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**Vietnam Container Shipping  
Joint Stock Corporation**

Consolidated financial statements  
for the year ended 31 December 2019

## **Vietnam Container Shipping Joint Stock Corporation Corporate Information**

### **Business Registration Certificate**

No. 0200453688

11 July 2019

The Business Registration Certificate was initially issued by Hai Phong Department of Planning and Investment on 1 April 2002. The Company's Business Registration Certificate has been amended several times, the most recent of which was on 11 July 2019.

### **Board of Management**

|                       |          |
|-----------------------|----------|
| Mr. Nguyen Viet Hoa   | Chairman |
| Mr. Nguyen Van Tien   | Member   |
| Mr. Tran Xuan Bao     | Member   |
| Ms. Hoang Thi Ha      | Member   |
| Mr. Hoang Trong Giang | Member   |
| Mr. Nguyen The Trong  | Member   |
| Mr. Nguyen Viet Trung | Member   |
| Mr. Nghiem Tuan Anh   | Member   |
| Mr. Hoang Tien Luc    | Member   |

### **Board of Directors**

|                      |  |
|----------------------|--|
| Mr. Nguyen Van Tien  | General Director                           |
| Mr. Tran Xuan Bao    | Chief Finance Officer cum Chief Accountant |
| Mr. Nguyen The Trong | Chief Technology Officer                   |

### **Registered Office**

11 Vo Thi Sau, May To Ward  
Ngo Quyen District, Hai Phong City  
Vietnam

### **Auditor**

KPMG Limited  
Vietnam

## Vietnam Container Shipping Joint Stock Corporation Statement of the Board of Directors

The Board of Directors of Vietnam Container Shipping Joint Stock Corporation (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company for the year ended 31 December 2019.

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the consolidated financial statements set out on pages 5 to 43 give a true and fair view of the consolidated financial position of the Company as at 31 December 2019, and of the consolidated results of operations and the consolidated cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company and its subsidiaries will not be able to pay their debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorized the accompanying consolidated financial statements for issue.

On behalf of the Board of Directors



Nguyen Van Tien  
General Director

Hai Phong, 6 March 2020



KPMG Limited  
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E6 Pham Hung Road, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Vietnam Container Shipping Joint Stock Corporation**

We have audited the accompanying consolidated financial statements of Vietnam Container Shipping Joint Stock Corporation ("the Company") and its subsidiaries which comprise the consolidated balance sheet as at 31 December 2019, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 6 March 2020, as set out on pages 5 to 43.

### **Management's Responsibility**

The Company's Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of 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 consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Vietnam Container Shipping Joint Stock Corporation and its subsidiaries as at 31 December 2019 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

### KPMG Limited

Vietnam  
Audit Report No.: 19-02-00132-20-2



Wang Toon Kim  
Practicing Auditor Registration  
Certificate No.: 0557-2018-007-1  
*Deputy General Director*  
Hanoi, 6 March 2020

Doan Thanh Toan  
Practicing Auditor Registration  
Certificate No.: 3073-2019-007-1

**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2019**

**Form B 01 – DN/HN**

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

|   | Code       | Note     | 31/12/2019<br>VND      | 1/1/2019<br>VND        |
|---|------------|----------|------------------------|------------------------|
| <b>ASSETS</b>   |            |          |                        |                        |
| <b>Current assets</b><br><b>(100 = 110 + 120 + 130 + 140 + 150)</b> | <b>100</b> |          | <b>635,586,906,677</b> | <b>603,188,940,958</b> |
| <b>Cash and cash equivalents</b>                                    | <b>110</b> | <b>5</b> | <b>296,857,516,444</b> | <b>279,499,935,132</b> |
| Cash  | 111        |          | 178,411,744,063        | 91,049,935,132         |
| Cash equivalents  | 112        |          | 118,445,772,381        | 188,450,000,000        |
| <b>Short-term financial investments</b>                             | <b>120</b> |          | <b>3,300,000,000</b>   | <b>3,300,000,000</b>   |
| Held-to-maturity investments  | 123        | 6(a)     | 3,300,000,000          | 3,300,000,000          |
| <b>Accounts receivable – short-term</b>                             | <b>130</b> |          | <b>211,129,622,961</b> | <b>201,087,531,144</b> |
| Accounts receivable from customers                                  | 131        | 7        | 176,467,954,758        | 177,181,302,169        |
| Prepayments to suppliers  | 132        |          | 5,165,933,846          | 5,118,028,409          |
| Other short-term receivables  | 136        | 8        | 30,897,766,464         | 20,024,658,232         |
| Allowance for doubtful debts  | 137        |          | (1,402,032,107)        | (1,236,457,666)        |
| <b>Inventories</b>  | <b>140</b> | <b>9</b> | <b>26,441,771,941</b>  | <b>20,523,627,223</b>  |
| Inventories   | 141        |          | 26,441,771,941         | 20,523,627,223         |
| <b>Other current assets</b>   | <b>150</b> |          | <b>97,857,995,331</b>  | <b>98,777,847,459</b>  |
| Short-term prepaid expenses   | 151        |          | 13,490,869,061         | 25,248,316,993         |
| Deductible value added tax  | 152        | 15(a)    | 84,367,126,270         | 73,521,240,175         |
| Taxes and other receivables from State Treasury                     | 153        | 15(a)    | -                      | 8,290,291              |

*The accompanying notes are an integral part of these consolidated financial statements*

**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2019 (continued)**

**Form B 01 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

|   | Code       | Note | 31/12/2019<br>VND        | 1/1/2019<br>VND          |
|---|------------|------|--------------------------|--------------------------|
| <b>Long-term assets</b><br><b>(200 = 210 + 220 + 240 + 250 + 260)</b> | <b>200</b> |      | <b>1,757,658,014,274</b> | <b>1,885,893,768,879</b> |
| <b>Accounts receivable – long-term</b>                                | <b>210</b> |      | <b>353,000,000</b>       | <b>53,000,000</b>        |
| Other long-term receivables   | 216        |      | 353,000,000              | 53,000,000               |
| <b>Fixed assets</b>   | <b>220</b> |      | <b>1,082,397,987,485</b> | <b>1,189,337,344,800</b> |
| Tangible fixed assets   | 221        | 10   | 1,073,428,340,976        | 1,178,756,936,815        |
| Cost  | 222        |      | 2,206,928,353,629        | 2,110,286,165,888        |
| Accumulated depreciation  | 223        |      | (1,133,500,012,653)      | (931,529,229,073)        |
| Intangible fixed assets   | 227        | 11   | 8,969,646,509            | 10,580,407,985           |
| Cost  | 228        |      | 19,805,186,750           | 18,429,526,750           |
| Accumulated amortisation  | 229        |      | (10,835,540,241)         | (7,849,118,765)          |
| <b>Long-term work in progress</b>                                     | <b>240</b> |      | <b>79,611,287</b>        | <b>7,630,194,303</b>     |
| Construction in progress  | 242        | 12   | 79,611,287               | 7,630,194,303            |
| <b>Long-term financial investments</b>                                | <b>250</b> |      | <b>117,479,997,889</b>   | <b>111,969,282,420</b>   |
| Investments in associates   | 252        | 6(b) | 117,324,997,889          | 111,814,282,420          |
| Equity investments in other entities                                  | 253        | 6(c) | 155,000,000              | 155,000,000              |
| <b>Other long-term assets</b>   | <b>260</b> |      | <b>557,347,417,613</b>   | <b>576,903,947,356</b>   |
| Long-term prepaid expenses  | 261        | 13   | 557,118,964,572          | 576,903,947,356          |
| Deferred tax assets   | 262        |      | 228,453,041              | -                        |
| <b>TOTAL ASSETS (270 = 100 + 200)</b>                                 | <b>270</b> |      | <b>2,393,244,920,951</b> | <b>2,489,082,709,837</b> |

*The accompanying notes are an integral part of these consolidated financial statements*

