



**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2020**

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

## CONTENTS

	Page
1. Contents	1
2. Report of the General Directors	2 - 4
3. Independent Auditor's Report	5 - 6
4. Consolidated balance sheet as of 31 December 2020	7 - 10
5. Consolidated income statement for the fiscal year ended 31 December 2020	11
6. Consolidated cash flow statement for the fiscal year ended 31 December 2020	12 - 13
7. Notes to the consolidated financial statements for the fiscal year ended 31 December 2020	14 - 47

\*\*\*\*\*

**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 consolidated financial statements for the fiscal year ended 31 December 2020 including the financial statements of the Company and its subsidiaries (generally called “the Group”).

**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, 1<sup>st</sup> registered on 8 May 2009.

During its operation course, the Company has been 12 times 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. The 12<sup>th</sup> amended Business Registration Certificate dated 15 May 2020 regards the supplement of business operations.

**Head office**

- Address : 7<sup>th</sup> Floor, 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 in Ba Ria - Vung Tau – Hai An Transport and Stevedoring JSC	Zone A, Lot 17 Phu My Residential Quarter, Phu My Town, Tan Thanh District, Ba Ria – Vung Tau Province

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

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

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

### REPORT OF THE GENERAL DIRECTORS (cont.)

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

#### **Board of Management and Executive officers**

The Board of Management and the Executive officers of the Company during the year and as of the date of this report include:

##### ***The Board of Management***

Full names	Position	Appointing date/Re-appointing date/ Resigning date
Mr. Vu Ngoc Son	Chairman	Re-appointed on 29 June 2018
Mr. Vu Thanh Hai	Member	Re-appointed on 29 June 2018
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	Appointed on 29 June 2018
Mr. Nguyen Ngoc Tuan	Deputy General Director	Appointed on 5 October 2017
Mr. Tran Quang Tien	Deputy General Director	Appointed on 1 June 2020

#### **Legal representative**

The legal representative of the Company during the year 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 audit the consolidated financial statements for the fiscal year ended 31 December 2020 of the Group.

#### **Responsibilities of the General Directors**

The Company's General Directors are responsible for the preparation of the consolidated financial statements to give a true and fair view on the consolidated financial position, the consolidated business results and the consolidated cash flows of the Group during the year. In order to prepare these consolidated 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 Group have been complied or not and all material errors in comparison with these standards have been presented and explained in the consolidated financial statements;

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

### REPORT OF THE GENERAL DIRECTORS (cont.)

- prepare the consolidated 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 consolidated financial statements are free from material misstatements due to frauds or errors.

The General Directors hereby ensure that all the accounting books of the Group have been fully recorded and can fairly reflect the financial position of the Group 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 Group'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 consolidated financial statements are prepared.

#### Approval to the financial statements

The Company's General Directors hereby approve the accompanying consolidated financial statements, which give a true and fair view of the consolidated financial position as of 31 December 2020, the consolidated financial performance and the consolidated cash flows for the fiscal year the ended of the Group in conformity with the Vietnamese Accounting Standards and System and other legal regulations related to the preparation and presentation of consolidated financial statements.

For and on behalf of the General Directors,

**General Director**



**Vu Thanh Hai**

23 February 2021

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
Branch in Can Tho	: 15-13 Vo Nguyen Giap St., Cai Rang Dist., Can Tho City, Vietnam Tel: +84 (0292) 376 4995 Fax: +84 (0292) 376 4996	kttv.ct@a-c.com.vn

No. 2.0066/21/TC-AC

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying consolidated financial statements of Hai An Transport and Stevedoring Joint Stock Company (hereinafter called "the Company") and its subsidiaries (generally called "the Group"), which were prepared on 23 February 2021, from page 7 to page 47, including the consolidated balance sheet as of 31 December 2020, the consolidated income statement, the consolidated cash flow statement for the fiscal year then ended and the notes to the consolidated financial statements.

#### The General Directors' Responsibility

The Company's General Directors are responsible for the preparation, true and fair presentation of the consolidated financial statements of the Group in accordance with the Vietnamese Accounting Standards and System and the legal regulations related to the preparation and presentation of consolidated 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 consolidated financial statements to be free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

### Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Hai An Transport and Stevedoring Joint Stock Company and its subsidiaries as of 31 December 2020, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended in accordance with the Vietnamese Accounting Standards and System and the legal regulations related to the preparation and presentation of consolidated 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, 23 February 2021

**Tran Kim Anh – Auditor**

*Audit Practice Registration Certificate:*  
*No. 1907-2018-008-1*



**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

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**CONSOLIDATED BALANCE SHEET**

As of 31 December 2020

Unit: VND

ASSETS	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>694,951,524,534</b>	<b>664,754,010,138</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>221,024,298,549</b>	<b>243,326,890,100</b>
1. Cash	111		120,844,888,520	118,294,170,323
2. Cash equivalents	112		100,179,410,029	125,032,719,777
<b>II. Short-term financial investments</b>	<b>120</b>		<b>79,993,231,056</b>	<b>51,981,363,014</b>
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Investments held to maturity date	123	V.2a	79,993,231,056	51,981,363,014
<b>III. Short-term accounts receivable</b>	<b>130</b>		<b>307,576,580,013</b>	<b>267,343,034,818</b>
1. Receivable from customers	131	V.3	147,333,799,623	117,897,225,787
2. Short-term prepayments to suppliers	132	V.4	8,218,431,965	27,299,869,009
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	20,000,000,000	-
6. Other short-term receivable	136	V.6a	133,449,815,135	123,210,836,378
7. Provision for short-term bad debts	137	V.7	(1,425,466,710)	(1,064,896,356)
8. Deficient assets to be treated	139		-	-
<b>IV. Inventories</b>	<b>140</b>		<b>45,700,049,216</b>	<b>53,198,489,706</b>
1. Inventories	141	V.8	45,700,049,216	53,198,489,706
2. Provisions for devaluation of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>40,657,365,700</b>	<b>48,904,232,500</b>
1. Short-term prepaid expenses	151	V.9a	5,561,801,928	4,223,426,408
2. VAT deductible	152		35,095,563,772	44,680,806,092
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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Consolidated balance sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>1,399,599,754,011</b>	<b>1,162,790,192,860</b>
<b>I. Long-term accounts receivable</b>	<b>210</b>		<b>-</b>	<b>10,000,000</b>
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	-	10,000,000
7. Provision for long-term bad debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>1,098,459,058,012</b>	<b>854,670,089,064</b>
1. Tangible assets	221	V.10	1,075,082,450,678	850,300,321,404
<i>Historical costs</i>	222		1,784,984,241,833	1,419,105,679,781
<i>Accumulated depreciation</i>	223		(709,901,791,155)	(568,805,358,377)
2. Financial leasehold assets	224	V.11	20,759,018,477	-
<i>Historical costs</i>	225		25,419,206,295	-
<i>Accumulated depreciation</i>	226		(4,660,187,818)	-
3. Intangible assets	227	V.12	2,617,588,857	4,369,767,660
<i>Historical costs</i>	228		11,754,927,885	11,754,927,885
<i>Accumulated depreciation</i>	229		(9,137,339,028)	(7,385,160,225)
<b>III. Investment property</b>	<b>230</b>		<b>-</b>	<b>-</b>
Historical costs	231		-	-
Accumulated depreciation	232		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>667,181,817</b>	<b>11,702,435,197</b>
1. Long-term operating expenses in progress	241		-	-
2. Construction in progress	242	V.13	667,181,817	11,702,435,197
<b>V. Long-term financial investments</b>	<b>250</b>		<b>50,448,750,968</b>	<b>44,474,068,209</b>
1. Investments in subsidiaries	251		-	-
2. Investments in associates and joint ventures	252	V.2b	39,997,884,468	34,023,201,709
3. Investments, capital contribution in other entities	253	V.2c	10,450,866,500	10,450,866,500
4. Provision for long-term financial investments	254		-	-
5. Investments held to maturity date	255		-	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>250,024,763,214</b>	<b>251,933,600,390</b>
1. Long-term prepaid expenses	261	V.9b	250,024,763,214	251,933,600,390
2. Deferred income tax assets	262		-	-
3. Long-term equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
5. Trade advantage	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>2,094,551,278,545</b>	<b>1,827,544,202,998</b>

**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

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Consolidated balance sheet (cont.)**

CAPITAL SOURCES	Code	Note	<u>Ending balance</u>	<u>Beginning balance</u>
<b>C - LIABILITIES</b>	<b>300</b>		<b>758,754,665,369</b>	<b>572,861,976,118</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>320,362,315,214</b>	<b>285,902,315,289</b>
1. Short-term payable to suppliers	311	V.14	85,352,356,262	99,823,206,611
2. Short-term prepayments from customers	312		1,037,014,948	638,338,680
3. Taxes and other obligations to the State Budget	313	V.15	16,649,110,525	12,145,971,653
4. Payable to employees	314		19,511,984,916	17,203,459,004
5. Short-term accrued expenses	315	V.16	10,549,642,232	5,859,543,849
6. Short-term inter-company payable	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unrealized revenue	318	V.17	1,933,281,383	1,956,766,916
9. Other payable	319	V.18a	45,992,688,083	42,312,468,857
10. Short-term loans and financial lease debts	320	V.19b	111,326,082,508	83,593,297,362
11. Provision for current liabilities	321	V.20	2,648,342,710	2,648,342,710
12. Bonus and welfare funds	322	V.21	25,361,811,647	19,720,919,647
13. Price stabilization fund	323		-	-
14. Transaction of repurchasing the Government's bonds	324		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>438,392,350,155</b>	<b>286,959,660,829</b>
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.18b	90,000,000,000	50,000,000,000
8. Long-term loans and financial lease debts	338	V.19b	348,392,350,155	236,959,660,829
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

## CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

### Consolidated balance sheet (cont.)

CAPITAL SOURCES	Code	Note	Ending balance	Beginning balance
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>1,335,796,613,176</b>	<b>1,254,682,226,880</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.22</b>	<b>1,335,796,613,176</b>	<b>1,254,682,226,880</b>
1. Owner's contribution capital	411		487,827,510,000	487,827,510,000
- <i>Common shares with voting right</i>	<i>411a</i>		<i>487,827,510,000</i>	<i>487,827,510,000</i>
- <i>Preferred shares</i>	<i>411b</i>		-	-
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		252,444,167,284	200,523,678,148
- <i>Retained profit after tax accumulated to the end of previous period</i>	<i>421a</i>		<i>114,147,880,148</i>	<i>200,523,678,148</i>
- <i>Retained profit after tax of the current period</i>	<i>421b</i>		<i>138,296,287,136</i>	-
12. Capital sources for construction	422		-	-
13. Interest of non-controlling shareholders	429		267,045,737,339	258,744,274,679
<b>II. Other sources and funds</b>	<b>430</b>		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL CAPITAL SOURCES</b>	<b>440</b>		<b>2,094,551,278,545</b>	<b>1,827,544,202,998</b>

Prepared by



Tran Thi Thanh Hao

Head of Finance-Accounting  
Department



Tran Thi Thanh Hao

Prepared on 23 February 2021

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

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**CONSOLIDATED INCOME STATEMENT**

For the fiscal year ended 31 December 2020

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Sales	01	VI.1	1,191,667,202,379	1,108,933,049,361
2. Deductions	02		-	-
3. Net sales	10		1,191,667,202,379	1,108,933,049,361
4. Costs of goods sold	11	VI.2	952,285,475,767	889,647,403,512
5. Gross profit	20		239,381,726,612	219,285,645,849
6. Financial income	21	VI.3	17,098,768,769	15,447,852,651
7. Financial expenses	22	VI.4	24,817,310,141	17,355,030,825
In which: Loan interest expenses	23		23,451,710,381	17,035,078,178
8. Profits or losses in joint ventures, associates	24		5,974,682,759	3,056,485,639
9. Selling expenses	25		-	-
10. Administrative overheads	26	VI.5	67,886,331,138	67,209,162,972
11. Net operating profit	30		169,751,536,861	153,225,790,342
12. Other income	31	VI.6	1,228,908,883	3,601,203,070
13. Other expenses	32	VI.7	820,951,042	724,380,661
14. Other profit	40		407,957,841	2,876,822,409
15. Profit before tax	50		170,159,494,702	156,102,612,751
16. Current corporate income tax	51	V.15	23,561,744,906	23,364,083,090
17. Deferred corporate income tax	52		-	-
18. Profit after tax	60		<u>146,597,749,796</u>	<u>132,738,529,661</u>
19. Profit after tax of the Holding Company	61		<u>138,296,287,136</u>	<u>121,378,387,528</u>
20. Profit after tax of non-controlling shareholders	62		<u>8,301,462,660</u>	<u>11,360,142,133</u>
21. Basic earnings per share	70	VI.8	<u>2,734</u>	<u>2,348</u>
22. Declined interest per share	71	VI.8	<u>2,734</u>	<u>2,348</u>

Prepared on 23 February 2021

Prepared by



Tran Thi Thanh Hao

Head of Finance-Accounting  
Department


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

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**CONSOLIDATED CASH FLOW STATEMENT**

(Under indirect method)

For the fiscal year ended 31 December 2020

Unit: VND

ITEMS	Code	Note	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		170,159,494,702	156,102,612,751
2. Adjustments				
- Depreciation of fixed assets and investment property	02	VI.9	137,201,480,785	116,852,289,217
- Provisions	03	VI.5	360,570,354	358,973,532
- Gain/ loss from exchange rate differences due to revaluation of monetary items in foreign currencies	04		129,401,374	19,136,700
- Gain/ loss from investing activities	05		(12,728,640,343)	(14,691,764,984)
- Loan interest expenses	06	VI.4	23,451,710,381	17,035,078,178
- Others	07		-	-
3. Operating profit before changes of working capital	08		318,574,017,253	275,676,325,394
- Increase/ decrease of accounts receivable	09		(8,725,554,032)	(24,335,946,689)
- Increase/ decrease of inventories	10		7,498,440,490	(18,218,535,872)
- Increase/ decrease of accounts payable	11		40,220,970,862	46,339,678,234
- Increase/ decrease of prepaid expenses	12		(30,728,425,678)	(43,528,718,235)
- Increase/ decrease of trading securities	13		-	-
- Loan interests already paid	14		(21,979,186,606)	(16,702,690,751)
- Corporate income tax already paid	15	V.15	(23,501,449,118)	(26,127,401,167)
- Other gains	16		-	-
- Other disbursements	17	V.21	(4,465,108,000)	(8,941,743,000)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>276,893,705,171</b>	<b>184,160,967,914</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other long-term assets	21		(348,963,627,633)	(197,767,923,014)
2. Gains from disposal and liquidation of fixed assets and other long-term assets	22		-	3,891,272,726
3. Loans given and purchases of debt instruments of other entities	23		(77,493,231,056)	(38,481,363,014)
4. Recovery of loan given and disposal of debt instruments of other entities	24		29,481,363,014	-
5. Investments in other entities	25		-	(294,000,000)
6. Withdrawals of investments in other entities	26		-	1,803,100,000
7. Receipts of loans given, dividends and profit shared	27		13,528,122,595	11,343,108,119
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(383,447,373,080)</b>	<b>(219,504,905,183)</b>

**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

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Consolidated cash flow statement (cont.)**

ITEMS	Code	Note	Current year	Previous year
<b>III. Cash flows from financial activities</b>				
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	V.19	(7,984,565,500)	-
3. Receipts from loans	33	V.19	295,710,051,942	185,287,410,295
4. Payment of loan principal	34	V.19	(155,947,180,643)	(106,346,905,689)
5. Payment of financial lease debts	35		-	-
6. Dividends and profit shared to the owners	36		(47,275,936,600)	(72,314,547,000)
<i>Net cash flows from financial activities</i>	<i>40</i>		<i>84,502,369,199</i>	<i>6,625,957,606</i>
<b>Net cash flows during the year</b>	<b>50</b>		<b>(22,051,298,710)</b>	<b>(28,717,979,663)</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>V.1</b>	<b>243,326,890,100</b>	<b>272,125,233,675</b>
Effects of fluctuations in foreign exchange rates	61		(251,292,841)	(80,363,912)
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>V.1</b>	<b>221,024,298,549</b>	<b>243,326,890,100</b>

Prepared on 23 February 2021

Prepared by



Tran Thi Thanh Hao

Head of Finance-Accounting  
Department


Tran Thi Thanh Hao

General Director



Vu Thanh Hai

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For 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**

The Company’s main operations 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 Group**

The Group includes the Holding Company and 3 subsidiaries which are controlled by the Holding Company. All subsidiaries are consolidated in these consolidated financial statements.

**5a. Information on Group restructuring**

During the year, the Group has not had any additional purchase, liquidation or divestment in subsidiaries.

**5b. List of subsidiaries consolidated**

Name of company	Address of head office	Main operations	Interest rate		Rate of voting right	
			Ending balance	Beginning balance	Ending balance	Beginning balance
Hai An Port Co., Ltd.	1 <sup>st</sup> floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Providing services of seaport	100%	100%	100%	100%
Hai An Container Transport Co., Ltd.	5 <sup>th</sup> floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Services of transport	50.5%	50.5%	50.5%	50.5%
Pan Hai An Co., Ltd.	6 <sup>th</sup> floor, Hai An Building, Km 2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Service of Deport	51%	51%	51%	51%

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

#### 5c. List of associates reflected in the consolidated financial statements in accordance with the owner's equity method

Name of company	Address of head office	Main operations	Rate of ownership		Rate of voting right	
			Ending balance	Beginning balance	Ending balance	Beginning balance
Hai An Agency and Logistics Co., Ltd. (*)	2 <sup>nd</sup> floor, Hai An Building, Km+2 Dinh Vu Road, Dong Hai 2 Ward, Hai An District, Hai Phong City	Service of agency	50%	50%	50%	50%
Hai An Freight Forwarding JSC	14 <sup>th</sup> floor, Viet Tower, No. 1 Thai Ha Street, Trung Liet Ward, Dong Da District, Hanoi City, Vietnam	Good transport by road	36.89%	36.89%	36.89%	36.89%

(\*) This is the associate of the subsidiary – Hai An Port Co., Ltd.

#### 6. Statement on comparison of information in consolidated financial statements

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

#### 7. Personnel

As of the balance sheet date, the Group had 407 employees working in companies in the Group (at the beginning of the year, the Group had 341 employees).

## II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

### 1. Fiscal year

The fiscal year of the Group 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 system

The Group has applied the Vietnamese Accounting Standards and System issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 on guidelines for accounting policies for enterprises, the Circular No. 202/2014/TT-BTC dated 22 December 2014 giving guidance on the preparation and presentation of consolidated financial statements and other Circulars giving guidance on the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of the consolidated 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, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars giving guidance on the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of these consolidated financial statements.



## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

---

#### IV. ACCOUNTING STANDARDS AND SYSTEM APPLIED

##### 1. Accounting convention

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

##### 2. Consolidation basis

The consolidated financial statements include the financial statements of the Holding Company and the financial statements of its subsidiaries. A subsidiary is a business that is controlled by the Holding Company. The control exists when the Holding Company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control right, the potential voting right that is currently valid arising from call options or debt and equity instruments that can be converted to common shares as of the balance sheet date should also be taken into consideration.

