

**CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**
FOR THE FIRST 06 MONTHS OF
THE FISCAL YEAR ENDING 31 DECEMBER 2018

GEMADEPT CORPORATION

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Gemadept Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Consolidated Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2018 including the Interim Financial Statements of the Corporation and those of its subsidiaries (hereinafter collectively referred to as “the Group”).

Business highlights

Gemadept Corporation has been operating under the Business Registration Certificate No. 0301116791, which was registered for the 1st time on 01 November 1993 and was amended for the 22nd on 15 November 2017, granted by the Department of Planning and Investment of Ho Chi Minh City.

Head office:

- Address : No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
- Tel. : (84-28) 38 236 236
- Fax : (84-28) 38 235 236

The Corporation has been consistent with its strategy to develop core businesses and to selectively diversify business sectors. The business scopes of the Corporation include port operation, logistics, forestry and real estate.

- Port operation: Operating a port system stretching from the North to the South, in big cities and at major industrial zones: Phuoc Long Port, Nam Hai Port, Nam Hai Dinh Vu Port, Nam Dinh Vu Port, Dung Quat Port, Binh Duong Port, Nam Hai ICD and investing in the projects of Gemalink Cai Mep Deep-sea Container Port;
- Logistics: Distribution centers; container liner services; project cargo transport; multi-modal transport, ship and crew management; shipping agency and freight forwarding services; air-cargo terminal, etc.
- Forestry: Planting, caring, exploiting and processing rubber trees and other industrial crops in Cambodia;
- Real estate: Building and operating commercial centers, hotels, office buildings in big cities of Vietnam and Indochina including Saigon Gem Mixed-use Development project and Gemadept Mixed-use Development project in Vientiane- Laos.

Board of Management and Executive Officers

The Board of Management and the Executive Officers of the Corporation during the period and as of the date of this statement include:

The Board of Management

Full name	Position
Mr. Do Van Nhan	Chairman
Mr. Chu Duc Khang	Vice Chairman
Mr. Phan Thanh Loc	Vice Chairman
Mr. Do Van Minh	Member
Mr. Vu Ninh	Member
Ms. Nguyen Minh Nguyet	Member
Ms. Bui Thi Thu Huong	Member
Mr. Bolat Duisenov	Member
Mr. David Do	Member
Ms. Le Thuy Huong	Member
Ms. Ha Thu Hien	Member
Mr. Pham Hong Hai	Resigned Member
Mr. Pham Tien Tinh	Resigned Member

GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

The Control Board

Full name	Position
Mr. Luu Tuong Giai	Chief of the Board
Ms. Vu Thi Hoang Bac	Member
Mr. Tran Duc Thuan	Member
Ms. Phan Cam Ly	Member
Ms. Tran Hoang Ngoc Uyen	Member

The Board of Directors

Full name	Position
Mr. Do Van Minh	General Director
Mr. Chu Duc Khang	Deputy General Director
Mr. Pham Quoc Long	Deputy General Director
Mr. Nguyen Thanh Binh	Deputy General Director
Mr. Tran Quang Tien	Deputy General Director

Legal Representative

The Corporation's legal representative during the period and as of the date of this statement is Mr. Do Van Minh – General Director (reappointed on 08 June 2018).

Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the review on the Group's Consolidated Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2018.

Responsibilities of the Board of Directors

The Board of Directors of the Corporation is responsible for the preparation of the Consolidated Interim Financial Statements to give a true and fair view of the consolidated interim financial position, the consolidated interim financial performance and the consolidated interim cash flows of the Corporation during the period. In order to prepare these Consolidated Interim Financial Statements, the Board of Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates prudently;
- state clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Interim Financial Statements;
- prepare the Consolidated Interim Financial Statements of the Group on the going-concern basis, 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 Interim Financial Statements are free from material misstatements due to frauds or errors.

The Board of Directors hereby ensures 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 Board of Directors is also responsible for managing the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Interim Financial Statements.

GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Approval on the Financial Statements

The Board of Directors of the Corporation hereby approves the accompanying Consolidated Interim Financial Statements, which give a true and fair view of the consolidated financial position of the Group as of 30 June 2018, the consolidated financial performance and the consolidated cash flows for the first 06 months of the fiscal year ending 31 December 2018 in conformity with the Vietnamese Accounting Standards and System and other legal regulations related to the preparation and presentation of the Consolidated Interim Financial Statements.

For and on behalf of the Board of Directors,



Do Van Minh
General Director

Date: 29 August 2018



No. 1.1170/18/TC-AC

REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS GEMADEPT CORPORATION

We have reviewed the accompanying Consolidated Interim Financial Statements of Gemadept Corporation (hereinafter referred to as "the Corporation") and its subsidiaries (hereinafter collectively referred to as "the Group"), which were prepared on 29 August 2018 (from page 06 to page 55), including the Consolidated Interim Balance Sheet as at 30 June 2018, the Consolidated Interim Income Statement, the Consolidated Interim Cash Flow Statement for the first 06 months of the fiscal year ending 31 December 2018 and the Notes to the Consolidated Interim Financial Statements.

Responsibility of the Board of Directors

The Corporation's Board of Directors is responsible for the preparation, true and fair presentation of these Consolidated Interim Financial Statements in accordance with the Vietnamese Accounting Standards and System as well as the legal regulations related to the preparation and presentation of the Consolidated Interim Financial Statements and responsible for such internal control as the Board of Directors determines necessary to enable the preparation and presentation of Consolidated Interim Financial Statements to be free from material misstatement, whether due to fraud or error.

Responsibility of Auditors

Our responsibility is to express conclusion on these Consolidated Interim Financial Statements based on our review. We have conducted the review in accordance with the Vietnamese Standards on Review Engagements No. 2410 – Review on interim financial information performed by independent auditor of the entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion of Auditors

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Financial Statements have not given a true and fair view, in all material respects, of the consolidated financial position as of 30 June 2018 of the Group, its consolidated financial performance and its consolidated cash flows for the first 06 months of the fiscal year ending 31 December 2018, in conformity with the Vietnamese Accounting Standards and Systems as well as other legal regulations related to preparation and presentation of Consolidated Interim Financial Statements.

For and on behalf of
A&C Auditing and Consulting Co., Ltd.



Nguyen Minh Tri
Deputy General Director

Audit Practice Registration Certificate No. 0089-2018-008-1

Ho Chi Minh City, 29 August 2018

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

CONSOLIDATED INTERIM BALANCE SHEET

(Full form)

