



INTERIM FINANCIAL STATEMENTS

**FOR THE FIRST 6 MONTHS OF THE FISCAL YEAR
ENDED 31 DECEMBER 2020**

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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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 2020.

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 12 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 12th amended Business Registration Certificate dated 15 May 2020 regarded the change in administrative division where the Company's head office is located.

Head office

- Address : Floor 7, No. 45 Trieu Viet Vuong, Nguyen Du 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;
 - Freight forwarding;

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

- 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 members 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
Mr. Vu Ngoc Son	Chairman	Re-appointed on 29 June 2018
Mr. Vu Thanh Hai	Member	Re-appointed on 29 June 2018
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

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
Mr. Vu Thanh Hai	General Director	29 June 2018
Mr. Nguyen Ngoc Tuan	Deputy General Director	5 October 2017
Mr. Tran Quang Tien	Deputy General Director	1 June 2020

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 2020 of the Company.

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;

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

- 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 2020, the financial performance and the cash flows for the first 6 months of the fiscal year ended 31 December 2020 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

19 August 2020

Head Office	: 02 Truong Son St., Tan Binh Dist., Ho Chi Minh City, Vietnam Tel: +84 (028) 3547 2972 Fax: +84 (028) 3547 2970	kttv@a-c.com.vn
Branch in Ha Noi	: 40 Giang Vo St., Dong Da Dist., Ha Noi City, Vietnam Tel: +84 (024) 3736 7879 Fax: +84 (024) 3736 7869	kttv.hn@a-c.com.vn
Branch in Nha Trang	: Lot STH 06A.01, Le Hong Phong II Urban Area, Phuoc Hai Ward, Nha Trang City, Vietnam Tel: +84 (0258) 246 5151 Fax: +84 (0258) 246 5806	kttv.nt@a-c.com.vn
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No. 2.0461/20/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 19 August 2020, from page 7 to page 43, including the interim balance sheet as of 30 June 2020, the interim income statement, the interim cash flow statement for the first 6 months of the fiscal year ended 31 December 2020 and the notes to the interim financial statements.

The General Directors’ Responsibility

The Company’s General Directors are 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 2020, its financial performance and its cash flows for the first 6 months of the fiscal year ended 31 December 2020 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 Hoang Duc – Director***Audit Practice Registration Certificate: No. 0368-2018-008-1*

Hanoi, 19 August 2020

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

INTERIM BALANCE SHEET

(Complete form)

As of 30 June 2020

Unit: VND

ASSETS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		440,645,909,293	412,931,797,328
I. Cash and cash equivalents	110	V.1	137,453,568,093	180,212,617,667
1. Cash	111		76,453,568,093	83,579,897,890
2. Cash equivalents	112		61,000,000,000	96,632,719,777
II. Short-term financial investments	120		41,889,625,000	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	41,889,625,000	13,500,000,000
III. Short-term accounts receivable	130		228,238,185,745	187,881,915,147
1. Receivable from customers	131	V.3	29,198,613,200	32,830,223,227
2. Short-term prepayments to suppliers	132	V.4	3,704,139,108	1,832,350,807
3. Short-term inter-company receivable	133		-	-
4. Receivable according to the progress of construction contracts	134		-	-
5. Receivable on short-term loans	135	V.5	43,400,000,000	23,400,000,000
6. Other receivable	136	V.6a	152,100,267,049	129,984,174,725
7. Provision for short-term bad debts	137		(164,833,612)	(164,833,612)
8. Deficient assets to be treated	139		-	-
IV. Inventories	140		15,735,688,700	16,595,123,515
1. Inventories	141	V.7	15,735,688,700	16,595,123,515
2. Provisions for devaluation of inventories	149		-	-
V. Other current assets	150		17,328,841,755	14,742,140,999
1. Short-term prepaid expenses	151	V.8a	5,630,839,328	1,733,081,800
2. VAT deductible	152		11,698,002,427	13,009,059,199
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

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

Interim balance sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - LONG-TERM ASSETS	200		812,234,608,794	822,171,924,255
I. Long-term accounts receivable	210		45,000,000,000	45,000,000,000
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.6b	45,000,000,000	45,000,000,000
7. Provision for long-term bad debts	219		-	-
II. Fixed assets	220		503,306,849,066	503,557,362,186
1. Tangible assets	221	V.9	500,403,101,599	500,322,336,641
<i>Historical costs</i>	222		902,163,897,702	864,720,001,913
<i>Accumulated depreciation</i>	223		(401,760,796,103)	(364,397,665,272)
2. Financial leasehold assets	224		-	-
<i>Historical costs</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible assets	227	V.10	2,903,747,467	3,235,025,545
<i>Historical costs</i>	228		6,541,325,236	6,541,325,236
<i>Accumulated depreciation</i>	229		(3,637,577,769)	(3,306,299,691)
III. Investment property	230		-	-
<i>Historical costs</i>	231		-	-
<i>Accumulated depreciation</i>	232		-	-
IV. Long-term assets in progress	240	V.11	4,907,469,991	11,243,087,335
1. Long-term operating expenses in progress	241		-	-
2. Construction in progress	242		4,907,469,991	11,243,087,335
V. Long-term financial investments	250	V.2b	258,761,596,029	261,926,397,014
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	1,494,000,000
3. Investments, capital contribution in other entities	253		866,500	866,500
4. Provision for long-term financial investments	254		(13,355,970,471)	(10,191,169,486)
5. Investments held until maturity date	255		-	-
VI. Other long-term assets	260		258,693,708	445,077,720
1. Long-term prepaid expenses	261	V.8b	258,693,708	445,077,720
2. Deferred income tax assets	262		-	-
3. Long-term equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		1,252,880,518,087	1,235,103,721,583

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

Interim balance sheet (cont.)

