

FINANCIAL STATEMENTS

DANANG PORT JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2020

(Audited)



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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Danang Port Joint Stock Company ("the Company") presents its report and the Company's Financial Statements for the fiscal year ended as at 31 December 2020.

THE COMPANY

Danang Port Joint Stock Company is incorporated on a basis of 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 06 May 2014 of the Members Council of Vietnam National Shipping Lines. The Company is established and operates activities under Business Registration Certificate No. 3204000379 issued by Da Nang Authority for Planning and Investment dated 01 April 2008 by the Department of Planning and Investment of Da Nang city. The Company was granted the Business Registration Certificate of Joint Stock Company No. 0400101972 issued by the Department of Planning and Investment of Da Nang city. The most recent re-registration (7th) was made on 08 August 2019.

The Company's head office is located at No. 26 Bach Dang, Thach Thang Ward, Hai Chau District, Da Nang City.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of the Board of Management during the year and to the reporting date are:

Mr. Phan Bao Loc	Member	(In charge of operating the activities of the Board of Directors from 01 August 2020)
Mr. Tran Le Tuan	Chairman	(Resigned as Chairman of the Board of Management from 01 August 2020)
Mr. Nguyen Quang Dung	Member	
Mr. Vu Quyet Thang	Member	
Mr. Le Quang Duc	Member	
Mr. Chen Yung Chan	Member	
Mrs. Nguyen Thi Yen	Member	

The members of the Board of General Directors in the period and to the reporting date are:

Mr. Tran Le Tuan	Acting General Director
Mr. Duong Duc Xuan	Vice General Director
Mr. Le Quang Duc	Vice General Director

The members of the Board of Supervision are:

Mrs. Phan Thi Nhi Ha	Head of Board
Mrs. Tran Thi Kieu Oanh	Member
Mr. Nguyen Quang Phat	Member

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Financial Statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Financial Statements which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the year. In preparing those Financial Statements, the Board of General Directors is required to:

- Establish and maintain of an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Financial Statements do not contain any material misstatements caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Financial Statements give a true and fair view of the financial position at 31 December 2020, its operation results and cash flows for the fiscal year ended as at 31 December 2020 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

Other commitments

The Board of General Directors pledges that the Company comply with Decree No.71/2017/NĐ-CP dated 06 June 2017 guiding on corporate governance and the Company does not violate the obligation of information disclosure in accordance with the regulations of the Circular No.155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

On behalf of the Board of General Directors, *lax*



Trần Lê Tuan

Acting General Director

Da Nang, 28 February 2021

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, the Board of Management and Board of General Directors
Danang Port Joint Stock Company**

We have audited the Financial Statements of Danang Port Joint Stock Company prepared on 21 February 2021, as set out on pages 06 to 39, including: Statement of Financial position as at 31 December 2020, Statement of Income, Statement of Cash flows and Notes to Financial Statements for the fiscal year ended as at 31 December 2020.

Board of General Directors' responsibility

The Board of General Directors is responsible for the preparation and presentation of Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as management determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to frauds or errors.

Auditor's responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards and ethical requirements; plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the Financial Statements, whether due to frauds or errors. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of General Directors, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position of Danang Port Joint Stock Company as at 31 December 2020, its operations results and its cash flows for the fiscal year ended as at 31 December 2020 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

The Financial Statements of Danang Port Joint Stock Company as at 31 December 2019 were audited by the auditor and AAC Auditing and Accounting Company Limited. Following by the Auditors' report No. 243/2020/BCKT-AAC on 11 March 2020, predecessor auditors gave an unqualified opinion.



Ha Noi, 05 March 2021

Registered Auditor No. 2959-2020-002-1

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020


Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
100	A. CURRENT ASSETS		686,824,773,292	583,983,405,789
110	I. Cash and cash equivalents	3	66,236,999,996	36,465,358,542
111	1. Cash		13,219,056,726	11,074,391,274
112	2. Cash equivalents		53,017,943,270	25,390,967,268
120	II. Short-term investments	4	441,875,185,921	379,643,908,394
123	1. Held-to-maturity investments		441,875,185,921	379,643,908,394
130	III. Short-term receivables		128,692,256,392	119,946,660,710
131	1. Short-term trade receivables	5	117,440,258,369	110,327,594,307
132	2. Short-term prepayments to suppliers	6	6,791,122,320	6,823,779,497
136	3. Other short-term receivables	7	6,305,376,808	5,782,218,778
137	4. Provision for short-term doubtful debts		(1,844,501,105)	(2,986,931,872)
140	IV. Inventories	9	20,430,590,390	10,967,155,382
141	1. Inventories		20,430,590,390	10,967,155,382
150	V. Other short-term assets		29,589,740,593	36,960,322,761
151	1. Short-term prepaid expenses	14	2,980,326,140	2,959,847,906
152	2. Deductible VAT		22,269,309,796	34,000,474,855
153	3. Taxes and other receivables from the State budget	18	4,340,104,657	-
200	B. NON-CURRENT ASSETS		1,033,315,865,000	1,078,312,454,692
220	II. Fixed assets		970,333,989,289	1,029,409,037,078
221	1. Tangible fixed assets	11	867,864,100,448	928,308,478,846
222	- Historical costs		2,073,826,511,633	2,034,822,427,954
223	- Accumulated depreciation		(1,205,962,411,185)	(1,106,513,949,108)
227	2. Intangible fixed assets	12	102,469,888,841	101,100,558,232
228	- Historical costs		105,939,044,787	104,009,870,987
229	- Accumulated amortization		(3,469,155,946)	(2,909,312,755)
230	III. Investment properties	13	120,350,017	126,150,013
231	- Historical costs		145,000,000	145,000,000
232	- Accumulated depreciation		(24,649,983)	(18,849,987)
240	IV. Long-term assets in progress	10	16,827,434,746	6,159,640,536
242	1. Construction in progress		16,827,434,746	6,159,640,536
250	V. Long-term investments	4	32,615,481,149	32,835,947,149
252	1. Investments in joint ventures and associates		30,089,813,149	30,089,813,149
253	2. Equity investments in other entities		3,764,334,000	3,764,334,000
254	3. Provision for devaluation of long-term investments		(1,238,666,000)	(1,018,200,000)
260	VI. Other long-term assets		13,418,609,799	9,781,679,916
261	1. Long-term prepaid expenses	14	12,192,585,639	8,352,015,756
262	2. Deferred income tax assets	31	1,115,216,160	1,318,856,160
263	3. Long-term equipment, supplies and spare parts		110,808,000	110,808,000
270	TOTAL ASSETS		1,720,140,638,292	1,662,295,860,481

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

(continued)

Code	RESOURCES	Note	31/12/2020 VND	01/01/2020 VND
300	C. LIABILITIES		314,408,557,109	308,417,836,741
310	I. Current liabilities		137,475,072,132	120,264,867,427
311	1. Short-term trade payables	16	40,516,321,768	34,605,345,675
312	2. Short-term prepayments from customers	17	588,251,594	871,691,364
313	3. Taxes and other payables to State budget	18	14,439,736,571	13,152,129,129
314	4. Payables to employees		50,086,798,765	42,735,047,761
315	5. Short-term accrued expenses	19	1,944,767,221	1,446,018,132
318	6. Short-term unearned revenue		-	37,500,000
319	7. Other short-term payments	20	993,168,574	1,257,504,553
320	8. Short-term borrowings and finance lease liabilities	15	13,466,742,488	12,717,656,438
322	9. Bonus and welfare fund		15,439,285,151	13,441,974,375
330	II. Non-current liabilities		176,933,484,977	188,152,969,314
338	1. Long-term borrowings and finance lease liabilities	15	176,933,484,977	188,152,969,314
400	D. OWNER'S EQUITY		1,405,732,081,183	1,353,878,023,740
410	I. Owner's equity	21	1,405,732,081,183	1,353,878,023,740
411	1. Contributed capital		990,000,000,000	990,000,000,000
411a	- Ordinary shares with voting rights		990,000,000,000	990,000,000,000
412	2. Share Premium		(215,000,000)	(215,000,000)
418	3. Development and investment funds		206,564,982,414	179,932,610,473
421	4. Retained earnings		209,382,098,769	184,160,413,267
421b	- Retained earnings of the current year		209,382,098,769	184,160,413,267
440	TOTAL RESOURCES		1,720,140,638,292	1,662,295,860,481