As of 30 June 2018

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		1,480,086,652,213	2,223,117,121,083
I. Cash and cash equivalents	110	V.1	182,909,541,076	779,802,200,597
1. Cash	111		148,913,018,854	494,938,359,637
2. Cash equivalents	112		33,996,522,222	284,863,840,960
II. Short-term financial investments	120		103,330,475,028	113,000,452,720
1. Trading securities	121	V.2a	140,694,265,680	140,694,265,680
2. Provisions for devaluation of trading securities	122	V.2a	(70,463,790,652)	(74,153,531,152)
3. Held-to-maturity investments	123	V.2b	33,100,000,000	46,459,718,192
III. Short-term receivables	130		981,388,234,440	1,127,689,185,681
1. Short-term trade receivables	131	V.3	393,873,437,590	619,894,329,405
2. Short-term prepayments to suppliers	132	V.4a	353,926,847,777	306,179,387,814
3. Short-term inter-company receivables	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135	V.5	16,110,000,000	15,780,000,000
6. Other short-term receivables	136	V.6a	228,637,211,527	199,721,186,951
7. Allowance for short-term doubtful debts	137	V.7	(11,159,262,454)	(13,885,718,489)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140	V.8	62,982,365,973	107,800,595,571
1. Inventories	141		66,072,537,773	110,858,381,291
2. Allowance for inventories	149		(3,090,171,800)	(3,057,785,720)
V. Other current assets	150		149,476,035,696	94,824,686,514
1. Short-term prepaid expenses	151	V.9a	9,112,404,895	11,702,482,727
2. Deductible VAT	152		137,630,276,188	79,350,944,882
3. Taxes and other receivables from the State	153	V.18	2,733,354,613	3,771,258,905
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B - NON-CURRENT ASSETS	200		8,524,732,499.481	9,068,100,086.189
I. Long-term receivables	210		104,493,586.270	127,490,383.350
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212	V.4b	358,000,000	358,000,000
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.6b	104,135,586.270	127,132,383.350
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		3,382,255,923.079	3,208,464,134.770
1. Tangible fixed assets	221	V.10	3,037,998,545.340	2,827,737,097.831
- Historical cost	222		4,463,164,725.875	4,816,531,395.729
- Accumulated depreciation	223		(1,425,166,180.535)	(1,988,794,297.898)
2. Financial leased assets	224	V.11	56,694,489.327	64,828,449.857
- Historical cost	225		92,987,286.021	92,987,286.021
- Accumulated depreciation	226		(36,292,796.694)	(28,158,836.164)
3. Intangible fixed assets	227	V.12	287,562,888.412	315,898,587.082
- Initial cost	228		345,589,268.919	375,212,554.403
- Accumulated amortization	229		(58,026,380.507)	(59,313,967.321)
III. Investment property	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in process	240		1,602,118,869.554	2,457,808,973.398
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.13	1,602,118,869.554	2,457,808,973.398
V. Long-term financial investments	250		2,668,719,508.180	2,310,194,997.897
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252	V.2c	2,446,189,262.191	2,198,035,895.580
3. Investments in other entities	253	V.2d	238,333,032.000	238,333,032.000
4. Provisions for devaluation of long-term financial investments	254	V.2d	(15,802,786.011)	(126,173,929.683)
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		767,144,612.398	964,141,596.774
1. Long-term prepaid expenses	261	V.9b	668,161,461.168	837,630,679.562
2. Deferred income tax assets	262	V.14	29,809,472.482	33,016,627.000
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269	V.15	69,173,678.748	93,494,290.212
TOTAL ASSETS	270		10,004,819,151.694	11,291,217,207.272

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C- LIABILITIES	300		3.411.872.967.851	4.196.680.125.183
I. Current liabilities	310		1.591.716.397.688	2.676.231.766.155
1. Short-term trade payables	311	V.16	382.306.876.329	761.273.221.507
2. Short-term advances from customers	312	V.17	4.831.362.790	44.834.320.046
3. Taxes and other obligations to the State Budget	313	V.18	145.599.665.851	42.803.370.054
4. Payables to employees	314	V.19	34.355.698.916	101.245.754.112
5. Short-term accrued expenses	315	V.20	211.998.589.084	317.045.083.559
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		-	9.500.000
9. Other short-term payables	319	V.21a	108.346.784.795	580.734.276.203
10. Short-term borrowings and financial leases	320	V.22a	563.930.570.864	714.513.339.980
11. Provisions for short-term payables	321	V.23	67.589.745.020	66.971.291.211
12. Bonus and welfare funds	322	V.24	72.757.104.039	46.801.609.483
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		1.820.156.570.163	1.520.448.359.028
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336	V.25	234.175.664.067	231.677.582.133
7. Other long-term payables	337	V.21b	64.208.238.000	61.593.495.590
8. Long-term borrowings and financial leases	338	V.22b	1.521.407.783.168	1.220.610.259.547
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341	V.26	364.884.928	6.567.021.758
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

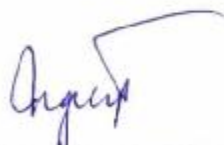
CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D- OWNER'S EQUITY	400		6.592.946.183.843	7.094.537.082.089
I. Owner's equity	410		6.592.946.183.843	7.094.537.082.089
1. Capital	411	V.27	2.882.769.570.000	2.882.769.570.000
- Ordinary shares carrying voting rights	411a		2.882.769.570.000	2.882.769.570.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.27	1.941.832.197.040	1.941.832.197.040
3. Bond conversion options	413		-	-
4. Other sources of capital	414	V.27	71.797.775.902	71.797.775.902
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417	V.27	77.647.281.047	65.512.288.857
8. Investment and development fund	418	V.27	140.506.685.321	140.506.685.321
9. Business arrangement supporting fund	419		-	-
10. Other funds	420	V.27	127.495.807.349	128.055.807.347
11. Retained earnings	421	V.27	687.780.257.905	1.113.091.207.224
- Retained earnings accumulated to the end of the previous period	421a		-	1.113.091.207.224
- Retained earnings of the current period	421b		687.780.257.905	-
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429	V.27	663.116.609.279	750.971.550.398
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		10.004.819.151.694	11.291.217.207.273

Ho Chi Minh City, 29 August 2018


Pham Quang Huy
Preparer

Nguyen Minh Nguyen
Chief AccountantDo Van Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

CONSOLIDATED INTERIM INCOME STATEMENT

(Full form)

For the first 06 months of the fiscal year ending 31 December 2018

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
1. Sales	01	VI.1	1.299.074.551.073	1.867.538.461.087
2. Sales deductions	02		-	-
3. Net sales	10		1.299.074.551.073	1.867.538.461.087
4. Cost of sales	11	VI.2	813.979.917.999	1.399.928.678.519
5. Gross profit	20		485.094.633.074	467.609.782.568
6. Financial income	21	VI.3	1.546.133.686.333	35.504.175.247
7. Financial expenses	22	VI.4	(24.431.043.793)	85.490.773.027
In which: Loan interest expenses	23		53.630.625.584	87.741.458.559
8. Gain or loss in joint ventures, associates	24	V.2c	53.974.186.700	52.376.591.361
9. Selling expenses	25	VI.5	79.207.983.735	36.978.970.008
10. General and administration expenses	26	VI.6	149.644.130.047	145.408.883.641
11. Net operating profit	30		1.880.781.436.118	287.611.922.500
12. Other income	31	VI.7	11.887.720.447	38.133.417.098
13. Other expenses	32	VI.8	103.163.323.072	65.006.454.471
14. Other profit/(loss)	40		(91.275.602.625)	(26.873.037.373)
15. Total accounting profit before tax	50		1.789.505.833.493	260.738.885.127
16. Current income tax	51	V.18	238.263.659.738	29.271.666.147
17. Deferred income tax	52	VI.9	(2.944.045.012)	951.036.494
18. Profit after tax	60		1.554.186.218.767	230.516.182.486
19. Profit after tax of the Parent Company	61		1.528.862.954.602	192.543.166.727
20. Profit after tax of non-controlling shareholders	62		25.323.264.165	37.973.015.759
21. Basic earnings per share	70	VI.10	5.243	946
22. Diluted earnings per share	71	VI.10	5.243	946