CAPITAL SOURCES	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		321,985,392,764	295,306,230,413
I. Current liabilities	310		185,159,574,469	145,682,965,834
1. Short-term payable to suppliers	311	V.12	24,362,334,260	26,473,362,894
2. Short-term prepayments from customers	312		1,820,000	1,820,000
3. Taxes and other obligations to the State Budget	313	V.13	7,893,946,198	7,053,292,233
4. Payable to employees	314		3,109,792,872	5,384,825,584
5. Short-term accrued expenses	315	V.14	1,150,895,410	1,324,700,399
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	1,688,201,959	1,956,766,916
9. Other payable	319	V.16a	71,241,575,074	36,158,498,199
10. Short-term loans and financial lease debts	320	V.17a	48,288,889,049	47,608,779,962
11. Provision for current liabilities	321		-	-
12. Bonus and welfare funds	322	V.18	27,422,119,647	19,720,919,647
13. Price stabilization fund	323		-	-
14. Transaction of repurchasing the Government's bonds	324		-	-
II. Long-term liabilities	330		136,825,818,295	149,623,264,579
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	35,000,000,000
8. Long-term loans and financial lease debts	338	V.17b	101,825,818,295	114,623,264,579
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

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

Interim balance sheet (cont.)

CAPITAL SOURCES	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		930,895,125,323	939,797,491,170
I. Owner's equity	410	V.19	930,895,125,323	939,797,491,170
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		(22,905,485,178)	(14,920,919,678)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange rate differences	417		-	-
8. Business promotion fund	418		235,778,070,809	206,901,070,809
9. Business reorganization support fund	419		-	-
10. Other funds	420		-	-
11. Retained profit after tax	421		114,588,416,770	144,383,217,117
- Retained profit after tax accumulated to the end of previous period	421a		58,007,419,117	144,383,217,117
- Retained profit after tax of the current period	421b		56,580,997,653	-
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		1,252,880,518,087	1,235,103,721,583

Prepared on 19 August 2020

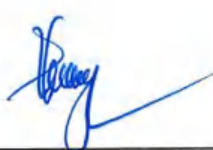
Prepared by

Accountant in charge

General Director



Tran Thi Thanh Hao



Tran Thi Thanh Hao



Vu Thanh Hai

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

INTERIM INCOME STATEMENT

(Complete form)

For the first 6 months of the fiscal year ended 31 December 2020

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	263,735,522,129	260,317,132,873
2. Deductions	02		-	-
3. Net sales	10		263,735,522,129	260,317,132,873
4. Costs of goods sold	11	VI.2	192,493,736,063	191,283,646,266
5. Gross profit	20		71,241,786,066	69,033,486,607
6. Financial income	21	VI.3	10,775,230,933	22,407,329,563
7. Financial expenses	22	VI.4	8,083,584,149	6,763,235,901
In which: Loan interest expenses	23		4,356,742,500	3,855,659,210
8. Selling expenses	25		-	-
9. Administrative overheads	26	VI.5	10,250,914,785	10,961,112,745
10. Net operating profit	30		63,682,518,065	73,716,467,524
11. Other income	31	VI.6	300,120,282	1,144,199,265
12. Other expenses	32	VI.7	236,947,549	4,805,538
13. Other profit	40		63,172,733	1,139,393,727
14. Profit before tax	50		63,745,690,798	74,855,861,251
15. Current corporate income tax	51	V.13	7,164,693,145	7,511,164,195
16. Deferred corporate income tax	52		-	-
17. Profit after tax	60		56,580,997,653	67,344,697,056
18. Basic earnings per share	70	VI.8	-	-
19. Declined interest per share	71	VI.8	-	-

Prepared by



Tran Thi Thanh Hao

Accountant in charge



Tran Thi Thanh Hao

Prepared on 19 August 2020

General Director



Vu Thanh Hai

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

INTERIM CASH FLOW STATEMENT

(Complete form)

(Under indirect method)

For the first 6 months of the fiscal year ended 31 December 2020

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		63,745,690,798	74,855,861,251
2. Adjustments				
- Depreciation of fixed assets and investment property	02		38,689,575,437	36,088,838,725
- Provisions	03	V.2b	3,164,800,985	2,300,312,514
- Gain/ loss from exchange rate differences due to revaluation of monetary items in foreign currencies	04	VI.4	480,256,844	504,541,572
- Gain/ loss from investing activities	05		(9,750,839,915)	(21,821,784,048)
- Loan interest expenses	06	VI.4	4,356,742,500	3,855,659,210
- Others	07		-	
3. Operating profit before changes of working capital	08		100,686,226,649	95,783,429,224
- Increase/ decrease of accounts receivable	09		(35,882,549,343)	(32,382,765,019)
- Increase/ decrease of inventories	10		859,434,815	(14,153,294,397)
- Increase/ decrease of accounts payable	11		(18,751,762,535)	58,028,997,980
- Increase/ decrease of prepaid expenses	12		3,354,935,574	(4,570,658,687)
- Increase/ decrease of trading securities	13		-	-
- Loan interests already paid	14		(5,276,727,718)	(3,258,997,335)
- Corporate income tax already paid	15	V.14	(4,781,304,030)	(4,558,702,244)
- Other gains	16		-	-
- Other disbursements	17		(2,404,800,000)	(6,348,743,000)
Net cash flows from operating activities	20		37,803,453,412	88,539,266,522
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other long-term assets	21		(16,174,587,535)	(129,008,629,217)
2. Gains from disposal and liquidation of fixed assets and other long-term assets	22		-	-
3. Loans given and purchases of debt instruments of other entities	23		(63,389,625,000)	-
4. Recovery of loan given and disposals of debt instruments of other entities	24		15,000,000,000	-
5. Investments in other entities	25		-	(294,000,000)
6. Withdrawals of investments in other entities	26		-	-
7. Receipts of loans given, dividends and profit shared	27		4,586,091,525	22,132,411,533
Net cash flows from investing activities	30		(59,978,121,010)	(107,170,217,684)

HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

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		-	-
2. Repayments of capital contributions to owners and re-purchase of stocks already issued	32		(7,984,565,500)	-
3. Receipts from loans	33	V.17	16,045,452,215	52,134,776,942
4. Payment of loan principal	34	V.17a	(28,516,635,297)	(28,141,671,268)
5. Payment of financial lease debts	35		-	-
6. Dividends and profit shared to the owners	36		-	(72,308,847,000)
Net cash flows from financial activities	40		(20,455,748,582)	(48,315,741,326)
Net cash flows during the year	50		(42,630,416,180)	(66,946,692,488)
Beginning cash and cash equivalents	60	V.1	180,212,617,667	184,928,446,586
Effects of fluctuations in foreign exchange rates	61		(128,633,394)	12,276,525
Ending cash and cash equivalents	70	V.1	137,453,568,093	117,994,030,623

Prepared on 19 August 2020

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

Address: 7th Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ended 31 December 2020

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, Haiphong 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, Haiphong 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, Haiphong 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 36.89%, 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

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6. Statement on comparison of information in financial statements

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

7. Personnel

As of the balance sheet date, the Company had 72 employees (the beginning balance was 73 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.

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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 liabilities 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.

Loans

Loans are determined in accordance with the historical costs less provision for bad debts. Their provision for bad debts is made basing on estimated loss.

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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 investment capital of the parties in these subsidiaries, associates and the actual owner's equity as of the balance sheet date multiplying (x) the ownership rate of actual charter capital contributed by the Company 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.

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Provision for bad debts is made for each bad debt basing on the overdue debt age of liabilities after being offset with payable liabilities (if any). Appropriation is based on the overdue debt age of liabilities 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.
 - 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, insurance premium. 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.

Insurance premium

Prepaid insurance premium represents the insurance premium already paid for the following periods. Prepaid insurance premium is allocated into expenses in accordance with the straight-line method corresponding to insurance term.

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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 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	3-10
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.

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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.

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.

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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.

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.

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Notes to the interim financial statements (cont.)

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.

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	610,882,143	580,094,292
Demand deposits in banks	75,842,685,950	82,999,803,598
Cash equivalents (Under-3-month termed deposits in bank)	61,000,000,000	96,632,719,777
Total	137,453,568,093	180,212,617,667

2. Financial investments

2a. Investments held to maturity dates

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

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Notes to the interim financial statements (cont.)**2b. Capital contribution in other entities**

	Ending balance		Beginning balance	
	Historical costs	Provision	Historical costs	Provision
Investments in subsidiaries	270,622,700,000	(13,355,970,471)	270,622,700,000	(10,191,169,486)
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	-
Pan Hai An Co., Ltd. ⁽ⁱⁱⁱ⁾	139,622,700,000	(13,355,970,471)	139,622,700,000	(10,191,169,486)
Investments in joint venture, associate	1,494,000,000	-	1,494,000,000	-
Hai An Freight Forwarding JSC. ^(iv)	1,494,000,000	-	1,494,000,000	-
Capital contribution in other entities	866,500	-	866,500	-
Marine Supply and Engineering Service JSC.	864,000	-	864,000	-
MHC JSC	2,500	-	2,500	-
Total	272,117,566,500	(13,355,970,471)	272,117,566,500	(10,191,169,486)

- (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 additionally invested in 29,400 shares of Hai An Freight Forwarding JSC (HAFC) (the shares have been distributed to current shareholders) to increase the number of shares owned to 149,400 shares. As of the balance sheet date, the Company owned 149,400 shares of HAFC, accounting for 36.89% of charter capital, no change compared to the beginning balance.

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

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

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Notes to the interim financial statements (cont.)

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	10,191,169,486	5,126,917,089
Additional appropriation of provision	3,164,800,985	2,300,312,514
Ending balance	13,355,970,471	7,427,229,603

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	
	Current year	Previous year
<i>Hai An Port Co., Ltd.</i>		
Sales of operating port collected on behalf by the subsidiary	111,237,844,805	97,062,750,870
Port management fee payable to the subsidiary	18,763,077,204	17,506,011,787
Hiring office from the Holding Company	144,013,636	-
Fee for supplying fresh water at Hai An Port	45,510,000	-
Building management fee at Hai An Port	82,000,000	-
The subsidiary shared its profit	4,991,028,622	3,221,677,917
<i>Hai An Container Transport Co., Ltd.</i>		
Providing service to the subsidiary	50,943,658,378	33,961,992,622
The subsidiary provided service to the Holding Company	10,037,590,750	7,368,562,500
Recovery of capital contribution of BCC from the subsidiary	-	10,000,000,000
The subsidiary divided BCC profit	6,642,092,645	7,774,998,895
The subsidiary shared its profit	-	15,150,000,000
<i>Pan Hai An Co., Ltd.</i>		
Loan to the subsidiary	5,000,000,000	-
Recovery of loan principal from the subsidiary	15,000,000,000	-
Recovery of loan interest from the subsidiary	583,166,666	-
The subsidiary provided services of port	-	694,757,217
The subsidiary leased forklifts	2,550,000,000	-
The Holding Company provided services to the subsidiary	18,224,000	707,097,500
<i>Hai An Freight Forwarding JSC.</i>		
Transferring capital contribution to the associate	-	294,000,000
Providing service to the associate	1,367,871,548	21,000,000
Recovery of capital contribution of BCC from the associate	-	5,000,000,000
The associate shared its profit	747,000,000	1,337,532,990