The business results of the subsidiaries which are acquired or disposed during the period year are included in the consolidated income statement from the date of acquisition until the date of disposal of the investments in those subsidiaries.

The financial statements of the Holding Company and subsidiaries used for consolidation are prepared for the same accounting period and apply the consistent accounting policies for similar transactions and events in similar circumstances. In case that the accounting policies of the subsidiaries are different from those which are applied consistently within the Group, the appropriate adjustments should be made to the financial statements of the subsidiaries before they are used to prepare the consolidated financial statements.

Intra-group balances in the balance sheet and intra-group transactions and unrealized intra-group profits resulting from these transactions are eliminated when the consolidated financial statements are prepared. Unrealized losses resulting from intra-group transactions are also eliminated unless costs which cause those losses cannot be recovered.

Interest of non-controlling shareholders shows gains/losses on the business results and net assets of a subsidiary which is not held by of the Group and is presented in a specific item in the consolidated income statement and the consolidated balance sheet (the owner's equity). Interest of non-controlling shareholders includes value of interest of non-controlling shareholders as of the initial business consolidation date and that in the fluctuation of owner's equity commencing from the business consolidation date. Losses arising in subsidiaries are allocated equivalent to the ownership rate of non-controlling shareholders, even if those losses are higher than the ownership rate of non-controlling shareholders in net assets of subsidiaries.

##### 3. 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.

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:

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Notes to the consolidated financial statements (cont.)

---

- For liabilities receivable: it is buying exchange rate of foreign currencies of the commercial bank where the Group 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 Group 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 Group makes payment.

Foreign exchange rate used to re-valuate 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 Group 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 the Bank (with which the Group 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 the Bank (with which the Group usually has transactions).

#### 4. Cash and cash equivalents

Cash includes cash on hand and demand deposits in bank. 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.

#### 5. Financial investments

##### *Investments held to maturity date*

Investments are classified as investments held to maturity date that the Group intends and is able to hold to maturity. Investments held to maturity dates include term deposits in bank for the purpose of receiving periodical interest as well as other investments held to maturity date.

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 Group'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 given*

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

##### *Investments in associates*

An associate is an enterprise in which the Group 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.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Notes to the consolidated financial statements (cont.)

Investments in associates are recognized in accordance with the owner's equity method. Accordingly, the investments in associates are presented in the consolidated financial statements by the initial investment costs and adjusted for changes in benefits on net assets of associates after the investment date. If the benefits of the Group in losses of associates are higher than or equal to book value of the investments, the value of investments will be presented in the consolidated financial statements as zero unless the Group has an obligation to make the payment instead of associates.

The financial statements of associates are prepared for the same accounting period of the Group's consolidated financial statements. In case the accounting policies of an associate are different from those consistently applied in the Group, the financial statements of those associates will be suitably adjusted before being used to prepare the consolidated financial statements.

Unrealized gains or losses arising from transactions with associates are excluded in proportion to the Group's share when the consolidated financial statements are prepared.

#### *Investments in equity instruments of other entities*

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Group to have the control, joint control or significant influence on the investees.

Investments in equity instruments of other entities are initially recognized at historical costs, including the cost of purchase plus other directly attributable transaction costs. Dividends and profits arising in the periods prior to the purchase of investments are recorded as a decrease in value of such investments. Dividends and profit arising in the periods after the purchase of investments are recorded into the Group's revenue. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity of shares is followed up.

Provision for impairment of investments in equity instruments of other entities is made as follows:

- For investments in listed shares or fair value of investments is reliably measured, provision is made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provision is made on the basis of the losses suffered by investees, at the rate equal to the difference between the actual capital invested by parties in entities and the actual owner's equity as of the balance sheet date multiplying (x) by the ownership rate of charter capital actually contributed by the Company in those entities.

Increases/(decreases) in provision for devaluation of investments in equity instruments of other entities which need appropriating as of the balance sheet date are recognized into financial expenses.

#### 6. 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 Group and buyers which are independent units against the Group.
- Other receivables reflect non-commercial or non-trading receivables, unrelated to purchase-sale transactions.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

Provision is made for each bad debt after being offset with payable liabilities (if any). Provision is made basing on the overdue debt age or the estimated loss. Details are as follows:

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

### 7. 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.

### 8. Prepaid expenses

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

#### *Expenses for tools, instruments*

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

#### *Fixed asset repair costs and periodical repair costs of vessels*

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

#### *Insurance premium*

Prepaid insurance premium presents the insurance premium already paid for the following periods. Prepaid insurance premium is allocated into expenses in accordance with the straight-line method over the insurance period.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

#### *Prepaid land rental*

Prepaid land rental presents the land rental already paid for the land being used by the Company. Prepaid land rental is allocated into expenses in accordance with the straight-line method over the leasing period (498 months).

#### 9. 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 operating expenses in accordance with the straight-line method over the leasing period and are not subject to the method of lease payment.

#### 10. 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 Group 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 year.

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 year.

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	3-8
Other fixed assets	4-10

#### 11. Financial leasehold assets

A lease of asset is considered a financial lease in case most of the risks and rewards associated with the ownership of that asset belong to the lessee. Fixed assets under financial lease are determined by their historical costs less accumulated depreciation. Historical cost is the lower between the reasonable value of the assets at the starting date of the lease agreement and the current value of the minimum lease payment. The discounting rate used to calculate the current value of the minimum lease payment is the interest rate as agreed by implication or as mentioned in the lease agreement. In case the interest rate as agreed by implication in the lease agreement cannot be determined, the interest rate for loan at the starting date of the lease agreement will be applied.

Fixed assets under financial lease are depreciated in accordance with the straight-line method over their estimated useful lives. In case it is not sure that the company will have the ownership over the asset upon the expiry date of the financial lease contract, the fixed asset must be depreciated at the shorter between the lease period and the estimated useful life. The depreciation years of the fixed assets under financial lease which are containers are 5 years.

#### 12. Intangible fixed assets

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

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

---

Historical costs of intangible fixed assets include all the expenses of the Group 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 year.

The intangible fixed assets of the Group include:

### ***Land use right***

Land use right includes all the actual expenses 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 Group 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.

## **13. Construction in progress**

Construction in progress reflects costs directly related (including related loan interest expenses in accordance with the Group'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 historical costs and not depreciated.

## **14. Business cooperation contracts**

### ***Jointly controlled operations***

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

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

## **15. 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 Group.
- 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.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

---

- 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 consolidated balance sheet based on the remaining terms as of the balance sheet date.

### 16. Owner's equity

#### *Owner's contribution capital*

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

#### *Share premiums*

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

#### *Treasury stocks*

When re-purchasing shares issued by the Company, 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 premiums".

### 17. 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 by the General Meeting of Shareholders. The Board of Management has competence to advance dividends to the shareholders.

### 18. Recognition of sales and income

#### *Sales of providing services*

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

- The amount of sales can be measured reliably. When contracts stipulate that buyers are entitled to return services provided under specific conditions, sales are recognized only when those specific conditions no longer exist and buyers are not entitled to return services provided.
- The Group received or shall probably receive the economic benefits associated with the providing of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Notes to the consolidated financial statements (cont.)

---

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 Group 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.

#### 19. **Borrowing costs**

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

#### 20. **Costs**

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

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

#### 21. **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.

#### 22. **Related parties**

A party is considered a related party 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.

#### 23. **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 consolidated financial statements.



**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET****1. Cash and cash equivalents**

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	3,067,339,993	2,958,232,290
Demand deposits in banks	117,777,548,527	115,335,938,033
Cash equivalents ( <i>Under-3-month termed deposits in bank</i> )	100,179,410,029	125,032,719,777
<b>Total</b>	<b><u>221,024,298,549</u></b>	<b><u>243,326,890,100</u></b>

**2. Financial investments**

The Group's financial investments include investments held to maturity date, investments in associates and capital contribution in other entities. Information on the Group's financial investments is as follows:

**2a. Investments held to maturity date**

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

**2b. Investments in associates**

	Ending balance			Beginning balance		
	Historical costs	Profit after investment date	Total	Historical costs	Profit after investment date	Total
Hai An Freight Forwarding JSC (i)	1,494,000,000	8,308,015,084	9,802,015,084	1,494,000,000	3,914,485,748	5,408,485,748
Hai An Agency and Logistics Co., Ltd. (ii)	12,500,000,000	17,695,869,384	30,195,869,384	12,500,000,000	16,114,715,961	28,614,715,961
<b>Total</b>	<b><u>13,994,000,000</u></b>	<b><u>26,003,884,468</u></b>	<b><u>39,997,884,468</u></b>	<b><u>13,994,000,000</u></b>	<b><u>20,029,201,709</u></b>	<b><u>34,023,201,709</u></b>

(i) According to the 2<sup>nd</sup> amended Business Registration Certificate No. 0108111428 dated 20 November 2019, the charter capital of Hai An Freight Forwarding JSC is VND 4,050,000,000 equivalent to 4,050,000 shares. The Company has owned 149,400 shares of Hai An Freight Forwarding JSC, accounting for 36.89% of charter capital of this company.

(ii) According to the 2<sup>nd</sup> amended Business Registration Certificate No. 0201244461 dated 13 October 2016 granted by Department of Planning and Investment of Haiphong City, the charter capital of Hai An Agency and Logistics Co., Ltd. is VND 25,000,000,000, Hai An Port Co., Ltd. would invest in Hai An Agency and Logistics Co., Ltd. with the amount of VND 12,500,000,000, equivalent to 50% charter capital.