Pham Quang Huy
Preparer

Nguyen Minh Nguyen
Chief Accountant

Do Van Minh
General Director



Ho Chi Minh City, 29 August 2018

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

CONSOLIDATED INTERIM CASH FLOW STATEMENT

(Full form)

(Indirect method)

For the first 06 months of the fiscal year ending 31 December 2018

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		1.789.505.833.493	260.738.885.127
2. Adjustments				
- Depreciation of fixed assets and investment properties	02		151.333.962.072	148.943.422.813
- Provisions and allowances	03	V.2, V.7	(113.689.942.377)	(17.357.073.901)
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04	VI.3, VI.4	7.579.590.554	(4.506.616.986)
- Gain/(loss) from investing activities	05	VI.3, VI.7, VI.8	(1.443.698.210.174)	32.684.887.476
- Interest expenses	06	VI.4	53.630.625.584	87.741.458.559
- Others	07		-	-
3. Operating profit before changes of working capital	08		444.661.859.152	508.244.963.088
- Increase/(decrease) of receivables	09		(68.705.324.769)	98.331.279.605
- Increase/(decrease) of inventories	10		18.170.947.488	(28.764.636.720)
- Increase/(decrease) of payables	11		(46.641.482.968)	(134.709.002.393)
- Increase/(decrease) of prepaid expenses	12		7.031.661.949	2.950.281.141
- Increase/(decrease) of trading securities	13		-	2.064.388.947
- Interests paid	14	V.20, V.21, VI.4	(37.778.588.719)	(39.328.906.469)
- Corporate income tax paid	15	V.18	(106.390.517.499)	(46.077.501.708)
- Other cash inflows	16		-	-
- Other cash outflows	17		(15.278.046.602)	(20.676.611.224)
Net cash flows from operating activities	20		195.070.508.032	342.034.254.267
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21		(743.428.605.693)	(581.762.714.873)
2. Proceeds from disposals of fixed assets and other non-current assets	22		2.541.792.492	12.955.624.812
3. Cash outflow for lending, buying debt instruments of other entities	23		(36.330.000.000)	(40.665.386.944)
4. Cash recovered from lending, selling debt instruments of other entities	24		56.765.000.000	61.800.000.000
5. Investments in other entities	25		(230.649.000.000)	-
6. Withdrawals of investments in other entities	26		1.814.973.893.654	-
7. Interest earned, dividends and profits received	27	V.2, V.6, VI.3	78.941.517.113	97.248.879.734
Net cash flows from investing activities	30		942.814.597.566	(450.423.597.271)

GEMADEPT CORPORATION

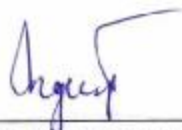
Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Consolidated Interim Cash Flow Statement (cont.)

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33		836.989.914.089	119.463.223.870
4. Repayment for loan principal	34		(216.032.074.526)	(116.873.235.150)
5. Payments for financial leased assets	35		(10.356.196.331)	(9.706.593.051)
6. Dividends and profit paid to the owners	36		(2.345.656.266.600)	(34.175.271.330)
<i>Net cash flows from financing activities</i>	<i>40</i>		<u><i>(1.735.054.623.368)</i></u>	<u><i>(41.291.875.661)</i></u>
Net cash flows during the period	50		(597.169.517.770)	(149.681.218.665)
Beginning cash and cash equivalents	60	V.1	779.802.200.597	724.469.956.298
Effects of fluctuations in foreign exchange rates	61		276.858.249	670.125.713
Ending cash and cash equivalents	70	V.1	<u>182.909.541.076</u>	<u>575.458.863.346</u>


Pham Quang Huy
Preparer

Nguyen Minh Nguyet
Chief Accountant

Ho Chi Minh City, 29 August 2018

Do Van Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

I. GENERAL INFORMATION

1. Ownership form

Gemadept Corporation (hereinafter referred to as “the Corporation” or “the Parent Company”) is a joint stock company.

2. Operating field

The Corporation operates in many different fields.

3. Principal business activities

The Corporation has been consistent with its strategy to develop core businesses and to selectively diversify business sectors. The Corporation’s business scopes include port operation, logistics, forestry and real estate.

- Port operation: Operating a port system stretching from the North to the South, in big cities and at major industrial zones: Phuoc Long Port, Nam Hai Port, Nam Hai Dinh Vu Port, Nam Dinh Vu Port, Dung Quat Port, Binh Duong Port, Nam Hai ICD and investing in the projects of Gemalink Cai Mep Deep-sea Container Port;
- Logistics: Distribution centers; container liner services; project cargo transport; multi-modal transport, ship and crew management; shipping agency and freight forwarding services; air-cargo terminal, etc.
- Forestry: Planting, caring, exploiting and processing rubber trees and other industrial crops in Cambodia.
- Real estate: Building and operating commercial centers, hotels, office buildings in big cities of Vietnam and Indochina including Saigon Gem Mixed-use Development project and Gemadept Mixed-use Development project in Vientiane- Laos.

4. Normal operating cycle

The Corporation’s normal operating cycle is within 12 months.

5. Effects of the Group’s operation during the period on the Consolidated Interim Financial Statements

The Corporation paid dividends of 2016 and special dividends of 2017 in cash at the rate of 80%, equivalent to VND 8.000/share.

During the period, the Group dissolved and withdrew its capital from some subsidiaries (see information on the Group’s restructuring).

During the period, the Group additionally contributed capital to Pacific Pride JSC, Pacific Rubber Industry Company Limited and “K” Line-Gemadept Logistics Company Limited.

6. Structure of the Group

At the end of the period, the Group includes the Parent Company, 19 subsidiaries under the control of the Parent Company and 17 joint ventures, associates (at the beginning of the year, the Group had 32 subsidiaries and 10 joint venture, associates). All subsidiaries are consolidated in these Consolidated Interim Financial Statements.

6a. Information on the Group’s restructuring

On 13 February 2018, the Group completed its transfer of 50,90% of capital contribution to Gemadept Logistics Holding Company Limited. The remaining investment is presented in item “Investments in joint ventures, associates” on the Consolidated Interim Financial Statements.

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GEMADEPT CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Notes to the Consolidated Interim Financial Statements (cont.)

Gemadept Logistics Holding Company Limited was renamed as CJ Gemadept Logistics Holdings Company Limited according to the third amended Business Registration Certificate No. 0314546921 dated 15 March 2018. Subsidiaries of CJ Gemadept Logistics Holdings Company Limited include Gemadept Logistics One Member Company Limited, Gemadept Hai Phong One Member Company Limited and Mekong Logistics Company. These subsidiaries are transformed to the Group's associates.

On 13 February 2018, the Group completed its transfer of 49% of capital contribution to Gemadept Shipping Holding Limited Company. The remaining investment is presented in item "Investments in joint ventures, associates" on the Consolidated Interim Financial Statements according to the capital transfer contract. Gemadept Shipping Holding Limited Company was renamed as CJ Gemadept Shipping Holdings Company Limited according to the third amended Business Registration Certificate No. 0314492497 dated 15 March 2018. Subsidiaries of CJ Gemadept Shipping Holdings Company Limited include Gemadept Shipping Limited Company, Gemadept Shipping Singapore Pte. Ltd. and Gemadept (Malaysia) Sdn. Bhd. These subsidiaries are transformed to the Group's associates.

On 30 June 2018, the Group completed its transfer of the entire capital contributed to Hoa Sen – Gemadept Logistics and International Port Corporation.