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Notes to the interim financial statements (cont.)**3. Short-term receivable from customers**

	Ending balance	Beginning balance
<i>Receivable from related parties</i>	25,799,315,465	25,827,834,366
Hai An Port Co., Ltd.	3,784,661,142	10,813,645,524
Hai An Container Transport Co., Ltd.	20,309,772,823	14,138,000,731
Hai An Agency and Logistics Co., Ltd.	763,962,666	404,388,000
Hai An Freight Forwarding JSC.	528,683,182	39,139,998
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	412,235,652	432,660,113
<i>Receivable from other customers</i>	3,399,297,735	7,002,388,861
Others	3,399,297,735	7,002,388,861
Total	29,198,613,200	32,830,223,227

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
Wartsila Water Systems Limited	2,635,265,394	1,136,372,466
Branch of CMB in Haiphong City	350,000,000	350,000,000
Unico Vina JSC.	411,840,000	-
Others	307,033,714	345,978,341
Total	3,704,139,108	1,832,350,807

5. Receivable on short-term loans

	Ending balance	Beginning balance
<i>Receivable from related parties</i>	13,400,000,000	23,400,000,000
Pan Hai An Co., Ltd. ⁽ⁱ⁾	13,400,000,000	23,400,000,000
<i>Receivable from other organizations and individuals</i>	30,000,000,000	-
Mr. Le Phong Hieu ⁽ⁱⁱ⁾	30,000,000,000	-
Total	43,400,000,000	23,400,000,000

(i) This is the loan given to Pan Hai An Co., Ltd. with the interest rate of 5%/year, the term of 24 months, the grace time of 1 year commencing from the following date of the first disbursement date of the loan (19 November 2019) and the loan can be extended to 24 months in maximum. The loan principal can be paid once or in many installments after the grace time of 1 year commencing from the following date of the first disbursement date of the loan.

(ii) This is the loan to Mr. Le Phong Hieu to pay land rental once for the project "Container yard and port service" in Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province for which at present, two parties are co-operating. The term of loan is 6 months from 12 May 2020, the loan principal and interest are once paid on the due date.

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Notes to the interim financial statements (cont.)**6. Other short-term/long-term receivable****6a. Other short-term receivable**

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
<i>Receivable from related parties</i>	22,625,871,064	-	10,941,652,613	-
Hai An Port Co., Ltd. – Profit receivable	5,917,656,218	-	926,627,596	-
Hai An Container Transport Co., Ltd. – BCC business results	16,518,515,759	-	9,876,423,114	-
BOM members	189,699,087	-	138,601,903	-
<i>Receivable from other organizations and individuals</i>	129,474,395,985	-	119,042,522,112	-
Estimated receipt of deposit interest	886,692,098	-	712,972,330	-
Deposit for project transfer ⁽ⁱ⁾	124,423,676,376	-	92,763,292,500	-
Deposit for assuming real estate transfer ⁽ⁱⁱ⁾	-	-	22,000,000,000	-
Deposits and mortgages	2,088,929,109	-	2,065,986,820	-
Advances	863,249,700	-	688,040,000	-
Others	1,211,848,702	-	812,230,462	-
Total	152,100,267,049	-	129,984,174,725	-

(i) This is the deposit to Mr. Le Phong Hieu and Ms. Do Thi Hai Yen in accordance with the Deposit Contract No. 01/HDDC dated 6 December 2017 and the Deposit Contract Appendix No. 01/PLHD dated 7 May 2018 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. The project “Container yard and port service” has been approved by the People’s Committee of Ba Ria - Vung Tau Province to change the form from annual-paid land lease to one-time rent payment for the remaining lease term with the area of 310,507.9 m2 in accordance with the Decision No. 238/QD-UBND dated 14 April 2019.

(ii) According to the Deposit Contract dated 24 December 2019 and the Deposit Contract Appendix No. 01 dated 30 December 2019 between the Company and MHC JSC (hereinafter called “MHC”), the Company deposited to MHC with the amount of VND 22,000,000,000 in order to sign the contract on real estate transfer which is Hai An Building. On 20 January 2020, the Company issued the Official Letter No. 1601-2020/CV-HATS regarding the extension of the appraisal time for transfer conditions of Hai An Building to 28 February 2020 and it was approved by MHC. As of the balance sheet date, two parties had completed the handover of the Building.

6b. Other long-term receivable

This is the receivable from Hai An Container Transport Co., Ltd. – the subsidiary (“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 term of co-operation is 5 years commencing from the date when the contract was fully signed by authorized representatives of the parties.