**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2019 (continued)**


**Form B 01 – DN/HN**

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

|  | Code       | Note      | 31/12/2019<br>VND        | 1/1/2019<br>VND          |
|--|------------|-----------|--------------------------|--------------------------|
| <b>RESOURCES</b>                           |            |           |                          |                          |
| <b>LIABILITIES (300 = 310 + 330)</b>       | <b>300</b> |           | <b>323,166,768,966</b>   | <b>544,513,132,816</b>   |
| <b>Current liabilities</b>                 | <b>310</b> |           | <b>259,079,310,782</b>   | <b>271,451,674,632</b>   |
| Accounts payable to suppliers              | 311        | 14        | 86,908,933,261           | 96,963,594,606           |
| Advances from customers                    | 312        |           | 1,663,733,749            | 1,280,768,926            |
| Taxes and others payable to State Treasury | 313        | 15(b)     | 10,311,831,530           | 11,120,116,398           |
| Payables to employees                      | 314        |           | 72,198,177,819           | 64,135,308,558           |
| Accrued expenses                           | 315        | 16        | 5,063,285,052            | 8,669,592,116            |
| Other payables – short-term                | 319        | 17        | 42,362,823,623           | 41,020,969,440           |
| Short-term borrowings                      | 320        | 18(a)     | 11,948,000,000           | 14,088,500,000           |
| Bonus and welfare fund                     | 322        | 19        | 28,622,525,748           | 34,172,824,588           |
| <b>Long-term liabilities</b>               | <b>330</b> |           | <b>64,087,458,184</b>    | <b>273,061,458,184</b>   |
| Other payables – long-term                 | 337        |           | 30,000,000               | 30,000,000               |
| Long-term borrowings                       | 338        | 18(b)     | 64,057,458,184           | 273,031,458,184          |
| <b>EQUITY (400 = 410)</b>                  | <b>400</b> |           | <b>2,070,078,151,985</b> | <b>1,944,569,577,021</b> |
| <b>Owners' equity</b>                      | <b>410</b> | <b>20</b> | <b>2,070,078,151,985</b> | <b>1,944,569,577,021</b> |
| Share capital                              | 411        | 21        | 551,227,980,000          | 501,123,040,000          |
| - Ordinary shares with voting rights       | 411a       |           | 551,227,980,000          | 501,123,040,000          |
| Share premium                              | 412        |           | 36,047,891,246           | 36,047,891,246           |
| Investment and development fund            | 418        | 23        | 765,535,152,633          | 724,734,652,533          |
| Retained profits                           | 421        |           | 378,345,954,664          | 382,190,432,010          |
| - Retained profits brought forward         | 421a       |           | 188,466,535,910          | 131,894,131,001          |
| - Retained profit for the current year     | 421b       |           | 189,879,418,754          | 250,296,301,009          |
| Non-controlling interest                   | 429        |           | 338,921,173,442          | 300,473,561,232          |
| <b>TOTAL RESOURCES (440 = 300 + 400)</b>   | <b>440</b> |           | <b>2,393,244,920,951</b> | <b>2,489,082,709,837</b> |

6 March 2020

Prepared by:



Trung Ly The Anh  
Deputy Head of  
Accounting Department

Approved by:



Tran Xuan Bao  
Chief Accountant

Nguyen Van Tien  
General Director

The accompanying notes are an integral part of these consolidated financial statements



**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated statement of income for the year ended 31 December 2019**

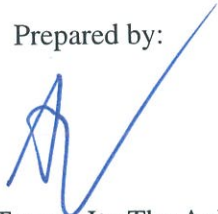
**Form B 02 – DN/HN**

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

|   | Code      | Note | 2019<br>VND            | 2018<br>VND            |
|---|-----------|------|------------------------|------------------------|
| Revenue from provision of services                                    | 01        | 25   | 1,792,750,624,059      | 1,694,460,145,079      |
| Cost of sales   | 11        |      | 1,355,854,373,446      | 1,198,472,433,710      |
| <b>Gross profit (20 = 01 - 11)</b>                                    | <b>20</b> |      | <b>436,896,250,613</b> | <b>495,987,711,369</b> |
| Financial income  | 21        | 26   | 9,458,483,624          | 8,650,993,772          |
| Financial expenses  | 22        | 27   | 16,294,184,204         | 34,897,894,209         |
| <i>In which: Interest expense</i>                                     | 23        |      | 15,408,493,571         | 34,708,326,938         |
| Share of profit in associates   | 24        |      | 11,784,815,469         | 6,855,017,278          |
| Selling expenses  | 25        | 28   | 30,973,864,238         | 26,635,136,731         |
| General and administration expenses                                   | 26        | 29   | 65,611,250,927         | 63,187,276,441         |
| <b>Net operating profit</b><br>{30 = 20 + (21 - 22) + 24 - (25 + 26)} | <b>30</b> |      | <b>345,260,250,337</b> | <b>386,773,415,038</b> |
| Other income  | 31        |      | 11,373,580,954         | 2,078,652,847          |
| Other expenses  | 32        |      | 14,460,766,264         | 686,908,787            |
| <b>Results of other activities (40 = 31 - 32)</b>                     | <b>40</b> |      | <b>(3,087,185,310)</b> | <b>1,391,744,060</b>   |
| <b>Accounting profit before tax</b><br>(50 = 30 + 40)                 | <b>50</b> |      | <b>342,173,065,027</b> | <b>388,165,159,098</b> |
| Income tax expense – current  | 51        | 31   | 56,606,248,704         | 33,920,152,609         |
| Income tax benefit – deferred   | 52        | 31   | (228,453,041)          | -                      |
| <b>Net profit after tax (60 = 50 - 51 - 52)</b>                       | <b>60</b> |      | <b>285,795,269,364</b> | <b>354,245,006,489</b> |
| <b>Attributable to:</b>   |           |      |                        |                        |
| Equity holders of the Company   | 61        |      | 233,977,657,154        | 300,408,605,009        |
| Non-controlling interest  | 62        |      | 51,817,612,210         | 53,836,401,480         |
|   |           |      |                        | <b>Restated</b>        |
| Basic earnings per share  | 70        | 32   | 3,827                  | 4,905                  |

6 March 2020

Prepared by:

  
Truong Ly The Anh  
Deputy Head of  
Accounting Department

Approved by:

  
Tran Xuan Bao  
Chief Accountant

  
Nguyen Van Tien  
General Director



*The accompanying notes are an integral part of these consolidated financial statements*

**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated statement of cash flows for the year ended 31 December 2019**  
**(Indirect method)**

**Form B 03 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

|  | Code      | 2019<br>VND             | 2018<br>VND              |
|--|-----------|-------------------------|--------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |           |                         |                          |
| <b>Profit before tax</b>   | <b>01</b> | <b>342,173,065,027</b>  | <b>388,165,159,098</b>   |
| <b>Adjustments for</b>   |           |                         |                          |
| Depreciation and amortisation  | 02        | 232,077,927,206         | 226,987,860,487          |
| Allowances and provisions  | 03        | 165,574,441             | 286,895,295              |
| Foreign exchange gains arising from revaluation of<br>monetary items denominated in foreign currencies | 04        | (29,010,454)            | (197,513,760)            |
| Profits from investing activities  | 05        | (22,925,859,118)        | (14,884,546,934)         |
| Interest expense   | 06        | 15,408,493,571          | 34,708,326,938           |
| <b>Operating profit before changes in<br/>working capital</b>  | <b>08</b> | <b>566,870,190,673</b>  | <b>635,066,181,124</b>   |
| Change in receivables  | 09        | (70,945,799,601)        | (69,344,478,441)         |
| Change in inventories  | 10        | (4,936,144,718)         | (7,154,068,832)          |
| Change in payables and other liabilities   | 11        | 49,238,195,646          | 21,613,023,924           |
| Change in prepaid expenses   | 12        | 15,277,663,036          | 30,581,281,688           |
|  |           | <b>555,504,105,036</b>  | <b>610,761,939,463</b>   |
| Interest paid  | 14        | (19,267,995,515)        | (37,757,383,058)         |
| Income tax paid  | 15        | (57,178,800,892)        | (33,254,117,110)         |
| Other payments for operating activities  | 17        | (33,200,298,840)        | (28,991,079,426)         |
| <b>Net cash flows from operating activities</b>  | <b>20</b> | <b>445,857,009,789</b>  | <b>510,759,359,869</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |           |                         |                          |
| Payments for additions to fixed assets and<br>other long-term assets                                   | 21        | (102,357,991,313)       | (177,717,164,270)        |
| Proceeds from disposals of fixed assets and<br>other long-term assets                                  | 22        | 2,194,636,362           | 895,313,617              |
| Receipts from sales of debt instruments of<br>other entities   | 24        | -                       | 45,855,299,613           |
| Receipts of interests and dividends  | 27        | 15,273,279,405          | 14,519,390,626           |
| <b>Net cash flows from investing activities</b>  | <b>30</b> | <b>(84,890,075,546)</b> | <b>(116,447,160,414)</b> |

