

Danang Port Join Stock Company

Financial Statements

Quarter I 2020

Danang Port Joint Stock Company
General Information

Enterprise Registration
Certificate No.

0400101972

08 August 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
Mr Chen Yung Chan	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 31 March 2020

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

ASSETS	Code	Note	31/03/2020 VND	01/01/2020 VND
CURRENT ASSETS	100		638,726,608,372	583,983,405,789
Cash and cash equivalents	110	4	44,251,686,203	36,465,358,542
Cash	111		7,690,584,959	11,074,391,274
Cash equivalents	112		36,561,101,244	25,390,967,268
Short-term financial investments	120	5	404,408,753,412	379,643,908,394
Held-to-maturity investments	123		404,408,753,412	379,643,908,394
Accounts receivable – short-term	130		142,465,095,065	119,946,660,710
Accounts receivable from customers	131	6	125,089,178,454	110,327,594,307
Prepayments to suppliers	132	7	9,764,339,104	6,823,779,497
Other receivables	136	8	10,598,509,379	5,782,218,778
Allowance for doubtful debts	137	9	(2,986,931,872)	(2,986,931,872)
Inventories	140	10	13,385,571,042	10,967,155,382
Inventories	141		13,385,571,042	10,967,155,382
Other current assets	150		34,215,502,650	36,960,322,761
Short-term prepaid expenses	151	15	4,112,234,043	2,959,847,906
Deductible value added tax	152		30,103,268,607	34,000,474,855
LONG-TERM ASSETS	200		1,057,778,683,072	1,078,312,454,692
Fixed assets	220		1,010,011,978,198	1,029,409,037,078
Tangible fixed assets	221	11	908,973,477,159	928,308,478,846
Cost	222		2,044,683,731,846	2,034,822,427,954
Accumulated depreciation	223		(1,135,710,254,687)	(1,106,513,949,108)
Intangible fixed assets	227	12	101,038,501,039	101,100,558,232
Cost	228		104,009,870,987	104,009,870,987
Accumulated amortisation	229		(2,971,369,948)	(2,909,312,755)
Investment property	230	13	124,700,014	126,150,013
Cost	231		145,000,000	145,000,000
Accumulated depreciation	232		(20,299,986)	(18,849,987)
Long-term work in progress	240		6,152,908,844	6,159,640,536
Construction in progress	242	14	6,152,908,844	6,159,640,536
Long-term financial investments	250	5	32,835,947,149	32,835,947,149
Investments in associates	252		30,089,813,149	30,089,813,149
Equity investments in other entities	253		3,764,334,000	3,764,334,000
Allowance for diminution in the value of long-term financial investments	254		(1,018,200,000)	(1,018,200,000)
Other long-term assets	260		8,653,148,867	9,781,679,916
Long-term prepaid expenses	261	15	7,223,484,707	8,352,015,756
Deferred tax assets	262		1,318,856,160	1,318,856,160
Long-term tools, supplies and spare parts	263		110,808,000	110,808,000
TOTAL ASSETS	270		1,696,505,291,444	1,662,295,860,481

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Balance sheet as at 31 March 2020 (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	31/03/2020 VND	01/01/2020 VND
LIABILITIES	300		286,531,700,153	308,417,836,741
Current liabilities	310		105,157,719,503	120,264,867,427
Accounts payable to suppliers	311	16	21,646,997,870	34,605,345,675
Advances from customers	312	17	1,140,297,628	871,691,364
Taxes payable to State Treasury	313	18	23,613,857,914	13,152,129,129
Payables to employees	314		33,917,969,582	42,735,047,761
Accrued expenses	315	19	1,135,830,868	1,446,018,132
Unearned revenue – short-term	318		-	37,500,000
Other payables – short-term	319	20	1,215,486,006	1,257,504,553
Short-term borrowings	320	22	12,549,592,260	12,717,656,438
Bonus and welfare funds	322		9,937,687,375	13,441,974,375
Long-term liabilities	330		181,373,980,650	188,152,969,314
Long-term borrowings	338	22	181,373,980,650	188,152,969,314
EQUITY	400		1,409,973,591,291	1,353,878,023,740
Owners' equity	410	23	1,409,973,591,291	1,353,878,023,740
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	179,932,610,473
Retained profits	421		240,255,980,818	184,160,413,267
Retained profits brought forward	421a		184,160,413,267	184,160,413,267
Retained profit for the current year	421b		56,095,567,551	-
TOTAL RESOURCES	440		1,696,505,291,444	1,662,295,860,481

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head
of Finance and Accounting Dept.