During the period, the Group terminated operation of subsidiaries: Bright Ocean Logistics Company Limited, Gemadept (S) Pte. Ltd. and Grand Pacific Shipping Pte., Ltd.

6b. List of subsidiaries to be consolidated

Subsidiaries	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
Nam Dinh Vu Port Joint Stock Company	Lot CA1, Nam Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	60,00%	60,00%	60,00%	60,00%
Nam Hai Dinh Vu Port J.S.C.	Km No. 6, Dinh Vu Street, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	84,66%	84,66%	84,66%	84,66%
Nam Hai Port Corporation Joint Stock Company	No. 201, Ngo Quyen Street, May Chai Ward, Ngo Quyen District, Hai Phong City, Vietnam	99,98%	99,98%	99,98%	99,98%
Nam Hai ICD Joint Stock Company	Lot CN3, MP Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	65,00%	65,00%	65,00%	65,00%
Gemadept Dung Quat International Port J.S.C.	Port No. 1 – Dung Quat Port, Binh Thuan Commune, Binh Son District, Quang Ngai Province, Vietnam	80,40%	80,40%	80,40%	80,40%
Phuoc Long Port Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Truong Tho Transportation Services Corporation ⁽ⁱ⁾	Quarter 7, Truong Tho Ward, Thu Duc District, Ho Chi Minh City, Vietnam	46,00%	46,00%	54,00%	54,00%
Pacific Marine Equipment and Service Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
ISS - Gemadept Co., Ltd.	No. 45 Vo Thi Sau Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam	51,00%	51,00%	51,00%	51,00%

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Notes to the Consolidated Interim Financial Statements (cont.)

Subsidiaries	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
Pacific Marine Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Pacific Rubber Industry Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Pacific Pearl Joint Stock Company Limited	61 Road No. 468, Toul Tumpoung 2 Ward, Chamkarmon District, Phnom Penh City, Cambodia	100%	100%	100%	100%
Pacific Lotus Joint Stock Company Limited	18B Road No. 500, Phsar Deum Thkov Ward, Chamkarmon District, Phnom Penh City, Cambodia	100%	100%	100%	100%
Pacific Pride J.S.C.	947 Por Prok Khang Tbong Hamlet, Kar Karb Ward, Po Sen Chey District, Phnom Penh City, Cambodia	100%	100%	100%	100%
V.N.M General Transportation Service Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%
Gemadept Construction Infrastructure Investment and Development Corporation	No. 147 Nguyen Thai Binh Street, Ward 3, Tan An City, Long An Province, Vietnam	50,00%	50,00%	50,00%	50,00%
Gemadept – Vung Tau Corporation	No. 1/1A Pham Hong Thai Street, Ward 7, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam	70,00%	70,00%	70,00%	70,00%
Gemadept Nhon Hoi International Port J.S.C.	No. 98 Pham Hung Street, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province, Vietnam	53,20%	53,20%	53,20%	53,20%
Vi Tin Service Computing Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%	100%

- (i) The Group has taken control over Truong Tho Transportation Services Corporation since it has been authorized by some shareholders to reach the voting right rate of 54% at the General Meetings of Shareholders.

6c. List of joint ventures, associates reflected in the Consolidated Interim Financial Statements in accordance with the equity method

Companies	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
CJ Gemadept Logistics Holdings Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	49,10%	100%	49,10%	100%
Gemadept Logistics One Member Company Limited	Lot J1, Road No. 8, Song Than 1 Industrial Park, Di An Ward, Di An Town, Binh Duong Province, Vietnam	49,10%	100%	49,10%	100%
Mekong Logistics Company	Song Hau Industrial Park, Dong Phu Commune, Chau Thanh District, Hau Giang Province	25,02%	50,96%	25,02%	50,96%

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Notes to the Consolidated Interim Financial Statements (cont.)

Companies	Address	Benefit rate		Voting right	
		Ending balance	Beginning balance	Ending balance	Beginning balance
Gemadept Hai Phong One Member Company Limited	6 th Floor, Lot 20A, TD Plaza Business Center Building, Le Hong Phong Street, Dong Khe Ward, Ngo Quyen District, Hai Phong City, Vietnam	49,10%	100%	49,10%	100%
CJ Gemadept Shipping Holdings Company Limited	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	51,00%	100%	50,00%	100%
Gemadept Shipping Limited Company	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	51,00%	100%	50,00%	100%
Gemadept Shipping Singapore Pte. Ltd.	63 Market Street #05 – 01A Bank of Singapore Centre, Singapore, 048942	51,00%	100%	50,00%	100%
Gemadept (Malaysia) Sdn. Bhd.	No.68B, Jalan Batai Laut 4, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia	51,00%	100%	50,00%	100%
Gemadept - Terminal Link Cai Mep Terminal J.S.C. ⁽ⁱ⁾	Cai Mep Area, Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province, Vietnam	65,13%	65,13%	50,00%	50,00%
Saigon Cargo Service Corporation (SCSC Corp.)	No. 30, Phan Thuc Duyen Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam	32,58%	32,89%	32,58%	32,89%
“K” Line – Gemadept Logistics Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	50,00%	50,00%	50,00%	50,00%
Golden Globe Co., Ltd.	Sibunhuong Village, Chanthabouly District, Vientiane, Laos	40,00%	40,00%	40,00%	40,00%
Golden Globe Trading Co., Ltd.	No. 117 Le Loi Street, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam	45,00%	45,00%	45,00%	45,00%
Foodstuff Combina Torial Joint Stock Company	No. 267 Quang Trung Street, Quang Trung Ward, Ha Dong District, Hanoi City, Vietnam	26,56%	26,56%	26,56%	26,56%
Minh Dam Tourism J.S.C.	Cau Tum, Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria-Vung Tau Province, Vietnam	40,00%	40,00%	40,00%	40,00%
Vung Tau Commercial Port J.S.C. (VCP)	No. 973, 30/4 Street, Ward 11, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam	26,78%	26,78%	26,78%	26,78%
OOCL Logistics (Vietnam) Co., Ltd.	13 th Floor, Saigon Trade Center Building, No. 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam	49,00%	49,00%	49,00%	49,00%

- ⁽ⁱ⁾ Although the ownership rate of the Group in Gemadept - Terminal Link Cai Mep Terminal J.S.C. is more than 50%, according to the Charter of Gemadept - Terminal Link Cai Mep Terminal J.S.C, the Resolutions of its General Meeting of Shareholders have to be approved by the shareholders who hold at least 76% of total voting shares. Therefore, this investment is presented in the item “Investments in joint ventures, associates” of the Consolidated Interim Financial Statements.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Notes to the Consolidated Interim Financial Statements (cont.)

7. Statement on information comparability on the Consolidated Financial Statements

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

8. Employees

As at the balance sheet date, there have been 1,452 employees working for the Group companies (at the beginning of the year: 1,845 employees).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Group is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND).

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Group applies the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the Vietnamese Accounting System, the Circular No. 202/2014/TT-BTC dated 22 December 2014 guiding the preparation and presentation of the Consolidated Financial Statements as well as other Circulars guiding implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of Consolidated Interim Financial Statements.

2. Statement on the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were 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 guiding the implementation of the Accounting Standards of the Ministry of Finance in the preparation and presentation of these Consolidated Interim Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Consolidated Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Consolidation bases

The Consolidated Interim Financial Statements include the Interim Financial Statements of the Parent Company and those of its subsidiaries. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent 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 power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Notes to the Consolidated Interim Financial Statements (cont.)