*The accompanying notes are an integral part of these consolidated financial statements*

**Vietnam Container Shipping Joint Stock Corporation**  
**Consolidated statement of cash flows for the year ended 31 December 2019**  
**(Indirect method - continued)**

**Form B 03 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

|  | Code      | 2019<br>VND              | 2018<br>VND              |
|--|-----------|--------------------------|--------------------------|
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |           |                          |                          |
| Proceeds from capital contributed by non-controlling interest                        | 31        | 891,000,000              | 6,800,000,000            |
| Proceeds from borrowings   | 33        | -                        | 16,472,547,948           |
| Payments to settle loan principals   | 34        | (211,114,500,000)        | (249,136,000,000)        |
| Payments of dividends to the Company's shareholders                                  | 36        | (119,156,279,700)        | (100,423,028,800)        |
| Payments of dividends to non-controlling interest                                    | 36        | (14,261,000,000)         | (1,067,500,000)          |
| <b>Net cash flows from financing activities</b>                                      | <b>40</b> | <b>(343,640,779,700)</b> | <b>(327,353,980,852)</b> |
| <b>Net cash flows during the year (50 = 20 + 30 + 40)</b>                            | <b>50</b> | <b>17,326,154,543</b>    | <b>66,958,218,603</b>    |
| <b>Cash and cash equivalents at the beginning of the year</b>                        | <b>60</b> | <b>279,499,935,132</b>   | <b>212,263,826,089</b>   |
| <b>Effect of exchange rate fluctuations on cash and cash equivalents</b>             | <b>61</b> | <b>31,426,769</b>        | <b>277,890,440</b>       |
| <b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 5)</b> | <b>70</b> | <b>296,857,516,444</b>   | <b>279,499,935,132</b>   |

6 March 2020

Prepared by:



Truong Ly The Anh  
 Deputy Head of  
 Accounting Department

Approved by:





Tran Xuan Bao  
 Chief Accountant

Nguyen Van Tien  
 General Director

*The accompanying notes are an integral part of these consolidated financial statements*

**Vietnam Container Shipping Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2019**

**Form B 09 – DN/HN**  
*(Issued under Circular No. 202/2014/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 consolidated financial statements.

**1. Reporting entity**

**(a) Ownership structure**

Vietnam Container Shipping Joint Stock Corporation (“the Company”) is incorporated as a joint stock company in Vietnam. The consolidated financial statements of the Company for the year ended 31 December 2019 comprise the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates.

**(b) Principal activities**

In accordance with the Business Registration Certificate, the principal activities of the Group are:

- Operating warehouses and storage yards and storage of goods;
- Transport of goods along coastlines and across the oceans;
- Transport of goods by inland waterways;
- Repair of machines and equipment;
- Maintenance and repair of automobiles and other motor vehicles;
- Retail sale of motor fuels in specialised stores;
- Provision of services in direct support of transport by water;
- Other supporting services relating to transport;
- Goods transport by road;
- Provision of services in direct support of rail and road transport;
- Goods loading/discharging;
- Renting out motor vehicles; and
- Renting out machines and equipment and other tangible tools.

**(c) Normal operating cycle**

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

**Vietnam Container Shipping Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2019**  
**(continued)**

**Form B 09 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

**(d) Group structure**

As at 31 December 2019, the Company had 6 subsidiaries (1/1/2019: 6 subsidiaries) as follows:

|  | % of ownership and voting rights |          |
|--|----------------------------------|----------|
|  | 31/12/2019                       | 1/1/2019 |
| Green Star Lines One-member Company Limited                  | 100%                             | 100%     |
| Central Container Joint Stock Company                        | 65%                              | 65%      |
| Viconship Ho Chi Minh One-member Company Limited             | 100%                             | 100%     |
| Green Logistics Centre One-member Company Limited            | 100%                             | 100%     |
| VIP Green Port Joint Stock Company                           | 74%                              | 74%      |
| Green Development and Investment Service Joint Stock Company | 66%                              | 66%      |

As at 31 December 2019, the Group had 3 associates (1/1/2019: 3 associates) as follows:

|  | % of ownership and voting rights |          |
|--|----------------------------------|----------|
|  | 31/12/2019                       | 1/1/2019 |
| Da Nang Logistics Joint Stock Company              | 31%                              | 31%      |
| Dinh Vu Petroleum Service Port Joint Stock Company | 22%                              | 22%      |
| T.S. Container Hanoi Company Limited               | 30%                              | 30%      |

As at 31 December 2019, the Group had 1,152 employees (1/1/2019: 1,103 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

These consolidated 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.

**(b) Basis of measurement**

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

**(c) Annual accounting period**

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

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**(d) Accounting and presentation currency**

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated financial statement presentation purpose.

**3. Summary of significant accounting policies**

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

**(a) Basis of consolidation**

**(i) Subsidiaries**

Subsidiaries are entities controlled by the Company. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**(ii) Non-controlling interests**

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Company's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

**(iii) Associates**

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method. The consolidated financial statements include the Group's share of income and expenses of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds their interest in associates, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

**(iv) Transactions eliminated on consolidation**

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

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**(b) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at rates approximating 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 account transfer buying rate (for assets) and the account transfer selling rate (for liabilities) at the end of the annual accounting period quoted by the commercial bank where the Company or its subsidiaries most frequently conducts transactions.

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

**(c) 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.

**(d) Investments**

**(i) Held-to-maturity investments**

Held-to-maturity investments are those that the Company's or its subsidiaries' management has the intention and ability to hold until maturity. Held-to-maturity investments of the Group include term deposits at bank with original terms of more than 3 months. These investments are stated at costs less allowance for doubtful debts.

**(ii) Investments in equity instruments of other entities**

Investments in equity instruments of other entities are initially recognised 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 or its subsidiaries' 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.

**(e) Accounts receivable**

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

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**(f) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in-first-out 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 direct selling expenses.

The Group applies the perpetual method of accounting for inventories.

**(g) Tangible fixed assets**

**(i) 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 consolidated 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.

**(ii) 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:

|                            |              |
|----------------------------|--------------|
| ▪ buildings and structures | 5 – 25 years |
| ▪ machinery and equipment  | 3 – 7 years  |
| ▪ motor vehicles           | 3 – 10 years |
| ▪ office equipment         | 3 – 5 years  |

**(h) Intangible fixed assets**

**(i) Land use rights**

Land use rights acquired in a legitimate transfer are stated at cost and no amortisation is made for the indefinite land use rights. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights.

**(ii) 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 period ranging from 3 to 5 years.



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**(i) 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.

**(j) Long-term prepaid expenses**

**(i) Prepaid land cost**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 35 to 40 years.

**(ii) Tools and instruments**

Tools and instruments include assets held for use by the Group 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 regulations. Cost of tools and instruments are amortised on a straight-line basis over 2 years.

**(k) Trade and other payables**

Trade and other payables are stated at their cost.

**(l) Provisions**

A provision is recognised if, as a result of a past event, the Group 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.

**(m) Share capital**

***Ordinary shares***

Ordinary shares are recognized at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognized as a deduction from share premium.

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**(n) Taxation**

Income tax on the consolidated profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated 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 year, using tax rates enacted at the end of the annual 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 annual 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.

**(o) Revenue and other incomes**

**(i) *Services rendered***

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(ii) *Interest income***

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

**(iii) *Dividend income***

Dividend income is recognised when the right to receive dividend is established.

**(p) Operating lease payments**

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

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**(q) 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 capitalised as part of the cost of the assets concerned.

**(r) Earnings per share**

The Company presents basic earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. As at 31 December 2019 and for the year then ended, the Company did not have dilutive potential shares; therefore, requirements for disclosing diluted earnings per share is not applicable.

**(s) Segment reporting**

A segment is a distinguishable component of the Group 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 Group’s primary format for segment reporting is based on business segments.

**(t) Related parties**

Parties are considered to be related to the Group 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 its subsidiaries and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

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**4. Segment reporting**

**(a) Business segments**

The Company comprises the following main business segments:

- Container loading and unloading
- Refrigeration, inspection, phytosanitary and storage activities
- Transportation
- Others

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment revenue, expenses and results include transfer between business segments. Transfer prices of inter-segment transactions are set on an arm's length basis in a manner similar to transactions with third parties. Such transfers are eliminated on consolidation.