Tran Le Tuan
Chairman
of Board of Management

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of income for quarter I 2020

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

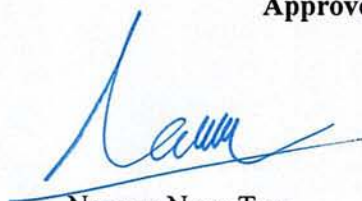
ITEMS	Code	Note	Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND
Revenue from sales of goods and provision of services	01	24	224,451,180,505	172,321,402,999
Revenue deductions	02		30,519,350	-
Net revenue	10		224,420,661,155	172,321,402,999
Cost of sales of goods and provision of services	11	25	144,658,260,772	108,799,655,269
Gross profit	20		79,762,400,383	63,521,747,730
Financial income	21	26	7,589,737,167	3,372,267,542
Financial expenses	22	27	2,893,792,121	2,608,406,381
<i>In which: Interest expense</i>	23		2,854,288,903	2,101,522,904
Selling expenses	24		683,926,171	673,193,535
General and administration expenses	25	28	13,682,521,984	12,550,833,158
Net operating profit	30		70,091,897,274	51,061,582,198
Other income	31		49,739,393	32,424,000
Other expenses	32		-	589,689
Results of other activities	40		49,739,393	31,834,311
Accounting profit before tax	50		70,141,636,667	51,093,416,509
Income tax expense – current	51		14,046,069,116	10,107,789,280
Net profit after tax	60		56,095,567,551	40,985,627,229
Earnings per share	70		567	414

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head
of Finance and Accounting Dept.



Trần Lê Tuan
Chairman
of Board of Management

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of cash flows for quarter I 2020
(Indirect method)

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

ITEMS	Code	Note	Accumulated from the beginning of the year to the end of this quarter	
			Current year VND	Previous year VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		70,141,636,667	51,093,416,509
Adjustments for				
Depreciation and amortisation	02		29,259,812,771	32,548,224,913
Allowances and provisions	03		-	(56,172,000)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		(1,134,509,799)	388,948,526
Profits from investing activities	05		(5,980,578,554)	(3,301,233,354)
Interest expense	06		3,164,476,167	2,101,522,904
Operating profit before changes in working capital	08		95,450,837,252	82,774,707,498
Change in receivables	09		(11,165,374,391)	(4,234,587,792)
Change in inventories	10		(2,418,415,660)	(8,316,784)
Change in payables and other liabilities	11		(20,061,582,169)	(77,096,127,948)
Change in prepaid expenses	12		(23,855,088)	(1,397,467,234)
Interest paid	14		(2,854,288,903)	(3,288,961,869)
Income tax paid	15		(9,233,757,957)	(7,382,956,891)
Other payments for operating activities	17		(3,504,287,000)	(1,657,304,249)
Net cash flows from operating activities	20		46,189,276,084	(12,291,015,269)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(9,854,572,200)	(7,828,673,962)
Loans granted, purchases of debt instruments of other entities	23		(51,062,164,369)	(61,782,591,781)
Collection of loans, proceeds from sales of debt instruments of other entities	24		26,297,319,351	50,400,000,000
Receipts of interests and dividends	27		2,533,920,054	2,326,433,333
Net cash flows from investing activities	30		(32,085,497,164)	(16,884,832,410)

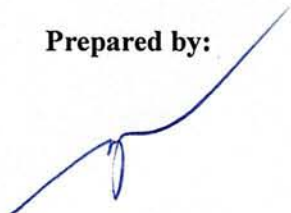
The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Statement of cash flows for quarter I 2020
(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				
Payments to settle loan principals	34		(6,358,828,219)	(6,191,664,385)
Payments of dividends	36		-	(19,800,000,000)
Net cash flows from financing activities	40		(6,358,828,219)	(25,991,664,385)
NET CASH FLOWS DURING THE PERIOD	50		7,744,950,701	(55,167,512,064)
Cash and cash equivalents at the beginning of the period	60	4	36,465,358,542	138,034,815,704
Effect of exchange rate fluctuations on cash and cash equivalents	61		41,376,960	-
Cash and cash equivalents at the end of the period	70	4	44,251,686,203	82,867,303,640

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head
of Finance and Accounting Dept.