The financial performance of subsidiaries, which is bought or sold during the period, are included in the Consolidated Interim Income Statement from the date of acquisition or until the date of selling investments in those subsidiaries.

The Interim Financial Statements of the Parent Company and those of subsidiaries used for consolidation are prepared in the same accounting period and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

Benefits of non-controlling shareholders reflect profit or loss and net assets of subsidiaries, which are not held by the Group and presented in a separate item of the Consolidated Interim Income Statement and Consolidated Interim Balance Sheet (classified under "Owner's equity"). Benefits of non-controlling shareholders include the values of their non-controlling interest at the initial date of business combination and those arise within the ranges of changes in owner's equity from the date of business combination. The losses arising in the subsidiary are attributed equally to the ownership rate of non-controlling shareholders, even if such losses are higher than the interest owned by these shareholders in net assets of the subsidiaries.

In case the Group invests to raise its benefit rate held in the subsidiaries, the difference between the additional investment cost and the carrying value of the subsidiaries' net assets additionally purchased as at the acquisition date is directly recorded in item "Retained earnings" on the Consolidated Interim Balance Sheet.

As the Group withdraws a part of its capital from subsidiaries:

- If the Group still holds the control right after its capital withdrawal: the result of capital withdrawal is recorded into item "Retained earnings" on the Consolidated Interim Balance Sheet.
- If the Group loses its control right after its capital withdrawal and subsidiaries turn into its joint ventures, associates: the remaining investment is presented in item "Investments in joint ventures, associates" in the Consolidated Interim Financial Statements in accordance the equity method and the result of capital withdrawal is recorded into Consolidated Interim Income Statement.
- If the Group loses its control right after capital withdrawal and subsidiaries turn into normal investment: the remaining investment is presented at the carrying value in Consolidated Interim Financial Statements and the result of capital withdrawal is recorded into Consolidated Interim Income Statement.

In case where subsidiaries raise capital from the owners, if the additional capital contribution rate of the involved parties is not in correspondence with the current capital ownership rate, the difference between the additional capital contribution rate of the Group and the increase of the ownership share in the subsidiaries' net assets is recorded into item "Retained earnings" on the Consolidated Interim Balance Sheet.

3. Foreign currency transactions

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

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Notes to the Consolidated Interim Financial Statements (cont.)

Foreign exchange differences arisen from foreign currency transactions during the period shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Group and the Bank.
- For capital contribution made or received: the buying rate of the bank where the Group opens its account to receive capital contributed from investors as of the date of capital contribution.
- For receivables: the buying rate of foreign currency ruling as at the time of transaction of the commercial bank where the Group designates the customers to make payments.
- For payables: the selling rate of foreign currency ruling as at the time of transaction of the commercial bank where the Group supposes to make payments.
- For acquisition of assets or immediate payments in foreign currency (not included into payable accounts): the buying rate of the commercial bank where the Group makes payments.

The exchange rate used to re-evaluate ending balances of monetary items in foreign currencies is determined in accordance with following principles:

- For foreign currency deposits: the buying rate of the bank where the Group opens its foreign currency account.
- For monetary items in foreign currencies classified as other assets: The buying rate of Citibank, N.A., Ho Chi Minh City Branch (where the Group frequently makes transactions).
- For monetary items in foreign currencies classified as liabilities: The selling rate of Citibank, N.A., Ho Chi Minh City Branch (where the Group frequently makes transactions).

Exchange rates used when converting the Financial Statements prepared in foreign currency of subsidiaries into the accounting currency of the Parent Company are as follows:

- For assets and goodwill incurred when acquiring subsidiary overseas, apply the buying rate of the bank as at the balance sheet date.
- For liabilities, apply the selling rate of the bank as at the balance sheet date.
- For net value of assets of subsidiary held by the Parent Company at the acquisition date, apply the carrying exchange rate at the acquisition date.
- For retained earnings incurred after the date of acquiring subsidiary, apply the calculation of the items of income and expenses in the Income Statement.
- For dividends shared, apply the actual exchange rate ruling as at the time of sharing dividends.
- For items in the Income Statement and Cash Flow Statement, apply the actual exchange rate at the time of the transactions. In case the average exchange rates of the accounting period is approximate the actual rate at the time of the transaction (the difference does not exceed 2%), apply the average exchange rate. In case the fluctuation margin of beginning and ending exchange rate exceeds 2%, apply the exchange rate as at the balance sheet date.

Exchange differences arising from the conversion of Financial Statements of the subsidiary are accumulated in the item of "owner's equity" on the Consolidated Interim Balance Sheet under the following convention:

- Exchange differences attributable to the Parent Company are presented in the item "Foreign exchange differences" under the owner's equity item of the Consolidated Interim Balance Sheet.

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Notes to the Consolidated Interim Financial Statements (cont.)

- Exchange differences attributable to non-controlling shareholders are presented in the item "Benefits of non-controlling shareholders".

The exchange differences arising in relation to the conversion of goodwill not fully allocated as of the balance sheet date are counted for the Parent Company and are recorded in the item "Foreign exchange differences" under the owner's equity item in the Consolidated Interim Balance Sheet.

4. Cash and cash equivalents

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 03 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

5. Financial investments

Trading securities

Investments classified as trading securities are those held for the trading purpose with the aim of making profit.

Trading securities are recognized at original costs. The original costs are determined by the fair value of the payments at the time of the transaction plus other costs related to the purchase of trading securities.

The time of recognizing trading securities is when the Group acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Interest, dividends, and profit of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Interest, dividends and profit of the periods after the acquisition of such securities are recorded in the revenues. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity is followed up.

Convertible shares are determined on the basis of the fair value at the date of exchange. The fair value of the shares is determined as follows:

- For shares of listed companies: the closing price listed on the stock market at the date of exchange. In case where the stock market is not available for making transaction at the date of exchange, the fair value of shares is the closing price of the preceding transaction section with the date of exchange.
- For unlisted shares traded on UPCOM: the closing price on UPCOM at the date of exchange. In case where the UPCOM is not available for transaction at the exchange date, the fair value of shares is the closing price of the preceding transaction section with the date of exchange.
- For other unlisted shares: the price agreed by the parties under the contracts or the carrying value at the time of exchange.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than original costs. The fair value of trading securities listed on the stock market or traded on UPCOM is the closing price at the balance sheet date. In case where the stock market or UPCOM is not available for transactions as at the balance sheet date, the fair value of shares is the closing price of the preceding transaction with the balance sheet date.

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Increases/(decreases) in the provisions for devaluation of trading securities are recorded into "Financial expenses" as at the balance sheet date.

Gain or loss from transfer of trading securities is recorded into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Group intends and is able to hold to maturity. Held-to-maturity investments include term deposits (including debentures and promissory note), bonds, preferred shares that the issuer are required to re-purchase at a certain date in the future and held-to-maturity loans for the purpose of receiving periodical interest as well as other held-to-maturity investments.

Held-to-maturity investments 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 held-to-maturity investments 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 held-to-maturity investments 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 period while the investment value is derecognized.

Loans

Loans are determined at original costs less allowance for doubtful debts, which is made on the basis of estimated losses.