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| <b>Year ended 31 December 2019</b> | <b>Container loading and unloading VND</b> | <b>Refrigeration, inspection, phytosanitary and storage activities VND</b> | <b>Transportation VND</b> | <b>Others VND</b> | <b>Total VND</b>  |
|------------------------------------|--|--|---------------------------|-------------------|-------------------|
| Total segment revenue              | 1,183,415,617,380                          | 214,351,208,822  | 207,258,289,824           | 187,725,508,033   | 1,792,750,624,059 |
| Unallocated expenses               |  |  |                           |                   | 1,459,275,189,191 |
| Results from operating activities  |  |  |                           |                   | 333,475,434,868   |
| Other income                       |  |  |                           |                   | 11,373,580,954    |
| Other expenses                     |  |  |                           |                   | 14,460,766,264    |
| Share of profit in associates      |  |  |                           |                   | 11,784,815,469    |
| Income tax                         |  |  |                           |                   | 56,377,795,663    |
| Net profit after tax               |  |  |                           |                   | 285,795,269,364   |

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**Year ended 31 December 2018**

|                                   | Container loading<br>and unloading<br>VND | Refrigeration,<br>inspection,<br>phytosanitary and<br>storage activities<br>VND | Transportation<br>VND | Others<br>VND   | Total<br>VND      |
|-----------------------------------|---|---|-----------------------|-----------------|-------------------|
| Total segment revenue             | 1,093,043,815,500                         | 294,162,356,816   | 175,423,909,236       | 131,830,063,527 | 1,694,460,145,079 |
| Unallocated expenses              |   |   |                       |                 | 1,314,541,747,319 |
| Results from operating activities |   |   |                       |                 | 379,918,397,760   |
| Other income                      |   |   |                       |                 | 2,078,652,847     |
| Other expenses                    |   |   |                       |                 | 686,908,787       |
| Share of profit in associates     |   |   |                       |                 | 6,855,017,278     |
| Income tax                        |   |   |                       |                 | 33,920,152,609    |
| Net profit after tax              |   |   |                       |                 | 354,245,006,489   |

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As at 31 December 2019

|   | Container<br>loading and<br>unloading<br>VND | Refrigeration,<br>inspection,<br>phytosanitary and<br>storage activities<br>VND | Transportation<br>VND | Others<br>VND   | Total<br>VND             |
|---|--|---|-----------------------|-----------------|--------------------------|
| Segment assets                          | 768,214,118,770                              | 156,094,957,746   | 253,551,888,902       | 103,643,036,103 | 1,281,504,001,521        |
| Unallocated assets                      |  |   |                       |                 | 1,111,740,919,430        |
| <b>Total assets</b>                     |  |   |                       |                 | <b>2,393,244,920,951</b> |
| Segment liabilities                     | 41,802,852,043                               | 5,360,998,884   | 21,572,227,682        | 19,836,588,401  | 88,572,667,010           |
| Unallocated liabilities                 |  |   |                       |                 | 234,594,101,956          |
| <b>Total liabilities</b>                |  |   |                       |                 | <b>323,166,768,966</b>   |
| Capital expenditure                     | 31,303,649,500                               | 3,776,433,215   | 61,163,229,270        | 6,114,679,328   | 102,357,991,313          |
| Depreciation of tangible fixed assets   | 127,627,159,212                              | 23,880,809,704  | 45,870,059,196        | 15,379,053,938  | 212,757,082,050          |
| Amortization of intangible fixed assets |  |   |                       |                 | 2,986,421,476            |

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**As at 1 January 2019**

|   | Container<br>loading and<br>unloading<br>VND | Refrigeration,<br>inspection,<br>phytosanitary and<br>storage activities<br>VND | Transportation<br>VND | Others<br>VND  | Total<br>VND             |
|---|--|---|-----------------------|----------------|--------------------------|
| Segment assets                          | 840,820,442,004                              | 156,654,977,959   | 205,627,861,166       | 62,519,883,768 | 1,265,623,164,897        |
| Unallocated assets                      |  |   |                       |                | 1,223,459,544,940        |
| <b>Total assets</b>                     |  |   |                       |                | <b>2,489,082,709,837</b> |
| Segment liabilities                     | 69,432,877,162                               | 11,457,163,950  | 3,804,805,132         | 13,549,517,288 | 98,244,363,532           |
| Unallocated liabilities                 |  |   |                       |                | 446,268,769,284          |
| <b>Total liabilities</b>                |  |   |                       |                | <b>544,513,132,816</b>   |
| Capital expenditure                     | 143,880,003,878                              | 14,387,000,021  | 8,289,484,395         | 11,160,675,976 | 177,717,164,270          |
| Depreciation of tangible fixed assets   | 169,740,074,374                              | 13,848,580,343  | 16,740,951,244        | 7,565,720,118  | 207,895,326,079          |
| Amortization of intangible fixed assets |  |   |                       |                | 2,833,470,266            |



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**(b) Geographical segments**

The Company had only one geographical segment which is Vietnam.

**5. Cash and cash equivalents**

|                  | <b>31/12/2019</b><br><b>VND</b> | <b>1/1/2019</b><br><b>VND</b> |
|------------------|---------------------------------|-------------------------------|
| Cash on hand     | 6,446,403,473                   | 6,453,451,583                 |
| Cash in banks    | 171,965,340,590                 | 84,596,483,549                |
| Cash equivalents | 118,445,772,381                 | 188,450,000,000               |
|                  | <b>296,857,516,444</b>          | <b>279,499,935,132</b>        |

**6. Investments**

**(a) Held-to-maturity investments- short-term**

|               | <b>31/12/2019</b><br><b>VND</b> | <b>1/1/2019</b><br><b>VND</b> |
|---------------|---------------------------------|-------------------------------|
| Term deposits | 3,300,000,000                   | 3,300,000,000                 |
|               | <b>3,300,000,000</b>            | <b>3,300,000,000</b>          |

The fair value of term deposits approximates carrying amount due to the short-term nature of these financial assets.

**(b) Investments in associates**

Equity accounted investments in associates:

|                                  | <b>Da Nang<br/>Logistics Joint<br/>Stock Company<br/>VND</b> | <b>Dinh Vu<br/>Petroleum<br/>Service Port<br/>Joint Stock<br/>Company<br/>VND</b> | <b>T.S. Container<br/>Hanoi Company<br/>Limited<br/>VND</b> | <b>Total<br/>VND</b>   |
|----------------------------------|--|---|---|------------------------|
| Opening balance                  | 15,571,905,722   | 94,239,876,698  | 2,002,500,000   | 111,814,282,420        |
| Share of profit in<br>associates | 2,528,696,277  | 7,431,481,737   | 1,824,637,455   | 11,784,815,469         |
| Dividends                        | (1,864,000,000)  | (4,410,100,000)   | -   | (6,274,100,000)        |
| Closing balance                  | <b>16,236,601,999</b>  | <b>97,261,258,435</b>   | <b>3,827,137,455</b>  | <b>117,324,997,889</b> |

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**(c) Equity investments in other entities**

|                             |                  | <b>31/12/2019 and 1/1/2019</b>                     |                     |
|-----------------------------|------------------|--|---------------------|
|                             | <b>Address</b>   | <b>% of equity<br/>owned and voting<br/>rights</b> | <b>Cost<br/>VND</b> |
| MSC Vietnam Company Limited | Ho Chi Minh City | 5%   | 155,000,000         |

The Company has not determined fair values of these investments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts.