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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.	45,000,000,000	56.25%
Hai An Container Transport Co., Ltd. (the Control Party)	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%

7. Inventories

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Historical costs</u>	<u>Provision</u>	<u>Historical costs</u>	<u>Provision</u>
Materials and supplies	15,673,112,335	-	16,481,256,242	-
Tools, instruments	62,576,365	-	113,867,273	-
Total	15,735,688,700	-	16,595,123,515	-

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

	<u>Ending balance</u>	<u>Beginning balance</u>
Lubricant costs	974,633,716	1,234,185,400
Insurance premium	932,226,259	349,024,404
Highway toll	42,661,000	85,871,996
Office rental	195,910,562	64,000,000
Dredging costs	3,485,407,791	-
Total	5,630,839,328	1,733,081,800

8b. Long-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Software copyright	-	47,497,230
Tools, instruments	217,558,704	315,310,488
Office, workshop rental	41,135,004	82,270,002
Total	258,693,708	445,077,720

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

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Other fixed assets	Total
Historical costs						
Beginning balance	199,026,384,869	273,325,832,155	370,670,476,353	775,938,182	20,921,370,354	864,720,001,913
Purchase during the period	25,000,000,000 ^(*)	12,443,895,789	-	-	-	37,443,895,789
Ending balance	224,026,384,869	285,769,727,944	370,670,476,353	775,938,182	20,921,370,354	902,163,897,702
<i>In which:</i>						
Fully depreciated but being still in use	25,772,685,269	3,172,619,411	-	113,845,455	-	29,059,150,135
To be liquidated						
Depreciation						
Beginning balance	117,524,765,442	204,541,456,163	35,521,535,527	497,788,740	6,312,119,400	364,397,665,272
Depreciation during the period	5,264,329,036	14,725,335,961	16,240,217,724	81,367,098	1,051,881,012	37,363,130,831
Ending balance	122,789,094,478	219,266,792,124	51,761,753,251	579,155,838	7,364,000,412	401,760,796,103
Net book value						
Beginning balance	81,501,619,427	68,784,375,992	335,148,940,826	278,149,442	14,609,250,954	500,322,336,641
Ending balance	101,237,290,391	66,502,935,820	318,908,723,102	196,782,344	13,557,369,942	500,403,101,599
<i>In which:</i>						
Temporarily unused						
To be liquidated						

Some tangible fixed assets of which the net book value is VND 352,456,802,535 have been mortgaged to secure the loans from banks.

^(*) During the period, the Company purchased the operating office building on Hai An Container Yard – construction work associated with the area of 4,369.8m2 of leased land under the form of annual rental payment at Dong Hai 2 Ward, Hai An District, Haiphong City. The Company is making procedures on transformation of the Certificate of Land Use Right and assets on land. The depreciation duration of this asset is being temporarily calculated in accordance with the remaining land leasing term of 13 years. The depreciation duration can change based on the actual remaining land leasing term shown in the Land Use Right Certificate granted to the Company in the coming time.

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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	2,250,218,013	1,056,081,678	3,306,299,691
Amortization during the period	70,643,076	260,635,002	331,278,078
Ending balance	<u>2,320,861,089</u>	<u>1,316,716,680</u>	<u>3,637,577,769</u>
Net book value			
Beginning balance	2,694,797,223	540,228,322	3,235,025,545
Ending balance	<u>2,624,154,147</u>	<u>279,593,320</u>	<u>2,903,747,467</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>Inclusion in prepaid expenses</u>	<u>Ending balance</u>
Purchase of fixed assets	11,152,632,790	27,100,077,679	(37,443,895,789)	-	808,814,680
Construction in progress	90,454,545	9,802,424,253	-	(7,066,309,090)	2,826,569,708
Large repair of fixed assets	-	1,272,085,603	-	-	1,272,085,603
Total	<u>11,243,087,335</u>	<u>38,174,587,535</u>	<u>(37,443,895,789)</u>	<u>(7,066,309,090)</u>	<u>4,907,469,991</u>

12. Short-term payable to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
Payable to related parties	<u>1,877,115,742</u>	<u>2,327,490,612</u>
Hai An Port Co., Ltd.	456,046,778	1,138,791,000
Hai An General Service JSC	799,241,756	1,132,654,027
HAI HA IT.,JSC	621,827,208	56,045,585
Payable to other suppliers	<u>22,485,218,518</u>	<u>24,145,872,282</u>
Triton Container International Ltd.,	2,237,768,348	2,385,083,104
Hung Dung Trading Dredging and Construction JSC.	5,147,058,000	-
ForkliftCenter Rental B,V	-	8,921,523,520
Others	15,100,392,170	12,839,265,658
Total	<u>24,362,334,260</u>	<u>26,473,362,894</u>

The Company has not had any outstanding overdue liabilities payable to suppliers.

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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	627,209,726	2,427,208,554	(2,504,896,798)	549,521,482
VAT on imports	-	1,056,056,495	(1,056,056,495)	-
Corporate income tax	4,781,304,030	6,352,593,591	(4,781,304,030)	6,352,593,591
Personal income tax	1,644,778,477	1,899,586,693	(2,552,534,045)	991,831,125
Land rental	-	1,842,125,878	(1,842,125,878)	-
Others	-	5,000,000	(5,000,000)	-
Total	7,053,292,233	13,582,571,211	(12,741,917,246)	7,893,946,198

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%

Import - export duties

The Company has declared and paid these duties in line with the Customs' notices.

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 (from 2011 to 2025) 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 (from 2011 to 2014), 50% reduction of the tax payable in the following 9 years (from 2015 to 2023) 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%.