The ownership value of the Group in associates is as follows:

	Ownership value at the beginning of year	Gains or losses during the year	Dividends, profit shared during the year	Ownership value at the end of year
Hai An Freight Forwarding JSC	5,408,485,748	5,140,529,336	(747,000,000)	9,802,015,084
Hai An Agency and Logistics Co., Ltd.	28,614,715,961	3,456,153,423	(1,875,000,000)	30,195,869,384
<b>Total</b>	<b><u>34,023,201,709</u></b>	<b><u>8,596,682,759</u></b>	<b><u>(2,622,000,000)</u></b>	<b><u>39,997,884,468</u></b>

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

#### *Operation of associates*

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

#### *Transactions with associates*

Material transactions between the Group and its associates were as follows:

	<u>Current year</u>	<u>Previous year</u>
<b><i>Hai An Freight Forwarding JSC</i></b>		
Transfer of contribution capital to the associate	-	294,000,000
Providing services to the associate	117,027,363,513	81,456,610,663
Leasing office of the Group	56,716,484	-
The associate provided services to the Group	19,022,482,474	4,042,473,827
Receipt of contribution capital in accordance with BCC from the associate	5,000,000,000	5,000,000,000
The Company shared BCC profit	300,438,610	-
<b><i>Hai An Agency and Logistics Co., Ltd.</i></b>		
Sales of providing services to the associate	28,028,317,850	18,765,693,145
Using agency service of the associate	4,775,917,144	4,589,157,893
Receipt of capital in accordance with BCC from the associate	10,000,000,000	-
Returning BCC contribution capital to the associate	-	1,803,100,000
Returning BCC profit to the associate	2,194,760,692	2,175,000,000

#### **2c. Capital contribution in other entities**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Historical costs</u>	<u>Provision</u>	<u>Historical costs</u>	<u>Provision</u>
Marina Logistics & Agencies Co., Ltd. (*)	10,000,000,000	-	10,000,000,000	-
Dong Do CMC	450,000,000	-	450,000,000	-
Marine Supply and Engineering Service JSC	864,000	-	864,000	-
MHC JSC	2,500	-	2,500	-
<b>Total</b>	<b>10,450,866,500</b>	<b>-</b>	<b>10,450,866,500</b>	<b>-</b>

(\*) According to the 9<sup>th</sup> amended Business Registration Certificate No. 0105430472 dated 18 May 2017 granted by Hanoi Authority for Planning and Investment, the Group would invest in Marina Logistics & Agencies Co., Ltd. with the amount of VND 10,000,000,000, equivalent to 16.67% of charter capital.

#### *Fair value*

The Group has not determined fair value of investments without listed prices as there has not been any detailed guidance on determination of fair value.

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

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

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivable from related parties</i>	<i>39,212,027,871</i>	<i>30,415,636,726</i>
Hai An Freight Forwarding JSC	26,185,367,298	18,264,644,398
Hai An Agency and Logistics Co., Ltd.	6,019,934,148	4,193,957,248
Hai An General Service JSC	10,665,289	
Marina Logistics & Agencies Co., Ltd.	647,396,950	661,078,545
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	5,907,495,186	7,290,556,535
Branch of Marina Logistics & Agencies Co., Ltd. in Ho Chi Minh City	60,214,000	5,400,000
New Way Logistics JSC	380,955,000	
<i>Receivable from other customers</i>	<i>108,121,771,752</i>	<i>87,481,589,061</i>
Ocean Network Express Pte. Ltd.	6,509,709,713	13,302,195,064
Hapag-Lloyd Vietnam Co., Ltd.	10,571,026,460	12,647,063,334
Others	91,041,035,579	61,532,330,663
<b>Total</b>	<b><u>147,333,799,623</u></b>	<b><u>117,897,225,787</u></b>

**4. Short-term prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Tan Hong Trading Co., Ltd.	-	21,494,850,000
Wartsila Water Systems Limited	-	3,483,732,014
Alfa Laval Singapore Pte Ltd	2,698,889,490	-
Kocks Ardelt Kranbau GMBH	1,677,109,838	-
Hongda Ocean Shipping Supply Co., Ltd.	939,931,217	-
Others	2,902,501,420	2,321,286,995
<b>Total</b>	<b><u>8,218,431,965</u></b>	<b><u>27,299,869,009</u></b>

**5. Receivable on loans**

This is the loan given to Mr. Le Phong Hieu to pay land tax once for the Project "Container yard and port service" in Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province, in which the two parties are cooperating. The loan term is 6 months commencing from 12 May 2020, the principal and the interest are paid once on the due date. This loan is extended for payment no later than 26 February 2021.

**6. Other short-term/long-term receivable****6a. Other short-term receivable**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Value	Provision	Value	Provision
<i>Receivable from related parties</i>	<i>147,055,385</i>		<i>138,601,903</i>	
Payments on behalf	147,055,385		138,601,903	
<i>Receivable from other organizations and individuals</i>	<i>133,302,759,750</i>		<i>123,072,234,475</i>	
Estimated receipt of deposit interest	711,073,920		1,510,556,172	
Deposit for project transfer (*)	112,423,676,376		92,763,292,500	
Deposit for assuming real estate transfer	-		22,000,000,000	
Deposits and mortgages	653,518,076		2,114,986,820	
Advances	920,330,120		801,180,000	

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)**

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
Estimated ocean freight	18,012,838,126		2,775,540,020	
Others	581,323,132		1,106,678,963	
<b>Total</b>	<b>133,449,815,135</b>		<b>123,210,836,378</b>	

(i) This is the deposit 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 m<sup>2</sup> 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 as "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, the two parties completed the hand-over of the Building.

**6b. Other long-term receivable**

Including long-term deposits and mortgages.

**7. Bad debts**

	Overdue time	Ending balance		Overdue time	Beginning balance	
		Historical costs	Provision		Historical costs	Provision
Hung Thinh Transport Co., Ltd.	Over 3 years	65,089,486	(65,089,486)	Over 3 years	65,089,486	(65,089,486)
Royal Transport Trading Co., Ltd.	Over 3 years	99,744,126	(99,744,126)	Over 3 years	99,744,126	(99,744,126)
Navigator Marine Corp	From 1 to 2 years	1,800,904,425	(1,260,633,098)	From 1 to 2 years	1,800,125,488	(900,062,744)
<b>Total</b>		<b>1,965,738,037</b>	<b>(1,425,466,710)</b>		<b>1,964,959,100</b>	<b>(1,064,896,356)</b>

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

	Current year	Previous year
Beginning balance	1,064,896,356	705,922,824
Additional appropriation of provision	360,570,354	358,973,532
Refund of provision	-	-
<b>Ending balance</b>	<b>1,425,466,710</b>	<b>1,064,896,356</b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****8. Inventories**

	Ending balance		Beginning balance	
	Historical costs	Provision	Historical costs	Provision
Materials and supplies	45,661,483,499		53,084,622,433	
Tools, instruments	38,565,717		113,867,273	
<b>Total</b>	<b>45,700,049,216</b>		<b>53,198,489,706</b>	

**9. Short-term/Long-term prepaid expenses****9a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Lubricant costs	2,171,401,717	2,200,822,080
Insurance premium	2,117,784,222	1,729,027,263
Tools, instruments	265,151,265	103,758,407
Office rental	64,000,000	64,000,000
Others	943,464,724	125,818,658
<b>Total</b>	<b>5,561,801,928</b>	<b>4,223,426,408</b>

**9b. Long-term prepaid expenses**

	Ending balance	Beginning balance
Periodical repair cost of Mv. Hai An Park	9,200,511,300	536,562,224
Periodical repair cost of Mv. Hai An Song	4,265,759,662	9,384,671,266
Periodical repair cost of Mv. Hai An Time	573,718,591	7,458,341,659
Periodical repair cost of Mv. Hai An Bell	3,387,910,883	9,195,758,111
Periodical repair cost of Mv. Hai An Link	10,513,215,441	
Tools, instruments	4,388,324,622	2,124,443,594
Land rental (*)	217,347,219,672	223,017,147,144
Others	348,103,043	216,676,392
<b>Total</b>	<b>250,024,763,214</b>	<b>251,933,600,390</b>

- (\*) Pan Hai An Co., Ltd. has leased the land of 154,000 m<sup>2</sup> in Non-tariff area and Nam Dinh Vu Industrial Park of Nam Dinh Vu Investment JSC (now known as "Sao Do Group") in accordance with the Contract No. 05.HDTD/2017 dated 25 October 2017 to invest in construction and trading of container yard along with other business activities in accordance with the Investment Certificate, total contract value excluding VAT 10% is VND 235,301,990,000, the leasing term is from the date of contract signing to 6 May 2059.

