



A&C AUDITING AND CONSULTING CO., LTD.

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INTERIM FINANCIAL STATEMENTS

**FOR THE FIRST 6 MONTHS OF THE FISCAL YEAR
ENDED 31 DECEMBER 2019**

**HAI AN TRANSPORT
AND STEVEDORING
JOINT STOCK COMPANY**

CONTENTS

	Page
1. Contents	1
2. Report of the General Directors	2 - 4
3. Review report on interim financial information	5 - 6
4. Interim balance sheet as of 30 June 2019	7 - 10
5. Interim income statement for the first 6 months of the fiscal year ended 31 December 2019	11
6. Interim cash flow statement for the first 6 months of the fiscal year ended 31 December 2019	12 - 13
7. Notes to the interim financial statements for the first 6 months of the fiscal year ended 31 December 2019	14 - 43

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

REPORT OF THE GENERAL DIRECTORS

The General Directors of Hai An Transport and Stevedoring Joint Stock Company (hereinafter called "the Company") present this report together with the interim financial statements for the first 6 months of the fiscal year ended 31 December 2019.

Business highlights

The Company was transformed from Hai An Transport and Stevedoring Company Limited in accordance with the Business Registration Certificate of Joint Stock Company No. 0103818809 granted by Hanoi Authority for Planning and Investment, 1st registered on 8 May 2009.

During its operation course, the Company has been 11 times additionally granted by Hanoi Authority for Planning and Investment with the amended Business Registration Certificates regarding the change in the Company's address, the supplement of business operations and capital contributors. In which, the 11th amended Business Registration Certificate dated 15 August 2018 regards the change in the Company's legal representative.

Head office

- Address : Floor 7, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City
- Telephone : 0243 987 7515
- Fax : 0243 944 4022

The Company has the affiliates as follows:

Names	Address
Branch in Ho Chi Minh City – Hai An Transport and Stevedoring JSC.	No. 217 Nguyen Van Thu, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam
Branch of Hai An Transport and Stevedoring JSC. in Ba Ria – Vung Tau	Zone A, Lot 17 Phu My Residential Quarter, Phu My Town, Tan Thanh District, Ba Ria – Vung Tau Province

Operations of the Company as in the Business Registration Certificate include:

- Operation of direct support for waterway transportation, details:
 - Operation related to coastal and ocean transportation of passengers, animals or goods;
 - Operation of seaports, ports and quays;
 - Operation of pilots, towages and docking;
 - Operation of lighthouse stations;
- Goods transportation by roads;
- Goods transportation by coastal way and ocean shipping;
- Warehouses, yards and storing goods (not including trading real estates);
- Operation of direct support services for transportation by roads, in details:
 - Operation related to transportation of passengers, animals or goods by roads;
 - Operation of car parking, places for stevedoring goods;
 - Operation of managing roads, bridges, subways, car parking or garages, bike and motorbike parking;
- Service of stevedoring goods
- Operation of other support services related to transportation, in details:
 - Arranging or holding operation of transportation by road, sea;

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY
REPORT OF THE GENERAL DIRECTORS (cont.)

- Freight forwarding;
- Receipt and delivery of transportation vouchers and bill of lading;
- Operation of agency for making customs procedures;
- Operation of shipping and freight forwarding agency;
- Related activities including packaging goods in order to protect goods in transit, unloading goods, sampling and weighing goods;
- Service of vessel agency;
- Service of sea transport and liner agency;

Board of Management and Executive officers

The Board of Management and the General Directors of the Company during the period and as of the date of this report include:

The Board of Management

Full names	Position	Appointing date/Re-appointing date/Resigning date
Mr. Vu Ngoc Son	Chairman	Re-appointed on 29 June 2018
Mr. Vu Thanh Hai	Member	Re-appointed on 29 June 2018
Mr. Bui Tuan Ngoc (*)	Member	Re-appointed on 29 June 2018 Resigned on 1 August 2019
Ms. Tran Thi Hai Yen	Member	Appointed on 29 June 2018
Mr. Nguyen Ngoc Tuan	Member	Appointed on 11 April 2019
Ms. Nguyen Thi Van	Member	Appointed on 11 April 2019
Mr. Tran Quang Tien	Member	Appointed on 11 April 2019

(*) According to the Decision No. 0207-2019/NQ-HDQT dated 22 July 2019 of the Board of Management, the Company approved to the resignation of the Board member of Mr. Bui Tuan Ngoc since 1 August 2019.

The Board of Control

Full names	Position	Appointing date/ Re-appointing date
Ms. Nguyen Thi Thanh Tu	Manager	Re-appointed on 29 June 2018
Ms. Tran Thi Thom	Member	Appointed on 29 June 2018
Mr. Nguyen Xuan Loc	Member	Appointed on 29 June 2018

The General Directors

Full names	Position	Appointing date/ Resigning date
Mr. Vu Thanh Hai	General Director	Appointed on 29 June 2018
Mr. Nguyen Ngoc Tuan	Deputy General Director	Appointed on 5 October 2017
Ms. Pham Thi Hong Nhung	Deputy General Director	Resigned on 27 May 2019

Legal representative

The legal representative of the Company during the period and as of the date of this report is Mr. Vu Thanh Hai – General Director (appointed on 29 June 2018).

Auditor

A&C Auditing and Consulting Co., Ltd. has been appointed to review the interim financial statements for the first 6 months of the fiscal year ended 31 December 2019 of the Company.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

REPORT OF THE GENERAL DIRECTORS (cont.)

Responsibilities of the General Directors

The Company's General Directors are responsible for the preparation of the interim financial statements to give a true and fair view on the financial position, the business results and the cash flows of the Company during the period. In order to prepare these interim financial statements, the General Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates reasonably and prudently;
- point out whether the accounting standards applied to the Company have been complied or not and all material errors in comparison with these standards have been presented and explained in the interim financial statements;
- prepare the interim financial statements on the basis of the going-concern assumption, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system in order to ensure that the preparation and presentation of the interim financial statements are free from material misstatements due to frauds or errors.

The General Directors hereby ensure that all the accounting books of the Company have been fully recorded and can fairly reflect the financial position of the Company at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The General Directors are also responsible for managing the Company's assets and consequently have taken appropriate measures to prevent and detect frauds and other irregularities.

The General Directors hereby ensure that all the requirements above have been followed when the interim financial statements are prepared.

Approval to the financial statements

The General Directors of the Company hereby approve the accompanying interim financial statements, which give a true and fair view of the financial position as of 30 June 2019, the financial performance and the cash flows for the first 6 months of the fiscal year ended 31 December 2019 of the Company in conformity with the Vietnamese Accounting Standards and System and other legal regulations related to the preparation and presentation of interim financial statements.

For and on behalf of the General Directors,

General Director



Vũ Thanh Hải

12 August 2019

No. 2.0500/19/TC-AC

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE GENERAL DIRECTORS HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

We have reviewed the accompanying interim financial statements of Hai An Transport and Stevedoring Joint Stock Company (hereinafter called “the Company”), which were prepared on 12 August 2019, from page 7 to page 43, including the interim balance sheet as of 30 June 2019, the interim income statement, the interim cash flow statement for the first 6 months of the fiscal year ended 31 December 2019 and the notes to the interim financial statements.

The General Directors’ Responsibility

The Company’s General Directors is responsible for the preparation, true and fair presentation of these interim financial statements of the Company in accordance with the Vietnamese accounting standards and system and the legal regulations related to the preparation and presentation of interim financial statements and responsible for such internal control as the Company’s General Directors determine is necessary to enable the preparation and presentation of the interim financial statements to be free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to raise a conclusion on the interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on review engagements No. 2410 – Review of interim financial information performed by the independent auditor of the entity.

The review works on the interim financial information mainly include interviews with persons in charge of finance, accounting and application of other analysis and review procedures. Reviewing the financial statements is basically narrower than that of auditing the financial statements in line with the Vietnamese Standards on Auditing and therefore, it does not allow us to obtain a reasonable assurance to enable us to detect all material issues during the engagement. Accordingly, we do not raise our audit opinion.

Auditor's Conclusion

Based on our review, we do not find out any events to suppose that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the financial position of the Company as of 30 June 2019, its financial performance and its cash flows for the first 6 months of the fiscal year ended 31 December 2019 in accordance with Vietnamese Accounting Standards and System and the legal regulations related to the preparation and presentation of interim financial statements.

A&C Auditing and Consulting Co., Ltd.