Investments in joint ventures and associates

Joint ventures

A joint venture is an entity which is established by a contractual arrangement whereby the Group and the involved parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

The Group recognizes its interests in jointly-controlled entities in accordance with the equity method. Accordingly, contributed capital in joint ventures is initially recognized at original cost and then adjusted for the changes in the Group's ownership rate of net assets of jointly-controlled entities. The Consolidated Interim Income Statement reflects the Group's ownership in the financial performance of jointly-controlled entities. The Group stops using the equity method from the date it ceases to have the jointly-controlled right or significant influences on jointly-controlled entities.

The Financial Statements of the jointly controlled entity are prepared for the accounting period that is the same with the Consolidated Interim Financial Statements of the Group. In the case that the accounting policy of a jointly controlled entity is different from the accounting policy applied consistently in the Group, the Financial Statements of that jointly controlled entity will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

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Unrealized profits/(losses) arising from transactions with jointly-controlled entities are eliminated in proportion to the amount under the Group's ownership in the preparation of the Consolidated Interim Financial Statements.

Associates

An associate is an entity which the Group has significant influence but not the control to govern the financial and operating policies. Significant influence is the right to participate in making the associate's financial and operating policies but not control those policies.

Investments in associates are recorded as in the owner's equity method. Accordingly, the investment into associate is initially recorded at costs on the Consolidated Interim Financial Statements and then adjusted for the post acquisition change in the Group's share of net assets of the associate. If the Group's share of loss of an associate exceeds or equals the carrying amount of an investment, the investment is then reported at nil (0) value on the Consolidated Interim Financial Statements, except when the Group has obligations to pay on behalf of the associate to satisfy obligations of the associate.

The Financial Statements of the associate are prepared for the accounting period that is the same with the Consolidated Interim Financial Statements of the Group. In the case that the accounting policy of an associate is different from the accounting policy applied consistently in the Group, the Financial Statements of that associate will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Unrealized profits/(losses) arising from transactions with associates are eliminated in proportion to the amount under the Group's ownership in the preparation of the Consolidated Interim Financial Statements.

Investments in equity instruments of other entities

Investments in equity instruments of other entities include such investments in equity instruments that the Group does not have the control, joint control or significant influence on these entities.

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

Provisions for investments in equity instruments of other entities are made as follows:

- For investments in listed shares or the reliably determined fair value of investments, provisions are made on the basis of the market value of shares.
- For investments of which the fair value is unable to determine at the time of reporting, provisions are made on the basis of the losses of the invested entities at the rate equal to the difference between the actual capital invested by parties and the actual owner's equity multiplying (x) by the Group's rate of capital contribution in comparison with the total actual capital invested by parties.

Increases/(decreases) in the provisions for investments in equity instruments of other entities as of the balance sheet date are recorded into "Financial expenses".

6. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

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The classification of receivables as trade receivables and other receivables is made according to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into "General and administration expenses".

7. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandises: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: The item reflects the arisen expenses related to unfinished projects.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Allowance for inventories is recognized when their costs are higher than their net realizable values. For services in progress, allowance is recorded for each type of services with specific prices. Increases/(decreases) in the obligatory allowance for inventories as of the balance sheet date are recorded into "Costs of sales".

8. Prepaid expenses

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. Prepaid expenses of the Group mainly include expenses for land use right transfer, land rental, repair expenses and interest expenses for container financial lease. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

Expenses for land use right transfer

Expenses for land use right transfer represent the rental, consultancy fees and other expenses already prepaid for the land being used by the Group. Expenses for land use right transfer are allocated in line with the land lease period.

Land rental

Prepaid land rental reflects the rental already prepaid for the land being used by the Group. Prepaid land rental is allocated into expenses in accordance with the straight-line method corresponding with the lease term.

Repair expenses

Repair expenses arising once with high value are allocated into expenses in accordance with the straight-line method from 02 to 03 years.

Interest expenses for container financial lease

Interest expenses for container financial lease are allocated into expenses in accordance with the straight-line method for the maximum period of 06 years.

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9. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Group's operation costs in accordance with the straight-line method over the lease term and do not depend on 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 paid by the Group to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation expenses during the period.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

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

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	05 – 40
Machinery and equipment	05 – 10
Vehicles	06 – 20
Office equipment	03 – 10

11. Financial leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessee. Financial leased assets are determined by their historical costs less accumulated depreciation. Historical cost is the lower cost of the fair value of the leased asset at commencement of the lease term and the present value of the minimum lease payments. Discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease or else mentioned in the lease. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate at commencement of the lease term will be applied.

Financial leased assets are depreciated in accordance with the straight-line method over their estimated useful lives. If there is no reasonable certainty that the Group will obtain ownership at the end of the lease, the fixed asset shall be depreciated over the shorter of the lease term and the estimated useful life of the asset. The maximum depreciation years of vehicles are 06 years.

12. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Group to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

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Intangible fixed assets of the Group include:

Land use right

Land use right includes all the actual expenses paid by the Corporation directly related to the land being used such as expenses to obtain the land use right, compensation for house removal, land clearance and ground leveling, registration fees, etc. The land use right is permanent, so it is not amortized.

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Corporation until the date the software is put into use. Computer software is amortized in accordance with the straight-line method for the period from 03 to 08 years.

Website design expenses

Website design expenses include all the expenses directly related to the development of website. These expenses are amortized in accordance with the straight-line method in 03 years.

13. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Group) directly related to assets under construction and machinery and equipment under installation to serve for production, leasing, and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

Expenses incurred for poorly-grown trees shall be recorded as a decrease in other expenses during the period in the Income Statement.

14. Business combination and goodwill

The business combination is accounted by applying acquisition method. The costs of business combination include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business combination are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business combination equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Interim Balance Sheet.

The excess of the cost of business combination over the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date obtaining the control of subsidiaries is recognized as goodwill. If the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date of obtaining the control of subsidiaries exceeds the cost of business combination, the difference will be included in the financial performance.

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The goodwill is allocated according the straight-line method in 10 years. When there is evidence that goodwill loss is more than the allocated amount, the allocated amount during the period is the loss incurred.

The benefit of non-controlling shareholders as at the date of business combination is initially measured on the basis of the ownership share of non-controlling shareholders in the fair values of the assets, the liabilities and the inherent liabilities recognized.

15. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services already received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Group.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Consolidated Interim Balance Sheet on the basis of their remaining term as of the balance sheet date.

16. Provisions for payables

Provisions are recorded when the Group has present obligations (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

If time causes material effects, the provisions will be determined by deducting the amount to be spent in future to settle the liability at the pre-tax discount rate that reflects the assessments of the time value of money and the specific risks from this liability in the current market. The increase in provisions due to the effect of time will be recognized as a financial expense.

Provisions payable of the Group is related to compensation for damages during transport.

17. Owner's equity

Capital

Capital is recorded according to the actual amounts invested by shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

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Other sources of capital

Other sources of capital are due to the supplementation from business profits, revaluation of assets and net carrying values between the fair values of the assets gifted or granted to the Group after deducting taxes payable (if any) related to these assets.

18. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Corporation as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders.

19. Recognition of sales and income

Sales of service provision

Sales of service provision shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Group received or shall probably receive the economic benefits associated with the provision 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.

In the case that the services are provided in several accounting periods, the determination of sales during the period is done on the basis of the stage of completion as of the balance sheet date.

Income from leasing operating assets

Income from leasing operating assets is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular 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. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity is followed up.