**7. Accounts receivable from customers**

Accounts receivable from customers detailed by significant customer and customers who are related parties:

|   | <b>31/12/2019<br/>VND</b> | <b>1/1/2019<br/>VND</b> |
|---|---------------------------|-------------------------|
| <b>Related party customers</b>                                  |                           |                         |
| T.S. Container Hanoi Company Limited                            | 5,454,082,157             | 4,679,130,516           |
| Dinh Vu Petroleum Service Port Joint Stock Company              | -                         | 2,297,016,590           |
| <b>Third party customers</b>                                    |                           |                         |
| Evergreen Shipping Agency (Vietnam) Company Limited             | 20,662,401,522            | 18,627,346,402          |
| Maersk Line A/S   | 16,208,245,770            | 19,002,885,578          |
| Mcc Transport Singapore Pte., Ltd                               | 15,075,286,102            | 12,127,273,522          |
| Cosco Shipping Lines Vietnam Co, Ltd                            | 11,236,662,029            | 10,357,715,953          |
| Ikea Supply AG  | 7,747,824,509             | 8,686,971,373           |
| OOCL Vietnam Co., Ltd.  | 7,466,166,894             | 6,338,811,169           |
| Yang Ming Marine Transport Corporation                          | 4,750,376,712             | 3,630,887,479           |
| Carlsberg Vietnam Breweries Company Limited                     | 4,685,438,661             | 3,989,239,369           |
| APL Co., Pte. Ltd   | 2,659,469,077             | 10,890,560,897          |
| Namsung Shipping Vietnam Co., Ltd – Hai Phong Branch            | 3,243,656,785             | -                       |
| Cheng Lie Navigation Company –<br>a branch of APL Co., Pte. Ltd | 3,234,382,291             | -                       |
| CMA - CGM Vietnam Co, Ltd                                       | 2,349,220,930             | 5,051,437,224           |
| Vietnam Ocean Shipping Agency Corporation                       | -                         | 4,855,112,464           |
| Other customers   | 71,694,741,319            | 66,646,913,633          |
|   | <b>176,467,954,758</b>    | <b>177,181,302,169</b>  |

Trade accounts receivable from related parties were unsecured, interest free and are due in 30 days to 60 days from invoice date.

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**8. Other receivables**

|                                 | <b>31/12/2019</b>     | <b>1/1/2019</b>       |
|---------------------------------|-----------------------|-----------------------|
|                                 | <b>VND</b>            | <b>VND</b>            |
| Advances to employees           | 8,004,951,938         | 7,543,293,815         |
| Short-term deposits             | 319,800,000           | 319,800,000           |
| Receivables from shipping lines | 17,961,152,276        | 4,931,777,969         |
| Others                          | 4,611,862,250         | 7,229,786,448         |
|                                 | <hr/>                 | <hr/>                 |
|                                 | <b>30,897,766,464</b> | <b>20,024,658,232</b> |

**9. Inventories**

|                         | <b>Cost</b>           |                       |
|-------------------------|-----------------------|-----------------------|
|                         | <b>31/12/2019</b>     | <b>1/1/2019</b>       |
|                         | <b>VND</b>            | <b>VND</b>            |
| Raw materials           | 24,080,712,435        | 18,867,125,175        |
| Tools and supplies      | 73,480,000            | 84,980,000            |
| Merchandise inventories | 2,287,579,506         | 1,571,522,048         |
|                         | <hr/>                 | <hr/>                 |
|                         | <b>26,441,771,941</b> | <b>20,523,627,223</b> |

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10. Tangible fixed assets

| Cost                                   | Buildings and structures<br>VND | Machinery and equipment<br>VND | Motor vehicles<br>VND | Office equipment<br>VND | Total<br>VND      |
|--|---------------------------------|--------------------------------|-----------------------|-------------------------|-------------------|
| Opening balance                        | 803,772,569,428                 | 79,152,121,436                 | 1,199,691,320,914     | 27,670,154,110          | 2,110,286,165,888 |
| Additions                              | 164,657,273                     | 12,003,047,273                 | 57,549,951,829        | 370,870,545             | 70,088,526,920    |
| Transfer from construction in progress | -                               | 103,156,000                    | 37,289,575,409        | -                       | 37,392,731,409    |
| Disposals                              | -                               | -                              | (10,839,070,588)      | -                       | (10,839,070,588)  |
| Closing balance                        | 803,937,226,701                 | 91,258,324,709                 | 1,283,691,777,564     | 28,041,024,655          | 2,206,928,353,629 |
| <b>Accumulated depreciation</b>        |                                 |                                |                       |                         |                   |
| Opening balance                        | 305,332,397,776                 | 33,022,725,880                 | 581,553,475,450       | 11,620,629,967          | 931,529,229,073   |
| Charge for the year                    | 57,207,300,360                  | 13,282,145,552                 | 139,404,579,457       | 2,863,056,681           | 212,757,082,050   |
| Disposals                              | -                               | -                              | (10,786,298,470)      | -                       | (10,786,298,470)  |
| Closing balance                        | 362,539,698,136                 | 46,304,871,432                 | 710,171,756,437       | 14,483,686,648          | 1,133,500,012,653 |
| <b>Net book value</b>                  |                                 |                                |                       |                         |                   |
| Opening balance                        | 498,440,171,652                 | 46,129,395,556                 | 618,137,845,464       | 16,049,524,143          | 1,178,756,936,815 |
| Closing balance                        | 441,397,528,565                 | 44,953,453,277                 | 573,520,021,127       | 13,557,338,007          | 1,073,428,340,976 |

Included in tangible fixed assets were assets costing VND352,090 million which were fully depreciated as of 31 December 2019 (1/1/2019: VND272,844 million), but which are still in active use.

As at 31 December 2019 tangible fixed assets with a net book value of VND723,519 million (1/1/2019: VND868,009 million) were pledged with banks as security for loans granted to the Group (Note 18(b)).



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**11. Intangible fixed assets**

|  | <b>Land use rights<br/>VND</b> | <b>Software<br/>VND</b> | <b>Total<br/>VND</b> |
|--|--------------------------------|-------------------------|----------------------|
| <b>Cost</b>                            |                                |                         |                      |
| Opening balance                        | 5,417,853,001                  | 13,011,673,749          | 18,429,526,750       |
| Additions                              | -                              | 1,015,200,000           | 1,015,200,000        |
| Transfer from construction in progress | -                              | 360,460,000             | 360,460,000          |
| Closing balance                        | 5,417,853,001                  | 14,387,333,749          | 19,805,186,750       |
| <b>Accumulated amortisation</b>        |                                |                         |                      |
| Opening balance                        | -                              | 7,849,118,765           | 7,849,118,765        |
| Charge for the year                    | -                              | 2,986,421,476           | 2,986,421,476        |
| Closing balance                        | -                              | 10,835,540,241          | 10,835,540,241       |
| <b>Net book value</b>                  |                                |                         |                      |
| Opening balance                        | 5,417,853,001                  | 5,162,554,984           | 10,580,407,985       |
| Closing balance                        | 5,417,853,001                  | 3,551,793,508           | 8,969,646,509        |

Included in intangible fixed assets were assets costing VND1,217 million which were fully amortised as of 31 December 2019 and 1 January 2019 but which are still in use.

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**12. Construction in progress**

|                                     | <b>2019</b><br><b>VND</b> | <b>2018</b><br><b>VND</b> |
|-------------------------------------|---------------------------|---------------------------|
| Opening balance                     | 7,630,194,303             | 74,854,105,315            |
| Additions during the year           | 31,254,264,393            | 115,256,188,817           |
| Capitalised interest                | -                         | 16,958,687                |
| Transfer to tangible fixed assets   | (37,392,731,409)          | (179,846,995,016)         |
| Transfer to intangible fixed assets | (360,460,000)             | (2,422,209,500)           |
| Others                              | (1,051,656,000)           | (227,854,000)             |
|                                     | <hr/>                     | <hr/>                     |
| Closing balance                     | 79,611,287                | 7,630,194,303             |
|                                     | <hr/>                     | <hr/>                     |

Major constructions in progress were as follows:

|                                  | <b>31/12/2019</b><br><b>VND</b> | <b>1/1/2019</b><br><b>VND</b> |
|----------------------------------|---------------------------------|-------------------------------|
| Purchasing stevedoring equipment | -                               | 7,545,860,611                 |
| Others                           | 79,611,287                      | 84,333,692                    |
|                                  | <hr/>                           | <hr/>                         |
|                                  | 79,611,287                      | 7,630,194,303                 |
|                                  | <hr/>                           | <hr/>                         |

**13. Long-term prepaid expenses**

|                           | <b>Prepaid<br/>land costs<br/>VND</b> | <b>Tools and<br/>instruments and<br/>other long-term<br/>prepaid expenses<br/>VND</b> | <b>Total<br/>VND</b> |
|---------------------------|---------------------------------------|---|----------------------|
| Opening balance           | 534,812,640,562                       | 42,091,306,794  | 576,903,947,356      |
| Additions                 | 2,926,945,348                         | 40,067,276,231  | 42,994,221,579       |
| Amortisation for the year | (16,334,423,680)                      | (46,444,780,683)  | (62,779,204,363)     |
|                           | <hr/>                                 | <hr/>   | <hr/>                |
| Closing balance           | 521,405,162,230                       | 35,713,802,342  | 557,118,964,572      |
|                           | <hr/>                                 | <hr/>   | <hr/>                |