Branch in Hanoi



Nguyen Thi Tu

Deputy Director

Audit Practice Registration Certificate: No. 0059-2018-008-1

Hanoi, 13 August 2019

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

INTERIM BALANCE SHEET

(Complete form)
As of 30 June 2019

Unit: VND

ASSETS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		335,929,593,234	353,263,018,581
I. Cash and cash equivalents	110	V.1	117,994,030,623	184,928,446,586
1. Cash	111		49,445,986,217	54,738,417,482
2. Cash equivalents	112		68,548,044,406	130,190,029,104
II. Short-term financial investments	120		13,500,000,000	13,500,000,000
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Investments held until maturity date	123	V.2a	13,500,000,000	13,500,000,000
III. Short-term accounts receivable	130		145,556,707,592	113,538,431,908
1. Receivable from customers	131	V.3	38,528,861,670	30,013,968,207
2. Short-term prepayments to suppliers	132	V.4	688,665,106	953,864,462
3. Short-term inter-company receivable	133		-	-
4. Receivable according to the progress of construction contracts	134		-	-
5. Receivable on short-term loans	135		-	-
6. Other receivable	136	V.5a	106,504,014,428	82,735,432,851
7. Provision for short-term bad debts	137	V.6	(164,833,612)	(164,833,612)
8. Deficient assets to be treated	139		-	-
IV. Inventories	140		34,361,491,186	20,208,196,789
1. Inventories	141	V.7	34,361,491,186	20,208,196,789
2. Provisions for devaluation of inventories	149		-	-
V. Other current assets	150		24,517,363,833	21,087,943,298
1. Short-term prepaid expenses	151	V.8a	5,313,395,596	626,423,955
2. VAT deductible	152		19,203,968,237	20,461,519,343
3. Taxes and accounts receivable from the State	153		-	-
4. Transaction of repurchasing the Government's bonds	154		-	-
5. Other current assets	155		-	-

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Interim balance sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - LONG-TERM ASSETS	200		846,906,833,594	754,794,924,703
I. Long-term accounts receivable	210		45,000,000,000	46,713,470,000
1. Long-term accounts receivable from customers	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivable	214		-	-
5. Receivable on long-term loans	215		-	-
6. Other long-term receivable	216	V.5b	45,000,000,000	46,713,470,000
7. Provision for long-term bad debts	219		-	-
II. Fixed assets	220		536,398,567,140	440,706,178,144
1. Tangible assets	221	V.9	532,832,263,517	436,808,596,443
<i>Historical costs</i>	222		863,338,962,903	734,585,949,049
<i>Accumulated depreciation</i>	223		(330,506,699,386)	(297,777,352,606)
2. Financial leasehold assets	224		-	-
<i>Historical costs</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible assets	227	V.10	3,566,303,623	3,897,581,701
<i>Historical costs</i>	228		6,541,325,236	6,541,325,236
<i>Accumulated depreciation</i>	229		(2,975,021,613)	(2,643,743,535)
III. Investment property	230		-	-
Historical costs	231		-	-
Accumulated depreciation	232		-	-
IV. Long-term assets in progress	240		255,615,363	-
1. Long-term operating expenses in progress	241		-	-
2. Construction in progress	242	V.11	255,615,363	-
V. Long-term financial investments	250	V.2b	264,690,336,897	266,696,649,411
1. Investments in subsidiaries	251		270,622,700,000	270,622,700,000
2. Investments in associates and joint ventures	252		1,494,000,000	1,200,000,000
3. Investments, capital contribution in other entities	253		866,500	866,500
4. Provision for long-term financial investments	254		(7,427,229,603)	(5,126,917,089)
5. Investments held until maturity date	255		-	-
VI. Other long-term assets	260		562,314,194	678,627,148
1. Long-term prepaid expenses	261	V.8b	562,314,194	678,627,148
2. Deferred income tax assets	262		-	-
3. Long-term equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		1,182,836,426,828	1,108,057,943,284

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Interim balance sheet (cont.)

CAPITAL SOURCES	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		292,612,550,227	203,296,216,739
I. Current liabilities	310		142,118,109,132	106,180,462,071
1. Short-term payable to suppliers	311	V.12	37,693,760,893	14,102,010,865
2. Short-term prepayments from customers	312		83,944,150	-
3. Taxes and other obligations to the State Budget	313	V.13	2,960,704,020	2,212,019,256
4. Payable to employees	314		2,272,300,800	7,669,002,603
5. Short-term accrued expenses	315	V.14	1,479,634,730	848,054,540
6. Short-term inter-company payable	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unrealized revenue	318	V.15	319,618,750	676,878,538
9. Other payable	319	V.16a	34,283,568,699	27,002,098,136
10. Short-term loans and financial lease debts	320	V.17a	40,710,657,443	34,575,735,486
11. Provision for current liabilities	321		-	-
12. Bonus and welfare funds	322	V.18	22,313,919,647	19,094,662,647
13. Price stabilization fund	323		-	-
14. Transaction of repurchasing the Government's bonds	324		-	-
II. Long-term liabilities	330		150,494,441,095	97,115,754,668
1. Long-term accounts payable to suppliers	331		-	-
2. Long-term prepayments from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payable on working capital	334		-	-
5. Long-term inter-company payable	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payable	337	V.16b	35,000,000,000	-
8. Long-term loans and financial lease debts	338	V.17b	115,494,441,095	97,115,754,668
9. Transferable bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax payable	341		-	-
12. Provision for long-term liabilities	342		-	-
13. Scientific and technological development fund	343		-	-

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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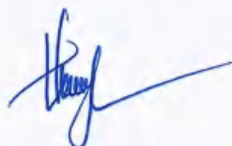
INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Interim balance sheet (cont.)

CAPITAL SOURCES	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		890,223,876,601	904,761,726,545
I. Owner's equity	410	V.19	890,223,876,601	904,761,726,545
1. Owner's contribution capital	411		487,827,510,000	487,827,510,000
- Common shares with voting right	411a		487,827,510,000	487,827,510,000
- Preferred shares	411b		-	-
2. Share premiums	412		115,606,612,922	115,606,612,922
3. Option on converting shares	413		-	-
4. Owner's other capital	414		-	-
5. Treasury stocks	415		(14,920,919,678)	(14,920,919,678)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange rate differences	417		-	-
8. Business promotion fund	418		206,901,070,809	179,564,070,809
9. Business reorganization support fund	419		-	-
10. Other funds	420		-	-
11. Retained profit after tax	421		94,809,602,548	136,684,452,492
- Retained profit after tax accumulated to the end of previous period	421a		27,464,905,492	136,684,452,492
- Retained profit after tax of the current period	421b		67,344,697,056	-
12. Capital sources for construction	422		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL CAPITAL SOURCES	440		1,182,836,426,828	1,108,057,943,284

Prepared by



Tran Thi Thanh Hao

Accountant in charge



Tran Thi Thanh Hao

Prepared on 12 August 2019

General Director



Vu Thanh Hai

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

INTERIM INCOME STATEMENT

(Complete form)

For the first 6 months of the fiscal year ended 31 December 2019

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year to the end of the current period	
			Current year	Previous year
1. Sales	01	VI.1	260,317,132,873	234,695,503,182
2. Deductions	02		-	-
3. Net sales	10		260,317,132,873	234,695,503,182
4. Costs of goods sold	11	VI.2	191,283,646,266	175,249,980,067
5. Gross profit	20		69,033,486,607	59,445,523,115
6. Financial income	21	VI.3	22,407,329,563	7,576,714,325
7. Financial expenses	22	VI.4	6,763,235,901	3,628,778,585
In which: Loan interest expenses	23		3,855,659,210	1,827,393,983
8. Selling expenses	25		-	-
9. Administrative overheads	26	VI.5	10,961,112,745	11,148,704,211
10. Net operating profit	30		73,716,467,524	52,244,754,644
11. Other income	31	VI.6	1,144,199,265	16,555,024,178
12. Other expenses	32	VI.7	4,805,538	166,053,732
13. Other profit	40		1,139,393,727	16,388,970,446
14. Profit before tax	50		74,855,861,251	68,633,725,090
15. Current corporate income tax	51	V.14	7,511,164,195	8,525,205,891
16. Deferred corporate income tax	52		-	-
17. Profit after tax	60		<u>67,344,697,056</u>	<u>60,108,519,199</u>
18. Basic earnings per share	70	VI.8		
19. Declined interest per share	71	VI.8	-	-

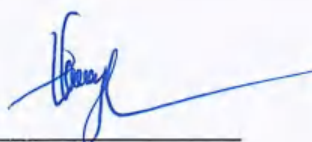
Prepared on 12 August 2019

Prepared by



Tran Thi Thanh Hao

Accountant in charge



Tran Thi Thanh Hao

General Director



Vu Thanh Hai

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

INTERIM CASH FLOW STATEMENT

(Complete form)

(Under indirect method)

For the first 6 months of the fiscal year ended 31 December 2019

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year to the end of the current period	
			Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		74,855,861,251	68,633,725,090
2. Adjustments				
- Depreciation of fixed assets and investment property	02		36,088,838,725	23,429,997,123
- Provisions	03	V.2b	2,300,312,514	1,410,696,083
- Gain/ loss from exchange rate differences due to revaluation of monetary items in foreign currencies	04		504,541,572	110,041,203
- Gain/ loss from investing activities	05		(21,821,784,048)	(23,432,807,079)
- Loan interest expenses	06	V.4	3,855,659,210	1,827,393,983
- Others	07		-	-
3. Operating profit before changes of working capital	08		95,783,429,224	71,979,046,403
- Increase/ decrease of accounts receivable	09		(32,382,765,019)	(98,388,367,788)
- Increase/ decrease of inventories	10		(14,153,294,397)	(17,845,578,813)
- Increase/ decrease of accounts payable	11		58,028,997,980	(30,563,877,536)
- Increase/ decrease of prepaid expenses	12		(4,570,658,687)	2,042,184,540
- Increase/ decrease of trading securities	13		-	-
- Loan interests already paid	14		(3,258,997,335)	(1,842,909,717)
- Corporate income tax already paid	15	V.14	(4,558,702,244)	(8,325,606,078)
- Other gains	16		-	-
- Other disbursements	17		(6,348,743,000)	(3,421,900,000)
Net cash flows from operating activities	20		88,539,266,522	(86,367,008,989)
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other long-term assets	21		(129,008,629,217)	(2,008,181,818)
2. Gains from disposal and liquidation of fixed assets and other long-term assets	22		-	115,045,028,260
3. Loans given and purchases of debt instruments of other entities	23		-	-
4. Recovery of loan given and disposals of debt instruments of other entities	24		-	45,000,000,000
5. Investments in other entities	25		(294,000,000)	(47,803,800,000)
6. Withdrawals of investments in other entities	26		-	-
7. Receipts of loans given, dividends and profit shared	27		22,132,411,533	16,329,997,366
Net cash flows from investing activities	30		(107,170,217,684)	126,563,043,808

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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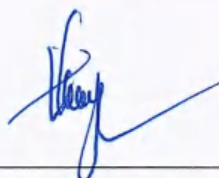
INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Interim cash flow statement (cont.)