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****10. Tangible fixed assets**

	<b>Buildings and structures</b>	<b>Machinery and equipment</b>	<b>Vehicles</b>	<b>Office equipment</b>	<b>Other fixed assets</b>	<b>Total</b>
<b>Historical costs</b>						
Beginning balance	279,639,209,149	296,669,497,863	800,123,643,344	3,319,955,207	39,353,374,218	1,419,105,679,781
Purchase during the year <sup>(*)</sup>	25,000,000,000	22,543,384,111	165,885,937,623	1,379,523,055	-	214,808,844,789
Complete construction	151,069,717,263	-	-	-	-	151,069,717,263
<b>Ending balance</b>	<b>455,708,926,412</b>	<b>319,212,881,974</b>	<b>966,009,580,967</b>	<b>4,699,478,262</b>	<b>39,353,374,218</b>	<b>1,784,984,241,833</b>
<i>In which:</i>						
Fully depreciated but being still in use	40,566,443,043	176,404,309,938	1,902,238,273	1,851,446,798	141,136,364	220,865,574,416
To be liquidated						
<b>Depreciation</b>						
Beginning balance	123,979,328,592	212,601,225,226	221,748,943,711	2,058,710,854	8,417,149,994	568,805,358,377
Depreciation during the year	20,677,700,141	32,288,137,982	83,706,567,355	432,975,657	3,991,051,643	141,096,432,778
<b>Ending balance</b>	<b>144,657,028,733</b>	<b>244,889,363,208</b>	<b>305,455,511,066</b>	<b>2,491,686,511</b>	<b>12,408,201,637</b>	<b>709,901,791,155</b>
<b>Net book value</b>						
Beginning balance	155,659,880,557	84,068,272,637	578,374,699,633	1,261,244,353	30,936,224,224	850,300,321,404
<b>Ending balance</b>	<b>311,051,897,679</b>	<b>74,323,518,766</b>	<b>660,554,069,901</b>	<b>2,207,791,751</b>	<b>26,945,172,581</b>	<b>1,075,082,450,678</b>
<i>In which:</i>						
Temporarily unused						
To be liquidated						

Some tangible fixed assets of which the net book value is VND 632,410,252,545 have been mortgaged to secure the loans from banks.

<sup>(\*)</sup> During the year, the Company purchased Hai An Container Yard Executive Office Building – attached work on land with the area of 4,369.8m<sup>2</sup> in the form of annual rental payment at Dong Hai 2 Ward, Hai An District, Hai Phong City. The Company has been carrying out procedures for converting the Certificate of land use right and assets on land. The depreciation period of this asset is temporarily determined in accordance with the remaining land lease term of 13 years. The depreciation period may be changed over the remaining actual lease term as shown in the Land Use Right Certificate which will be granted to the Company later on.

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****11. Financial leasehold fixed assets**

Including the batch of 300 containers of 40HC rent by Hai An Container Transport Co., Ltd. (the Subsidiary) from Beacon Intermodal Leasing LLC (see Note V.19).

	<u>Historical cost</u>	<u>Accumulated depreciation</u>	<u>Net book value</u>
Beginning balance	-	-	-
Financial lease during the year	25,419,206,295	-	25,419,206,295
Depreciation during the year	-	(4,660,187,818)	(4,660,187,818)
<b>Ending balance</b>	<b>25,419,206,295</b>	<b>(4,660,187,818)</b>	<b>20,759,018,477</b>

**12. Intangible fixed assets**

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
<b>Historical costs</b>			
Beginning balance	4,945,015,236	6,809,912,649	11,754,927,885
<b>Ending balance</b>	<b>4,945,015,236</b>	<b>6,809,912,649</b>	<b>11,754,927,885</b>

*In which:*

Fully amortized but being still in use

**Amortization**

Beginning balance	2,250,218,013	5,134,942,212	7,385,160,225
Amortization during the year	1,230,908,799	521,270,004	1,752,178,803
<b>Ending balance</b>	<b>3,481,126,812</b>	<b>5,656,212,216</b>	<b>9,137,339,028</b>

**Net book value**

Beginning balance	2,694,797,223	1,674,970,437	4,369,767,660
<b>Ending balance</b>	<b>1,463,888,424</b>	<b>1,153,700,433</b>	<b>2,617,588,857</b>

*In which:*

Temporarily unused

To be liquidated

**13. Construction in progress**

	<u>Beginning balance</u>	<u>Increasing during the year</u>	<u>Inclusion in fixed assets during the year</u>	<u>Transfer to expenses to be allocated</u>	<u>Ending balance</u>
Purchase of fixed assets	11,152,632,790	204,223,939,271	(214,808,844,789)	-	567,727,272
Construction in progress	435,454,545	157,791,026,353	(151,069,717,263)	(7,066,309,090)	90,454,545
Large repair of fixed assets	114,347,862	24,127,230,382	-	(24,232,578,244)	9,000,000
<b>Total</b>	<b>11,702,435,197</b>	<b>386,142,196,006</b>	<b>(365,878,562,052)</b>	<b>(31,298,887,334)</b>	<b>667,181,817</b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****14. Short-term payable to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	<b>15,852,617,924</b>	<b>15,340,925,199</b>
Hai An Freight Forwarding JSC	9,170,954,744	1,281,250,193
Hai An Agency and Logistics Co., Ltd.	1,254,688	
Hai An General Service JSC	1,050,282,593	1,604,994,027
Hai Ha Investment and Transportation JSC	63,365,729	423,691,560
Marina Logistics & Agencies Co., Ltd.	3,810,048,172	2,916,537,266
Branch of Marina Logistics & Agencies Co., Ltd. in Ho Chi Minh City	1,756,712,000	99,660,000
First Logistics Development (JV) Company	-	8,571,196,122
Green Field Corporation	-	443,596,031
<i>Payable to other suppliers</i>	<b>69,499,738,338</b>	<b>84,482,281,412</b>
ForkliftCenter Rental B.V	-	8,921,523,520
BMS United Bunkers (Asia) Limited	7,969,273,754	13,569,819,367
PT Indofuels Limited	7,447,818,889	10,870,726,364
Tan Hong Trading Co., Ltd.	7,603,208,950	
Others	46,479,436,745	51,120,212,161
<b>Total</b>	<b><u>85,352,356,262</u></b>	<b><u>99,823,206,611</u></b>

**15. Taxes and other obligations to the State Budget**

	<u>Beginning balance</u>	<u>Amount payable during the year</u>	<u>Amount already paid during the year</u>	<u>Ending balance</u>
VAT on local sales	3,006,520,044	45,572,453,172	(43,944,030,948)	4,634,942,268
VAT on imports	-	17,303,515,206	(17,303,515,206)	-
Import-export duties	-	757,957,258	(757,957,258)	-
Corporate income tax	6,782,888,987	27,078,241,175	(23,501,449,118)	10,359,681,044
Personal income tax	2,356,562,622	4,516,257,309	(5,218,332,718)	1,654,487,213
Land rental	-	5,549,214,678	(5,549,214,678)	-
License tax	-	2,450,503,600	(2,450,503,600)	-
Fees, legal fees and other duties	-	15,000,000	(15,000,000)	-
<b>Total</b>	<b><u>12,145,971,653</u></b>	<b><u>103,243,142,398</u></b>	<b><u>(98,740,003,526)</u></b>	<b><u>16,649,110,525</u></b>

**Value added tax (VAT)**

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

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

**Import - export duties**

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



## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

#### *Corporate income tax*

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

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

According to the Investment Certificate No. 6388338018 dated 9 October 2017 granted by Hai Phong Economic Zone Management Board, Pan Hai An Co., Ltd. has to pay corporate income tax for income from the operation of warehouses, yards and goods storage and stevedoring at the rate of 10% within 15 years commencing from the new investment project has income (from 2018 to 2032); is exempted from tax within 4 years commencing from the first taxable income from the new investment project, in case the enterprises has no taxable income in the first 3 years commencing from the first taxable income from the investment project, the tax-exempted period starts from the 4<sup>th</sup> year (from 2021 to 2024) and reduced 50% of tax payable in 9 following years (from 2025 to 2033).

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

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

	<u>Current year</u>	<u>Previous year</u>
Corporate income tax payable calculated on taxable income of the current year	23,561,744,906	23,364,083,090
Corporate income tax payable on behalf of business cooperation parties	3,516,496,269	1,746,599,059
<b>Total corporate income tax payable</b>	<b><u>27,078,241,175</u></b>	<b><u>25,110,682,149</u></b>

(\*) Hai An Port Co., Ltd. was reduced 30% of corporate income tax payable in the taxable period of the year 2020 for enterprises with total revenue in 2020 of no more than VND 200 billion in accordance with the Decree No. 114/2020/ND-CP dated 25 September 2020 of the Government on elaborating the National Assembly's Resolution No. 116/2020/QH14 on reduction in corporate income tax payable in 2020 by enterprises, cooperatives, public service providers and other organizations.

The determination of corporate income tax payable of the companies in the Group 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 consolidated 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 Group has declared and paid these taxes in line with the prevailing regulations.

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

**16. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan interest expenses payable	2,861,778,538	1,389,254,763
Hull insurance premium	-	106,779,250
Brokerage fee	563,948,210	160,189,500
Estimated expenses for vessel exploitation	7,022,024,945	3,900,654,995
Others	101,890,539	302,665,341
<b>Total</b>	<b><u>10,549,642,232</u></b>	<b><u>5,859,543,849</u></b>

**17. Short-term unrealized revenue**

Including revenue received in advance of leasing vessels.