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**14. Accounts payable to suppliers**

Accounts payable to suppliers detailed by significant suppliers and suppliers who are related parties

|  | <b>Cost and amount<br/>within payment capacity</b> |                         |
|--|--|-------------------------|
|  | <b>31/12/2019<br/>VND</b>                          | <b>1/1/2019<br/>VND</b> |
| <b>Related party suppliers</b>                                 |  |                         |
| Dinh Vu Petroleum Service Port Joint Stock Company             | 16,566,155,641                                     | 8,274,807,807           |
| Da Nang Logistics Joint Stock Company                          | 99,584,320   | -                       |
| <b>Third party suppliers</b>                                   |  |                         |
| Hai Phong Oil and Gas Petroleum JSC (PV OIL Hai Phong)         | 3,766,984,821                                      | 2,821,226,300           |
| Anh Thuy Petroleum Trading and Services Company Limited        | 3,518,043,267                                      | 3,553,238,400           |
| Hong Quan Transport and Logistics Services Joint Stock Company | 2,574,665,720                                      | 2,052,388,250           |
| Da Nang Port Joint Stock Company                               | 1,854,728,970                                      | 2,486,594,662           |
| Thang Long Interior Decoration and Construction Co., Ltd       | 498,300,000  | 1,778,620,910           |
| B2B International Company Limited                              | 21,835,000   | 117,150,000             |
| Phuc Nam Company Limited                                       | -  | 11,093,364,360          |
| Tam Cang Dinh Vu Company Limited                               | -  | 10,015,372,950          |
| Nhan Bien Vietnam Maritime Service Trading Joint Stock Company | -  | 2,225,288,500           |
| Other suppliers  | 58,008,635,522                                     | 52,545,542,467          |
|  | <b>86,908,933,261</b>                              | <b>96,963,594,606</b>   |

Accounts payable to suppliers who are related parties were unsecured, interest free and are payable on demand.

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15. Taxes and others receivable from and payable to State Treasury

|   | 1/1/2019<br>VND | Incurred<br>VND | Deducted<br>VND   | 31/12/2019<br>VND |
|---|-----------------|-----------------|-------------------|-------------------|
| (a) Taxes and others receivable from State Treasury |                 |                 |                   |                   |
| Deductible value added tax                          | 73,521,240,175  | 140,354,526,209 | (129,508,640,114) | 84,367,126,270    |
| Personal income tax                                 | 8,290,291       | -               | (8,290,291)       | -                 |
| (b) Taxes and others payable to State Treasury      |                 |                 |                   |                   |
| Value added tax                                     | 2,268,718,359   | 155,551,093,770 | (129,508,640,114) | 1,415,544,581     |
| Corporate income tax                                | 7,123,683,877   | 56,606,248,704  | -                 | 6,551,131,689     |
| Personal income tax                                 | 895,691,480     | 7,262,023,687   | (8,290,291)       | 1,488,641,918     |
| Other taxes   | 832,022,682     | 27,455,682,267  | -                 | 856,513,342       |
|   | 11,120,116,398  | 246,875,048,428 | (129,516,930,405) | 10,311,831,530    |



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16. Accrued expenses

|                   | 31/12/2019<br>VND    | 1/1/2019<br>VND      |
|-------------------|----------------------|----------------------|
| Interest expenses | 1,720,868,086        | 5,580,370,030        |
| Others            | 3,342,416,966        | 3,089,222,086        |
|                   | <u>5,063,285,052</u> | <u>8,669,592,116</u> |

17. Other payables – short-term

|                                       | 31/12/2019<br>VND     | 1/1/2019<br>VND       |
|---------------------------------------|-----------------------|-----------------------|
| Trade union fees                      | 2,761,746,714         | 2,702,718,194         |
| Dividend payables                     | 956,088,550           | 845,673,850           |
| Receipts on behalf of shipping liners | 22,844,624,659        | 27,751,673,588        |
| Others                                | 15,800,363,700        | 9,720,903,808         |
|                                       | <u>42,362,823,623</u> | <u>41,020,969,440</u> |

18. Borrowings

(a) Short-term borrowings

|   | 1/1/2019<br>Carrying amount<br>and amount<br>within repayment<br>capacity<br>VND | Addition<br>VND | Decrease<br>VND  | 31/12/2019<br>Carrying amount<br>and amount<br>within repayment<br>capacity<br>VND |
|---|--|-----------------|------------------|--|
| Current portion<br>of long-term<br>borrowings (b) | 14,088,500,000   | 11,948,000,000  | (14,088,500,000) | 11,948,000,000   |

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**(b) Long-term borrowings**

Terms and conditions of outstanding long-term borrowings were as follows:

|                                       | Currency | Annual interest rate | Year of maturity | 31/12/2019 VND        | 1/1/2019 VND           |
|---------------------------------------|----------|----------------------|------------------|-----------------------|------------------------|
| Bank loan 1 (i)                       | VND      | 8%                   | 2019             | -                     | 2,140,500,000          |
| Bank loan 2 (ii)                      | VND      | 6.8%                 | 2025             | 44,341,745,562        | 207,341,745,562        |
| Bank loan 3 (iii)                     | VND      | 6.8%                 | 2025             | 31,663,712,622        | 77,637,712,622         |
|                                       |          |                      |                  | <u>76,005,458,184</u> | <u>287,119,958,184</u> |
| Amount repayable within 12 months (a) |          |                      |                  | (11,948,000,000)      | (14,088,500,000)       |
| Amount repayable after 12 months      |          |                      |                  | <u>64,057,458,184</u> | <u>273,031,458,184</u> |

- (i) This bank loan was from Asia Commercial Joint Stock Bank and was secured by fixed assets of Green Star Lines Company Limited, a subsidiary of the Company, with a net book value of VND7,449 million as at 1 January 2019. This loan was fully repaid in 2019.
- (ii) This bank loan was from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hai Phong Branch, and was secured by fixed assets of VIP Green Port Joint Stock Company, a subsidiary of the Company, with a net book value of VND618,879 million as at 31 December 2019 (1/1/2019: VND 737,928 million). This loan is repayable after 12 months.
- (iii) This bank loan was from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hai Phong Branch, and was secured by fixed assets of Green Development and Investment Service Joint Stock Company, a subsidiary of the Company, with a net book value of VND104,640 million as at 31 December 2019 (1/1/2019: VND122,632 million). This loan had an amount of VND11,948 million repayable within 12 months.

**19. Bonus and welfare fund**

This fund is established by appropriating from retained profits as approved by shareholders at General Shareholders' meeting. This fund is used to pay bonus and welfare to the Group's employees in accordance with the Group's bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

|                          | 2019 VND              | 2018 VND              |
|--------------------------|-----------------------|-----------------------|
| Opening balance          | 34,172,824,588        | 38,434,904,014        |
| Appropriation            | 25,000,000,000        | 22,285,000,000        |
| Utilised during the year | (30,550,298,840)      | (26,547,079,426)      |
| Closing balance          | <u>28,622,525,748</u> | <u>34,172,824,588</u> |

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**20. Changes in owners' equity**

|   | Share capital<br>VND | Share premium<br>VND | Investment and<br>development fund<br>VND | Retained<br>profits<br>VND | Non-controlling<br>interests<br>VND | Total<br>VND      |
|---|----------------------|----------------------|---|----------------------------|-------------------------------------|-------------------|
| <b>Balance at 1/1/2018</b>                            | 501,123,040,000      | 36,047,891,246       | 646,581,474,591                           | 284,888,612,943            | 240,904,659,752                     | 1,709,545,678,532 |
| Contributed capital                                   | -                    | -                    | -   | -                          | 6,800,000,000                       | 6,800,000,000     |
| Net profit for the year                               | -                    | -                    | -   | 300,408,605,009            | 53,836,401,480                      | 354,245,006,489   |
| Appropriation to investment and<br>development fund   | -                    | -                    | 78,153,177,942                            | (78,153,177,942)           | -                                   | -                 |
| Appropriation to bonus and<br>welfare fund            | -                    | -                    | -   | (22,285,000,000)           | -                                   | (22,285,000,000)  |
| Dividends   | -                    | -                    | -   | (100,224,608,000)          | (1,067,500,000)                     | (101,292,108,000) |
| Bonus to Board of Management<br>and Supervisory Board | -                    | -                    | -   | (2,444,000,000)            | -                                   | (2,444,000,000)   |
| <b>Balance at 1/1/2019</b>                            | 501,123,040,000      | 36,047,891,246       | 724,734,652,533                           | 382,190,432,010            | 300,473,561,232                     | 1,944,569,577,021 |
| Contributed capital                                   | -                    | -                    | -   | -                          | 891,000,000                         | 891,000,000       |
| Net profit for the year                               | -                    | -                    | -   | 233,977,657,154            | 51,817,612,210                      | 285,795,269,364   |
| Appropriation to investment and<br>development fund   | -                    | -                    | 40,800,500,100                            | (40,800,500,100)           | -                                   | -                 |
| Appropriation to bonus and<br>welfare fund            | -                    | -                    | -   | (25,000,000,000)           | -                                   | (25,000,000,000)  |
| Dividends (Note 22)                                   | 50,104,940,000       | -                    | -   | (169,371,634,400)          | (14,261,000,000)                    | (133,527,694,400) |
| Bonus to Board of Management<br>and Supervisory Board | -                    | -                    | -   | (2,650,000,000)            | -                                   | (2,650,000,000)   |
| <b>Balance at 31/12/2019</b>                          | 551,227,980,000      | 36,047,891,246       | 765,535,152,633                           | 378,345,954,664            | 338,921,173,442                     | 2,070,078,151,985 |