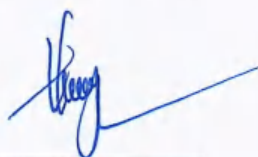
ITEMS	Code	Note	Accumulated from the beginning of the year to the end of the current period	
			Current year	Previous year
III. Cash flows from financial activities				
1. Gains from stock issuance and capital contributions from shareholders	31		-	199,634,062,000
2. Repayments of capital contributions to owners and re-purchase of stocks already issued	32		-	-
3. Receipts from loans	33	V.18	52,134,776,942	18,881,088,878
4. Payment of loan principal	34	V.18	(28,141,671,268)	(16,407,112,880)
5. Payment of financial lease debts	35		-	-
6. Dividends and profit shared to the owners	36		(72,308,847,000)	(33,934,765,000)
Net cash flows from financial activities	40		(48,315,741,326)	168,173,272,998
Net cash flows during the year	50		(66,946,692,488)	208,369,307,817
Beginning cash and cash equivalents	60	V.1	184,928,446,586	114,378,534,552
Effects of fluctuations in foreign exchange rates	61		12,276,525	133,369,925
Ending cash and cash equivalents	70	V.1	117,994,030,623	322,881,212,294

Prepared by



Tran Thi Thanh Hao

Accountant in charge



Tran Thi Thanh Hao

Prepared on 12 August 2019

General Director



Vu Thanh Hai

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

I. OPERATION FEATURES

1. Investment form

Hai An Transport and Stevedoring Joint Stock Company (hereinafter called "the Company") is a joint stock company.

2. Operating field

The Company's operating field includes service.

3. Main operations

Main operations of the Company include: Leasing warehouses, yards, loading and unloading cargo at seaport, sea transport.

4. Ordinary course of business

The Company's ordinary course of business does not exceed 12 months.

5. Structure of Company

Subsidiaries

Name of company	Address of head office	Main operation	Rate of capital contribution	Rate of interest	Rate of voting right
Hai An Port Co., Ltd.	1 st floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Providing services of seaport	100%	100%	100%
Hai An Container Transport Co., Ltd.	5 th floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Services of transport	50.5%	50.5%	50.5%
Pan Hai An Co., Ltd.	6 th floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Service of exploiting Depot	51%	51%	51%

Associate

The Company has only invested in Hai An Freight Forwarding JSC. located at Room 502, 5th floor 133 Thai Ha Building, Trung Liet Ward, Dong Da District, Hanoi City. Main operation of this associate includes transporting goods by road. As of the balance sheet date, the rate of contribution capital of the Company in this associate was 40%, the rate of voting right and the rate of ownership were equal to the rate of capital contribution.

Affiliates with no legal status dependently recording

Names	Address
Branch in Ho Chi Minh City - Hai An Transport and Stevedoring JSC	No. 217 Nguyen Van Thu, Da Kao Ward, District 1, Ho Chi Minh City
Branch in Ba Ria - Vung Tau Province - Hai An Transport and Stevedoring JSC	Area A, Lot 17 Phu My Residential Quarter, Phu My Town, Tan Thanh District, Ba Ria - Vung Tau Province

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

6. Statement on comparison of information in financial statements

The corresponding figures in the previous year can be compared with those in the current year.

7. Personnel

As of the balance sheet date, the Company had 79 employees (the beginning balance was 76 employees).

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. Fiscal year

The fiscal year of the Company is from 1 January to 31 December annually.

2. Standard currency unit

The standard currency unit used in accounting is Vietnam Dong (VND) as most of transactions are primarily made in VND.

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

1. Accounting standards

The Company has applied the Vietnamese Accounting Standards and System issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and the Circulars giving guidance on the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of the interim financial statements.

2. Statement on the compliance with the accounting standards and system

The General Directors ensure to follow all the requirements of the Vietnamese Accounting Standards and System issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 as well as the Circulars giving guidance on the implementation of accounting standards and system of the Ministry of Finance in the preparation and presentation of these interim financial statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the financial statements are prepared on the basis of accrued accounting (except for information related to cash flows).

2. Transactions in foreign currencies

Transactions in foreign currencies are converted at the actual exchange rates as of the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rate as of the balance sheet date.

Foreign exchange rate differences arising during the year from transactions in foreign currencies are included in financial income or financial expenses. Foreign exchange rate differences due to revaluation of monetary items in foreign currencies as of the balance sheet date after offsetting increase differences and decrease differences are recorded into financial income or financial expenses.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

Foreign exchange rate used to translate transactions occurred in foreign currencies is the actual exchange rate at the time of transaction. The actual exchange rate for transactions in foreign currencies is determined as follows:

- For liabilities receivable: it is buying exchange rate of foreign currencies of the commercial bank where the Company assigns customers to make payment at the time of transaction.
- For accounts payable: it is selling exchange rate of foreign currencies of the commercial bank where the Company intends to have transactions at the time of transaction.
- For transactions of purchasing assets or expenses paid immediately in foreign currencies (instead of recording accounts payable): it is buying exchange rate of foreign currencies of the commercial bank where the Company makes payment.

Foreign exchange rate used to revalue ending balances of monetary items in foreign currencies is determined as follows:

- For foreign currencies deposited in bank, the actual exchange rate is buying exchange rate of foreign currencies of the bank where the Company opens foreign currency accounts.
- For monetary items in foreign currencies classified as other assets, the actual exchange rate is buying exchange rate of foreign currencies of Vietcombank – Haiphong Branch (with which the Company usually has transactions).
- For monetary items in foreign currencies classified as liabilities payable, the actual exchange rate is selling exchange rate of foreign currencies of Vietcombank – Haiphong Branch (with which the Company usually has transactions).

3. Cash and cash equivalents

Cash includes cash on hand and demand deposits in bank, cash in transit. Cash equivalents include short-term investments of which the due dates cannot exceed 3 months from the dates of investment and the convertibility into cash is easy, and which do not have risks in the conversion into cash as of the reporting date.

4. Financial investments

Investments held to maturity date

Investments are classified as investments held to maturity date that the Company intends and is able to hold to maturity. Investments held to maturity date include termed deposits in bank.

Investments held to maturity date are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these investments held to maturity date after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of investments held to maturity date are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

Investments in subsidiaries, associate

Subsidiaries

A subsidiary is an entity that is controlled by the Company. Control is the Company's power to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities of that entity.

Associate

An associate is an enterprise in which the Company has significant influence but not control over the financial policies and activities. Significant influence is the right to participate in making decisions about financial policies and business operations of the investee but not control those policies.

Initial recognition

Investments in subsidiaries, associates are initially recognized at historical cost, including purchasing price or contribution capital plus related costs to investments. In case investment by non-monetary assets, investment cost is recognized at the fair value of those non-monetary assets at the date of arising.

Dividends and profit of the periods before investments are bought are recorded to reduce with the value of those investments. Dividends and profit of the periods after investments are bought are recognized into revenue. Dividends received by shares are followed by the increasing number of shares but not recognized with the value of shares received.

Provision for loss of investments in subsidiaries and associates

Provision for loss of investments in subsidiaries, associates is appropriated when subsidiaries, associates suffer losses at the rate equivalent to the difference between the actual contribution capital of the parties in these subsidiaries, associates and the actual owner's equity multiplying (x) the rate of capital contribution of the Company in comparison with total actual contribution capital of the parties in these subsidiaries, associates. If subsidiaries, associates are the subject of the consolidated financial statements, the basis of determination of provision for loss is the consolidated financial statements.

Increases/ (decreases) in provision for loss of investments in subsidiaries, associates which need appropriating as of the balance sheet date are recognized into financial expenses.

5. Accounts receivable

Accounts receivable are presented in accordance with book values less provisions for bad debts.

The classification of accounts receivable into receivables from customers and other receivables is done as follows:

- Receivables from customers reflect commercial receivables generating from purchase-sale related transactions between the Company and buyers which are independent units against the Company.
- Other receivables reflect non-commercial or non-trading receivables, unrelated to purchase-sale transactions.

Provision is made for each bad debt basing on the debt age or the estimated loss. Details are as follows:

- As for overdue debts:
 - 30% of the value for debts overdue from over 6 months to under 1 year.
 - 50% of the value for debts overdue from 1 year to under 2 years.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

- 70% of the value for debts overdue from 2 years to under 3 years.
- 100% of the value for debts overdue from 3 years and over.
- As for doubtful debts but not overdue: provision is made basing on the estimated loss.

Increases/(decreases) of balance of provision for bad debts which need appropriating as of the balance sheet date are recorded into administrative overheads.

6. Inventories

Inventories are recorded in accordance with the lower value between the historical costs and the net realizable values.

Costs of inventories are determined for raw materials and merchandise as follows: costs of inventories include purchasing expenses and other directly related costs to bring the inventories to the current positions and conditions.

Ex warehouse prices are determined in accordance with the first-in-first-out method and recorded in line with the perpetual recording method. Particularly for materials using for vessels, costs of inventories are determined in accordance with the weighted average method for each input/output.