Ngo Quoc Van
Preparer


Nguyen Ngoc Tam
Head of Finance and Accounting
Department




Tran Le Tuan
Acting General Director

Da Nang, 28 February 2021

STATEMENT OF INCOME

Year 2020

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
01	1. Revenue from sales of goods and rendering of services	23	904,427,391,481	823,884,542,540
02	2. Revenue deductions		31,524,950	126,512,560
10	3. Net revenue from sales of goods and rendering of services		904,395,866,531	823,758,029,980
11	4. Cost of goods sold	24	584,619,668,823	532,568,441,686
20	5. Gross profit from sales of goods and rendering of services		319,776,197,708	291,189,588,294
21	6. Financial income	25	31,948,832,434	24,529,370,685
22	7. Financial expenses	26	15,876,879,294	13,105,083,777
23	<i>In which: Interest expenses</i>		11,427,685,495	11,662,379,388
25	8. Selling expenses	27	5,008,386,778	5,335,039,348
26	9. General and administrative expenses	28	72,363,930,820	75,651,091,191
30	10. Net profit from operating activities		258,475,833,250	221,627,744,663
31	11. Other income	29	1,906,524,012	6,030,966,854
32	12. Other expenses		183,173,458	201,076,276
40	13. Other profit		1,723,350,554	5,829,890,578
50	14. Total net profit before tax		260,199,183,804	227,457,635,241
51	15. Current corporate income tax expenses	30	50,613,445,035	44,616,078,134
52	16. Deferred corporate income tax expenses	31	203,640,000	(1,318,856,160)
60	17. Profit after corporate income tax		<u>209,382,098,769</u>	<u>184,160,413,267</u>
70	18. Basic earnings per share	32	2,115	1,860

Ngo Quoc Van
Preparer

Nguyen Ngoc Tam
Head of Finance and
Accounting Department

Tran Le Tuan
Acting General Director

Da Nang, 28 February 2021

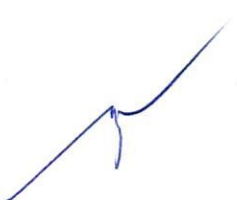
STATEMENT OF CASH FLOWS


Year 2020
(Indirect method)


Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		260,199,183,804	227,457,635,241
	2. Adjustments for			
02	- Depreciation and amortization of fixed assets and investment properties		117,264,403,257	119,573,383,755
03	- Provisions		(921,964,767)	(2,103,230,639)
04	- Exchange gains/losses from retranslation of monetary items denominated in foreign currency		758,174,864	1,941,604,369
05	- Gains/losses from investment		(31,286,899,819)	(27,073,295,874)
06	- Interest expenses		11,427,685,495	11,662,379,388
08	3. Operating profit before changes in working capital		357,440,582,834	331,458,476,240
09	- Increase or decrease in receivable		699,760,377	(7,109,724,756)
10	- Increase or decrease in inventories		(9,463,435,008)	(1,784,288,307)
11	- Increase or decrease in payable (excluding interest payable/ corporate income tax payable)		15,741,389,819	10,854,637,598
12	- Increase or decrease in prepaid expenses		(3,861,048,117)	(9,883,727,486)
14	- Interest paid		(11,508,562,382)	(11,733,314,076)
15	- Corporate income tax paid		(49,101,709,435)	(42,676,766,971)
17	- Other payments on operating activities		(18,454,730,550)	(14,791,747,349)
20	Net cash flows from operating activities		281,492,247,538	254,333,544,893
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(68,851,349,682)	(110,027,062,082)
22	2. Proceeds from disposals of fixed assets and other long-term assets		1,543,108,080	3,045,890,910
23	3. Loans and purchase of debt instruments from other entities		(222,041,457,337)	(641,973,010,997)
24	4. Collection of loans and resale of debt instrument of other entities		159,810,179,810	442,089,320,411
27	5. Interest and dividend received		29,321,153,639	22,981,273,264
30	Net cash flows from investing activities		(100,218,365,490)	(283,883,588,494)
	III CASH FLOWS FROM FINANCING ACTIVITIES			
34	1. Repayment of principal		(12,902,527,034)	(12,618,018,389)
36	2. Dividends or profits paid to owners		(138,600,000,000)	(59,400,000,000)
40	Net cash flows from financing activities		(151,502,527,034)	(72,018,018,389)
50	Net cash flows in the year		29,771,355,014	(101,568,061,990)

STATEMENT OF CASH FLOWS*Year 2020*
(Indirect method)

Code ITEMS	Note	Year 2020	Year 2019
		VND	VND
60 Cash and cash equivalents at beginning of the year		36,465,358,542	138,034,815,704
61 Effect of exchange rate fluctuations		286,440	(1,395,172)
70 Cash and cash equivalents at end of the year	3	<u>66,236,999,996</u>	<u>36,465,358,542</u>


 Ngo Quoc Van
 Preparer


 Nguyen Ngoc Tam
 Head of Finance and Accounting
 Department


 Tran Le Tuan
 Acting General Director


Da Nang, 28 February 2021

NOTES TO FINANCIAL STATEMENTS

For the fiscal year ended as at 31 December 2020

1. GENERAL INFORMATION OF THE COMPANY

Form of ownership

Danang Port Joint Stock Company is incorporated on a basis of 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 06 May 2014 of the Members Council of Vietnam National Shipping Lines. The Company is established and operates activities under Business Registration Certificate No. 3204000379 issued by Da Nang Authority for Planning and Investment dated 01 April 2008 by the Department of Planning and Investment of Da Nang city. The Company was granted the Business Registration Certificate of Joint Stock Company No. 0400101972 issued by the Department of Planning and Investment of Da Nang city. The most recent re-registration (7th) was made on 08 August 2019.

The Company's head office is located at No. 26 Bach Dang, Thach Thang Ward, Hai Chau District, Da Nang City.

Company's Charter capital is VND 990,000,000,000, actual contributed Charter capital by 31 December 2020 is VND 990,000,000,000; equivalent to 99,000,000 shares with the price of VND 10,000 per share.

The total of employees of the Company at 31 December 2020 is: 702 employees (at 31 December 2019: 673 employees)

Business field

Cargo handling, Service activities incidental to water transportation and other transportation support activities, warehousing and storage services, petroleum business.

Business activities

Main business activities of the Company include:

- Cargo handling services. Detail: Land cargo handling, harbor cargo handling, riverport cargo handling;
- Support services for waterway transportation. Detail: Service activities incidental to sea and coastal water transport. Service activities incidental to inland water transport;
- Other transportation support activities. Detail: Shipping agency services. Sea transport agency services. Trading in port and harbor services; Seagoing vessels towage and support services; Maintenance, tally and delivery of cargoes. Logistics Services; Trading in multimodal transport;
- Warehousing and storage. Detail: Warehousing and storage of goods in bonded warehouses. Warehousing and storage of goods in refrigerated warehouses. Warehousing and storage of goods in other warehouses;
- Wholesale of solid, liquid and gaseous fuels and related products. Detail: Wholesale of crude oil; Wholesale of petroleum, oil and related products;
- Manufacture of lifting and handling equipment (not operating at the head office); Repair of fabricated metal products (Not stamping, cutting, bending, welding and painting at the head office);
- Repair and maintenance of machinery and equipment (Not stamping, cutting, bending, welding and painting at the head office);
- Repair of other equipment;
- Installation of industrial machinery and equipment;
- Trading in own or rented property and land use rights;
- Renting of motor vehicles;
- Building houses of all kinds, building other civil engineering works.