20. Borrowing costs

Borrowing costs are interests and other costs that the Group directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these

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costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

21. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

22. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax 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, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

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The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

23. Related parties

A party is considered a related party of the Group in case that party is able to control the Group or to cause material effects on the financial decisions as well as the operations of the Group. A party is also considered a related party of the Group in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

24. Segment reporting

A business segment is a distinguishable component of the Group that is engaged in manufacturing or providing 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 of the Group that is engaged in manufacturing or 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 policies applicable to the preparation and presentation of the Consolidated Interim Financial Statements of the Group.

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

1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	16.501.249.971	18.620.790.100
Cash in banks	130.456.584.200	473.687.600.445
Cash in transit	1.955.184.683	2.629.969.092
Cash equivalents (Bank deposits of which the principal maturity is under 03 months)	33.996.522.222	284.863.840.960
Total	<u>182.909.541.076</u>	<u>779.802.200.597</u>

2. Financial investments

The financial investments of the Group include trading securities, held-to-maturity investments, investments in joint ventures, associates and investments in other entities. The Group's financial investments are as follows:

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Notes to the Consolidated Interim Financial Statements (cont.)**2a. Trading securities**

	Ending balance			Beginning balance		
	Original costs	Fair values	Provisions	Original costs	Fair values	Provisions
Shares						
National Citizen Bank (NCB)	94,971,030.000	53,177,982.800	(41,793,047.200)	94,971,030.000	50,379,141.600	(44,591,888.400)
Thu Duc Steel J.S.C.	31,488,264.362	17,052,096.000	(14,436,168.362)	31,488,264.362	15,799,832.700	(15,688,431.662)
Manganese Mineral Joint Stock Company	14,234,321.100	-	(14,234,321.100)	14,234,321.100	361,364.000	(13,872,957.100)
Other shares	650.218	485.250	(253.990)	650.218	512.500	(253.990)
Total	140,694,265.680	70,230,564.050	(70,463,790.652)	140,694,265.680	66,540,850.800	(74,153,531.152)

Fluctuations in provisions for impairments of trading securities are as follows:

	Current period	Previous period
Beginning balance	(74,153,531.152)	(91,692,607.552)
Reversal	3,689,740.500	15,196,705.200
Ending balance	(70,463,790.652)	(76,495,902.352)

2b. Held-to-maturity investments

This item reflects deposits of which term is from over 03 months to 12 months.

The 12-month deposit at BIDV – Quang Ngai Branch has been mortgaged at this bank to secure the implementation of Fuel Purchase Contract with Branch of PV Oil Mien Trung Joint Stock Company in Quang Nam.

2c. Investments in joint-ventures, associates

	Ending balance			Beginning balance		
	Original costs	Profit arising after the investment date	Total	Original costs	Profit arising after the investment date	Total
Gemadept – Terminal Link Cai Mep Terminal J.S.C.	1,477,350,000.000	(116,434,516.063)	1,360,915,483.937	1,477,350,000.000	(110,224,254.762)	1,367,125,745.238
Saigon Cargo Service Corporation (SCSC Corp.)	396,204,440.000	122,882,195.087	519,086,635.087	396,204,440.000	116,773,764.979	512,978,204.979
CJ Gemadept Logistics Holdings Company Limited	131,555,876.205	8,247,067.263	139,802,943.468	-	-	-
“K” Line – Gemadept Logistics Co., Ltd.	108,001,500.000	5,386,260.299	113,387,760.299	71,352,500.000	7,348,761.236	78,701,261.236
CJ Gemadept Shipping Holdings Company Limited	104,620,023.000	(3,261,813.074)	101,358,209.926	-	-	-
Golden Globe Co., Ltd.	89,355,403.136	(123,355.391)	89,232,047.745	89,355,403.136	-	89,355,403.136
Golden Globe Trading Co., Ltd.	62,538,064.097	17,202,277.285	79,740,341.382	62,538,064.097	15,344,470.881	77,882,534.978
Foodstuff Combination Joint Stock Company	49,825,280.000	(17,951,279.789)	31,874,000.211	49,825,280.000	(17,054,297.789)	32,770,982.211
Power Transportation and Service J.S.C. (Potrace)	-	-	-	23,236,200.000	4,319,159.395	27,555,359.395
Other joint ventures, associates	29,425,608.143	(18,633,768.007)	10,791,840.136	29,425,608.143	(17,759,203.736)	11,666,404.407
Total	2,448,876,194.581	(2,686,932.390)	2,446,189,262.191	2,199,287,495.376	(1,251,599.796)	2,198,035,895.580

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Information on the ownership rate of the Group in joint-ventures, associates is presented in the attached Appendix 01.

Operation of joint ventures, associates

The joint ventures and associates have been in their normal operations.

Transactions with joint ventures and associates

Significant transactions between the Group and its joint-ventures and associates are as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Gemadept - Terminal Link Cai Mep Terminal J.S.C.</i>		
Sales from leasing offices	132.000.000	132.000.000
Loan interest	639.917.450	612.479.482
<i>Saigon Cargo Services Corporation</i>		
Sales from service provision	-	18.000.000
Service charges	-	591.872.230
Dividends shared	55.885.920.000	83.828.880.000
Loan	80.000.000.000	-
Loan interest	804.821.918	-
<i>"K" Line - Gemadept Logistics Co., Ltd.</i>		
Sales from service provision	1.231.417.200	4.802.382.240
Service charges	-	7.719.093
Capital contribution	36.649.000.000	-
Loan	15.000.000.000	-
Loan interest	174.246.575	-
<i>Golden Globe Co., Ltd.</i>		
Payment on this company's behalf	-	4.762.800.000
<i>Vung Tau Commercial Port J.S.C.</i>		
Dividends shared	1.157.040.000	-
<i>Minh Dam Tourism J.S.C.</i>		
Loans given	330.000.000	-
<i>Gemadept Logistics One Member Company Limited</i>		
Sales from service provision	5.625.636.710	-
Sales from leasing assets	1.437.954.545	-
Payment on this company's behalf	577.584.570	-
Collection on this company's behalf	17.224.309.463	-
Loans given	5.000.000.000	-
Interest on loans given	299.916.438	-
<i>Gemadept Hai Phong One Member Company Limited</i>		
Sales from service provision	14.931.566.052	-
Sales from leasing assets	2.710.909.091	-
Service charges	27.806.641.721	-

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	Accumulated from the beginning of the year	
	Current year	Previous year
Payment on this company's behalf	27.019.386	-
<i>Gemadept Shipping Limited Company</i>		
Sales from leasing assets	23.166.094.664	-
Sales from service provision	12.740.082.948	-
Service charges	1.941.147.277	-
Collection on this company's behalf	22.930.490.921	-
Payment on this company's behalf	1.923.876.909	-
<i>Mekong Logistics Company</i>		
Loans given	3.000.000.000	-
Interest on loans given	70.767.123	-
<i>Power Transportation and Service J.S.C. (Potraco)</i>		
Service charges	-	24.727.944.720
Dividends shared	-	1.072.446.000

Investments in joint ventures and associates used as mortgage

The Group has mortgaged 11.100.000 shares of Saigon Cargo Services Corporation to secure loans from ACB – Saigon Branch (see Note No. V.22b).