Net realizable values are the estimated selling prices of inventories in an ordinary course of business less the estimated expenses on product completion and other necessary expenses on product consumption.

Provision for devaluation of inventories is recognized when their costs are higher than their net realizable values. Increases/(decreases) in balances of provision for devaluation of inventories which need appropriating as of the balance sheet date are recognized into costs of goods sold.

7. Prepaid expenses

Prepaid expenses include expenses actually incurred but they are related to operation output of many accounting periods. Prepaid expenses of the Company mainly include expenses for tools, instruments, repair costs and periodical repair costs of vessels. These prepaid expenses are allocated in the prepayment term or term in which corresponding economic benefit is derived from these expenses.

Expenses for tools, instruments

Expenses for tools, instruments being put into use are allocated into expenses in accordance with the straight-line method for the maximum period of 2 years.

Fixed asset repair costs and periodical repair costs of vessels

Fixed asset repair costs and periodical repair costs of vessels arising once with high value are allocated into expenses in accordance with the straight-line method within 3 years.

8. Operating leasehold assets

A lease of asset is considered an operating lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessor. The lease expenses are allocated in the Company's operating expenses in accordance with the straight-line method over the leasing period and are not subject to the method of lease payment.

9. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses of the Company to have these

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses during the period.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/loss arisen is posted into income or expenses during the period.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of tangible fixed assets are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	5-20
Machinery and equipment	5-10
Vehicles	6-12
Office equipment	3-5
Other fixed assets	4-10

10. Intangible fixed assets

Intangible fixed assets are determined by their historical costs less accumulated depreciation.

Historical costs of intangible fixed assets include all the expenses of the Company to have these fixed assets as of the dates they are ready to be put into use. Costs related to intangible fixed assets, which are incurred after initial recognition, are recognized as operating costs in the period unless these costs are associated with a specific intangible fixed asset and increase economic benefits from these assets.

When an intangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/loss arisen is posted into income or expenses during the period.

The intangible fixed assets of the Company include:

Land use right

Land use right includes all the actual expenses paid by the Company related to the land being used such as expenses to obtain the land use right, expenses for compensation and land clearance, expenses on ground leveling, registration fees, etc. The land use right is depreciated in accordance with the straight-line method in 35 years.

Software program

The expenses related to computer software which is not an integral part of related hardware are capitalized. Historical cost of computer software includes all expenses paid by the Company until the date the software is put into use. Computer software is depreciated in accordance with the straight-line method from 3 to 5 years.

11. Construction in progress

Construction in progress reflects costs directly related (including related loan interest expenses in accordance with the Company's accounting policies) to assets in progress of construction and machinery, equipment in progress of installation to serve the purpose of production, lease and management as well as costs related to repair of fixed assets in progress. These assets are recognized in accordance with their original costs and not depreciated.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

12. Business cooperation contracts

Jointly controlled operations

The Company includes business cooperation contracts under the form of jointly controlled operations in the financial statements with the following contents:

- The assets that the Company controls.
- The liabilities that the Company incurs.
- The share of the income that it earns from the sale of goods and services by the joint venture.
- The expenses that the Company incurs.

13. Liabilities payable and accrued expenses

Liabilities payable and accrued expenses are recognized for the amount payable in the future related to goods and services already received. Accrued expenses are recognized based on reasonable estimates on the amount payable.

The classification of accounts payable into payables to suppliers, accrued expenses and other payables is done as follows:

- Payables to suppliers reflect trade payables occurred from purchase-sale transaction of goods, services, assets and the suppliers are independent units against the Company.
- Accrued expenses reflect payables for goods and services already received from suppliers or provided to customers but for which the payment has not been made due to lack of invoices or accounting documents and payables for employees on leave pay, appropriated operating costs.
- Other payables reflect non-trade payables or payables unrelated to purchase-sale transactions, provision of goods and services.

Liabilities payable and accrued expenses are classified into short-term and long-term ones on the balance sheet based on the remaining terms as of the balance sheet date.

14. Owner's equity

Owner's contribution capital

Owner's contribution capital is recognized in line with the amount actually contributed by the shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between issuance price and face value of shares in the first issuance, additional issuance or the difference between reissuance price and book value of treasury stocks and the equity component of convertible bonds upon maturity. Direct expenses related to the additional issuance of shares and reissuance of treasury stocks are recorded to decrease share premiums.

Treasury stocks

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury stocks and are recorded as a decrease in owner's equity. When re-issuing, the differences between re-issuance price and book value of treasury stocks are recognized into item of share premium.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

15. Profit distribution

Profit after corporate income tax is distributed to the shareholders after appropriation of funds in accordance with the Company's Charter as well as legal regulations and being approved by the General Meeting of Shareholders.

The profit distribution to the shareholders considers non-monetary items in retained profit after tax which can have impacts on cash flows and possibility of profit payment such as gains from revaluation of assets for capital contribution, revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities payable upon the approval of the General Meeting of Shareholders.

16. Recognition of sales and income

Sales of providing services

Sales of providing services shall be recognized when all of the following conditions are satisfied:

- Sales are determined reliably. When contracts define that buyers are entitled to return services purchased under specific conditions, revenue is only recognized when such specific conditions no longer exist and buyers are not entitled to return services provided.
- The Company has received or will receive economic benefits from the transaction of providing such services.
- The completed work may be determined at the time of reporting.
- Incurred costs for the transaction and the costs to complete the transaction of providing such services can be determined.

In case the service is carried out in many accounting periods, sales are recognized during the period based on the result of completed work as of the balance sheet date.

Interests

Interests are recorded based on the term and the interest rates applied for each period.

Dividends and profit shared

Dividends and profit shared are recognized when the Company has the right to receive dividends or profit from the capital contribution. Dividends received by shares are only followed by the increasing number of shares but not recognized with the value of shares received.

17. Borrowing costs

Borrowing costs include loan interest and other costs directly related to borrowings. Borrowing costs are recognized into expenses when arising.

18. Costs

Costs are amounts reducing economic benefits, recorded at the time the transaction arises or shall be likely to arise in the future regardless of spending money or not.

Costs and revenues set up by it must be recognized simultaneously on the principle of conformity. In case, conformity principle may conflict with precautionary principle in accounting, costs are recognized based on the nature and regulations of accounting standards to reflect transactions honestly and reasonably.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

19. Corporate income tax

Corporate income tax includes current income tax which is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses, losses transferred.

20. Related parties

A party is considered a related party of the Company in case one party is able to control the other or to cause considerable effects on the financial decisions as well as the operations of the other. A party is also considered a related party in case of together being controlled or affected significantly.

In the consideration of relations among related parties, the nature of relations is paid more attention than the legal form.

21. Segment reporting

A business segment is a distinguishable component that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policy applied for the preparation and presentation of the Company's interim financial statements.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM BALANCE SHEET

1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	1,078,893,820	572,975,912
Demand deposits in banks	48,367,092,397	54,165,441,570
Cash equivalents (Under-3-month termed deposits in bank)	68,548,044,406	130,190,029,104
Total	<u>117,994,030,623</u>	<u>184,928,446,586</u>

2. Financial investments

2a. Investments held to maturity dates

Including bank deposit with the term from over 3 months to 12 months,

2b. Capital contribution in other entities

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Historical costs</u>	<u>Provision</u>	<u>Historical costs</u>	<u>Provision</u>
<i>Investments in subsidiaries</i>	<i>270,622,700,000</i>	<i>(7,427,229,603)</i>	<i>270,622,700,000</i>	<i>(5,126,917,089)</i>
Hai An Port Co., Ltd. ⁽ⁱ⁾	30,000,000,000		30,000,000,000	
Hai An Container Transport Co., Ltd. ⁽ⁱⁱ⁾	101,000,000,000		101,000,000,000	

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

	Ending balance		Beginning balance	
	Historical costs	Provision	Historical costs	Provision
Pan Hai An Co., Ltd. ⁽ⁱⁱⁱ⁾	139,622,700,000	(7,427,229,603)	139,622,700,000	(5,126,917,089)
<i>Investments in associate</i>	<i>1,494,000,000</i>		<i>1,200,000,000</i>	
Hai An Freight Forwarding JSC. ^(iv)	1,494,000,000		1,200,000,000	
<i>Capital contribution in other entities</i>	<i>866,500</i>		<i>866,500</i>	
Marine Supply and Engineering Service JSC.	864,000		864,000	
MHC JSC	2,500		2,500	
Total	272,117,566,500	(7,427,229,603)	271,823,566,500	(5,126,917,089)

(i) According to the Business Registration Certificate No. 0101126468 dated 13 October 2016 granted by Department of Planning and Investment of Haiphong City, the Company would invest in Hai An Port Co., Ltd. with the amount of VND 30,000,000,000, equivalent to 100% of charter capital. The Company had fully contributed capital as registered.

(ii) According to the Business Registration Certificate of limited liability company with 2 members and more No. 0201655535 dated 13 November 2015 granted by Department of Planning and Investment of Haiphong City, the Company would invest in Hai An Container Transport Co., Ltd. with the amount of VND 101,000,000,000, equivalent to 50.5% of charter capital. As of the balance sheet date, the Company had fully contributed capital as registered.

(iii) According to the Business Registration Certificate No. 0201815115 dated 20 October 2017, the 2nd amended Business Registration Certificate dated 21 December 2018 granted by Department of Planning and Investment of Haiphong City, the Company would invest in Pan Hai An Co., Ltd. with the amount of VND 139,622,700,000, equivalent to 51% of charter capital. As of the balance sheet date, the Company had fully contributed capital as registered.