The Company's operation in the year that affects the Financial Statements

In 2020, because of having the epidemic in all over the world, transporting by air has undertaken a difficulty. Therefore, many customers switched to the shipping method by sea. The quantity of goods through transport by sea increased strongly compared to the same previous period, leading to stable growth in revenue and profit in this period.

In 2020, the expenses of the Company also increased because of the influence from the epidemic, storms and floods leading to an elevation in repair costs, costs for troubleshooting after storms and floods and costs for anti-epidemic support.

Corporate structure

The Company's member entities are as follows	Address	Main business activities
Tien Sa Port Enterprise	No.1 Yet Kieu, Tho Quang, Son Tra, Da Nang	Business services, goods

Information of Subsidiaries, Associated companies and Joint ventures of the Company is provided in Note No 4.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting currency

Annual accounting period commences from 1 January and ends as at 31 December.
The Company maintains its accounting records in VND.

2.2. Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC .

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3. Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on the revaluation of financial instruments after initial recognition.

2.4. Foreign currency transactions

The foreign currency transactions during the year are translated into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;
- When purchasing assets or paying immediately in foreign currency, applying the bid rate of the commercial bank where the Company makes payments.

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;

- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting period.

2.5. Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.6. Financial investments

Investments held to maturity comprise term deposits (including treasury bills and promissory notes), bonds, preference shares which the issuer is required to repurchase at a certain time in the future and loans, etc. held to maturity to earn profits periodically and other held to maturity investments.

Investments in subsidiaries, joint ventures or associates are initially recognized at original cost. After initial recognition, the value of these investments is measured at original cost less provision for devaluation of investments.

Equity Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as follows:

- With regard to investments in subsidiaries, joint ventures or associates and investments in other units: the provisions shall be made based on the financial statement of subsidiaries, joint ventures, associates at the provision date;
- With regard to long-term investments (other than trading securities) without significant influence on the investee: If the investment is made in listed shares or the fair value of the investment is determined reliably, the provisions shall be made on the basis of the market value of the shares; if the fair value of the investment is not determined at the reporting date, the provision shall be made based on the Financial Statements at the provision date of the investee.
- With regard to investments held to maturity: the provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.7. Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.8. Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, if net realizable value of inventories is lower than the historical cost, inventories shall be recorded at net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.9. Fixed assets, Finance lease fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at historical cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	05 - 30	years
- Machinery, equipment	04 - 20	years
- Vehicles, Transportation equipment	05 - 10	years
- Office equipment and furniture	03 - 08	years
- Other fixed assets	03 - 05	years
- Management software	03 - 05	years

Intangible fixed assets are long-term land use rights that are not amortized.

2.10. Investment properties

Investment properties are initially recognised at historical cost.

Investment properties held for operating lease are recorded at historical cost, accumulated depreciation and carrying amount. Investment properties are depreciated using the straight-line method with estimated useful life as follows:

- Buildings, structures	05 - 30	years
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2.11. Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.12. Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.13. Business Cooperation Contract (BCC)

Business Cooperation Contract (BCC) means a cooperation contract between two or more venturers in order to carry out specific business activities, but it does not require establishment of a new legal entity. Those activities may be jointly controlled by venturers under BCC or controlled by one of them.

In case of receiving money or assets from other entities in the BCC, they should be recorded as payables. In case of contributing money or assets to BCC, they should be recorded as receivables. During the process of operating BCC, depending on the form of BCC, the accounting methods are adopted as follows:

BCC in the form of shares of post-tax profits

According to the terms of the venturer receiving the fixed profit every year, irrespective of the contract's operating results, records revenue from property leasing with the amount shared by BCC when receiving announcement from BCC.

2.14. Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria. Prepaid expenses are allocated gradually into operating expenses on the straight-line basis.

2.15. Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.16. Borrowings and finance lease liabilities

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.17. Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.18. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, but the payments for such goods or services have not been made and other payables such as annual leave salary, expenses arising from seasonal cessation of production, interest expenses, etc. which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.19. Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

The Company's retained earnings is distributed to other funds according to recommendation of the Board of Management and approval of shareholders at annual General Meeting of Shareholders:

- Development and Investment funds: The fund is reserved for the purpose of business expansion or in depth Investment.
- Bonus and welfare fund and bonus for the Board of Directors: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Statement of Financial position.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.20. Revenue

Sale of goods

Revenue from the sale of goods shall be recognised when all of the following conditions have been satisfied:

- Significant risks and rewards associated with the ownership of the goods have been transferred to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from rendering of services shall be recognised when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

Revenue from operating lease

Revenue from operating lease mainly includes: renting office, which are charged to income statement on a straight-line basis over the period of the leases under leasing contract.

Financial income

Revenue arising from the use by the others of the Company's assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.21. Revenue deductions

Revenue deductions from sales and service provisions arising in the year include: Trade discounts, sales discounts and sales returns.

Trade discount, sales discount and sales return incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.22. Cost of goods sold

The recognition of cost of goods sold is matched against revenue in the year and complies with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.23. Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.24. Corporate income tax**a) Deferred income tax asset**

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Deferred income tax asset and Deferred income tax liability are determined based on prevailing corporate income tax rate, tax rates and tax laws enacted at the end of accounting year.

Deferred income tax asset and Deferred income tax liability shall be offset against each other when preparing the Statement of Financial position.

b) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

c) Current corporate income tax rate:

The Company applies the corporate income tax rate of 20% for the operating activities which has taxable income for the fiscal year ended as at 31 December 2020.

2.25. Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the year.

2.26. Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.27. Segment information

Due to 99% of the company's revenue came from service business, and the company's business activities arise in the territory of Vietnam, the Company does not prepare segment reports by business segment and geographical segment.

3. CASH AND CASH EQUIVALENTS

	31/12/2020	01/01/2020
	VND	VND
- Cash on hand	259,987,626	246,936,567
- Demand deposits	12,959,069,100	10,827,454,707
- Cash equivalents	53,017,943,270	25,390,967,268
	66,236,999,996	36,465,358,542

As at 31 December 2020, the cash equivalents are deposits with term of from 01 month to 03 months with the amount of VND 53,017,943,270 at commercial banks with the interest rate of 3.3% / year to 3.5% / year.

4. FINANCIAL INVESTMENTS**a) Held to maturity investments**

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments	-	-	-	-
- Term deposits	441,875,185,921	-	379,643,908,394	-
	441,875,185,921	-	379,643,908,394	-

At 31 December 2020, the deposits have term of from 6 months to 12 months with the amount of VND 441,875,185,921 at commercial banks with the interest rate of 3.6% per year to 7% per year.