**18. Other short-term/long-term payable****18a. Other short-term payable**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties</i>	<i>14,335,985,078</i>	<i>7,381,780,374</i>
Marina Logistics & Agencies Co., Ltd. – business cooperation interest	4,118,475,525	1,772,128,724
Hai An Agency and Logistics Co., Ltd. – business cooperation interest	3,397,647,176	2,238,924,406
Hai Ha Investment and Transportation JSC – business cooperation interest	5,337,853,127	2,794,288,634
Hai An Freight Forwarding JSC – business cooperation interest	1,212,009,250	300,438,610
Remuneration for the BOM, the Board of Control	270,000,000	276,000,000
<i>Payable to other organization and individuals</i>	<i>31,656,703,005</i>	<i>34,930,688,483</i>
Receipts on behalf of SM Line Corporation	26,236,882,839	32,866,011,150
Assuming short-term deposits, mortgages	4,294,000,000	780,000,000
Trade Union's expenditure	354,856,428	462,357,036
Dividends payable	535,811,400	418,950,000
Others	235,152,338	403,370,297
<b>Total</b>	<b><u>45,992,688,083</u></b>	<b><u>42,312,468,857</u></b>

**18b. Other long-term payable**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties on BCC capital contribution under the Contract No. 48/HDHTKD (*)</i>	<i>25,000,000,000</i>	<i>25,000,000,000</i>
Hai An Agency and Logistics Co., Ltd.	10,000,000,000	10,000,000,000
Hai Ha Investment and Transportation JSC	10,000,000,000	10,000,000,000
Marina Logistics & Agencies Co., Ltd.	5,000,000,000	5,000,000,000
<i>Payable to related parties on BCC capital contribution under the Contract No. 66/HDHTKD (*)</i>	<i>25,000,000,000</i>	<i>25,000,000,000</i>
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

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payable to related parties on BCC capital contribution under the Contract No. 68/HDHTKD<sup>(*)</sup></i>	40,000,000,000	-
Hai An Freight Forwarding JSC	5,000,000,000	-
Hai An Agency and Logistics Co., Ltd.	10,000,000,000	-
Hai Ha Investment and Transportation JSC	10,000,000,000	-
Marina Logistics & Agencies Co., Ltd.	15,000,000,000	-
<b>Total</b>	<b>90,000,000,000</b>	<b>50,000,000,000</b>

- (\*) According to the Business Cooperation Contract (BCC) No. 48-HDHTKD dated 18 April 2017, the BCC No. 66/HDHTKD dated 8 May 2019 and the BCC No. 68/HDHTKD dated 29 June 2020 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 rate of capital contribution of the parties as in the BCC No. 48-HDHTKD dated 18 April 2017 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.	10,000,000,000	12.50%
Marina Logistics & Agencies Co., Ltd.	10,000,000,000	12.50%
Hai Ha Investment and Transportation JSC	10,000,000,000	12.50%
Marina Logistics & Agencies Co., Ltd.	5,000,000,000	6.25%
<b>Total</b>	<b>80,000,000,000</b>	<b>100.00%</b>

The rate of capital contribution of the parties as in the BCC No. 66/HDHTKD dated 8 May 2019 is as follows:

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

The rate of capital contribution of the parties as in the BCC No. 68/HDHTKD dated 29 June 2020 is as follows:

	<u>Amount (VND)</u>	<u>Rate %</u>
Hai An Transport and Stevedoring JSC	30,000,000,000	30%
Hai An Container Transport Co., Ltd.	30,000,000,000	30%
Hai An Freight Forwarding JSC	5,000,000,000	5%
Hai An Agency and Logistics Co., Ltd.	10,000,000,000	10%
Hai Ha Investment and Transportation JSC	10,000,000,000	10%
Marina Logistics & Agencies Co., Ltd.	15,000,000,000	15%
<b>Total</b>	<b>100,000,000,000</b>	<b>100%</b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

**19. Short-term/Long-term loans and financial lease debts****19a. Short-term loans and financial lease debts**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Short-term loans from banks</i>	<b>22,089,932,577</b>	<b>7,861,226,074</b>
Vietcombank – Haiphong Branch <sup>(i)</sup>	13,200,000,000	
BIDV – Haiphong Branch <sup>(ii)</sup>	8,889,932,577	7,861,226,074
<i>Due long-term loans (see Note V.19b)</i>	<b>81,202,169,555</b>	<b>75,732,071,288</b>
MB – Transaction Office 1	4,679,405,690	6,229,942,463
Vietcombank – Haiphong Branch	66,459,603,865	69,502,128,825
BaoVietBank – Head office	10,063,160,000	-
<i>Due financial lease debt</i>	<b>8,033,980,376</b>	-
Beacon Intermodal Leasing LLC	8,033,980,376	
<b>Total</b>	<b><u>111,326,082,508</u></b>	<b><u>83,593,297,362</u></b>

The Group 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.
- (ii) This is the Limit Credit Contract No. 01/2020/14287326/HDTD dated 30 September 2020 to sponsor short-term legal and valid credit demand to serve business and production activities of the customer, with the term of 12 months, the loan limit of VND 25,000,000,000. The loan interest is determined in each disbursement time.

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

	<u>Short-term loans from banks</u>	<u>Due long-term loans</u>	<u>Due financial lease debt</u>	<u>Total</u>
Beginning balance	7,861,226,074	75,732,071,288	-	83,593,297,362
Increase during the year	62,257,315,651	25,000,000,000	-	87,257,315,651
Transfer from long-term loans and debts	-	83,872,350,595	10,156,552,050	94,028,902,645
Amount already paid during year	(48,028,609,148)	(103,402,252,328)	(2,122,571,674)	(153,553,433,150)
<b>Ending balance</b>	<b><u>22,089,932,577</u></b>	<b><u>81,202,169,555</u></b>	<b><u>8,033,980,376</u></b>	<b><u>111,326,082,508</u></b>

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

#### 19b. Long-term loans

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Loan from other organization</i>	<i>46,430,000,000</i>	-
Pantos Holding Incorporation <sup>(i)</sup>	46,430,000,000	
<i>Long-term loans from banks</i>	<i>288,811,443,403</i>	<i>236,959,660,829</i>
Vietcombank – Haiphong Branch <sup>(ii)</sup>	249,756,955,753	228,432,137,009
MB – Transaction Office 1 <sup>(iii)</sup>	3,833,437,650	8,527,523,820
BaoVietBank – Head office <sup>(iv)</sup>	35,221,050,000	-
<i>Financial lease debt</i>	<i>13,150,906,752</i>	-
Beacon Intermodal Leasing LLC <sup>(v)</sup>	13,150,906,752	
<b>Total</b>	<b><u>348,392,350,155</u></b>	<b><u>236,959,660,829</u></b>

The Group has solvency to pay long-term loans and financial lease debts.

- (i) This is the loan from Pantos Holding Incorporation in accordance with the Loan Contract No. 01/HDVV/PANTOS-PANHAIAN dated 6 March 2020 with the amount of USD 2,000,000; to supplement capital for implementation of Phase II of Pantos - Hai An Logistics Center Project with the fixed interest rate of 5%/year, the loan term of 5 years commencing from the first loan receipt date (26 March 2020). The loan principal can be paid once or in many installments. The loan has no guarantee assets.
- (ii) 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 Sinar Brani container vessel, the term of 60 months (5 years) commencing from the following date of the first disbursement date of the loan capital, the grace time of 6 months commencing from the following date of the first disbursement date of the loan capital 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 is after the termination of grace time, the loan interest is paid every 3 months. 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 the first disbursement date of the loan capital 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 is 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 Ardelt GMBH crane, 5 tractors and 5 trailers, Mv. Hai An Link and Mv. VNL Ruby.
  - The Credit Contract No. 2015/DA/HDTD/VCB-HA dated 22 September 2015 to implement the investment project of Mv. Container HAIAN TIME with the interest rate adjusted every 3 months, the term until 22 September 2020. This loan is secured by mortgaging the asset after investment.
  - The Loan Contract No. 01/2018/VCB-PANHAIAN dated 12 September 2018 to implement Pantos - Hai An Logistics Center Project with the maximum amount of VND 300 billion, the term of 120 months commencing from the first disbursement date, the grace time of 6 months. This loan is secured by all assets formed in the future under the Project (including: Assets attached to land, machinery, equipment/specialized vehicles, transport vehicles).
- (iii) 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 with the term of 60 months. This loan is secured by machinery and equipment formed after investment.

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Notes to the consolidated financial statements (cont.)

- 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 as stipulated in the bills of debt and the maximum term of 60 months. This loan is secured by the assets which are 400 containers of all kinds of the Company.
- The loan contract to invest in 1 Container vessel with the interest rate adjusted every 3 months, the term of 5 years commencing from the first disbursement date, the grace duration of 3 months. This loan is secured by the asset formed from the loan capital.

(iv) This is the loan from BaoVietBank – Head office in accordance with the Contract No. 0056-2020-HDDTD1-BV007 dated 17 July 2020 to purchase the used container vessel (IMO: 9470717) with the amount of VND 47,800,000,000, the term of 60 months, the due date is on 17 July 2025, the guarantee asset is the vehicle formed from the loan capital.

(iv) This is the financial lease from Beacon Intermodal Leasing LLC in accordance with the Lease Schedule No. HCT-002 dated 1 November 2019 to implement the Tangible Fixed Asset Financial Lease Project on the batch of 300 containers of 40HC (with total rental value in 5 years commencing from 1 February 2020 of USD 1,090,719 equivalent to VND 25,419,206,295). The lease term is 60 months commencing from 1 February 2020. At the end of the lease term, the Company will repurchase the entire batch of 300 containers of 40HC from the lessor at the price of USD 1/cont.

Payment schedule of the long-term loans is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Under 1 year	81,202,169,555	75,732,071,288
From 1 year to 5 years	281,435,979,975	169,325,079,429
Over 5 years	66,956,370,180	67,634,581,400
<b>Total</b>	<b><u>429,594,519,710</u></b>	<b><u>312,691,732,117</u></b>

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

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	236,959,660,829	164,633,001,418
Increase	208,452,736,291	156,487,096,900
Amount already paid	(2,393,747,493)	(8,341,210,526)
Transfer to short-term loans and debts	(94,028,902,645)	(75,732,071,288)
Exchange rate differences due to revaluation of loans in foreign currencies at the end of the year	(597,396,827)	(87,155,675)
<b>Ending balance</b>	<b><u>348,392,350,155</u></b>	<b><u>236,959,660,829</u></b>

#### 20. Provision for current liabilities

Provisions for current liabilities related to compensation for damaged goods.