(iv) According to the Resolution No. 0310-2018/NQ-HDQT dated 18 October 2018 of the Board of Management, the Company would additionally invest 29,400 shares of Hai An Freight Forwarding JSC. (GNVTHA) (the share amount would be allocated for current shareholders), during the period, the Company purchased 29,400 shares of GNVTHA with the purchasing price of VND 294,000,000. As of the balance sheet date, the Company owned 149,400 shares of GNVTHA accounting for 36.89% of charter capital.

Fair value

The Company has not determined fair value of investments as there has been no detailed guidance on determination of fair value.

Operation of subsidiaries, associate

Subsidiaries and associate are in normal business condition, with no major changes compared to the previous year,

Provision for capital contribution in other entities

Situation of fluctuations in provision for capital contribution in other entities is as follows:

	Current period	Previous period
Beginning balance	5,126,917,089	
Additional provision	2,300,312,514	1,410,696,083
Refund of provision		
Ending balance	7,427,229,603	1,410,696,083

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)*Transactions with subsidiaries, associate*

Material transactions between the Company and its subsidiaries, associate were as follows:

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
<i>Hai An Port Co., Ltd. (HAP)</i>		
Sales of operating port collected on behalf by the subsidiary	97,062,750,870	104,665,779,965
Port management fee payable to the subsidiary	17,506,011,787	19,391,394,720
Purchasing materials from Hai An Port		18,157,193,028
Purchasing tools from Hai An Port		91,291,498
Hai An Port provided other services		1,591,747,297
The subsidiary shared its profit	3,221,677,917	4,425,115,176
<i>Hai An Container Transport Co., Ltd. (HACT)</i>		
Receipt of loan principal from the subsidiary		45,000,000,000
Receipt of loan interest from the subsidiary		912,671,232
Providing service to the subsidiary	33,961,992,622	22,238,419,357
The subsidiary provided service to the Holding Company	7,368,562,500	6,849,850,000
Recovery of capital contribution of BCC from the subsidiary	10,000,000,000	
The subsidiary divided BCC profit in 2018	7,774,998,895	
The subsidiary shared its profit	15,150,000,000	
<i>Pan Hai An Co., Ltd. (Pan Hai An)</i>		
Capital contribution into Pan Hai An		46,603,800,000
The subsidiary provided services of port operation	694,757,217	
The Holding Company provided services to the subsidiary	707,097,500	
<i>Hai An Freight Forwarding JSC.</i>		
Transferring capital contribution to the associate	294,000,000	1,200,000,000
Providing service to the associate	21,000,000	
Recovery of capital contribution of BCC from the associate	5,000,000,000	
3. Short-term receivable from customers		
	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivable from related parties</i>	35,478,123,558	18,451,737,993
Hai An Port Co., Ltd.	14,717,453,799	1,201,159,993
Hai An Container Transport Co., Ltd.	19,692,503,805	16,257,872,689
Pan Hai An Co., Ltd.		140,728,284
Hai An Agency and Logistics Co., Ltd.	381,609,000	470,290,100
Hai An Freight Forwarding JSC.	23,100,000	106,540,000
Marina Logistics & Agencies Co., Ltd.	33,715,000	3,300,000
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	621,601,954	271,846,927
Branch of Marina Logistics & Agencies Co., Ltd. in Ho Chi Minh City	8,140,000	

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivable from other customers</i>	<i>3,050,738,112</i>	<i>11,562,230,214</i>
Tico International Corporation	264,651,998	3,719,043,402
Others	2,786,086,114	7,843,186,812
Total	<u>38,528,861,670</u>	<u>30,013,968,207</u>
4. Short-term prepayments to suppliers		
	<u>Ending balance</u>	<u>Beginning balance</u>
Vietnam Maritime Safety - North	239,222,508	239,222,508
Port Authorities of Ho Chi Minh City		360,533,321
Dang Khanh Technology Co., Ltd.	184,800,000	
Others	264,642,598	354,108,633
Total	<u>688,665,106</u>	<u>953,864,462</u>
5. Other short-term/long-term receivable		
5a. Other short-term receivable		
	<u>Ending balance</u>	<u>Beginning balance</u>
	<u>Ending balance</u>	<u>Beginning balance</u>
	<u>Value</u>	<u>Value</u>
	<u>Provision</u>	<u>Provision</u>
<i>Receivable from related parties</i>	<i>13,305,236,637</i>	<i>11,467,217,565</i>
Hai An Port Co., Ltd. – Profit receivable	3,299,142,679	3,577,464,762
Hai An Container Transport Co., Ltd. – BCC business results	9,006,205,330	7,774,988,895
Hai An Container Transport Co., Ltd. – Payments on behalf	327,228,501	
Marina Logistics & Agencies Co., Ltd. – BCC business results	209,694,368	
HAI HA IT.,JSC – BCC business results	209,694,368	
Hai An Freight Forwarding JSC. – BCC business results	105,083,149	
Payments on behalf	148,188,242	114,763,908
<i>Receivable from other organizations and individuals</i>	<i>93,198,777,791</i>	<i>71,268,215,286</i>
Estimated receipt of deposit interest	304,733,756	337,039,158
Deposit for project transfer (*)	90,000,000,000	70,000,000,000
Deposits and mortgages	2,079,894,372	347,872,836
Advances	729,074,005	555,240,156
Others	85,075,658	28,063,136
Total	<u>106,504,014,428</u>	<u>82,735,432,851</u>

(*) Pursuant to the BOM's Resolution No. 01B10-2017/NQ-HDQT dated 5 December 2017, the Company deposited the amount of VND 90,000,000,000 in order to sign the contract of assuming transfer of 90% of investment right in the project "Container yard and port service" in Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

5b. Other long-term receivable

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
Receivable from related parties	45,000,000,000		45,000,000,000	
Hai An Container Transport Co., Ltd. – contribution capital for business cooperation (*)	45,000,000,000		45,000,000,000	
Receivable from other organizations and individuals			1,713,470,000	
Deposits and mortgages			1,713,470,000	
Total	45,000,000,000		46,713,470,000	

(*) This is the receivable from Hai An Container Transport Co., Ltd. (“the Control Party”) on business cooperation capital in accordance with the Business Cooperation Contract (BCC) No. 48-HDHTKD dated 18 April 2017 regarding capital contribution cooperation to invest, trade and operate Container vessels. The parties committed to contributing capital to purchase vessels, handing over assets for capital contribution and all project assets to the control party and agreed to let the control party to register ownership, organize business and operate vessel leasing efficiently. The parties would jointly share profit and suffer all losses and risks (if any) from trading and operating vessels in accordance with the rates of capital contribution, terms and conditions of the Contract and the prevailing legal regulations.

The rate of capital contribution of the parties as in the Business Cooperation Contract is as follows:

	Amount (VND)	Rate %
Hai An Transport and Stevedoring JSC.	45,000,000,000	56.25%
Hai An Container Transport Co., Ltd.	10,000,000,000	12.50%
Hai An Agency and Logistics Co., Ltd.	10,000,000,000	12.50%
Hai Ha IT., JSC	10,000,000,000	12.50%
Marina Logistics & Agencies Co., Ltd.	5,000,000,000	6.25%
Total	80,000,000,000	100.00%

6. Bad debts

	Overdue time	Ending balance		Overdue time	Beginning balance	
		Historical costs	Recoverable value		Historical costs	Recoverable value
Hung Think Transport Co., Ltd. – receivable on providing services	Over 3 years	65,089,486	(65,089,486)	3 years	65,089,486	(65,089,486)
Royal Transport Trading Co., Ltd. – receivable on providing services	Over 3 years	99,744,126	(99,744,126)	3 years	99,744,126	(99,744,126)
Total		164,833,612	(164,833,612)		164,833,612	(164,833,612)

Situation of fluctuations in provision for bad debts is as follows:

	Current period	Previous period
Beginning balance	164,833,612	214,833,612
Refund of provision		
Other decrease		(50,000,000)
Ending balance	164,833,612	164,833,612

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**7. Inventories**

	Ending balance		Beginning balance	
	Historical costs	Provision	Historical costs	Provision
Materials and supplies	34,348,463,913		20,125,311,334	
Tools, instruments	13,027,273		82,885,455	
Total	34,361,491,186		20,208,196,789	

8. Short-term/Long-term prepaid expenses**8a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Expenses for dredging	2,840,504,415	
Lubricant cost	1,454,585,833	
Insurance premium	769,873,267	417,214,670
Highway toll	35,432,081	120,707,085
Office rental	211,000,000	84,102,200
Others	2,000,000	4,400,000
Total	5,313,395,596	626,423,955

8b. Long-term prepaid expenses

	Ending balance	Beginning balance
Equipment repair costs	123,405,000	
Tools, instruments	287,891,132	424,088,254
Software copyright	151,018,062	254,538,894
Total	562,314,194	678,627,148

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**9. Tangible fixed assets**