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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	63,745,690,798	74,855,861,251
Increase/decrease adjustments of accounting profit to determine profit subject to corporate income tax:		
- Increase adjustments	49,318,120	184,725,895
- Decrease adjustments		
Income subject to tax	63,795,008,918	75,040,587,146
Tax-exempted income	(5,738,072,622)	(18,371,677,917)
Taxable income	58,056,936,296	56,668,909,229
In which:		
- Operating ports with incentives	29,644,627,426	25,484,117,668
- Operating ports without incentives	8,712,104,510	13,913,918,372
- Operating vessels	19,700,204,360	17,270,873,189
Corporate income tax rate	20%	20%
Corporate income tax payable at the common tax rate	11,611,387,259	11,333,781,846
Difference of corporate income tax due to application of other tax rate than the common tax rate	(2,964,462,743)	(2,548,411,767)
Corporate income tax exempted, deducted	(1,482,231,371)	(1,274,205,884)
Corporate income tax payable	7,164,693,145	7,511,164,195
Corporate income tax payable on behalf of business cooperation parties	(812,099,554)	(2,199,127,741)
Total corporate income tax payable	6,352,593,591	5,312,036,454

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	1,029,996,836	1,057,731,649
Hull insurance premium	-	106,779,250
Brokerage fees	120,898,574	160,189,500
Total	1,150,895,410	1,324,700,399

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

Including revenue received in advance of leasing vessel.

16. Other payable**16a. Short-term payable**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	5,762,716,869	2,494,406,589
Hai An Container Transport Co., Ltd. – business cooperation interest	1,568,843,279	599,527,942
Marina Logistics & Agencies Co., Ltd. – business cooperation interest	1,568,843,279	674,748,381
Hai An Agency and Logistics Co., Ltd. – business cooperation interest	-	44,163,714
Hai Ha Investment and Transportation JSC – business cooperation interest	1,568,843,279	599,527,942
Hai An Freight Forwarding JSC – business cooperation interest	786,187,032	300,438,610
Allowance for the BOM, the Board of Control	270,000,000	276,000,000
<i>Payable to other organization and individuals</i>	65,478,858,205	33,664,091,610
MHC JSC – business cooperation interest	-	30,477,701
Transimex Corporation – business cooperation interest	-	100,276,373
Macs Shipping Corporation – business cooperation interest	-	25,898,150
Receipts on behalf of SM Line Corporation	17,438,230,584	32,866,011,150
Trade Union's expenditure	182,693,899	173,458,514
Dividends payable	47,811,748,000	418,950,000
Others	46,185,722	49,019,722
Total	71,241,575,074	36,158,498,199

16b. Other long-term payable

	<u>Ending balance</u>	<u>Beginning balance</u>
Hai An Container Transport Co., Ltd.	10,000,000,000	10,000,000,000
Hai An Freight Forwarding JSC	5,000,000,000	5,000,000,000
Hai Ha Investment and Transportation JSC	10,000,000,000	10,000,000,000
Marina Logistics & Agencies Co., Ltd.	10,000,000,000	10,000,000,000
Total	35,000,000,000	35,000,000,000

- (*) This is the account payable on business co-operation capital in accordance with the Business Cooperation Contract No. 66/HDHTKD dated 8 May 2019 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. The term of co-operation is 5 years commencing from the date when the contract was fully signed by authorized representatives of the parties.

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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. (the Control Party)	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	75,000,000,000	100%

17. Short-term/Long-term loans**17a. Short-term loans**

	Ending balance	Beginning balance
<i>Short-term loan from bank</i>	<i>8,238,915,067</i>	<i>7,861,226,074</i>
Vietcombank – Haiphong Branch ⁽ⁱ⁾	8,238,915,067	7,861,226,074
<i>Due long-term loans (see Note V.18b)</i>	<i>40,049,973,982</i>	<i>39,747,553,888</i>
MB – Transaction Office 1	3,274,480,677	4,035,629,063
Vietcombank – Haiphong Branch	36,775,493,305	35,711,924,825
Total	48,288,889,049	47,608,779,962

The Company has solvency to pay short-term loans.

- (i) This is the loan from Vietcombank – Haiphong Branch in accordance with the Credit Grant Contract No. 01.2019/VCB-HAIAN dated 20 December 2019 with the loan limit of VND 30,000,000,000 to serve short-term production and business activities of the Company, the term of 4 months.

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

	Short-term loans from banks	Due long-term loans	Total
Beginning balance	7,861,226,074	39,747,553,888	47,608,779,962
Increase during the period	8,238,915,067	-	8,238,915,067
Transfer from long-term loans and debts	-	20,910,865,712	20,910,865,712
Amount already paid during the period	(7,861,226,074)	(20,655,409,223)	(28,516,635,297)
Exchange rate difference due to revaluation at the end of the period	-	46,963,605	46,963,605
Ending balance	8,238,915,067	40,049,973,982	48,288,889,049

17b. Long-term loans

	Ending balance	Beginning balance
Vietcombank – Haiphong Branch ⁽ⁱ⁾	100,575,598,265	112,130,102,609
MB – Transaction Office 1 ⁽ⁱⁱ⁾	1,250,220,030	2,493,161,970
Total	101,825,818,295	114,623,264,579

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The Company has solvency to pay long-term loans.