#### 21. Bonus, welfare funds

	<u>Beginning balance</u>	<u>Increase due to appropriation from profit</u>	<u>Disbursement during the year</u>	<u>Ending balance</u>
Bonus funds	15,126,475,213	5,775,000,000	(2,920,308,000)	17,981,167,213
BOM's bonus fund	4,594,444,434	4,331,000,000	(1,544,800,000)	7,380,644,434
<b>Total</b>	<b><u>19,720,919,647</u></b>	<b><u>10,106,000,000</u></b>	<b><u>(4,465,108,000)</u></b>	<b><u>25,361,811,647</u></b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****22. Owner's equity****22a. Statement of fluctuations in owner's equity**

	<b>Owner's contribution capital</b>	<b>Share premium</b>	<b>Treasury stocks</b>	<b>Business promotion fund</b>	<b>Retained profit after tax</b>	<b>Interest of non- controlling shareholders</b>	<b>Total</b>
Beginning balance of the previous year	487,827,510,000	115,606,612,922	(14,920,919,678)	179,564,070,809	188,364,837,620	262,234,132,546	1,218,676,244,219
Profit in the previous year	-	-	-	-	121,378,387,528	11,360,142,133	132,738,529,661
Appropriation of funds	-	-	-	27,337,000,000	(36,905,000,000)	-	(9,568,000,000)
Payment of dividends of the year 2018	-	-	-	-	(72,314,547,000)	(14,850,000,000)	(87,164,547,000)
<b>Ending balance of the previous year</b>	<b>487,827,510,000</b>	<b>115,606,612,922</b>	<b>(14,920,919,678)</b>	<b>206,901,070,809</b>	<b>200,523,678,148</b>	<b>258,744,274,679</b>	<b>1,254,682,226,880</b>
Beginning balance of the current year	487,827,510,000	115,606,612,922	(14,920,919,678)	206,901,070,809	200,523,678,148	258,744,274,679	1,254,682,226,880
Purchase of treasury stocks	-	-	(7,984,565,500)	-	-	-	(7,984,565,500)
Profit in the current year	-	-	-	-	138,296,287,136	8,301,462,660	146,597,749,796
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)
<b>Ending balance of the current year</b>	<b>487,827,510,000</b>	<b>115,606,612,922</b>	<b>(22,905,485,178)</b>	<b>235,778,070,809</b>	<b>252,444,167,284</b>	<b>267,045,737,339</b>	<b>1,335,796,613,176</b>

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

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****22b. Details of owner's contribution capital**

	<u>Ending balance</u>	<u>Beginning balance</u>
Contribution capital of the owners	487,827,510,000	487,827,510,000
Share premiums	115,606,612,922	115,606,612,922
Treasury stocks	(22,905,485,178)	(14,920,919,678)
<b>Total</b>	<b><u>580,528,637,744</u></b>	<b><u>588,513,203,244</u></b>

**22c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	48,782,751	48,782,751
Number of shares already issued	48,782,751	48,782,751
- <i>Common shares</i>	48,782,751	48,782,751
Number of shares repurchased	1,389,953	573,053
- <i>Common shares</i>	1,389,953	573,053
Number of outstanding shares	47,392,798	48,209,698
- <i>Common shares</i>	47,392,798	48,209,698

Face value per outstanding share: VND 10,000.

**22d. Profit distribution**

During the year, 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 shareholders	: 47,392,798,000
Appropriation of business promotion fund	: 28,877,000,000
Appropriation of BOM fund	: 4,331,000,000
Appropriation of bonus and welfare funds	: 5,775,000,000

**23. Off-balance sheet items****Foreign currencies**

	<u>Ending balance</u>	<u>Beginning balance</u>
US Dollar (USD)	2,081,040.47	1,844,541.81
Euro (EUR)	5,628.46	301.83



**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

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

	<u>Current year</u>	<u>Previous year</u>
Sales of operating ports	172,505,653,086	167,863,270,629
Sales of operating vessels	944,730,004,637	880,237,417,463
Sales of other activities	74,431,544,656	60,832,361,269
<b>Total</b>	<b><u>1,191,667,202,379</u></b>	<b><u>1,108,933,049,361</u></b>

**1b. Sales of selling goods and providing services to related parties**

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

	<u>Current year</u>	<u>Previous year</u>
Hai An General Service JSC	113,740,235	241,482,819
Marina Logistics & Agencies Co., Ltd.	3,334,714,097	3,438,689,460
Branch of Marina Logistics & Agencies Co., Ltd. in Haiphong	31,301,743,366	28,846,133,865
Branch of Marina Logistics & Agencies Co., Ltd. in Ho Chi Minh City	955,721,966	895,925,455
Branch of "K" Line (Vietnam) Co., Ltd. in Haiphong City	32,340,000	
New Way Logistics JSC	1,067,137,956	19,700,000

**2. Costs of goods sold**

	<u>Current year</u>	<u>Previous year</u>
Costs of operating ports	84,229,939,558	88,839,755,624
Costs of operating vessels	818,478,942,009	767,605,552,440
Costs of other activities	49,576,594,200	33,202,095,448
<b>Total</b>	<b><u>952,285,475,767</u></b>	<b><u>889,647,403,512</u></b>

**3. Financial income**

	<u>Current year</u>	<u>Previous year</u>
Bank deposit interest	7,416,516,554	8,726,502,162
Loan interest	1,824,657,534	-
Dividends and profits shared	3,802,044,000	3,912,576,990
Gain on transfer of associate		803,100,000
Gain on exchange rate differences	3,184,677,718	2,005,673,499
Gain on exchange rate differences due to revaluation of monetary items in foreign currencies	870,872,963	
<b>Total</b>	<b><u>17,098,768,769</u></b>	<b><u>15,447,852,651</u></b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)****4. Financial expenses**

	<u>Current year</u>	<u>Previous year</u>
Loan interest expenses	23,451,710,381	17,035,078,178
Loss from exchange rate differences	624,128,171	300,815,947
Loss from exchange rate differences due to revaluation of monetary items in foreign currencies	741,471,589	19,136,700
<b>Total</b>	<b><u>24,817,310,141</u></b>	<b><u>17,355,030,825</u></b>

**5. Administrative overheads**

	<u>Current year</u>	<u>Previous year</u>
Expenses for staff	37,375,374,486	34,926,512,913
Expenses for managing materials	1,239,243,260	1,397,699,416
Expenses for office stationery	1,025,056,794	884,330,371
Depreciation of fixed assets	4,248,381,236	3,959,419,534
Taxes, fees and duties	118,669,637	126,584,000
Provision for bad debts	360,570,354	358,973,532
External services hired	6,087,657,470	8,046,668,140
Others	17,431,377,901	17,508,975,066
<b>Total</b>	<b><u>67,886,331,138</u></b>	<b><u>67,209,162,972</u></b>

**6. Other income**

	<u>Current year</u>	<u>Previous year</u>
Gain from disposal and liquidation of fixed assets	-	1,438,747,248
Compensation	1,108,077,674	1,609,558,629
Settlement of liabilities	-	221,028,147
Others	120,831,209	331,869,046
<b>Total</b>	<b><u>1,228,908,883</u></b>	<b><u>3,601,203,070</u></b>

**7. Other expenses**

	<u>Current year</u>	<u>Previous year</u>
Taxed fined, recovered	5,053,238	260,657,191
Penalty due to administrative breach	94,075,000	80,960,000
Compensation expenses	218,074,740	
Support for Program "Water for drought and salinity area"	230,000,000	-
Settlement of liabilities	-	370,642,595
Others	273,748,064	12,120,875
<b>Total</b>	<b><u>820,951,042</u></b>	<b><u>724,380,661</u></b>

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

**8. Earnings per share****8a. Basic earnings/Declined interest per share**

	<u>Current year</u>	<u>Previous year</u>
Accounting profit after corporate income tax of the shareholders of the Holding Company	138,296,287,136	121,378,387,528
Appropriation of bonus fund, BOM fund <sup>(i)</sup>	(7,949,000,000)	(8,184,281,814)
Profit for determination of basic earnings/declined interest per share	130,347,287,136	113,194,105,714
Weighted average number of common shares outstanding during the year	47,668,082	48,209,698
<b>Basic earnings/Declined interest per share</b>	<b><u>2,734</u></b>	<b><u>2,348</u></b>

<sup>(i)</sup> Bonus fund and BOM fund in 2020 are temporarily calculated at the appropriation rate of 7% on profit after corporate income tax.

Weighted average number of common shares outstanding during the year is calculated as follows:

	<u>Current year</u>	<u>Previous year</u>
Common shares outstanding at the beginning of the year	48,209,698	48,209,698
Effects of common shares repurchased as 816,900 treasury stocks on 24 April 2020	(541,616)	-
<b>Average common shares outstanding during the year</b>	<b><u>47,668,082</u></b>	<b><u>48,209,698</u></b>

**8b. Other information**

There have not been any transactions of common shares or potential transactions of common shares from the balance sheet date to the disclosure date of these consolidated financial statements.

**9. Operating expenses per element**

	<u>Current year</u>	<u>Previous year</u>
Expenses for materials and supplies	303,091,015,713	324,723,742,074
Labor costs	138,420,657,119	115,960,854,371
Depreciation of fixed assets <sup>(*)</sup>	137,201,480,785	116,852,289,217
External services hired	356,054,165,736	321,744,738,251
Others	85,404,487,552	71,609,478,771
<b>Total</b>	<b><u>1,020,171,806,905</u></b>	<b><u>950,891,102,684</u></b>

<sup>(\*)</sup> Details of depreciation costs are as follows:

	<u>Current year</u>	<u>Previous year</u>
Depreciation of fixed assets	147,508,799,399	122,588,946,691
Depreciation costs under BCC shared with entities	(10,307,318,614)	(13,168,904,968)
<b>Total</b>	<b><u>137,201,480,785</u></b>	<b><u>116,852,289,217</u></b>

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

## VII. OTHER INFORMATION

### 1. Transactions and balances with related parties

Related parties of the Group 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 the Executive officers. Related individuals with the key managers are their relatives.