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Other fixed assets</u>	<u>Total</u>
Historical costs						
Beginning balance	202,091,011,915	273,194,241,973	237,649,750,261	729,574,546	20,921,370,354	734,585,949,049
Purchase during the period			128,753,013,854			128,753,013,854
Ending balance	<u>202,091,011,915</u>	<u>273,194,241,973</u>	<u>366,402,764,115</u>	<u>729,574,546</u>	<u>20,921,370,354</u>	<u>863,338,962,903</u>
<i>In which:</i>						
Fully depreciated but being still in use	25,772,685,269	3,172,619,411	2,296,117,153	75,136,364		31,316,558,197
To be liquidated						
Depreciation						
Beginning balance	106,849,871,554	176,046,114,833	10,335,180,032	337,828,811	4,208,357,376	297,777,352,606
Depreciation during the period	6,030,515,306	14,236,704,672	11,330,154,448	80,091,336	1,051,881,018	32,729,346,780
Ending balance	<u>112,880,386,860</u>	<u>190,282,819,505</u>	<u>21,665,334,480</u>	<u>417,920,147</u>	<u>5,260,238,394</u>	<u>330,506,699,386</u>
Net book value						
Beginning balance	95,241,140,361	97,148,127,140	227,314,570,229	391,745,735	16,713,012,978	436,808,596,443
Ending balance	<u>89,210,625,055</u>	<u>82,911,422,468</u>	<u>344,737,429,635</u>	<u>311,654,399</u>	<u>15,661,131,960</u>	<u>532,832,263,517</u>
<i>In which:</i>						
Temporarily unused						
To be liquidated						

Some tangible fixed assets of which the net book value is VND 384,068,229,037 have been mortgaged to secure the loans from banks.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**10. Intangible fixed assets**

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
Historical costs			
Beginning balance	4,945,015,236	1,596,310,000	6,541,325,236
Ending balance	<u>4,945,015,236</u>	<u>1,596,310,000</u>	<u>6,541,325,236</u>
<i>In which:</i>			
Fully depreciated but being still in use			
Amortization			
Beginning balance	2,108,931,861	534,811,674	2,643,743,535
Depreciation during the period	70,643,076	260,635,002	331,278,078
Ending balance	<u>2,179,574,937</u>	<u>795,446,676</u>	<u>2,975,021,613</u>
Net book value			
Beginning balance	2,836,083,375	1,061,498,326	3,897,581,701
Ending balance	<u>2,765,440,299</u>	<u>800,863,324</u>	<u>3,566,303,623</u>
<i>In which:</i>			
Temporarily unused			
To be liquidated			

11. Construction in progress

	<u>Beginning balance</u>	<u>Increasing during the period</u>	<u>Inclusion in fixed assets during the period</u>	<u>Ending balance</u>
Purchase of fixed assets		128,918,174,672	(128,753,013,854)	165,160,818
Construction in progress		90,454,545		90,454,545
Total		<u>129,008,629,217</u>	<u>(128,753,013,854)</u>	<u>255,615,363</u>

12. Short-term payable to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	15,142,587,192	1,141,434,751
Hai An Port Co., Ltd.	7,999,456,119	
Hai An Container Transport Co., Ltd.	4,602,631,000	
Pan Hai An Co., Ltd.	499,465,999	
Hai An General Service JSC	954,381,019	1,041,662,731
HAI HA IT.,JSC	55,740,615	93,164,685
Dong Do Crew Manning JSC.	1,030,912,440	
Marina Logistics & Agencies Co., Ltd.	-	6,607,335
<i>Payable to other suppliers</i>	22,551,173,701	12,960,576,114
Triton Container International Limited-Colle	2,124,150,668	2,137,259,433
Marina Haiphong	1,211,790,950	1,448,155,460
Hung Dung Trading Dredging and Construction JSC.	5,489,882,800	
Others	13,725,349,283	9,375,161,221
Total	<u>37,693,760,893</u>	<u>14,102,010,865</u>

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

13. Taxes and other obligations to the State Budget

	Beginning balance	Amount payable during the period	Amount already paid during the period	Ending balance
VAT on local sales		1,980,345,557	(1,797,328,014)	183,017,543
Corporate income tax	558,702,244	5,312,036,454	(4,558,702,244)	1,312,036,454
Personal income tax	1,653,317,012	3,711,193,216	(3,898,860,205)	1,465,650,023
Land rental		909,474,178	(909,474,178)	
Other taxes		5,000,000	(5,000,000)	
Total	2,212,019,256	11,918,049,405	(11,169,364,641)	2,960,704,020

Value added tax (VAT)

The Company has to pay VAT in accordance with the deduction method. VAT rate is as follows:

Stevedoring for foreign vessels, ocean freight, vessel freight abroad	0%
Service of providing fresh water	5%
Other services of transport, stevedoring	10%

Corporate income tax

Operating ports of the Company enjoys incentive tax rate of 10% within fifteen years (15 years) from the first year of income from business operations enjoying tax incentive (year 2011) in accordance with Point 3, Part B, Point 1.3 and Point 6, Section II, Part H of the Circular No. 130/2008/TT-BTC dated 26 December 2008 of the Ministry of Finance.

Incentive term: CIT exemption in 4 years, 50% reduction of the tax payable in the following 9 years since 2011 in accordance with Point 1.3, Section III, Part H of the Circular No. 130/2008/TT-BTC dated 26 December 2008 of the Ministry of Finance.

The Company has to pay corporate income tax for income from other operations at the rate of 20%.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

Corporate income tax payable during the year is estimated as follows:

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Total accounting profit before tax	74,855,861,251	68,633,725,090
Increase/decrease adjustments of accounting profit to determine profit subject to corporate income tax:		
- Increase adjustments	184,725,895	37,607,265
- Decrease adjustments	184,725,895	37,607,265
Income subject to tax	75,040,587,146	68,671,332,355
Tax-exempted income	(18,371,677,917)	(4,425,115,176)
Loss of previous years brought forward		
Taxable income	56,668,909,229	64,246,217,179
In which:		
- Operating ports with incentives	25,484,117,668	28,826,916,969
- Operating ports without incentives	13,913,918,372	13,501,231,867
- Operating vessels	17,270,873,189	21,918,068,343
Corporate income tax rate	20%	20%
Corporate income tax payable at the common tax rate	11,333,781,846	12,849,243,436
Difference of corporate income tax due to application of other tax rate than the common tax rate	(3,822,617,651)	(4,324,037,545)
Corporate income tax exempted, deducted		
Corporate income tax payable	7,511,164,195	8,525,205,891
Corporate income tax payable on behalf of business cooperation parties	(2,199,127,741)	(4,383,613,669)
Total corporate income tax payable	5,312,036,454	4,141,592,222

The determination of corporate income tax payable of the Company is based on the prevailing regulations on taxes. However, these regulations change for each period and the regulations on taxes for various transactions can be explained in various ways. Therefore, the tax amount presented in the interim financial statements could change when being examined by the Tax Office.

Land rental

Land rental is paid according to the notices of the tax department.

Other taxes

The Company has declared and paid these taxes in line with the prevailing regulations.

14. Short-term accrued expenses

	Ending balance	Beginning balance
Loan interest expenses payable	901,674,412	848,054,540
Expenses for loading and unloading vessels	517,760,982	
Brokerage fees	60,199,336	
Total	1,479,634,730	848,054,540

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**15. Short-term unrealized revenue**

Including revenue received in advance of leasing vessel.

16. Other accounts payable**16a. Other short-term payable**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	497,558,676	470,334,400
Transimex Corporation – business cooperation interest	100,276,373	100,276,373
Marina Logistics & Agencies Co., Ltd. – business cooperation interest	75,220,439	75,220,439
Hai An Agency and Logistics Co., Ltd. – business cooperation interest	44,163,714	44,163,714
Macs Shipping Corporation – business cooperation interest	25,898,150	25,898,150
Hai An Container Transport Co., Ltd. – payments on behalf		224,775,724
Allowances for the Board of Management, the Control Board	252,000,000	
<i>Payable to other organizations and individuals</i>	33,786,010,023	26,531,763,736
MHC JSC – business co-operation interest	30,477,701	30,477,701
SM Line Corporation - Receipts on behalf	32,832,900,576	25,575,794,806
Trade Union’s expenditure	106,548,499	103,881,098
Social insurance, health insurance, unemployment insurance		39,936,520
Dividends payable	424,650,000	418,950,000
Infrequent tax payable	343,307,525	317,832,237
Others	48,125,722	44,891,374
Total	<u>34,283,568,699</u>	<u>27,002,098,136</u>

16b. Other long-term payable

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties – BCC capital contribution (*)</i>	35,000,000,000	
Hai An Container Transport Co., Ltd.	10,000,000,000	
Hai An Freight Forwarding JSC.	5,000,000,000	
Hai Ha IT., JSC	10,000,000,000	
Marina Logistics & Agencies Co., Ltd.	10,000,000,000	
Total	<u>35,000,000,000</u>	

- (*) According to the Business Cooperation Contract No. 66/HDHTKD regarding capital contribution cooperation to invest, trade and operate Container vessels, the Company is “the Control party”. The parties committed to contributing capital to purchase vessels, handing over assets for capital contribution and all project assets to “the control party” and agreed to let the control party to register ownership, organize business and operate vessel leasing efficiently. The parties would jointly share profit and suffer all losses and risks (if any) from trading and operating vessels in accordance with the rates of capital contribution, terms and conditions of the Contract and the prevailing legal regulations.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

The rate of capital contribution of the parties as in the Business Cooperation Contract is as follows:

	<u>Amount (VND)</u>	<u>Rate %</u>
Hai An Transport and Stevedoring JSC.	40,000,000,000	53.33%
Hai An Container Transport Co., Ltd.	10,000,000,000	13.33%
Hai An Freight Forwarding JSC.	5,000,000,000	6.68%
Hai Ha IT., JSC	10,000,000,000	13.33%
Marina Logistics & Agencies Co., Ltd.	10,000,000,000	13.33%
Total	<u>75,000,000,000</u>	<u>100%</u>

17. Short-term/Long-term loans

17a. Short-term loans

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Short-term loans from bank</i>	<i>4,785,897,143</i>	<i>5,049,365,476</i>
MB – Transaction Office 1 ⁽ⁱ⁾	4,785,897,143	5,049,365,476
<i>Due long-term loans (see Note V.18b)</i>	<i>35,924,760,300</i>	<i>29,526,370,010</i>
Vietcombank – Haiphong Branch	31,881,040,282	25,489,271,390
MB – Transaction Office 1	4,043,720,018	4,037,098,620
Total	<u>40,710,657,443</u>	<u>34,575,735,486</u>

The Company has solvency to pay short-term loans.