4. FINANCIAL INVESTMENTS

b) Equity investments in other entities

	Stock Code	31/12/2020			01/01/2020		
		Original cost	Fair value	Provision	Original cost	Fair value	Provision
		VND	VND	VND	VND	VND	VND
Investments in joint ventures and associates		30,089,813,149	39,072,872,400	-	30,089,813,149	34,498,819,228	-
- Danang Port Logistics JSC	DNL	19,907,661,902	39,072,872,400	-	19,907,661,902	34,498,819,228	-
- Danang Port Tugboat JSC		10,182,151,247	-	-	10,182,151,247	-	-
Investments in other entities		3,764,334,000	4,345,704,400	(1,238,666,000)	3,764,334,000	981,800,000	(1,018,200,000)
- Vinalines Logistics Vietnam JSC	VLG	2,000,000,000	761,334,000	(1,238,666,000)	2,000,000,000	981,800,000	(1,018,200,000)
- Vietnam Maritime Commercial JSC	MSB	1,764,334,000	3,584,370,400	-	1,764,334,000	-	-
		33,854,147,149	43,418,576,800	(1,238,666,000)	33,854,147,149	35,480,619,228	(1,018,200,000)

The fair value of the investment in Danang Port Logistics Joint Stock Company and Vinalines Logistics Vietnam Joint Stock Company is determined by the average price of the last 30 trading days up to 31 December 2019 and 31 December 2020.

The fair value of the investment in Vietnam Maritime Commercial Joint Stock Bank is determined at the closing price on the Ho Chi Minh City Stock Exchange (HOSE).

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

Investments in joint ventures and associates

Detailed information on the Company's joint ventures and associates as at 31 December 2020 as follows:

Name of joint venture and associates	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
- Danang Port Logistics JSC	Da Nang	45.1%	45.1%	Transport services, storage, loading and unloading
- Danang Port Tugboat JSC	Da Nang	36.00%	36.00%	Ship towing and support services

Investments in other entities:

Name of investee	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
- Vinalines Logistics Vietnam JSC	Ha Noi	1.41%	1.41%	Logistics and trade services
- Vietnam Maritime Commercial JSC	Ha Noi	0.02%	0.02%	Credit operations

5. SHORT-TERM TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by customers with large account balances				
- Vinalines Shipping Company	1,838,296,061	-	3,987,215,530	-
- Vinafco Shipping Joint Stock Company	2,094,301,600	-	2,956,733,594	-
- SITC Vietnam Company Limited	10,624,662,782	-	10,579,749,438	-
- Hai An Container Transport Company Limited	2,750,009,041	-	2,026,596,009	-
- Thien Y Transport Maritime Service Company Limited	1,381,661,355	-	2,739,307,920	-
- Branch of Safi Transport Agent Joint Stock Company	220,723,548	-	2,170,660,966	-
- Cosco Shipping Lines (Vietnam) Company Limited	4,050,899,917	-	-	-
- Evergreen Shipping Agency (Vietnam) Company Limited	2,678,307,912	-	2,221,834,443	-
- MSC Vietnam Company Limited	2,462,362,955	-	3,186,248,128	-
- GLS Shipping Joint Stock Company	4,509,289,613	-	6,702,585,918	-
- Central Container Joint Stock Company	2,562,972,048	-	1,860,390,270	-
- Dana - Uc Steel Joint Stock Company	2,335,853,219	(1,635,097,253)	2,335,853,219	(1,167,926,609)
- Sang Ngoc Food Company Limited	2,766,480,942	-	370,001,135	-
- Hoang Anh Khoi Company Limited	2,138,081,772	-	3,980,770,750	-
- Xuan Thanh Quang Nam Cement One Member Company Limited	2,040,999,400	-	-	-
- CMA-CGM Sa C/O CMA-CGM Viet Nam JSC	8,911,727,682	-	5,260,966,229	-
- Donghong Logistics (Hongkong) Limited	3,943,211,735	-	3,687,408,743	-
- Sealand Maersk Asia Pte. Ltd	8,436,790,916	-	3,115,969,638	-
- Maersk A/S	3,859,460,871	-	2,388,680,818	-
- Wan Hai Lines Ltd	5,683,245,531	-	7,324,467,964	-
- Yang Ming Marine Transport Corp	1,941,944,268	-	4,036,244,298	-
- Other trade receivables	40,208,975,201	(209,403,852)	39,395,909,297	(1,819,005,263)
	117,440,258,369	(1,844,501,105)	110,327,594,307	(2,986,931,872)
b) Trade receivables from related parties				
(Detailed as in Notes No.38)	1,843,869,461	-	6,070,304,079	-

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

		31/12/2020		01/01/2020	
		Value	Provision	Value	Provision
		VND	VND	VND	VND
- Marubeni Heavy Equipment Company		-	-	1,791,900,000	-
- Marine Construction Consulting Joint Stock Company	955,465,134		-	1,344,273,038	-
- Total Soft Bank Viet Nam Company Limited	2,580,000,000		-	860,000,000	-
- CICA Vietnam Company Limited	-		-	774,000,000	-
- Goodbell Equipment Company Limited	1,814,400,000		-	-	-
- Others	1,441,257,186		-	2,053,606,459	-
	6,791,122,320		-	6,823,779,497	-

7. SHORT-TERM OTHER RECEIVABLES

		31/12/2020		01/01/2020	
		Value	Provision	Value	Provision
		VND	VND	VND	VND
- Dividends and profits receivable	-		-	140,000,000	-
- Receivables from interest of deposit, loan	5,682,308,000		-	5,119,669,900	-
- Advances	168,056,532		-	192,354,021	-
- Other receivables	455,012,276		-	330,194,857	-
	6,305,376,808		-	5,782,218,778	-

8. DOUBTFUL DEBTS

		31/12/2020		01/01/2020	
		Original cost	Recoverable value	Original cost	Recoverable value
		VND	VND	VND	VND
- Total value of receivables and debts that are overdue or not due but difficult to be recovered					
+ Vinalines Container Shipping	-	-	-	1,461,935,026	730,967,513
+ Dana - Y Steel Joint Stock Company	1,840,136,021	1,840,136,021	1,840,136,021	1,840,136,021	920,068,011
+ Dana - Uc Steel Joint Stock	2,335,853,219	700,755,966	2,335,853,219	2,335,853,219	1,167,926,610
+ Others	271,555,022	62,151,170	271,555,022	271,555,022	103,585,282
	4,447,544,262	2,603,043,157	5,909,479,288	2,922,547,416	

9. INVENTORIES

		31/12/2020		01/01/2020	
		Original cost	Provision	Original cost	Provision
		VND	VND	VND	VND
- Raw material	16,667,228,880		-	10,539,584,099	-
- Tools, supplies	50,909,766		-	80,044,789	-
- Goods	3,712,451,744		-	347,526,494	-
	20,430,590,390		-	10,967,155,382	-

10. LONG-TERM ASSET IN PROGRESS

	31/12/2020	01/01/2020
	VND	VND
- Project of Logistics Center in Hoa Vang (*)	12,793,265,059	5,464,269,026
- Construction project of yard behind the wharf No.4 and No.5	499,719,012	-
- Eport electronic Port software	1,176,000,000	-
- Installing the container port shaft system, optical fibers,	1,690,909,091	-
- Accounting software upgrade	-	284,535,000
- Separate road project for Tien Sa tourists	-	220,705,000
- Others constructions in progress	667,541,584	190,131,510
	16,827,434,746	6,159,640,536

(*) According to Decision No. 4831/QĐ-UBND dated 10 June 2011 of the People's Committee of Da Nang City on the land acquisition for Danang Port Once member Company Limited, which has been converted to Danang Port Joint Stock Company leases land to invest in the construction of a Logistics Center. Details are as follows:

- The land area is 200,000 m2 in Hoa Nhon Commune and Hoa Son Commune, Hoa Vang District, Da Nang City;
- Land lease term is 50 years from the date of signing;
- Purpose: Build a Logistics center in accordance with the approved master plan;
- Project costs occurring to 31 December 2020 include: Land lease cost, Site clearance compensation, legal documents and some other costs;
- The actual statement of the project at 31 December 2020, the Company has given land, finished complete clearance and the Company is also preparing to invest and build infrastructure.