##### *Transactions with the key managers and their related individuals*

The Group has not had any transactions of selling goods and providing services to the key managers and their related individuals. Other transaction during the year only included the transaction of allowance payment for the members of the BOM, the Board of Control with the amount of VND 546,000,000 (that in the same period of the previous year was VND 252,000,000).

##### *Liabilities with the key managers and their related individuals*

Liabilities with the key managers and their related individuals are presented in Note V.17a.

##### *Income of the key managers*

	<u>Current year</u>	<u>Previous year</u>
Salary	3,834,737,923	3,896,728,210
Allowance	458,450,000	618,400,000
Bonus	1,866,582,977	2,450,945,433
<b>Total</b>	<b><u>6,159,770,900</u></b>	<b><u>6,966,073,643</u></b>

#### 1b. Transactions and balances with other related parties

Other related parties of the Group include:

<b>Other related parties</b>	<b>Relationship</b>
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
Green Field Corporation	With the same key manager
Green Field Agency JSC	With the same key manager
New Way Logistics JSC	With the same key manager

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

#### Notes to the consolidated financial statements (cont.)

##### *Transactions with other related parties*

Apart from transactions with associates as presented in Note V.2b as well as transactions of selling goods and providing services to other related parties which are not associates as presented in Note VI.1b, the Group has also had other transactions with other related parties as follows:

	<u>Current year</u>	<u>Previous year</u>
<b><i>Hai An General Service JSC</i></b>		
Using service of HAGS	7,719,551,649	8,245,878,574
<b><i>Hai Ha Investment and Transportation JSC</i></b>		
Office rental	3,134,491,169	3,160,146,289
Using service of operating ports	612,839,699	-
HACT used consulting service	1,724,840,000	2,683,290,000
Dividend payment	5,567,500,000	8,351,250,000
Receipt of BCC contribution capital	10,000,000,000	10,000,000,000
Share of BCC profit	2,794,288,634	1,727,775,307
<b><i>Marina Logistics &amp; Agencies Co., Ltd.</i></b>		
Dividend payment	1,722,060,000	6,483,090,000
HACT used agency service	17,277,423,878	15,265,501,675
Receipt of BCC contribution capital	15,000,000,000	10,000,000,000
Share of BCC profit	1,696,908,285	-
Related party shared dividends	1,000,000,000	700,000,000
<b><i>Branch of Marina Logistics &amp; Agencies Co., Ltd. in Haiphong City</i></b>		
Using agency service	31,020,000	43,636,708
<b><i>Branch of Marina Logistics &amp; Agencies Co., Ltd. in Ho Chi Minh City</i></b>		
Road transportation costs	6,214,898,135	2,811,753,636
<b><i>Green Field Corporation</i></b>		
Dividend payment	2,000,000,000	3,000,000,000
Using lifting service	366,303,047	2,198,803,401
<b><i>Green Field Agency JSC</i></b>		
Dividend payment	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.5a, V.12 and V.17.

## 2. Segment information

The 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 Group.

### 2a. Business segments

The Group 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.)

**HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY**Address: 7<sup>th</sup> Floor, No. 45 Trieu Viet Vuong, Nguyen Du Ward, Hai Ba Trung District, Hanoi City**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2020

**Notes to the consolidated financial statements (cont.)**

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

	Activity of operating ports	Activity of operating vessels	Other activities	Total
<b>Current year</b>				
Net sales of selling goods and providing services externally	172,505,653,086	944,730,004,637	74,431,544,656	1,191,667,202,379
Net sales of selling goods and providing services among segments				
<b>Total net sales of selling goods and providing services</b>	<b>172,505,653,086</b>	<b>944,730,004,637</b>	<b>74,431,544,656</b>	<b>1,191,667,202,379</b>
Segment business results	88,275,713,528	126,251,062,628	24,854,950,456	239,381,726,612
Expenses not allocated for each segment				(67,886,331,138)
Profit from business operation				171,495,395,474
Financial income				17,098,768,769
Financial expenses				(24,817,310,141)
Gain/loss in joint ventures, associates				5,974,682,759
Other income				1,228,908,883
Other expenses				(820,951,042)
Current corporate income tax				(23,561,744,906)
<b>Profit after corporate income tax</b>				<b>146,597,749,796</b>
<b>Total expenses arising to purchase fixed assets and other long-term assets</b>	<b>15,420,601,816</b>	<b>221,692,765,026</b>	<b>184,379,177,165</b>	<b>421,492,544,007</b>
<b>Total depreciation expenses and allocation of long-term prepaid expenses</b>	<b>41,820,852,266</b>	<b>64,666,701,916</b>	<b>9,251,954,766</b>	<b>115,739,508,948</b>
<b>Previous year</b>				
Net sales of selling goods and providing services externally	167,863,270,629	880,237,417,463	60,832,361,269	1,108,933,049,361
Net sales of selling goods and providing services among segments				
<b>Total net sales of selling goods and providing services</b>	<b>167,863,270,629</b>	<b>880,237,417,463</b>	<b>60,832,361,269</b>	<b>1,108,933,049,361</b>
Segment business results	79,023,515,005	112,631,865,023	27,630,265,821	219,285,645,849
Expenses not allocated for each segment				(67,209,162,972)
Profit from business operation				152,076,482,877
Financial income				15,447,852,651
Financial expenses				(17,355,030,825)

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

	Activity of operating ports	Activity of operating vessels	Other activities	Total
Gain/loss in joint ventures, associates				3,056,485,639
Other income				3,601,203,070
Other expenses				(724,380,661)
Current corporate income tax				(23,364,083,090)
<b>Profit after corporate income tax</b>				<b>132,738,529,661</b>
<b>Total expenses arising to purchase fixed assets and other long-term assets</b>	<b>12,680,105,846</b>	<b>158,278,047,884</b>	<b>75,485,527,886</b>	<b>246,443,681,616</b>
<b>Total depreciation expenses and allocation of long-term prepaid expenses</b>	<b>42,823,119,031</b>	<b>91,101,183,927</b>	<b>16,543,843,107</b>	<b>150,468,146,065</b>
Assets and liabilities of business segments based on the Group are as follows:				
	Activity of operating ports	Activity of operating vessels	Other activities	Total
<b>Ending balance</b>				
Direct assets of segments	281,524,286,190	872,707,428,782	483,544,592,547	1,637,776,307,519
Assets allocated for segments				-
Assets not allocated for each segment				456,774,971,026
<b>Total assets</b>				<b>2,094,551,278,545</b>
Direct payable liabilities of segments	41,491,940,130	384,059,144,979	239,864,410,228	665,415,495,337
Payable liabilities allocated for segments				
Payable liabilities not allocated for each segment				93,339,170,032
<b>Total payable liabilities</b>				<b>758,754,665,369</b>
<b>Beginning balance</b>				
Direct assets of segments	529,040,392,576	786,540,035,431	417,256,681,039	1,732,837,109,046
Assets allocated for segments				
Assets not allocated for each segment				1,827,544,202,998
<b>Total assets</b>				<b>1,827,544,202,998</b>
Direct payable liabilities of segments	21,821,128,420	326,928,853,056	166,000,424,017	514,750,405,493
Payable liabilities allocated for segments				
Payable liabilities not allocated for each segment				58,111,570,625
<b>Total payable liabilities</b>				<b>572,861,976,118</b>

#### 2b. Geographical segments

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

## HAI AN TRANSPORT AND STEVEDORING JOINT STOCK COMPANY

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

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2020

Notes to the consolidated financial statements (cont.)

---

### 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 consolidated financial statements.

Prepared on 23 February 2021

Prepared by

Head of Finance-Accounting Department

General Director



Tran Thi Thanh Hao



Tran Thi Thanh Hao



M.S.D.N: 0103818809 - C.T.P.  
CÔNG TY  
CỔ PHẦN  
VẬN TẢI VÀ XẾP DỖ  
HẢI AN  
Q. HAI BÀ TRUNG, TP. HÀ NỘI

Vu Thanh Hai





**Now,  
for tomorrow**

**A&C AUDITING AND CONSULTING CO., LTD.**

[www.a-c.com.vn](http://www.a-c.com.vn)

---

<b>Head Office</b>	: 02 Truong Son St., Tan Binh Dist., Ho Chi Minh City, Vietnam	Tel: +84 (028) 3547 2972	<a href="mailto:kttv@a-c.com.vn">kttv@a-c.com.vn</a>
<b>Branch in Ha Noi</b>	: 40 Giang Vo St., Dong Da Dist., Ha Noi City, Vietnam	Tel: +84 (024) 3736 7879	<a href="mailto:kttv.hn@a-c.com.vn">kttv.hn@a-c.com.vn</a>
<b>Branch in Nha Trang</b>	: Lot STH 06A.01, St. No.13, Le Hong Phong II Urban Area, Nha Trang City, Vietnam	Tel: +84 (0258) 246 5151	<a href="mailto:kttv.nt@a-c.com.vn">kttv.nt@a-c.com.vn</a>
<b>Branch in Can Tho</b>	: 15-13 Vo Nguyen Giap St., Cai Rang Dist., Can Tho City, Vietnam	Tel: +84 (0292) 376 4995	<a href="mailto:kttv.ct@a-c.com.vn">kttv.ct@a-c.com.vn</a>