Tran Le Tuan
Chairman
of Board of Management

The accompanying notes are an integral part of these financial statements

Danang Port Joint Stock Company
Notes to the financial statements for quarter I 2020

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 31 March 2020, the Company had 672 employees (01/01/2020: 673 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 I 2020 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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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 I 2020 (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 I 2020 (continued)

Form B 09a – DN
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Investment property

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

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

- Buildings: 25 years

Construction in progress

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

Prepaid expenses

Tools and instruments

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

Business advantage

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

Trade and other payables

Trade and other payables are stated at their cost.

Provisions

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

Danang Port Joint Stock Company
Notes to the financial statements for quarter I 2020 (continued)

Form B 09a – DN

*(Issued under Circular No. 200/2014/TT-BTC
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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 Joint Stock Company
Notes to the financial statements for quarter I 2020 (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 2020 (continued)

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

	31/03/2020	01/01/2020
	VND	VND
Cash on hand	558,022,632	246,936,567
Cash in banks	7,132,562,327	10,827,454,707
Cash equivalents	36,561,101,244	25,390,967,268
Total	44,251,686,203	36,465,358,542

Danang Port Joint Stock Company
Notes to the financial statements for quarter I 2020 (continued)

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

5. Investments:

	31/03/2020 VND			01/01/2020 VND		
	Cost	Fair value	Allowance for diminution in value	Cost	Fair value	Allowance for diminution in value
Short-term investments	379,643,908,394	379,643,908,394	-	379,643,908,394	379,643,908,394	-
Held-to-maturity investments	379,643,908,394	379,643,908,394	-	379,643,908,394	379,643,908,394	-
Term deposits	379,643,908,394	379,643,908,394	-	379,643,908,394	379,643,908,394	-
Long-term investments	33,854,147,149	32,835,947,149	(1,018,200,000)	33,854,147,149	32,835,947,149	(1,018,200,000)
Investments in associates	30,089,813,149	30,089,813,149	-	30,089,813,149	30,089,813,149	-
Da Nang Port Logistics JSC	19,907,661,902	19,907,661,902	-	19,907,661,902	19,907,661,902	-
Da Nang Port Tugboat JSC	10,182,151,247	10,182,151,247	-	10,182,151,247	10,182,151,247	-
Equity investments in other entities	3,764,334,000	2,746,134,000	(1,018,200,000)	3,764,334,000	2,746,134,000	(1,018,200,000)
Vietnam Vinalines Logistics JSC	2,000,000,000	981,800,000	(1,018,200,000)	2,000,000,000	981,800,000	(1,018,200,000)
Vietnam Maritime Commercial Stock Bank	1,764,334,000	1,764,334,000	-	1,764,334,000	1,764,334,000	-

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6. Accounts receivable from customers - short-term

(a) Accounts receivable from customers detailed by significant customer

	31/03/2020	01/01/2020
	VND	VND
Maersk Vietnam Company Limited	6,277,529,370	5,504,650,456
Vinalines Shipping Company	4,782,818,662	3,987,215,529
CMA CGM Vietnam JSC	7,595,818,986	5,273,521,750
SITC Container Lines Company Limited	6,878,995,527	10,645,721,398
Wanhai Lines Company Limited	13,895,493,774	7,324,467,964
MSC Vietnam Limited	4,858,264,775	3,186,248,128
Hoang Anh Khoi Company Limited	4,106,789,500	5,982,304,248
GLS Shipping JSC	5,348,098,787	6,702,585,918
Thien Y Shipping Service Limited	3,611,814,160	2,739,427,788
Vinafco Shipping JSC	3,368,316,541	2,956,733,594
Other customers	64,365,238,372	56,024,717,534
Total	125,089,178,454	110,327,594,307

(b) Accounts receivable from customer who are related parties

	31/03/2020	01/01/2020
	VND	VND
Bien Dong Shipping Company Limited	-	20,034,000
Vinalines Container Shipping Company	1,461,935,026	1,461,935,026
Vinalines Shipping Company	4,782,818,662	3,987,215,529
Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency	586,658,798	601,119,523
Total	6,831,412,486	6,070,304,078