11. TANGIBLE FIXED ASSETS

(Detailed as in Appendix No. 01)

12. INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
Historical cost			
Beginning balance	100,560,170,987	3,449,700,000	104,009,870,987
- Purchase in the year	-	1,929,173,800	1,929,173,800
Ending balance of the year	100,560,170,987	5,378,873,800	105,939,044,787
Accumulated amortization			
Beginning balance	-	2,909,312,755	2,909,312,755
- Amortization for the year	-	559,843,191	559,843,191
Ending balance of the year	-	3,469,155,946	3,469,155,946
Net carrying amount			
Beginning balance	100,560,170,987	540,387,245	101,100,558,232
Ending balance	100,560,170,987	1,909,717,854	102,469,888,841

- The indefinite land use rights at 26 Bach Dang Street, Hai Chau District, Da Nang City with a total area of 1,011.1 m2 is being used as the office of the Company and the historical cost is VND 49,514,240,000;
- The indefinite land use rights at 18 Tran Phu Street, Hai Chau District, Da Nang City with a total area of 1,388.9 m2, the historical cost is VND 35,431,402,000, the asset on this land is being used to participate in business cooperation to make a profit;
- The indefinite land use rights at Group No.27, Thuan Phuoc Ward, Hai Chau District, Da Nang City with a total area of 116.4 m2 has historical cost of VND 1,789,552,987;
- The indefinite land use rights at A1-5 Bach Dang Street, Hai Chau District, Da Nang City with a total area of 426,4 m2 has historical cost of VND 13,824,976,000.

In which:

- Carrying amount of intangible fixed assets pledged as collaterals for borrowings at the end of the period: VND 49,514,240,000.
- Cost of fully depreciated intangible fixed assets but still in use at the end of the period: VND 2,722,900,000.

13. INVESTMENT PROPERTIES

Investment properties held for lease

	Infrastructure	Total
	VND	VND
Historical cost		
Beginning balance	145,000,000	145,000,000
Ending balance of the year	<u>145,000,000</u>	<u>145,000,000</u>
Accumulated depreciation		
Beginning balance	18,849,987	18,849,987
- Depreciation for the year	5,799,996	5,799,996
Ending balance of the year	<u>24,649,983</u>	<u>24,649,983</u>
Net carrying amount		
Beginning balance	126,150,013	126,150,013
Ending balance	<u>120,350,017</u>	<u>120,350,017</u>

14. PREPAID EXPENSES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term prepaid expenses		
- Insurance costs	816,986,244	766,834,703
- Dispatched tools and supplies	1,782,667,650	1,716,514,490
- Others	380,672,246	476,498,713
	<u>2,980,326,140</u>	<u>2,959,847,906</u>
b) Long-term prepaid expenses		
- Dispatched tools and supplies	643,654,379	213,199,761
- Cost of fixed assets	11,548,931,260	8,138,815,995
	<u>12,192,585,639</u>	<u>8,352,015,756</u>

Danang Port Joint Stock Company

No. 26 Bach Dang, Thach Thang Ward, Hai Chau District, Da Nang City

Financial Statements

For the fiscal year ended as at 31 December 2020

15. BORROWINGS

	01/01/2020		During the year		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
- Current portion of long-term debts	12,717,656,438	12,717,656,438	13,651,613,084	12,902,527,034	13,466,742,488	13,466,742,488
	<u>12,717,656,438</u>	<u>12,717,656,438</u>	<u>13,651,613,084</u>	<u>12,902,527,034</u>	<u>13,466,742,488</u>	<u>13,466,742,488</u>
b) Long-term borrowings						
- Long-term debts	200,870,625,752	200,870,625,752	637,443,418	11,107,841,705	190,400,227,465	190,400,227,465
	<u>200,870,625,752</u>	<u>200,870,625,752</u>	<u>637,443,418</u>	<u>11,107,841,705</u>	<u>190,400,227,465</u>	<u>190,400,227,465</u>
Amount due for settlement within 12 months	(12,717,656,438)	(12,717,656,438)	(13,651,613,084)	(12,902,527,034)	(13,466,742,488)	(13,466,742,488)
Amount due for settlement after 12 months	<u>188,152,969,314</u>	<u>188,152,969,314</u>			<u>176,933,484,977</u>	<u>176,933,484,977</u>

Detailed information on Long-term borrowings:

	Currency	Interest Rate	Year of maturity	Guarantee	31/12/2020	01/01/2020
					VND	VND
Da Nang City Development Investment Fund (*)	VND	7%	2030	Secured	150,000,000,000	150,000,000,000
Vietnam Development Bank - Da Nang Branch (**)	JPY	2%	2023	Unsecured	40,400,227,465	50,870,625,752
					<u>190,400,227,465</u>	<u>200,870,625,752</u>
Amount due for settlement within 12 months					(13,466,742,488)	(12,717,656,438)
Amount due for settlement after 12 months					<u>176,933,484,977</u>	<u>188,152,969,314</u>

(*) Borrowing loan from Da Nang City Development Investment Fund under the Credit Agreement No. 06/2017/HDTD dated 21 July 2017 as follow:

- + Borrowing object: invest in construction and equipment for the project on Tien Sa Port upgrading and expansion (phase II);
- + The loan term: 13 years, grace period: 2 years;
- + Interest rate: 7% per year, can be adjusted during the loan term;
- + Type of loan security: Mortgaging assets under the Mortgage Agreement No. 14/2017/HDTC dated 22 August 2017 and the Mortgage Agreement No. 24/2017/HDTC dated 27 November 2017;
- + Principal loan balance as at 31 December 2020 is: VND 150,000,000,000.

(**) Borrowing loan from Vietnam Development Bank - Da Nang Branch under the Credit Agreement for foreign loans No. 67/HDTDNN dated 24 September 2002 as follows:

- + Borrowing object: using for the Tien Sa Port Expansion project in the 1999-2004 period;
- + The loan term: 20 years, grace period: 5 years;
- + Interest rate: 2% per year;
- + Type of loan security: unsecured.
- + Principal loan balance as at 31 December 2020 is JPY 180,068,762.10 equal VND 40,400,227,465.

16. TRADE PAYABLES

	31/12/2020		01/01/2020	
	Value	Amount can be paid	Value	Amount can be paid
	VND	VND	VND	VND
a) Trade payables detailed by suppliers with large account balances				
- Danang Port Logistics Joint Stock Company	7,344,379,788	7,344,379,788	4,373,400,923	4,373,400,923
- Ngo Long Architecture Company Limited	-	-	2,442,379,500	2,442,379,500
- Da Nang Port Construction and Trade Joint Stock Company	1,260,042,250	1,260,042,250	3,096,848,861	3,096,848,861
- Danang Port Tugboat Joint Stock Company	8,823,669,139	8,823,669,139	10,073,476,827	10,073,476,827
- NAVACO Company Limited	4,154,953,607	4,154,953,607	2,695,290,882	2,695,290,882
- Petrolimex Danang Company Limited	-	-	1,604,154,247	1,604,154,247
- International service and Equipment Joint Stock Company	3,657,500,000	3,657,500,000	-	-
- Sang Ban Mai Joint Stock Corporation	6,955,465,000	6,955,465,000	-	-
- Others	8,320,311,984	8,320,311,984	10,319,794,435	10,319,794,435
	40,516,321,768	40,516,321,768	34,605,345,675	34,605,345,675
b) Trade payables to related parties	16,168,048,927	16,168,048,927	14,446,877,750	14,446,877,750

(detailed as in Note No. 38)

17. SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2020	01/01/2020
	VND	VND
- Truong Son Drilling & Blasting Services Company Limited	75,195,529	3,079,775
- Hai Phuong Transportation Company Limited	-	182,623,749
- Other prepayments from customers	513,056,065	685,987,840
	588,251,594	871,691,364

18. TAX AND PAYABLES FROM STATE BUDGET

(Details as in Appendix No. 02)

19. SHORT-TERM EXPENSES

	31/12/2020	01/01/2020
	VND	VND
- Interest expense	1,365,141,245	1,446,018,132
- Other accrued expenses	579,625,976	-
	1,944,767,221	1,446,018,132

20. SHORT -TERM OTHER PAYABLES

	31/12/2020	01/01/2020
	VND	VND
- Trade union fee	422,735,424	128,947,560
- Social insurance	6,860,896	4,818,646
- Health insurance	2,156,029	2,156,029
- Unemployment insurance	934,220	934,220
- Dividend, profit payables	277,082	277,082
- Others	560,204,923	1,120,371,016
	993,168,574	1,257,504,553

21. OWNER'S EQUITY

a) Changes in owner's equity (Details as in Appendix No. 03)

According to the Resolution No. 508/NQ-DHDCD dated 14 May 2020 issued by General Meeting of Shareholders, the Company announced its profit distribution as follows:

	Rate (%)	Amount VND
Net profit after tax	100.00%	184,160,413,267
Development investment funds	14.46%	26,632,371,941
Bonus and welfare fund	10.28%	18,928,041,326
Dividend payment (equal to 14% of charter capital)	75.26%	138,600,000,000

b) Details of Contributed capital

	31/12/2020	Rate	01/01/2020	Rate
	VND	(%)	VND	(%)
Vietnam Maritime Corporation	742,500,000,000	75.00%	742,500,000,000	75.00%
Wan Hai Lines (Singapore) PTE LTD	200,806,000,000	20.28%	200,806,000,000	20.28%
Others	46,694,000,000	4.72%	46,694,000,000	4.72%
	990,000,000,000	100%	990,000,000,000	100%

c) Capital transactions with owners and distribution of dividends and profits

	Year 2020	Year 2019
	VND	VND
Owner's contributed capital	-	-
- At the beginning of year	990,000,000,000	990,000,000,000
- At the ending of year	990,000,000,000	990,000,000,000
Distributed dividends and profit	-	-
- Dividend payable at the beginning of the year	277,082	19,800,277,082
- Dividend payable in the year	138,600,000,000	39,600,000,000
+ Dividend payable from last year's profit	138,600,000,000	39,600,000,000
- Dividend paid in cash during year	(138,600,000,000)	(59,400,000,000)
+ Dividend paid from last year's profit	(138,600,000,000)	(59,400,000,000)
- Dividend payable at the end of the year	277,082	277,082

d) Share

	31/12/2020	01/01/2020
	VND	VND
Quantity of Authorized issuing shares	99,000,000	99,000,000
Quantity of issued shares and full capital contribution	99,000,000	99,000,000
- <i>Common shares</i>	99,000,000	99,000,000
Quantity of outstanding shares in circulation	99,000,000	99,000,000
- <i>Common shares</i>	99,000,000	99,000,000
Par value per share (VND)	10,000	10,000

e) Company's reserves

	31/12/2020	01/01/2020
	VND	VND
- Development and investment funds	206,564,982,414	179,932,610,473
	206,564,982,414	179,932,610,473

22. OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT

a) Operating leased assets

- The Company signed a land lease contract No. 417/HD-TD on 7 August 2007 with the People's Committee of Da Nang city in Tho Quang Ward, Ngu Hanh Son District, Da Nang City with the purpose of exploiting translation seaport services. The area of the leased land is 176,145 m², the land lease term is 50 years from 13 April 2007. Under this contract, the Company must pay annual rental fees until the contract maturity date according to current State regulations.

- On 9 May 2016, People's Committee of Da Nang City issued Decision No. 2798/QD-UBND on leasing land to Da Nang Port Joint Stock Company, to invest in upgrading and expanding Tien Sa Port phase II at Tho Quang Ward, Son Tra District, Da Nang City. According to this decision, the Company leased 85,674 m² of leased land to invest in the construction and expansion of Tien Sa Port - phase II. The land lease period is from the date of signing the decision to 2057, the Company must pay annual fees to the contract maturity date according to the State's current regulations.

- The People's Committee of Da Nang City issued Decision No. 4831/QD-UBND dated 10 June 2011 on leasing land for Da Nang Port Company Limited, currently Da Nang Port Joint Stock Company, for investing to build a logistics center. The land has an area of 200,000 m² in Hoa Nhon commune and Hoa Son Commune, Hoa Vang District, Da Nang City. Lease term is 50 years from the date of signing. The Company must pay land rent fees to the State budget in accordance with regulations.

b) Foreign currencies

	31/12/2020	01/01/2020
	VND	VND
USD	379,064.07	34,240.13
JPY	44,000.00	44,000.00

23. TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Year 2020	Year 2019
	VND	VND
Revenue from sale of goods	10,798,783,307	13,548,901,940
Revenue from rendering of services	893,628,608,174	810,335,640,600
	904,427,391,481	823,884,542,540
Revenue from relevant parties (Details as in Note No. 38)	28,566,108,712	41,446,441,529

24. COSTS OF GOODS SOLD

	Year 2020	Year 2019
	VND	VND
Cost of goods sold	10,137,046,336	12,832,610,370
Costs of services rendered	574,482,622,487	519,735,831,316
	584,619,668,823	532,568,441,686
Cost of goods sold to relevant parties (Details as in Note No. 38)	118,966,452,942	105,900,071,962

25. FINANCIAL INCOME

	Year 2020	Year 2019
	VND	VND
Interest income	23,560,905,739	18,443,411,364
Dividends or profits received	6,182,886,000	5,583,993,600
Realised exchange gain	2,205,040,695	501,965,721
	31,948,832,434	24,529,370,685
Financial income from relevant parties (Details as in Note No. 38)	6,182,886,000	5,583,993,600

26. FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	11,427,685,495	11,662,379,388
Realised exchange loss	3,470,552,935	425,536,220
Unrealised exchange loss	758,174,864	1,941,604,369
Provision for diminution in value of trading securities and impairment loss	220,466,000	(924,436,200)
	15,876,879,294	13,105,083,777

27. SELLING EXPENSES

	Year 2020	Year 2019
	VND	VND
Labour expenses	177,661,099	177,191,974
Other expenses in cash	4,830,725,679	5,157,847,374
	5,008,386,778	5,335,039,348

28. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	1,761,085,716	1,423,618,742
Labour expenses	43,544,168,188	38,644,599,228
Depreciation expenses	1,208,035,359	834,915,327
Reversal of provision expenses	(1,142,430,767)	(1,061,114,439)
Tax, Charge, Fee	309,570,423	222,737,743
Expenses of outsourcing services	1,302,118,037	1,552,487,726
Other expenses in cash	25,381,383,864	34,033,846,864
	72,363,930,820	75,651,091,191

29. OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Gain from liquidation, disposal of fixed assets	1,543,108,080	3,045,890,910
Gains from revaluation of assets	90,976,797	288,754,325
Collected fines	-	1,980,366,060
Others	272,439,135	715,955,559
	1,906,524,012	6,030,966,854

30. CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020	Year 2019
	VND	VND
Total profit before tax	260,199,183,804	227,457,635,241
Increase	438,731,446	591,239,007
- <i>Ineligible expenses</i>	318,000,000	163,434,931
- <i>Unrealized loss on foreign exchanges revaluation</i>	120,731,446	369,604,076
- <i>Allowance for decline in value of financial investment</i>	-	58,200,000
Decrease	(7,570,690,076)	(13,268,222,489)
- <i>Dividend payment</i>	(6,182,886,000)	(5,583,993,600)
- <i>Unrealized gain on foreign exchanges revaluation</i>	(369,604,076)	(215,934,398)
- <i>Reverting Severance allowance paid</i>	-	(3,168,038,174)
- <i>Material cost waiting for allocating</i>	-	(1,337,254,057)
- <i>Reverting allowance for decline in value of financial investment</i>	(1,018,200,000)	(982,636,200)
- <i>Solving accrued liabilities</i>	-	(1,980,366,060)
Taxable income	253,067,225,174	214,780,651,759
Current corporate income tax expense occurring in 2020 (tax rate 20%)	50,613,445,035	42,956,130,352
Adjustment of tax expenses from the previous years into the current corporate income tax expense	-	1,659,947,782
Current corporate income tax expense (tax rate 20%)	50,613,445,035	44,616,078,134
Tax payable at the beginning of year	9,233,757,957	7,294,446,794
Tax paid in the year	(49,101,709,435)	(42,676,766,971)
Corporate income tax payable at the end of the year	10,745,493,557	9,233,757,957

31. DEFERRED INCOME TAX**a) Deferred income tax assets**

	31/12/2020	01/01/2020
	VND	VND
- Corporate income tax rate used to determine deferred income tax assets	20%	20%
- Corporate income tax rate used to determine deferred income tax assets	1,115,216,160	1,318,856,160
Deferred income tax assets	1,115,216,160	1,318,856,160

b) Deferred corporate income tax expense

	Year 2020	Year 2019
	VND	VND
Deferred CIT expense relating to deductible temporary difference	203,640,000	-
Deferred CIT income arising from deductible temporary difference (*)	-	(1,318,856,160)
	203,640,000	(1,318,856,160)

32. BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the Company are calculated as follows:

	Year 2020	Year 2019
	VND	VND
Net profit after tax	209,382,098,769	184,160,413,267
Profit distributed to common shares	209,382,098,769	184,160,413,267
Average number of outstanding common shares in circulation in the year	99,000,000	99,000,000
Basic earnings per share	2,115	1,860

The Company has not planned to make any distribution to Bonus and welfare fund, bonus for the Board of Directors from the net profit after tax at the date of preparing Financial Statements

33. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020	Year 2019
	VND	VND
Raw materials	22,704,886,110	28,256,873,984
Labour expenses	223,964,554,237	213,083,158,330
Depreciation expenses	117,264,403,257	119,573,383,755
Expenses of outsourcing services	188,061,908,286	182,230,778,872
Other expenses in cash	99,865,988,191	60,536,365,140
	651,861,740,081	603,680,560,081

34. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company include:

	Carrying amount			
	31/12/2020		01/01/2020	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	66,236,999,996	-	36,465,358,542	-
Trade and other receivables	123,745,635,177	(1,844,501,105)	116,109,813,085	(2,986,931,872)
Loans	441,875,185,921	-	379,643,908,394	-
Long term investments	3,764,334,000	(1,238,666,000)	2,000,000,000	(1,018,200,000)
	<u>635,622,155,094</u>	<u>(3,083,167,105)</u>	<u>534,219,080,021</u>	<u>(4,005,131,872)</u>
Financial Liabilities				
Borrowings and debts			190,400,227,465	200,870,625,752
Trade and other payables			41,509,490,342	35,862,850,228
Accrued expenses			1,944,767,221	1,446,018,132
			<u>233,854,485,028</u>	<u>238,179,494,112</u>

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. the Board of General Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes in prices, exchange rates and interest rates.

Price Risk

The Company bears price risk of equity instruments from short-term and long-term investments in securities due to the uncertainty of future prices of the securities. As regards, long-term securities held for long-term strategies, at the end of the year, the Company has no plan to sell these investments.

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Long term investments	-	-	2,525,668,000	2,525,668,000
	<u>-</u>	<u>-</u>	<u>2,525,668,000</u>	<u>2,525,668,000</u>

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 01/01/2020				
Long term investments	-	-	981,800,000	981,800,000
	-	-	981,800,000	981,800,000

Exchange rate risk

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Cash and cash equivalents	66,236,999,996	-	-	66,236,999,996
Trade and other receivables	121,901,134,072	-	-	121,901,134,072
Loans	441,875,185,921	-	-	441,875,185,921
	630,013,319,989	-	-	630,013,319,989
As at 01/01/2020				
Cash and cash equivalents	36,465,358,542	-	-	36,465,358,542
Trade and other receivables	113,122,881,213	-	-	113,122,881,213
Loans	379,643,908,394	-	-	379,643,908,394
	529,232,148,149	-	-	529,232,148,149

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Borrowings and debts	13,466,742,488	108,933,484,977	68,000,000,000	190,400,227,465
Trade and other payables	41,509,490,342	-	-	41,509,490,342
Accrued expenses	1,944,767,221	-	-	1,944,767,221
	56,921,000,051	108,933,484,977	68,000,000,000	233,854,485,028
As at 01/01/2020				
Borrowings and debts	12,717,656,438	118,152,969,314	70,000,000,000	200,870,625,752
Trade and other payables	35,862,850,228	-	-	35,862,850,228
Accrued expenses	1,446,018,132	-	-	1,446,018,132
	50,026,524,798	118,152,969,314	70,000,000,000	238,179,494,112

The Company believes that risk level of loan repayment is low. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

35. ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS

	Year 2020	Year 2019
	VND	VND
a) Proceeds from borrowings during the year		
Proceeds from ordinary contracts;	-	-
b) Actual repayments on principal during the year		
Repayment on principal from ordinary contracts;	12,902,527,034	12,618,018,389

36. OTHER INFORMATION

According to Notice No.1168/TB-CT dated 13 April 2020 of the Tax Department of Da Nang city on the arrears of renting land and water surface, with the land lot area of 85,674 m² located in Tho Quang Ward, Son Tra District, the Da Nang City for The Tien Sa Port upgrading and expanding investment project in phrase II. The total amount of land rental arrears according to the above notice is VND 67.66 billion (from 2015 to 2020), the paid land rental is VND 3.53 billion, the payable land rental is VND 64.135 billion. On 14 May 2020, the Company temporarily paid the land rent to the State Treasury with the amount of VND 20 billion. According to the above announcement, the land rental unit price is 10 times higher than the land rental unit price in phase I, so the company has repeatedly sent dispatches to People's Committee of Da Nang City to review the land rental unit price.

On 3 June 2020, the People's Committee of Da Nang city sent an official dispatch No.258/TB-VP on handling the proposal of Danang Port Joint Stock Company with the following conclusion. During the time waiting for the price review of Tien Sa Port upgrading and expanding investment project in phase 2, the People's Committee of Da Nang city agrees to allow Da Nang Port Joint Stock Company to temporarily pay the land rental at the land rental rate of phase I.

On 12 June 2020, the Tax Department of Da Nang City issued official Dispatch No.2249/TB-CT on the adjustment of temporary land and water surface rent in 2020. Accordingly, the land rent is temporarily paid in 2020 for the land area of the Da Nang City for The Tien Sa Port upgrading and expanding investment project in phase II is VND 4.7 billion, recorded in the report on business results of 2020.

37. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Financial Statements.