- (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 first 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 vessel, the term of 60 months (5 years) commencing from the following date of disbursement date of the initial capital loan, the grace time of 6 months commencing from the following date of disbursement date of the initial capital loan 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-term and Long-term Credit Contract No. 01.2019/HDCV/VCB-HAIAN dated 29 May 2019 to invest in VNL Ruby container vessel project with the term of 60 months, the grace time of 6 months commencing from the following date of disbursement date of the 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 mortgaging assets including 2 PPM Terex fork-lift trucks, Kirow Ardel GMBH crane, 5 tractors and 5 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:

	Ending balance	Beginning balance
Under 1 year	40,049,973,982	39,747,553,888
From 1 year to 5 years	101,825,818,295	114,623,264,579
Over 5 years	-	-
Total	141,875,792,277	154,370,818,467

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

	Current period	Previous period
Beginning balance	114,623,264,579	97,115,754,668
Increase	7,806,537,148	37,620,936,429
Transfer to due long-term loans	(20,910,865,712)	(19,762,752,712)
Exchange rate differences due to revaluation of loans in foreign currencies at the end of the period	306,882,280	520,502,710
Ending balance	101,825,818,295	115,494,441,095

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18. Bonus, welfare funds

	Beginning balance	Increase due to appropriation from profit	Disbursement during the period	Ending balance
Bonus fund	15,126,475,213	5,775,000,000	(860,000,000)	20,041,475,213
BOM's bonus fund	4,594,444,434	4,331,000,000	(1,544,800,000)	7,380,644,434
Total	19,720,919,647	10,106,000,000	(2,404,800,000)	27,422,119,647

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	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 previous 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 previous 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
Beginning balance of the current year	487,827,510,000	115,606,612,922	(14,920,919,678)	206,901,070,809	144,383,217,117	939,797,491,170
Re-purchase of shares already issued (*)	-	-	(7,984,565,500)	-	-	(7,984,565,500)
Profit in the current period	-	-	-	-	56,580,997,653	56,580,997,653
Appropriation of funds	-	-	-	28,877,000,000	(38,983,000,000)	(10,106,000,000)
Share of dividends of the year 2019	-	-	-	-	(47,392,798,000)	(47,392,798,000)
Ending balance of the current period	487,827,510,000	115,606,612,922	(22,905,485,178)	235,778,070,809	114,588,416,770	930,895,125,323

(*) The Company re-purchased shares as treasury stocks in accordance with the BOM's Resolution No. 0203A-2020/NQ-HDQT dated 23 March 2020. The repurchase was completed on 2 May 2020.

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Notes to the interim financial statements (cont.)**19b. Details of owner's contribution capital**

	<u>Ending balance</u>	<u>Beginning balance</u>
Owner's contribution capital	487,827,510,000	487,827,510,000
Share premium	115,606,612,922	115,606,612,922
Treasury stocks	(22,905,485,178)	(14,920,919,678)
Total	580,528,637,744	588,513,203,244

19c. 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
- Common shares	48,782,751	48,782,751
Number of shares repurchased	1,389,953	573,053
- Common shares	1,389,953	573,053
Number of outstanding shares	47,392,798	48,209,698
- Common shares	47,392,798	48,209,698

Face value per outstanding share: VND 10,000.

19d. Profit distribution

During the period, the Company has distributed profit in accordance with the Resolution of 2020 Annual General Meeting of the Shareholders No. 0206-2020/NQ-DHDCD dated 10 June 2020 as follows:

	VND
• Share of dividends to the shareholders	: 47,392,798,000
• Appropriation of business promotion fund	: 28,877,000,000
• Appropriation of BOM's fund	: 4,331,000,000
• Appropriation of bonus, welfare funds	: 5,775,000,000

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

	<u>Ending balance</u>	<u>Beginning balance</u>
US Dollar (USD)	846,700.76	1,316,943.03
Euro (EUR)	40.54	40.54

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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	
	Current year	Previous year
Sales of operating ports	125,087,181,362	116,174,121,439
Sales of operating vessels	102,156,883,569	102,775,544,908
In which:		
<i>Sales of the BCC No. 48/HDHTKD</i>	<i>60,105,884,278</i>	<i>66,797,707,429</i>
<i>Sales of the BCC No. 66/HDHTKD</i>	<i>14,533,088,041</i>	<i>6,024,672,165</i>
<i>Sales of operating Mv. Hai An Link</i>	<i>27,517,911,250</i>	<i>29,953,165,314</i>
Sales of other activities	36,491,457,198	41,367,466,526
Total	263,735,522,129	260,317,132,873

1b. Sales of providing services to related parties

Apart from transactions of providing services to subsidiaries 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	
	Current year	Previous year
Hai An Agency and Logistics Co., Ltd.	1,822,654,528	1,359,609,058
Hai An General Service JSC	13,090,909	241,482,819
Marina Logistics & Agencies Co., Ltd.	-	6,700,000
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	933,023,982	1,082,146,597
"K" Line Logistic (Vietnam) Co., Ltd.	588,076,181	-

2. Costs of goods sold

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Costs of operating ports	85,066,825,864	80,322,140,729
Costs of operating vessels	78,538,211,746	82,166,898,795
In which:		
<i>Costs of the BCC No. 48/HDHTKD</i>	<i>51,530,307,769</i>	<i>56,043,413,470</i>
<i>Costs of the BCC No. 66/HDHTKD</i>	<i>8,326,304,713</i>	<i>5,925,907,827</i>
<i>Costs of operating Mv. Hai An Link</i>	<i>18,681,599,264</i>	<i>20,197,577,498</i>
Costs of other activities	28,888,698,453	28,794,606,742
Total	192,493,736,063	191,283,646,266

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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	3,481,878,461	3,528,574,016
Loan interest	583,166,666	-
Dividends and profits shared	5,738,072,622	18,371,677,917
Gain on exchange rate differences	972,113,184	504,686,675
Gain on exchange rate differences due to revaluation of monetary items in foreign currencies	-	2,390,955
Total	10,775,230,933	22,407,329,563

4. Financial expenses

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Loan interest expenses	4,356,742,500	3,855,659,210
Provision for devaluation of long-term investments	3,164,800,985	2,300,312,514
Loss from exchange rate differences	81,783,820	100,331,650
Loss from exchange rate differences due to revaluation of monetary items in foreign currencies	480,256,844	506,932,527
Total	8,083,584,149	6,763,235,901