- ⁽ⁱ⁾ This is the loan from MB – Transaction Office 1 to pay for purchasing oil and liabilities, the term of 3 months. This loan does not have guarantee assets.

Details of increases/decreases of short-term loans during the period are as follows:

	<u>Short-term loans from banks</u>	<u>Due long-term loans</u>	<u>Total</u>
Beginning balance	5,049,365,476	29,526,370,010	34,575,735,486
Increase during the period	14,513,840,513		14,513,840,513
Transfer from long-term loans and debts		19,762,752,712	19,762,752,712
Amount already paid during the period	(14,777,308,846)	(13,364,362,422)	(28,141,671,268)
Ending balance	<u>4,785,897,143</u>	<u>35,924,760,300</u>	<u>40,710,657,443</u>

17b. Long-term loans

	<u>Ending balance</u>	<u>Beginning balance</u>
Vietcombank – Haiphong Branch ⁽ⁱ⁾	110,934,677,655	90,584,153,740
MB – Transaction Office 1 ⁽ⁱⁱ⁾	4,559,763,440	6,531,600,928
Total	<u>115,494,441,095</u>	<u>97,115,754,668</u>

The Company has solvency to pay long-term loans.

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

- (i) These are the loans from Vietcombank – Haiphong Branch in accordance with the following contracts:
- The Credit Contract No. 2016/DA/HDTD/VCB-HA dated 6 September 2016 to invest in the system of 10 container trucks with the term of 48 months commencing from the initial disbursement date, no grace. This loan is secured by the whole assets formed after investment.
 - The Credit Contract No. 01/2018/VCB-HAIAN dated 15 October 2018 for the purpose of financing the implementation of the project of investment in Mv. Sinar Brani container, the term of 60 months (5years) commencing from the following date of disbursement date of initial capital loan, the grace time of 6 months but not over 3 months commencing from the date of the first receipt resource from operating/hiring vessel, the debt payment term is 19 periods (every 3 months), the first period of principal debt payment would be after the termination of grace time. This loan is secured by Mv. Hai An Link.
 - The medium-long term Credit Contract No. 01.2019/HDCV/VCB-HAIAN dated 29 May 2019 to invest in the project of VNL Ruby container vessel with the term of 60 months, the grace duration of 6 months commencing from the following date of disbursement date of initial capital loan but not over 3 months commencing from the date of the first receipt resource from operating/hiring vessel, the first period of principal debt payment would be after the termination of grace time, the loan interest is paid every 3 months. This loan is secured by the mortgaged assets including 2 forklift trucks branded PPM Terex, Kirow Ardel GMBH kicker crane, 5 tractors and 5 semi-trailers, Mv. Hai An Link and Mv. VNL Ruby.
- (ii) These are the loans from MB – Transaction Office 1 in accordance with the following contracts:
- The Credit Contract No. 66755.15.002.2486868.TD dated 25 October 2015 to pay LC to import 2 truck pin container lifters. This loan is secured by machinery and equipment formed after investment.
 - The Credit Contract No. 88928.16.002.2486868.TD dated 7 December 2015 to supplement the medium-term capital demands to import containers with the interest rate is stipulated in the bills of debt with the maximum term of 60 months. This loan is secured by the assets which are 400 containers of all kinds of the Company.

Payment schedule of long-term loans is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Under 1 year	35,924,760,300	29,526,370,010
From 1 year to 5 years	115,494,441,095	97,115,754,668
Over 5 years		
Total	<u>151,419,201,395</u>	<u>126,642,124,678</u>

Details of increases/decreases of long-term loans are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	97,115,754,668	19,678,009,170
Increase	37,620,936,429	
Transfer to short-term loans and debts	(19,762,752,712)	(7,607,810,380)
Exchange rate differences due to revaluation of loans in foreign currencies at the end of the period	520,502,710	121,180,833
Ending balance	<u>115,494,441,095</u>	<u>12,191,379,623</u>

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

18. Bonus, welfare funds

	Beginning balance	Increase due to appropriation from profit	Disbursement during the period	Ending balance
Bonus fund	14,463,218,213	5,467,000,000	(4,521,743,000)	15,408,475,213
BOM's bonus fund	4,631,444,434	4,101,000,000	(1,827,000,000)	6,905,444,434
Total	19,094,662,647	9,568,000,000	(6,348,743,000)	22,313,919,647

19. Owner's equity

19a. Statement of fluctuations in owner's equity

	Owner's contribution capital	Share premium	Treasury stocks	Business promotion fund	Retained profit after tax	Total
Beginning balance of the previous year	345,078,180,000	58,738,380,922	(14,920,919,678)	152,064,070,809	104,039,856,648	644,999,568,701
Issuing shares to receive cash	142,749,330,000	56,884,732,000				199,634,062,000
Profit in the previous period					60,108,519,199	60,108,519,199
Appropriation of funds				27,500,000,000	(37,150,000,000)	(9,650,000,000)
Share of dividends					(33,934,765,000)	(33,934,765,000)
Ending balance of the previous period	487,827,510,000	115,623,112,922	(14,920,919,678)	179,564,070,809	93,063,610,847	861,157,384,900
Beginning balance of the current year	487,827,510,000	115,606,612,922	(14,920,919,678)	179,564,070,809	136,684,452,492	904,761,726,545
Profit in the current period					67,344,697,056	67,344,697,056
Appropriation of funds				27,337,000,000	(36,905,000,000)	(9,568,000,000)
Share of dividends of the year 2018					(72,314,547,000)	(72,314,547,000)
Ending balance of the current period	487,827,510,000	115,606,612,922	(14,920,919,678)	206,901,070,809	94,809,602,548	890,223,876,601

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**19b. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	48,782,751	48,782,751
Number of shares already issued	48,782,751	48,782,751
- <i>Common shares</i>	48,782,751	48,782,751
Number of shares repurchased	573,053	573,053
- <i>Common shares</i>	573,053	573,053
Number of outstanding shares	48,209,698	48,209,698
- <i>Common shares</i>	48,209,698	48,209,698

Face value per outstanding share: VND 10,000.

19c. Profit distribution

During the period, the Company has distributed profit in accordance with the Resolution of 2019 Annual General Meeting of the Shareholders No. 0204-2019/NQ-DHDCD dated 11 April 2019 as follows:

	VND
• Share of dividends to shareholders	: 72,314,547,000
• Appropriation of business promotion fund	: 27,337,000,000
• Appropriation of BOM Fund	: 4,101,000,000
• Appropriation of bonus and welfare fund	: 5,467,000,000

20. Off-interim balance sheet items***Foreign currencies***

	<u>Ending balance</u>	<u>Beginning balance</u>
US Dollar (USD)	965,716.30	642,545.22
Euro (EUR)	40.54	40.54

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM INCOME STATEMENT****1. Sales of selling goods and providing services****1a. Gross sales**

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Sales of operating ports	116,174,121,439	130,383,592,053
Sales of operating vessels	102,775,544,908	65,134,043,367
In which:		
<i>Sales of the BCC No. 48/HDHTKD</i>	66,797,707,429	64,217,043,367
<i>Sales of the BCC No. 66/HĐHTKD</i>	6,024,672,165	
<i>Sales of operating Mv. Hai An Link</i>	29,953,165,314	
<i>Sales of other operating</i>		917,000,000
Sales of other activities	41,367,466,526	39,177,867,762
Total	<u>260,317,132,873</u>	<u>234,695,503,182</u>

1b. Sales of providing services to related parties

Apart from transactions of providing services to subsidiaries, associate as presented in Note V.2c, the Company has also had transactions of providing services of operating vessels, operating ports and leasing assets to related parties which are not subsidiaries, associate as follows:

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Hai An Agency and Logistics Co., Ltd.	1,359,609,058	8,936,364
Hai An General Service JSC	241,482,819	602,778,945
Marina Logistics & Agencies Co., Ltd.	6,700,000	
Branch of Macs Shipping Corporation in Haiphong		54,087,928
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	1,082,146,597	1,040,996,412

2. Costs of goods sold

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Costs of operating ports	80,322,140,729	90,291,875,073
Costs of operating vessels	82,166,898,795	58,437,826,164
In which:		
<i>Costs of the BCC No. 48/HDHTKD</i>	56,043,413,470	57,540,626,164
<i>Costs of the BCC No. 66/HDHTKD</i>	5,925,907,827	
<i>Costs of operating Mv. Hai An Link</i>	20,197,577,498	
<i>Costs of other operating</i>		897,200,000
Costs of other activities	28,794,606,742	26,520,278,830
Total	<u>191,283,646,266</u>	<u>175,249,980,067</u>

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**3. Financial income**

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Bank deposit interest	3,528,574,016	1,696,965,545
Loan interest		912,671,232
Dividends and profits shared	18,371,677,917	4,425,115,176
Gain on exchange rate differences	504,686,675	541,962,372
Gain on exchange rate differences due to revaluation of monetary items in foreign currencies	2,390,955	
Total	22,407,329,563	7,576,714,325

4. Financial expenses

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Loan interest expenses	3,855,659,210	1,827,393,983
Provision for devaluation of long-term investments	2,300,312,514	1,410,696,083
Loss from exchange rate differences	100,331,650	280,239,663
Loss from exchange rate differences due to revaluation of monetary items in foreign currencies	506,932,527	110,448,856
Total	6,763,235,901	3,628,778,585

5. Administrative overheads

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Expenses for staff	5,261,765,051	5,547,827,191
Expenses for managing materials	229,222,979	320,578,241
Expenses for office stationery	39,441,818	5,288,454
Depreciation of fixed assets	983,962,610	828,254,136
Taxes, fees and duties	56,289,000	85,885,000
External services hired	1,696,558,630	1,702,682,464
Others	2,693,872,657	2,658,188,725
Total	10,961,112,745	11,148,704,211

6. Other income

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Gain on liquidation, disposal of fixed assets under BCC		16,465,143,548
Compensation	1,044,360,756	88,304,000
Others	99,838,509	1,576,630
Total	1,144,199,265	16,555,024,178

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)**7. Other expenses**

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Damage compensation		43,680,447
Taxed fined, recovered	2,735,667	4,769,661
Others	2,069,871	117,603,624
Total	<u>4,805,538</u>	<u>166,053,732</u>

8. Basic earnings per share

The information of basic earnings per share is presented in the interim consolidated financial statements.