38. TRANSACTION AND BALANCES WITH RELATED PARTIES

List and relation between related parties and the Company detail as follows:

Related parties	Relation
Vietnam Maritime Corporation	Parent company
Danang Port Logistics Joint Stock Company	Associated company
Danang Port Tugboat Joint Stock Company	Associated company
Bien Dong Shipping Company Limited	The same Parent Company
Branch of Vietnam Ocean Shipping Agency - Danang Shipping Agency	The same Parent Company
Vietnam Ocean Shipping Joint Stock Company (VOSCO)	The same Parent Company
Vinalines Container Shipping Company	Dependent entity of the Parent Company
Vinalines Shipping Company	Dependent entity of the Parent Company

During the year, the Company has the transactions and balances with related parties as follows: (particularly borrowings with related parties are detailed in Note No.15)

Transactions during the year:

	Year 2020	Year 2019
	VND	VND
Sales of goods and provisions of services	28,566,108,712	41,446,441,529
Danang Port Logistics Joint Stock Company	3,731,123,063	4,857,918,545
Danang Port Tugboat Joint Stock Company	5,965,209,630	5,505,999,194
Bien Dong Shipping Company Limited	5,184,000	1,746,640,248
Vinalines Container Shipping Company	-	6,720,000
Vinalines Shipping Company	13,422,591,655	20,697,390,566
Branch of Vietnam Ocean Shipping Agency - Danang Shipping Agency	5,442,000,364	8,631,772,976
Purchase of goods and services	118,966,452,942	105,900,071,962
Danang Port Logistics Joint Stock Company	48,919,076,205	41,819,415,418
Danang Port Tugboat Joint Stock Company	70,047,376,737	64,080,656,544
Dividends received	6,182,886,000	5,583,993,600
Danang Port Logistics Joint Stock Company	2,915,886,000	2,721,493,600
Danang Port Tugboat Joint Stock Company	3,267,000,000	2,722,500,000
Vinalines Logistics Vietnam Joint Stock Company	-	140,000,000
Dividends paid	103,950,000,000	44,550,000,000
Vietnam Maritime Corporation	103,950,000,000	44,550,000,000

Outstanding balances up to the reporting date are as follows:


	31/12/2020	01/01/2020
	VND	VND
Other receivables	1,843,869,461	6,070,304,079
Vinalines Shipping Company	1,838,296,061	3,987,215,530
Vinalines Container Shipping Company	-	1,461,935,026
Bien Dong Shipping Company Limited	5,573,400	20,034,000
Branch of Vietnam Ocean Shipping Agency - Danang Shipping Agency	-	601,119,523
Other receivables	16,168,048,927	14,446,877,750
Danang Port Logistics Joint Stock Company	7,344,379,788	4,373,400,923
Danang Port Tugboat Joint Stock Company	8,823,669,139	10,073,476,827


Transactions with other related parties:


	Year 2020 VND	Year 2019 VND
Remuneration to General Director	1,345,344,168	1,257,359,346
- Mr. Tran Le Tuan	1,345,344,168	1,257,359,346
Remuneration to members of the Board of General Directors and the Board of	2,163,158,982	1,905,497,443
- Mr. Phan Bao Loc	836,244,327	725,847,769
- Mr. Nguyen Quang Dung	54,000,000	28,800,000
- Mr. Vu Quyet Thang	54,000,000	28,800,000
- Mr. Le Quang Duc	1,110,914,655	1,036,399,674
- Mr. Chen Yung Chan	54,000,000	6,450,000
- Mrs. Nguyen Thi Yen	54,000,000	28,800,000
- Mr. Luong Dinh Minh	-	25,200,000
- Mr. Tran Tuan Hai	-	25,200,000
Remuneration to members of the Board of General Directors and the Board of	992,169,037	915,132,253
- Mr. Duong Duc Xuan	992,169,037	915,132,253

39. COMPARATIVE FIGURES

The comparative figures in Financial Statement for the fiscal year ended as at 31 December 2019 which were audited by AAC Auditing And Accounting Company.


Ngo Quoc Van
Preparer


Nguyen Ngoc Tam
Head of Finance and Accounting
Department


Tran Le Tuan
Acting General Director



Da Nang, 28 February 2021

APPENDIX 01: TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation	Office equipment and furniture	Others	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
Beginning 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
- Purchase in the year	-	23,038,742,374	27,129,081,816	3,669,568,073	-	53,837,392,263
- Completed construction investment	1,991,271,227	-	-	-	-	1,991,271,227
- Other increase	381,818,182	-	4,000,000	39,900,000	-	425,718,182
- Liquidation, disposal	-	(3,082,077,558)	(3,359,894,755)	(10,808,325,680)	-	(17,250,297,993)
- Other decrease	(2,794,940,120)	67,097,299,130	(64,611,745,417)	1,771,801,643	(1,462,415,236)	-
Ending balance of the year	1,136,763,497,422	848,398,695,312	79,698,423,058	8,965,895,841	-	2,073,826,511,633
Accumulated depreciation						
Beginning 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
- Depreciation for the year	49,715,839,692	59,342,997,834	5,747,300,539	1,892,622,005	-	116,698,760,070
- Liquidation, disposal	-	(3,082,077,558)	(3,359,894,755)	(10,808,325,680)	-	(17,250,297,993)
- Other decrease	(2,246,035,380)	57,748,042,185	(55,864,531,691)	1,811,802,251	(1,449,277,365)	-
Ending balance of the year	596,257,592,630	563,409,048,339	42,081,656,810	4,214,113,406	-	1,205,962,411,185
Net carrying amount						
Beginning balance	588,397,559,815	311,944,645,488	24,978,198,697	2,974,936,975	13,137,871	928,308,478,846
Ending balance	540,505,904,792	284,989,646,973	37,616,766,248	4,751,782,435	-	867,864,100,448

In which:

- The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year: VND 19,811,845,091
- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 604,475,745,950

Danang Port Joint Stock Company

No. 26 Bach Dang, Thach Thang Ward, Hai Chau District, Da Nang City

Financial Statements

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APPENDIX 02: TAX AND PAYABLES FROM STATE BUDGET

	Tax receivable at the beginning of year	Tax payable at the beginning of year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
Value-added tax	-	-	47,554,698,270	47,554,698,270	-	-
Corporate income tax	-	9,233,757,957	50,613,445,035	49,101,709,435	-	10,745,493,557
Personal income tax	-	3,918,371,172	10,041,093,908	10,265,222,066	-	3,694,243,014
Land tax and land rental	-	-	15,820,895,255	20,160,999,912	4,340,104,657	-
Other taxes	-	-	16,000,000	16,000,000	-	-
	-	13,152,129,129	124,046,132,468	127,098,629,683	4,340,104,657	14,439,736,571

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Financial Statements could be changed at a later date upon final determination by the tax authorities.

Danang Port Joint Stock Company

No. 26 Bach Dang, Thach Thang Ward, Hai Chau District, Da Nang City

APPENDIX 03: OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Development and investment funds	Retained earnings	Total
	VND	VND	VND	VND	VND
Beginning balance of previous year	990,000,000,000	(215,000,000)	157,162,317,406	77,579,399,743	1,224,526,717,149
Profit for previous year	-	-	-	184,160,413,267	184,160,413,267
Profit distribution	-	-	22,770,293,067	(77,579,399,743)	(54,809,106,676)
Ending balance of previous year	990,000,000,000	(215,000,000)	179,932,610,473	184,160,413,267	1,353,878,023,740
Beginning balance of current year	990,000,000,000	(215,000,000)	179,932,610,473	184,160,413,267	1,353,878,023,740
Profit for this year	-	-	-	209,382,098,769	209,382,098,769
Profit distribution	-	-	26,632,371,941	(184,160,413,267)	(157,528,041,326)
Ending balance of this year	990,000,000,000	(215,000,000)	206,564,982,414	209,382,098,769	1,405,732,081,183