5. Administrative overheads

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Expenses for staff	4,979,611,341	5,261,765,051
Expenses for managing materials	155,162,174	229,222,979
Expenses for office stationery	9,967,909	39,441,818
Depreciation of fixed assets	933,551,412	983,962,610
Taxes, fees and duties	50,923,000	56,289,000
External services hired	1,465,504,697	1,696,558,630
Others	2,656,194,252	2,693,872,657
Total	10,250,914,785	10,961,112,745

6. Other income

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Compensation	265,933,200	1,044,360,756
Others	34,187,082	99,838,509
Total	300,120,282	1,144,199,265

7. Other expenses

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Taxed fined, recovered	-	2,735,667
Support for program "Water for salt drought area"	230,000,000	-
Others	6,947,549	2,069,871
Total	236,947,549	4,805,538

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Notes to the interim financial statements (cont.)

8. 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	
	Current year	Previous year
Expenses for materials and supplies	32,572,732,476	38,409,410,004
Labor costs	18,287,200,179	16,410,492,282
Depreciation of fixed assets	38,689,575,437	36,088,838,725
External services hired	87,393,102,200	84,622,325,378
Others	25,802,040,556	26,300,804,838
Total	202,744,650,848	201,831,871,227

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.

Transactions with key managers and their related individuals

The Company has not had any transactions and liabilities with the key managers and their related individuals.

Income of the key managers

	Accumulated from the beginning of the year to the end of the current period	
	Current year	Previous year
Salary	1,043,192,310	1,452,830,772
Allowance	222,000,000	198,000,000
Bonus	1,320,500,284	2,446,314,664
Total	2,585,692,594	4,097,145,436

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Notes to the interim financial statements (cont.)***Transactions and balances with other related parties***

Other related parties of the Company include:

Other related parties	Relationship
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	Subsidiary of the associate
Hai Ha Investment and Transportation JSC	Large shareholder with the same key manager
Marina Logistics & Agencies Co., Ltd.	With the same key manager
"K" Line Logistic (Vietnam) Co., Ltd.	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 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 services of operating ports	2,433,135,628	2,279,591,595
<i>Hai Ha Investment and Transportation JSC</i>		
Payable on dividends	5,567,500,000	8,351,250,000
Using services of operating ports	304,442,416	1,279,504,248
Office rental	909,750,780	-
<i>Marina Logistics & Agencies Co., Ltd.</i>		
Payable on dividends	1,722,060,000	2,583,090,000
Using services of operating ports	2,100,000	-
<i>GFC</i>		
Payable on dividends	2,000,000,000	3,000,000,000
<i>GFAC</i>		
Payable on dividends	1,000,000,000	1,500,000,000

Liabilities with other related parties

Liabilities with other related parties are presented in Notes V.3, V.5, V.6, V.12 and V.16.

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Notes to the interim financial statements (cont.)**2. Segment information**

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 vessels, 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 segments	Total
Current period				
Net sales of selling goods and providing services externally	125,087,181,362	102,156,883,569	36,491,457,198	263,735,522,129
Net sales of selling goods and providing services among segments				
Total net sales of selling goods and providing services	125,087,181,362	102,156,883,569	36,491,457,198	263,735,522,129
Segment business results	40,020,355,498	23,618,671,823	7,602,758,745	71,241,786,066
Expenses not allocated for each segment				(10,250,914,785)
Profit from business operation				60,990,871,281
Financial income				10,775,230,933
Financial expenses				(8,083,584,149)
Other income				300,120,282
Other expenses				(236,947,549)
Current corporate income tax				(7,164,693,145)
Profit after corporate income tax				56,580,997,653
Total expenses arising to purchase fixed assets and other long-term assets	2,736,115,163	2,624,735,452	25,000,000,000	30,360,850,615
Total depreciation expenses and allocation of long-term prepaid expenses	20,892,620,946	14,690,956,837	2,136,958,728	37,720,536,511
Previous 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

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Notes to the interim financial statements (cont.)

	Activity of operating ports	Activity of operating vessels	Other segments	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
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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
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Assets and liabilities of business segments based on the Company are as follows:

	Activity of operating ports	Activity of operating vessels	Other segments	Total
Ending balance				
Direct assets of segments	183,318,386,476	395,553,785,048	23,392,715,590	602,264,887,114
Assets allocated for segment				
Assets not allocated for each segment				650,615,630,973
Total assets				1,252,880,518,087
Direct payable liabilities of segments	17,648,928,941	170,036,595,399	12,260,041,257	199,945,565,597
Payable liabilities allocated for each segment				
Payable liabilities not allocated for each segment				122,039,827,167
Total payable liabilities				321,985,392,764
Beginning balance				
Direct assets of segments	534,735,843,950	421,277,313,579	44,596,048,312	1,000,609,205,841
Assets allocated for segment				
Assets not allocated for each segment				234,494,515,742
Total assets				1,235,103,721,583
Direct payable liabilities of segments	19,847,596,868	191,171,822,160	51,295,824,997	262,315,244,025
Payable liabilities allocated for each segment				
Payable liabilities not allocated for each segment				32,990,986,388
Total payable liabilities				295,306,230,413

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Notes to the interim financial statements (cont.)

2b. Geographical segments

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

3. Subsequent events

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 19 August 2020

Prepared by



Tran Thi Thanh Hao

Accountant in charge



Tran Thi Thanh Hao

General Director



Vu Thanh Hai



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