9. Operating expenses per element

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Expenses for materials and supplies	38,409,410,004	34,054,099,943
Labor costs	16,410,492,282	14,308,334,470
Depreciation of fixed assets	36,088,838,725	37,493,143,780
External services hired	84,622,325,378	73,123,795,406
Others	26,300,804,838	27,419,310,679
Total	<u>201,831,871,227</u>	<u>186,398,684,278</u>

VII. OTHER INFORMATION**1. Transactions and balances with related parties**

Related parties of the Company include: the key managers, their related individuals and other related parties.

1a. Transactions and balances with the key managers and their related individuals

The key managers include: the Board members and Executive officers (the General Directors). Related individuals with the key managers are their relatives.

Income of the key managers

	Accumulated from the beginning of the year to the end of the current period	
	<u>Current year</u>	<u>Previous year</u>
Salary	1,452,830,772	1,853,792,310
Allowance	198,000,000	124,800,000
Bonus	2,446,314,664	1,722,778,622
Total	<u>4,097,145,436</u>	<u>3,701,370,932</u>

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

1b. Transactions and balances with other related parties

Other related parties of the Company include:

Other related parties

Hai An Port Co., Ltd.	Subsidiary
Hai An Container Transport Co., Ltd.	Subsidiary
Pan Hai An Co., Ltd.	Subsidiary
Hai An Freight Forwarding JSC	Associate
Hai An Agency and Logistics Co., Ltd.	Associate of the subsidiary
Hai An General Service JSC	Associate of the subsidiary until 8 January 2019
Transimex Corporation	Large shareholder/with the same key manager
Hai Ha IT., JSC	Large shareholder/with the same key manager
Marine Supply and Engineering Service JSC	Large shareholder/with the same key manager
Macs Shipping Corporation	With the same key manager
Hai Minh JSC	With the same key manager
Marina Logistics & Agencies Co., Ltd.	With the same key manager
NADUCO	With the same key manager
"K" Line Logistic (Vietnam) Co., Ltd.	With the same key manager
Vina Investment JSC	With the same key manager
Toan Viet Investment JSC	With the same key manager
Vinafreight JSC	With the same key manager
An Phuc Thinh Trading and Services Co., Ltd.	With the same key manager
Transvina	With the same key manager
Gelex Logistics One Member Co., Ltd.	With the same key manager
SOTRANS	With the same key manager
SOWATCO	With the same key manager
FLDC	With the same key manager
SOUTH PORT JSC.	With the same key manager
GFC	With the same key manager
GFAC	With the same key manager

Transactions with other related parties

Apart from transactions with subsidiaries, associate as presented in Note V.2c as well as transactions of providing services to other related parties which are not subsidiaries, associate as presented in Note VI.1b, the Company has also had other transactions with other related parties as follows:

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
<i>Hai An General Service JSC (HAGS)</i>		
Using service of operating ports	2,279,591,595	4,682,688,468
<i>Macs Shipping Corporation (Macs)</i>		
Dividend payment		1,546,875,000
<i>Transimex Corporation</i>		
Dividend payment	683,257,500	4,414,385,000

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
HAI HA IT., JSC		
Dividend payment	8,351,250,000	3,045,000,000
Using service of operating ports	1,279,504,248	1,188,386,884
Marine Supply and Engineering Service JSC		
Dividend payment		1,242,811,000
Marina Logistics & Agencies Co., Ltd.		
Dividend payment	2,583,090,000	300,330,000
Using service of operating ports		31,101,321
GFC		
Dividend payment	3,000,000,000	
GFAC		
Dividend payment	1,500,000,000	

Liabilities with other related parties

Liabilities with other related parties are presented in Notes V.3, V.5, V.12 and V.17.

2. Business segments

The Company's segment information is presented according to business segments and geographical segments. The primary reporting format is the business segments basing on the internal organizational and management structure as well as the system of internal financial reporting of the Company.

2a. Business segments

The Company has had the major business segments as follows:

- Segment 01: Operating ports
- Segment 02: Operating vessels
- Segment 03: Other activities (including road transport, agency service, leasing assets, etc.)

Information on the business results, fixed assets, other long-term assets and non-cash large expenses of business segments of the Company is presented as follows:

	Activity of operating ports	Activity of operating vessels	Other activities	Total
Current period				
Net sales of selling goods and providing services externally	116,174,121,439	102,775,544,908	41,367,466,526	260,317,132,873
Net sales of selling goods and providing services among segments				
Total net sales of selling goods and providing services	116,174,121,439	102,775,544,908	41,367,466,526	260,317,132,873

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

	Activity of operating ports	Activity of operating vessels	Other activities	Total
Segment business results	35,851,980,710	20,608,646,113	12,572,859,784	69,033,486,607
Expenses not allocated for each segment				(10,961,112,745)
Profit from business operation				58,072,373,862
Financial income				22,407,329,563
Financial expenses				(6,763,235,901)
Other income				1,144,199,265
Other expenses				(4,805,538)
Current corporate income tax				(7,511,164,195)
Profit after corporate income tax				67,344,697,056
Total expenses arising to purchase fixed assets and other long-term assets	317,544,545	128,753,013,854		129,070,558,399
Total depreciation expenses and allocation of long-term prepaid expenses	21,725,478,932	12,726,361,683	2,103,806,064	36,555,646,679
Previous period				
Net sales of selling goods and providing services externally	130,383,592,053	65,134,043,367	39,177,867,762	234,695,503,182
Net sales of selling goods and providing services among segments				
Total net sales of selling goods and providing services	130,383,592,053	65,134,043,367	39,177,867,762	234,695,503,182
Segment business results	40,091,716,980	6,696,217,203	12,657,588,932	59,445,523,115
Expenses not allocated for each segment				(11,148,704,211)
Profit from business operation				48,296,818,904
Financial income				7,576,714,325
Financial expenses				(3,628,778,585)
Other income				16,555,024,178
Other expenses				(166,053,732)
Current corporate income tax				(8,525,205,891)
Profit after corporate income tax				60,108,519,199
Total expenses arising to purchase fixed assets and other long-term assets	2,008,181,818			2,008,181,818
Total depreciation expenses and allocation of long-term prepaid expenses	25,573,960,341	4,987,848,525	7,319,109,716	37,880,918,582

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANYAddress: 7th Floor, No. 45 Trieu Viet Vuong, Bui Thi Xuan Ward, Hai Ba Trung District, Hanoi City**INTERIM FINANCIAL STATEMENTS**

For the first 6 months of the fiscal year ended 31 December 2019

Notes to the interim financial statements (cont.)

Assets and liabilities of business segments based on the Company are as follows:

	Activity of operating ports	Activity of operating vessels	Other activities	Total
Ending balance				
Direct assets of segments	209,611,170,275	415,231,228,262	50,516,777,849	675,359,176,386
Assets allocated for segment				
Assets not allocated for each segment				507,483,850,442
Total assets				<u>1,182,843,026,828</u>
Direct payable liabilities of segments	34,284,323,065	184,999,047,756	42,814,969,713	262,098,340,534
Payable liabilities allocated for each segment				
Payable liabilities not allocated for each segment				30,514,209,693
Total payable liabilities				<u>292,612,550,227</u>
Beginning balance				
Direct assets of segments	523,876,093,037	272,602,900,115	48,967,401,158	845,446,394,310
Assets allocated for segment				
Assets not allocated for each segment				262,611,548,974
Total assets				<u>1,108,057,943,284</u>
Direct payable liabilities of segments	24,075,453,939	108,224,961,220	13,769,122,237	146,069,537,396
Payable liabilities allocated for each segment				
Payable liabilities not allocated for each segment				57,226,679,343
Total payable liabilities				<u>203,296,216,739</u>

2b. Geographical segments

All the operations of the Company only take place in Vietnamese territory.

3. Subsequent event

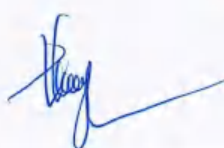
There have been no material events after the balance sheet date, which need to make adjustments on the figures or the disclosures in the interim financial statements.

Prepared on 12 August 2019

Prepared by


Tran Thi Thanh Hao

Accountant in charge


Tran Thi Thanh Hao

General Director


Vu Thanh Hai