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## 21. Share capital

The Company's authorised and issued share capital were as follows:

|                                 | 31/12/2019       |                 | 1/1/2019         |                 |
|---------------------------------|------------------|-----------------|------------------|-----------------|
|                                 | Number of shares | VND             | Number of shares | VND             |
| <b>Authorised share capital</b> | 55,122,798       | 551,227,980,000 | 50,112,304       | 501,123,040,000 |
| <b>Issued share capital</b>     |                  |                 |                  |                 |
| Ordinary shares                 | 55,122,798       | 551,227,980,000 | 50,112,304       | 501,123,040,000 |
| <b>Shares in circulation</b>    |                  |                 |                  |                 |
| Ordinary shares                 | 55,122,798       | 551,227,980,000 | 50,112,304       | 501,123,040,000 |

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

Movements in share capital during the year were as follows.

|   | 31/12/2019       |                 | 1/1/2019         |                 |
|---|------------------|-----------------|------------------|-----------------|
|   | Number of shares | VND             | Number of shares | VND             |
| Balance at the beginning of the year      | 50,112,304       | 501,123,040,000 | 50,112,304       | 501,123,040,000 |
| Shares issued during the year as dividend | 5,010,494        | 50,104,940,000  | -                | -               |
| Balance at the end of the year            | 55,122,798       | 551,227,980,000 | 50,112,304       | 501,123,040,000 |

## 22. Dividends

On 29 March 2019, the General Meeting of Shareholders of the Company approved issuance of shares as dividend payment with the rate of 10% of par value and payment of dividend in cash for 2018 amounting to VND75,168 million.

On 27 July 2019, the Board of Management of the Company approved the advance payment of dividend in cash for 2019 amounting to VND44,098 million (2018: VND50,112 million).

## 23. Investment and development fund

Investment and development fund was appropriated from retained profits in accordance with Resolution of the General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

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**24. Off balance sheet items**

**(a) Lease**

The future minimum lease payments under non-cancellable operating leases were:

|                          | <b>31/12/2019</b>     | <b>1/1/2019</b>       |
|--------------------------|-----------------------|-----------------------|
|                          | <b>VND</b>            | <b>VND</b>            |
| Within one year          | 3,891,736,800         | 3,891,736,800         |
| Within two to five years | 15,566,947,200        | 15,566,947,200        |
| More than five years     | 19,142,381,707        | 23,034,118,507        |
|                          | <hr/>                 | <hr/>                 |
|                          | <b>38,601,065,707</b> | <b>42,492,802,507</b> |
|                          | <hr/>                 | <hr/>                 |

**(b) Foreign currencies**

|     | <b>31/12/2019</b>            |                           | <b>1/1/2019</b>              |                           |
|-----|------------------------------|---------------------------|------------------------------|---------------------------|
|     | <b>Original<br/>currency</b> | <b>VND<br/>equivalent</b> | <b>Original<br/>currency</b> | <b>VND<br/>equivalent</b> |
| USD | 1,550,418                    | 35,827,460,333            | 957,500                      | 22,165,949,373            |
| EUR | 8                            | 198,016                   | 470                          | 12,353,903                |
|     |                              | <hr/>                     |                              | <hr/>                     |
|     |                              | <b>35,827,658,349</b>     |                              | <b>22,178,303,276</b>     |
|     |                              | <hr/>                     |                              | <hr/>                     |

**25. Revenue from provision of services**

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

Net revenue comprised:

|  | <b>2019</b>              | <b>2018</b>              |
|--|--------------------------|--------------------------|
|  | <b>VND</b>               | <b>VND</b>               |
| Container loading and unloading                                    | 1,183,415,617,380        | 1,093,043,815,500        |
| Refrigeration, inspection, phytosanitary<br>and storage activities | 214,351,208,822          | 294,162,356,816          |
| Transportation   | 207,258,289,824          | 175,423,909,236          |
| Others   | 187,725,508,033          | 131,830,063,527          |
|  | <hr/>                    | <hr/>                    |
|  | <b>1,792,750,624,059</b> | <b>1,694,460,145,079</b> |
|  | <hr/>                    | <hr/>                    |

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**26. Financial income**

|                                   | <b>2019</b>   | <b>2018</b>   |
|-----------------------------------|---------------|---------------|
|                                   | <b>VND</b>    | <b>VND</b>    |
| Interest income from deposits     | 8,854,179,405 | 7,081,990,626 |
| Dividends                         | 145,000,000   | 320,000,000   |
| Realised foreign exchange gains   | 398,057,375   | 962,115,507   |
| Unrealised foreign exchange gains | 61,246,844    | 286,887,639   |
|                                   | <hr/>         | <hr/>         |
|                                   | 9,458,483,624 | 8,650,993,772 |
|                                   | <hr/>         | <hr/>         |

**27. Financial expenses**

|                                    | <b>2019</b>    | <b>2018</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>VND</b>     | <b>VND</b>     |
| Interest expense                   | 15,408,493,571 | 34,708,326,938 |
| Realised foreign exchange losses   | 853,454,243    | 100,193,392    |
| Unrealised foreign exchange losses | 32,236,390     | 89,373,879     |
|                                    | <hr/>          | <hr/>          |
|                                    | 16,294,184,204 | 34,897,894,209 |
|                                    | <hr/>          | <hr/>          |

**28. Selling expenses**

|                          | <b>2019</b>    | <b>2018</b>    |
|--------------------------|----------------|----------------|
|                          | <b>VND</b>     | <b>VND</b>     |
| Staff costs              | 1,525,000,000  | 2,627,271,135  |
| Outside service expenses | 18,045,932,375 | 15,695,733,529 |
| Others                   | 11,402,931,863 | 8,312,132,067  |
|                          | <hr/>          | <hr/>          |
|                          | 30,973,864,238 | 26,635,136,731 |
|                          | <hr/>          | <hr/>          |

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**29. General and administration expenses**

|                               | <b>2019</b><br><b>VND</b> | <b>2018</b><br><b>VND</b> |
|-------------------------------|---------------------------|---------------------------|
| Staff costs                   | 34,707,988,362            | 34,928,762,669            |
| Depreciation and amortisation | 4,795,110,171             | 3,881,565,727             |
| Outside service expenses      | 19,871,276,566            | 16,239,048,007            |
| Others                        | 6,236,875,828             | 8,137,900,038             |
|                               | 65,611,250,927            | 63,187,276,441            |

**30. Business costs by elements**

|                               | <b>2019</b><br><b>VND</b> | <b>2018</b><br><b>VND</b> |
|-------------------------------|---------------------------|---------------------------|
| Raw material costs            | 124,915,441,332           | 121,027,873,242           |
| Staff costs                   | 235,913,533,034           | 219,579,928,189           |
| Depreciation and amortisation | 232,077,927,206           | 226,987,860,487           |
| Outside service expenses      | 686,246,740,401           | 592,762,581,715           |
| Other expenses                | 173,285,846,638           | 127,936,603,249           |
|                               | 1,452,439,488,611         | 1,388,335,846,882         |

