	159,821,070	-	89,952,812	-
Total	13,360,854,999	-	9,812,645,070	-

Danang Port Joint Stock Company
Notes to the financial statements for quarter III 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	6,373,155,563	1,574,946,545	15,443,272,723	2,200,002,659	-	25,591,377,490
Decrease	(5,594,082)	(2,993,284,691)	(1,033,472,000)	-	(355,200,000)	(4,387,550,773)
Closing balance	1,136,978,893,588	785,247,109,178	111,056,169,596	13,849,776,805	1,462,415,236	2,048,594,364,403
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	40,001,705,638	49,112,162,200	1,116,973,686	537,550,430	13,218,570	90,781,610,524
Disposals	-	(822,928,744)	(1,033,472,000)	-	(355,200,000)	(2,211,600,744)
Closing balance	536,369,120,218	458,398,306,120	94,671,010,393	11,004,866,075	1,444,871,175	1,101,888,173,981
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	600,609,773,370	326,848,803,058	16,385,159,203	2,844,910,730	17,544,061	946,706,190,422

Included in tangible fixed assets were assets costing VND612,563 million which were fully depreciated as of 30 September 2019 (01/01/2019: VND445,034 million), but which are still in active use.

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

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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	-	360,600,000	360,600,000
Closing balance	100,560,170,987	3,352,200,000	103,912,370,987
Accumulated depreciation			
Opening balance	-	2,758,992,459	2,758,992,459
Charge for the period	-	91,468,279	91,468,279
Closing balance	-	2,850,460,738	2,850,460,738
Net book value			
Opening balance	100,560,170,987	232,607,541	100,792,778,528
Closing balance	100,560,170,987	501,739,262	101,061,910,249

Included in intangible fixed assets were assets costing VND2,723 million which were fully amortised as of 30 September 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	4,349,997	4,349,997
Closing balance	17,399,988	17,399,988
Net book value		
Opening balance	131,950,009	131,950,009
Closing balance	127,600,012	127,600,012

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (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**

	30/09/2019	01/01/2019
	VND	VND
Logistics Center in Hoa Vang	5,464,269,026	5,464,269,026
Others	279,075,000	333,938,636
Total	5,743,344,026	5,798,207,662

15. Prepaid expenses

	30/09/2019	01/01/2019
	VND	VND
Short-term	2,220,645,044	1,352,831,895
Tools and instruments	332,600,143	297,360,090
Insurance fees	1,475,387,238	877,468,205
Others	412,657,663	178,003,600
Long-term	111,159,656	75,304,281
Tools and instruments	111,159,656	75,304,281

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

	30/09/2019		01/01/2019	
	VND		VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	8,390,045,748	8,390,045,748	7,526,732,643	7,526,732,643
Da Nang Port Logistics JSC	3,504,585,978	3,504,585,978	3,575,753,731	3,575,753,731
Petroleum Co., Ltd. – Region V	1,502,484,864	1,502,484,864	1,161,643,925	1,161,643,925
Phu Xuan Construction and Consultant JSC	-	-	56,614,078,218	56,614,078,218
Hanoi Water Construction JSC	-	-	18,041,827,094	18,041,827,094
Others	8,384,564,645	8,384,564,645	9,044,837,647	9,044,837,647
Total	21,781,681,235	21,781,681,235	95,964,873,258	95,964,873,258

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

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(b) Accounts payable to suppliers who are related parties

	30/09/2019 VND		01/01/2019 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	8,390,045,748	8,390,045,748	7,526,732,643	7,526,732,643
Da Nang Port Logistics JSC	3,504,585,978	3,504,585,978	3,575,753,731	3,575,753,731
Total	11,894,631,726	11,894,631,726	11,102,486,374	11,102,486,374

17. Short-term advances from customers

Short-term advances from customers detailed by significant amount

	30/09/2019 VND		01/01/2019 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
MACS Maritime JSC	2,179,418,835	2,179,418,835	5,246,566,142	5,246,566,142
Ha Bac Ltd.	2,075,000,000	2,075,000,000	-	-
Other customers	574,470,125	574,470,125	199,420,563	199,420,563
Total	4,828,888,960	4,828,888,960	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	-	33,583,504,177	33,583,504,177	-
Corporate income tax	7,294,446,794	33,810,882,492	28,481,486,144	12,623,843,142
Personal income tax	2,216,994,840	6,175,220,878	7,914,114,756	478,100,962
Land tax	1,764,027,660	3,763,132,901	4,613,515,348	913,645,213
Others	168,317,792	4,000,000	172,317,792	-
Total	11,443,787,086	77,336,740,448	74,764,938,217	14,015,589,317

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***19. Accrued expenses**

	30/09/2019	01/01/2019
	VND	VND
Interest expense	1,185,694,324	1,516,952,820
Total	1,185,694,324	1,516,952,820