7. Prepayments to suppliers

Prepayments to suppliers detailed by significant suppliers

	31/03/2020	01/01/2020
	VND	VND
Hung Thinh Company Limited	2,277,000,000	-
Unico Vina JSC	2,070,000,000	237,957,205
Construction Consultation for Maritime Building JSC	1,176,273,038	1,344,273,038
Marubeni Vietnam	-	1,791,900,000
Total Soft Bank Ltd.,	860,000,000	860,000,000
Other suppliers	3,381,066,066	2,589,649,254
Total	9,764,339,104	6,823,779,497

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8. Other receivables

	31/03/2020 VND	01/01/2020 VND
Advances	621,476,560	192,354,021
Accrued interest income	8,706,328,400	5,119,669,900
Dividends and profits receivable	-	140,000,000
Others	1,270,704,419	330,194,857
Total	10,598,509,379	5,782,218,778

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9. Bad and doubtful debts

	Overdue period	31/03/2020 VND			Overdue period	01/01/2020 VND		
		Cost	Allowance	Recoverable amount		Cost	Allowance	Recoverable amount
Mr Huynh Khong	> 3 years	41,124,454	41,124,454	-	> 3 years	41,124,454	41,124,454	-
Hong Hoang Hong Investment JSC	> 3 years	16,000,000	16,000,000	-	> 3 years	16,000,000	16,000,000	-
Hai Nam Shipping Company Limited (*)		-	-	-		-	-	-
Thang Long Construction and Mining Investment JSC	> 3 years	7,260,000	7,260,000	-	> 3 years	7,260,000	7,260,000	-
Lung Lo – VCCP Investment JSC		-	-	-		-	-	-
Dana Uc Steel JSC	1-2 years	2,335,853,219	1,167,926,610	1,167,926,609	1-2 years	2,335,853,219	1,167,926,610	1,167,926,609
Dana Y Steel JSC	1-2 years	1,840,136,021	920,068,011	920,068,010	1-2 years	1,840,136,021	920,068,011	920,068,010
Vinalines Container Shipping Company	1-2 years	1,461,935,026	730,967,513	730,967,513	1-2 years	1,461,935,026	730,967,513	730,967,513
Viet Phap Steel Co., Ltd	1-2 years	160,480,968	80,240,484	80,240,484	1-2 years	160,480,968	80,240,484	80,240,484
Trung Hung Shipping And Technical Trading JSC	1-2 years	46,689,600	23,344,800	23,344,800	1-2 years	46,689,600	23,344,800	23,344,800
Total		5,909,479,288	2,986,931,872	2,922,547,416		5,909,479,288	2,986,931,872	2,922,547,416

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10. Inventories

	31/03/2020		01/01/2020	
	VND		VND	
	Cost	Allowance	Cost	Allowance
Raw materials	12,961,959,120	-	10,539,584,099	-
Tools and supplies	46,544,789	-	80,044,789	-
Merchandise inventories	377,067,133	-	347,526,494	-
Total	13,385,571,042	-	10,967,155,382	-

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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	1,137,185,348,133	761,344,731,366	120,536,981,414	14,292,951,805	1,462,415,236	2,034,822,427,954
Additions	-	193,128,182	8,955,181,818	287,275,710	-	9,435,585,710
Other increases	381,818,182	-	4,000,000	39,900,000	-	425,718,182
Closing balance	1,137,567,166,315	761,537,859,548	129,496,163,232	14,620,127,515	1,462,415,236	2,044,683,731,846
Accumulated depreciation						
Opening balance	548,787,788,318	449,400,085,878	95,558,782,717	11,318,014,830	1,449,277,365	1,106,513,949,108
Charge for the period	12,412,954,808	14,950,314,201	1,465,330,481	363,299,899	4,406,190	29,196,305,579
Closing balance	561,200,743,126	464,350,400,079	97,024,113,198	11,681,314,729	1,453,683,555	1,135,710,254,687
Net book value						
Opening balance	588,397,559,815	311,944,645,488	24,978,198,697	2,974,936,975	13,137,871	928,308,478,846
Closing balance	576,366,423,189	297,187,459,469	32,472,050,034	2,938,812,786	8,731,681	908,973,477,159