**31. Income tax**

**(a) Recognised in the consolidated statement of income**

|   | <b>2019</b><br><b>VND</b> | <b>2018</b><br><b>VND</b> |
|---|---------------------------|---------------------------|
| <b>Current tax expense</b>                        |                           |                           |
| Current year                                      | 30,351,872,903            | 33,867,394,954            |
| Under provision in prior years                    | 26,254,375,801            | 52,757,655                |
|   | 56,606,248,704            | 33,920,152,609            |
| <b>Deferred tax expense</b>                       |                           |                           |
| Origination and reversal of temporary differences | (228,453,041)             | -                         |
|   | 56,377,795,663            | 33,920,152,609            |

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**(b) Reconciliation of effective tax rate**

|   | <b>2019</b><br><b>VND</b> | <b>2018</b><br><b>VND</b> |
|---|---------------------------|---------------------------|
| Accounting profit before tax  | 342,173,065,027           | 388,165,159,098           |
| Tax at the Company's tax rate   | 68,434,613,005            | 77,633,031,820            |
| Effect of incentive tax rates and different tax rates at subsidiaries | (19,291,141,865)          | (22,270,405,176)          |
| Tax incentives  | (20,703,051,446)          | (21,823,270,554)          |
| Effect of non-deductible expenses                                     | 3,697,620,791             | 1,874,511,742             |
| Effect of tax exempt income   | (2,385,963,094)           | (1,435,003,455)           |
| Tax losses utilised   | -                         | (14,069,945)              |
| Deferred tax assets not recognised                                    | 622,075                   | -                         |
| Under provision in prior years  | 26,254,375,801            | 52,757,655                |
| Effect of consolidation entry   | 370,720,396               | (97,399,478)              |
|   | <b>56,377,795,663</b>     | <b>33,920,152,609</b>     |

**(c) Applicable tax rates**

Under the terms of Income Tax Law, the Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits for 2019 (2018: 20%).

In accordance with the Investment Certificate, Green Logistics Centre One-member Company Limited ("GLC"), VIP Green Port Joint Stock Company ("VGP") and Green Development and Investment Service Joint Stock Company ("GIC"), subsidiaries of the Company, have an obligation to pay the government income tax at the rate of 10% of taxable profits for the 15 years starting from the first year they generate revenue from the business activities entitled to tax incentives (from 2013 to 2027 for GLC, from 2016 to 2030 for VGP and from 2017 to 2031 for GIC), and are entitled to be exempt from income tax for 4 years starting from the first year they generate taxable profit (from 2013 to 2016 for GLC, from 2016 to 2019 for VGP and from 2017 to 2020 for GIC) and 50% reduction in income tax for the 9 succeeding years.

Other subsidiaries have obligations to pay the Government income tax at the usual tax rates on taxable profits. The usual income tax rate applicable to enterprises before any incentives is 20% for 2019 (2018: 20%).



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**32. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2019 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds for the annual accounting period and a weighted average number of ordinary shares outstanding, calculated as follows:

**(i) Net profit attributable to ordinary shareholders**

|  | <b>2019</b>      | <b>2018</b>      |
|--|------------------|------------------|
|  | <b>VND</b>       | <b>VND</b>       |
| Net profit for the year                          | 233,977,657,154  | 300,408,605,009  |
| Appropriation to bonus and welfare fund (*)      | (23,000,000,000) | (30,040,000,000) |
|  | <hr/>            | <hr/>            |
| Net profit attributable to ordinary shareholders | 210,977,657,154  | 270,368,605,009  |
|  | <hr/>            | <hr/>            |

(\*) At the date of the consolidated financial statements for the year ended 31 December 2019, the Company expected to make appropriation to bonus and welfare fund at rate of 10% of retained profits for 2019, estimated to be VND23,000 million.

**(ii) Weighted average number of ordinary shares**

|   | <b>2019</b> | <b>2018</b>     |
|---|-------------|-----------------|
|   |             | <b>Restated</b> |
| Issued ordinary shares at the beginning of the year     | 50,112,304  | 50,112,304      |
| Effect of shares issued on 18 June 2019 as dividends    | 5,010,494   | 5,010,494       |
|   | <hr/>       | <hr/>           |
| Weighted average number of ordinary shares for the year | 55,122,798  | 55,122,798      |
|   | <hr/>       | <hr/>           |

**(iii) Restatement of the weighted average number of ordinary shares and basic earnings per share for the year ended 31 December 2018**

In 2019, the shareholders of the Company approved payment of share dividends (Note 22). Accordingly, the weighted average number of ordinary shares for the year ended 31 December 2018 has been changed.

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Basic earnings per share for the year ended 31 December 2018 have been restated as follows:

|   | <b>Weighted average<br/>number of ordinary<br/>shares</b> | <b>Basic<br/>earnings per<br/>share<br/>VND</b> |
|---|---|---|
| As previously reported  | 50,112,304  | 5,395   |
| Adjustment due to effect of shares issued as dividend on 18 June 2019 | 5,010,494   | (490)   |
| Restated  | 55,122,798  | 4,905   |

### **33. Significant transactions with related parties**

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

|  | <b>Transaction value</b> |                     |
|--|--------------------------|---------------------|
|  | <b>2019<br/>VND</b>      | <b>2018<br/>VND</b> |
| <b>Associates</b>  |                          |                     |
| <i><b>Dinh Vu Petroleum Service Port Joint Stock Company</b></i> |                          |                     |
| Sale of services   | 49,900,660,600           | 19,668,211,916      |
| Use of services  | 134,205,963,762          | 90,792,717,154      |
| Dividends received   | 4,410,100,000            | 4,409,000,000       |
| <i><b>Da Nang Logistics Joint Stock Company</b></i>              |                          |                     |
| Dividends received   | 1,864,000,000            | 2,708,400,000       |
| <i><b>T.S. Container Hanoi Company Limited</b></i>               |                          |                     |
| Sale of services   | 28,990,533,384           | 23,979,215,385      |
| Use of services  | 948,048,430              | 2,334,432,585       |
| <b>Member of Board of Directors</b>                              |                          |                     |
| Salary and bonus   | 2,993,012,599            | 3,196,679,174       |
| <b>Member of Board of Management and Supervisory Board</b>       |                          |                     |
| Bonus  | 2,650,000,000            | 2,228,000,000       |

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**34. Non-cash financing activities**

|  | <b>2019</b>    | <b>2018</b> |
|--|----------------|-------------|
|  | <b>VND</b>     | <b>VND</b>  |
| Dividend payment in the form of ordinary shares issued | 50,104,940,000 | -           |

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**35. Contingent liabilities**

On 14 September 2018, the State Audit of Vietnam proposed improvement of the State budget revenue and reduction of the State budget expenditure resulting from the audit of the management and use of public finance and assets for 2017 at the General Department of Taxation and the value added tax (“VAT”) refund scheme at the General Department of Taxation and the Departments of Taxation of 19 provinces and cities. Accordingly, in the meeting with Hai Phong Department of Taxation on 25 October 2018, VIP Green Port Joint Stock Company, a subsidiary of the Company was informed and requested to return VND9,954,508,833 out of the total VAT of VND31,471,502,631 refunded to VIP Green Port Joint Stock Company in accordance with Hai Phong Department of Taxation for the period from September 2015 to September 2016 due to the fact that the project was already put into operation and generated revenue.

On 29 October 2018, VIP Green Port Joint Stock Company sent Official Letter No. 106/CT-KT to make a claim with the competent authorities regarding the above VAT amount arguing that this is the input VAT for investment phase 2 from January 2016 to November 2016 specified in the Investment Certificate of VIP Green Port Joint Stock Company and satisfies the conditions for refund in accordance with prevailing VAT regulations.

On 1 March 2019, the State Audit of Vietnam sent Official Letter No. 218/KTNN-CNII to request the General Department of Taxation to instruct Hai Phong Department of Taxation to review and determine the accurate refundable VAT amount to serve as the basis for initiation of VAT tax arrears in accordance with the law.

On 11 April 2019, the State Audit of Vietnam issued Official Letter No. 294/KTNN-CNII to VIP Green Port Joint Stock Company requesting the company to work with Hai Phong Department of Taxation to settle the case.

At the date of these financial statements, the Group had not recognised a liability in the financial statements for the above tax payable as Hai Phong Department of Taxation had not performed the review or provided a conclusion on this tax payable.

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**36. Corresponding figures**

Corresponding figures as at 1 January 2019 were derived from the balances and amounts reported in the Company's consolidated financial statements as at and for the year ended 31 December 2018.

6 March 2020

Prepared by:



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Approved by:



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