20. Other payables – short-term

	30/09/2019	01/01/2019
	VND	VND
Subsidies for demolition and relocation	1,597,938,600	1,597,938,600
Trade union fees	900,856,661	505,132,741
Subsidies for discontinued production to employees	382,427,460	382,427,460
Dividend payables	277,082	19,800,277,082
Others	1,628,978,709	769,094,155
Total	4,510,478,512	23,054,870,038

21. Long-term provisions

	30/09/2019	01/01/2019
	VND	VND
Severance allowance	3,050,358,174	3,168,038,174
Total	3,050,358,174	3,168,038,174

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

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22. Borrowings

	30/09/2019 VND		01/01/2019 VND	
	Amount	Amount within repayment capacity	Amount	Amount within repayment capacity
Short-term borrowings	12,946,943,995	12,946,943,995	12,383,328,770	12,383,328,770
Vietnam Development Bank – Da Nang Branch (JPY)	12,946,943,995	12,946,943,995	12,383,328,770	12,383,328,770
Long-term borrowings	188,840,831,985	188,840,831,985	199,533,315,078	199,533,315,078
Vietnam Development Bank – Da Nang Branch (JPY)	38,840,831,985	38,840,831,985	49,533,315,078	49,533,315,078
Da Nang Development and Investment Fund (VND)	150,000,000,000	150,000,000,000	150,000,000,000	150,000,000,000
Total	201,787,775,980	201,787,775,980	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	-	-	22,770,293,067	140,738,944,590	163,509,237,657
Decrease during the period	-	-	-	(37,979,399,743)	(37,979,399,743)
Closing balance	990,000,000,000	(215,000,000)	179,932,610,473	180,338,944,590	1,350,056,555,063

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

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Details of owners' equity are as follows:

	30/09/2019		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

	30/09/2019	01/01/2019
USD	35,043.43	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.

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Revenue from sales of goods	9,838,994,983	9,364,484,602
Revenue from provision of services	591,209,953,446	508,133,665,171
Total	601,048,948,429	517,498,149,773

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	9,387,797,327	8,944,361,001
Cost of provision of services	374,091,260,167	324,722,696,024
Total	383,479,057,494	333,667,057,025

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)***27. Financial income**

	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Interest income from deposits	12,302,995,355	10,787,323,345
Dividends	5,443,993,600	4,411,708,800
Foreign exchange gains	397,457,470	2,452,826,930
Total	18,144,446,425	17,651,859,075

28. Financial expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Foreign exchange losses	2,877,441,659	1,588,932,908
Interest expense	8,755,480,580	10,912,780,351
Provision/(reversal) of allowance for diminution in the value of investments	-	20,000,000
Total	11,632,922,239	12,521,713,259

29. General and administration expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Salary and salary deductions expenses	29,590,562,788	24,633,918,859
Depreciation and amortisation expenses	616,374,100	806,231,278
Outside services expenses	1,195,576,543	881,631,496
Materials and office supplies expenses	804,192,901	747,081,488
Provision of allowance for doubtful debts	(489,184,160)	368,154,926
Other expenses	16,683,842,639	10,461,249,715
Total	48,401,364,811	37,898,267,762

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (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
Bonus for ship unloading capacity	15,232,700	115,247,178
Proceeds from disposals of fixed assets	521,154,546	-
Others	909,521,965	863,687,036
Total	1,445,909,211	978,934,214

31. Trading and business costs by element

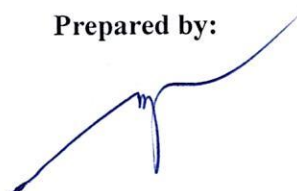
	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Salary and salary deductions expenses	160,892,633,982	135,954,634,301
Depreciation and amortisation expenses	90,877,428,800	83,951,400,188
Outside services expenses	110,007,524,385	85,378,876,555
Materials and office supplies expenses	19,584,652,243	19,070,673,933
Provision of allowance for doubtful debts	(489,184,160)	368,154,926
Other expenses	53,304,920,228	48,359,344,522

Danang Port Joint Stock Company**Notes to the financial statements for quarter III 2019 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC
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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	14,850,000,000	71,575,000,000
Related companies		
<i>Danang Port Logistics JSC</i>		
Sales of goods and services	3,647,675,222	2,450,844,354
Purchase of goods and services	31,028,598,177	16,408,753,825
<i>Danang Port Tugboat JSC</i>		
Sales of goods and services	3,933,642,558	3,158,483,175
Purchase of goods and services	45,488,686,091	42,179,726,352
<i>Bien Dong Shipping Company Limited</i>		
Sales of services	1,722,374,888	12,432,096,730
<i>Vinalines Container Shipping Company</i>		
Sales of services	6,720,000	2,838,708,187
<i>Vinalines Shipping Company</i>		
Sales of services	14,947,292,184	-
<i>Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency</i>		
Sales of services	5,042,487,143	6,007,618,381
<i>Vietnam Ocean Shipping JSC (VOSCO)</i>		
Sales of services	-	17,580,000
Members of Board of Directors and Board of Management		
Compensation	3,269,373,534	3,400,903,097

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



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



Tran Le Tuan