Included in tangible fixed assets were assets costing VND590,104 million which were fully depreciated as of 31 March 2020 (01/01/2020: VND589,982 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	3,449,700,000	104,009,870,987
Increase	-	-	-
Closing balance	100,560,170,987	3,449,700,000	104,009,870,987
Accumulated depreciation			
Opening balance	-	2,909,312,755	2,909,312,755
Charge for the period	-	62,057,193	62,057,193
Closing balance	-	2,971,369,948	2,971,369,948
Net book value			
Opening balance	100,560,170,987	540,387,245	101,100,558,232
Closing balance	100,560,170,987	478,330,052	101,038,501,039

Included in intangible fixed assets were assets costing VND2,723 million which were fully amortised as of 31 March 2020 (01/01/2020: 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	18,849,987	18,849,987
Charge for the period	1,449,999	1,449,999
Closing balance	20,299,986	20,299,986
Net book value		
Opening balance	126,150,013	126,150,013
Closing balance	124,700,014	124,700,014

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14. Construction in progress

	31/03/2020 VND	01/01/2020 VND
Logistics Center in Hoa Vang	5,464,269,026	5,464,269,026
Others	688,639,818	695,371,510
Total	6,152,908,844	6,159,640,536

15. Prepaid expenses

	31/03/2020 VND	01/01/2020 VND
Short-term	4,112,234,043	2,959,847,906
Tools and instruments	1,607,549,163	1,716,514,490
Insurance fees	304,317,481	766,834,703
Others	304,317,481	476,498,713
Long-term	7,223,484,707	8,352,015,756
Tools and instruments	121,572,209	213,199,761
Prepaid repair expenses	7,101,912,498	8,138,815,995

16. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	31/03/2020 VND		01/01/2020 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	8,509,170,124	8,509,170,124	10,073,476,827	10,073,476,827
Da Nang Port Logistics JSC	3,786,248,768	3,786,248,768	4,373,400,923	4,373,400,923
Da Nang Port Construction and Trading JSC	872,684,600	872,684,600	3,096,848,861	3,096,848,861
Navaco Limited	1,503,219,113	1,503,219,113	2,695,290,882	2,695,290,882
Others	6,975,675,265	6,975,675,265	14,366,328,182	14,366,328,182
Total	21,646,997,870	21,646,997,870	34,605,345,675	34,605,345,675

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(b) Accounts payable to suppliers who are related parties

	31/03/2020 VND		01/01/2020 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
Da Nang Port Tugboat JSC	8,509,170,124	8,509,170,124	10,073,476,827	10,073,476,827
Da Nang Port Logistics JSC	3,786,248,768	3,786,248,768	4,373,400,923	4,373,400,923
Total	12,295,418,892	12,295,418,892	14,446,877,750	14,446,877,750

17. Short-term advances from customers

Short-term advances from customers detailed by significant amount

	31/03/2020 VND		01/01/2020 VND	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
MACS Maritime JSC	-	-	94,076,522	94,076,522
Other customers	1,140,297,628	1,140,297,628	777,614,842	777,614,842
Total	1,140,297,628	1,140,297,628	871,691,364	871,691,364

18. Taxes and others payable to State Treasury

	Opening balance VND	Incurred VND	Paid/ deducted VND	Closing balance VND
Value added tax	-	11,289,811,128	11,289,811,128	-
Corporate income tax	9,233,757,957	14,046,069,116	9,233,757,957	14,046,069,116
Personal income tax	3,918,371,172	3,999,516,545	7,668,096,052	249,791,665
Land tax	-	9,317,997,133	-	9,317,997,133
Others	-	4,000,000	4,000,000	-
Total	13,152,129,129	38,657,393,922	28,195,665,137	23,613,857,914

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19. Accrued expenses

	31/03/2020	01/01/2020
	VND	VND
Interest expense	1,135,830,868	1,446,018,132
Total	1,135,830,868	1,446,018,132

20. Other payables – short-term

	31/03/2020	01/01/2020
	VND	VND
Trade union fees	377,376,940	372,615,484
Dividend payables	277,082	277,082
Others	837,831,984	884,611,987
Total	1,215,486,006	1,257,504,553

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21. Borrowings

	31/03/2020		01/01/2020	
	VND		VND	
	Amount	Amount within repayment capacity	Amount	Amount within repayment capacity
Short-term borrowings	12,549,592,260	12,549,592,260	12,717,656,438	12,717,656,438
Vietnam Development Bank – Da Nang Branch (JPY)	12,549,592,260	12,549,592,260	12,717,656,438	12,717,656,438
Long-term borrowings	181,373,980,650	181,373,980,650	188,152,969,314	188,152,969,314
Vietnam Development Bank – Da Nang Branch (JPY)	31,373,980,650	31,373,980,650	38,152,969,314	38,152,969,314
Da Nang Development and Investment Fund (VND)	150,000,000,000	150,000,000,000	150,000,000,000	150,000,000,000
Total	193,923,572,910	193,923,572,910	200,870,625,752	200,870,625,752

22. 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)	179,932,610,473	184,160,413,267	1,353,878,023,740
Increase during the period	-	-	-	56,095,567,551	56,095,567,551
Decrease during the period	-	-	-	-	-
Closing balance	990,000,000,000	(215,000,000)	179,932,610,473	240,255,980,818	1,409,973,591,291

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Details of owners' equity are as follows:

	31/03/2020		01/01/2020	
	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	

23. Off balance sheet items

Foreign currencies

	31/03/2020	01/01/2020
USD	125,029.17	34,240.13
JPY	44,000.00	44,000.00

Doubtful debts written off

	31/03/2020	01/01/2020
	VND	VND
Doubtful debts written off	352,761,745	-

24. 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	2,891,111,250	2,399,798,802
Revenue from provision of services	221,560,069,255	169,921,604,197
Total	224,451,180,505	172,321,402,999

25. 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	2,723,363,160	2,182,672,983
Cost of provision of services	141,934,897,612	106,616,982,286
Total	144,658,260,772	108,799,655,269

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26. Financial income

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Interest income from deposits	5,980,578,554	3,301,233,354
Foreign exchange gains	1,609,158,613	71,034,188
Total	7,589,737,167	3,372,267,542

27. Financial expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Foreign exchange losses	39,503,218	506,883,477
Interest expense	2,854,288,903	2,101,522,904
Total	2,893,792,121	2,608,406,381

28. General and administration expenses

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Salary and salary deductions expenses	9,554,462,552	7,770,210,328
Depreciation and amortisation expenses	224,105,235	214,403,112
Outside services expenses	180,501,092	259,937,503
Materials and office supplies expenses	321,348,327	251,901,595
Other expenses	3,402,104,778	4,054,380,620
Total	13,682,521,984	12,550,833,158

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29. Trading and business costs by element

	Accumulated from the beginning of the year to the end of this quarter	
	Current year VND	Previous year VND
Salary and salary deductions expenses	54,480,415,742	42,790,560,515
Depreciation and amortisation expenses	29,258,362,772	32,552,574,910
Outside services expenses	43,978,035,617	30,060,241,816
Materials and office supplies expenses	6,312,244,727	4,684,094,113
Other expenses	24,995,650,069	11,936,210,608

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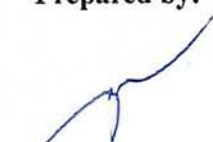
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30. Significant transactions with related parties

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

	Accumulated from the beginning of the year to the end of this quarter	
	Current year	Previous year
	VND	VND
Parent company		
<i>Vietnam National Shipping Lines</i>		
Dividends paid	-	14,850,000,000
Related companies		
<i>Danang Port Logistics JSC</i>		
Sales of goods and services	981,295,299	930,543,390
Purchase of goods and services	11,460,163,084	8,124,031,059
<i>Danang Port Tugboat JSC</i>		
Sales of goods and services	1,437,450,638	1,057,321,937
Purchase of goods and services	17,201,820,481	14,270,508,088
<i>Bien Dong Shipping Company Limited</i>		
Sales of services	-	1,711,503,748
<i>Vinalines Container Shipping Company</i>		
Sales of services	-	6,720,000
<i>Vinalines Shipping Company</i>		
Sales of services	4,348,329,238	3,811,365,671
<i>Branch of Vietnam Ocean Shipping Agency Corporation – Da Nang Shipping Agency</i>		
Sales of services	1,225,927,112	1,084,160,927
Members of Board of Directors and Board of Management		
Compensation	1,200,078,567	1,295,690,135

Prepared by:



Ngo Quoc Van
Accountant

Approved by:



Nguyen Ngoc Tam
Head
of Finance and Accounting Dept.



Tran Le Tuan
Chairman
of Board of Management