2d. Investments in other entities

	Ending balance		Beginning balance	
	Original costs	Provisions	Original costs	Provisions
Maritime Bank	165.581.032.000	-	165.581.032.000	(113.572.432.000)
Indochina Sun Infrastructure Development Construction Investment Corporation	36.000.000.000	-	36.000.000.000	-
Vietnam Industry Securities Company ⁽ⁱ⁾	31.752.000.000	(12.493.645.455)	31.752.000.000	(9.276.109.455)
Intellectual Vietnam Asset Management Joint-Stock Company	5.000.000.000	(3.309.140.556)	5.000.000.000	(3.325.388.228)
Total	238.333.032.000	(15.802.786.011)	238.333.032.000	(126.173.929.683)

⁽ⁱ⁾ Vietnam Industry Securities Company has been completing dissolution procedures.

Fair value

Fair value of investments with listed price is determined at the listed price as of the balance sheet date. The Group has not determined the fair value of the investments without listed price because there is no specific instruction on determination of fair value.

Provisions for investments in other entities

Fluctuations in provisions for investments in other entities are as follows:

	Current period	Previous period
Beginning balance	(126.173.929.683)	(117.274.301.663)
Reversal	110.371.143.672	491.852.021
Ending balance	(15.802.786.011)	(116.782.449.642)

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3. Short-term trade receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>37.157.815.986</i>	<i>1.201.545.526</i>
Gemadept Shipping Limited Company	19.010.774.881	-
Gemadept Hai Phong One Member Company Limited	15.078.128.049	-
Gemadept Logistics One Member Company Limited	2.970.329.556	-
Gemadept - Terminal Link Cai Mep Terminal J.S.C.	72.600.000	-
Saigon Cargo Services Corporation	18.000.000	25.500.000
ISS - Gemadept Co., Ltd.	7.983.500	-
"K" Line - Gemadept Logistics Co., Ltd.	-	1.129.546.073
Golden Globe Co., Ltd.	-	46.499.453
<i>Receivables from other customers</i>	<i>356.715.621.604</i>	<i>618.692.783.879</i>
Total	<u>393.873.437.590</u>	<u>619.894.329.405</u>

The claim for some receivables has been mortgaged to secure the loan from Vietinbank – Branch 1 in Ho Chi Minh City (see Note No. V.22a).

4. Short-term/long-term prepayments to suppliers**4a. Short-term prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Golden Lotus Corporation	60.774.181.296	63.774.181.296
Galaxy Maritime Corporation	31.845.921.032	32.610.413.004
Binh Duong Port J.S.C.	28.836.701.855	109.964.480.918
Other suppliers	232.470.043.594	99.830.312.596
Total	<u>353.926.847.777</u>	<u>306.179.387.814</u>

4b. Long-term prepayments to suppliers

This item reflects prepayment to Vuong Song Construction Service Trading Co., Ltd.

5. Receivables for short-term loans

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Loans given to related parties</i>	<i>5.110.000.000</i>	<i>1.780.000.000</i>
Mekong Logistics Company	3.000.000.000	-
Minh Dam Tourism J.S.C.	2.110.000.000	1.780.000.000
<i>Loans given to other organizations</i>	<i>11.000.000.000</i>	<i>14.000.000.000</i>
Total	<u>16.110.000.000</u>	<u>15.780.000.000</u>

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

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>64.113.645.954</i>	<i>22.199.928.222</i>
Gemadept Shipping Limited Company – Profit shared, collection on the Group's behalf	32.348.287.065	-
Golden Globe Co., Ltd. – Payment on this company's behalf	20.839.000.000	20.620.600.000
Gemadept Hai Phong One Member Company Limited – Payment on this company's behalf, profit shared	9.094.066.976	-

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	<u>Ending balance</u>	<u>Beginning balance</u>
Power Transportation and Service J.S.C. – Dividends	1.072.446.000	1.072.446.000
Golden Globe Trading Co., Ltd. – Payment on this company's behalf	300.000.000	300.000.000
Minh Dam Tourism J.S.C. – Interest on loan given	206.882.222	206.882.222
Gemadept Logistics One Member Company Limited – Payment on this company's behalf	182.196.568	-
Mekong Logistics Company – Interest on loan given	70.767.123	-
Receivables from other organizations and individuals	164.523.565.573	177.521.258.729
Advances	68.874.830.321	80.608.440.135
Vietnam Industry Securities Company – Capital contribution for investment cooperation	26.445.000.000	26.445.000.000
Payments on other's behalf	9.138.052.332	13.131.120.092
Short-term deposits	10.310.497.900	22.936.179.547
Other short-term receivables	49.755.185.020	34.400.518.955
Total	228.637.211.527	199.721.186.951

6b. Other long-term receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
Saigon Xanh Trading and Service Joint Stock Company – Capital contribution to implement the project of investing and operating port and narrow passage dredging fleet	31.000.000.000	-
Galaxy Maritime Corporation – Capital support	24.000.000.000	24.000.000.000
Hang River Co., Ltd. – Capital contribution to develop the project of Le Chan General Port	19.000.000.000	19.000.000.000
Indochina Sun Infrastructure Development Construction Investment Corporation – Capital contribution to develop the project of Logistics Service Area	18.000.000.000	18.000.000.000
Long-term deposits	7.188.963.270	61.107.531.880
Other long-term receivables	4.946.623.000	5.024.851.470
Total	104.135.586.270	127.132.383.350

7. Doubtful debts

	Ending balance			Beginning balance		
	Outstanding period	Original costs	Provisions already made	Outstanding period	Original costs	Provisions already made
Ms. Nguyen Thi Hong Linh – Receivable for trading securities	Over 03 years	3.000.000.000	(3.000.000.000)	Over 03 years	3.000.000.000	(3.000.000.000)
Penex Container lines Pte. Ltd. – Trade receivables	Over 03 years	2.763.212.976	(2.763.212.976)	Over 03 years	2.763.212.976	(2.763.212.976)
Receivables from other organizations and individuals	From 01 year to over 03 years	5.497.659.397	(5.396.049.478)	From 01 year to over 03 years	8.731.663.815	(8.122.505.513)
Total		11.260.872.373	(11.159.262.454)		14.494.876.791	(13.885.718.489)

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Fluctuations in allowances for doubtful debts are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	(13.885.718.489)	(15.255.839.381)
Additional extraction	(370.941.795)	-
Decrease due to capital withdrawal from subsidiaries	3.097.397.830	-
Reversal	-	1.663.119.000
Written-off debts	-	26.876.769
Ending balance	(11.159.262.454)	(13.565.843.612)

8. Inventories

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Original costs</u>	<u>Allowance</u>	<u>Original costs</u>	<u>Allowance</u>
Goods in transit	-	-	2.679.521.050	-
Materials and supplies in stock	41.333.744.499	-	31.030.378.912	-
Fuel in ships	948.854.552	-	18.542.370.120	-
Spare parts	-	-	16.817.609.411	-
Tools	356.644.600	-	537.186.111	-
Work-in-process	10.531.910.501	-	33.272.510.599	-
Merchandises, finished goods	12.901.383.621	(3.090.171.800)	7.978.805.088	(3.057.785.720)
Total	66.072.537.773	(3.090.171.800)	110.858.381.291	(3.057.785.720)

Fluctuations in allowances for inventories are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	(3.057.785.720)	(3.065.882.240)
Reversal	-	5.397.680
Effect of exchange difference	(32.386.080)	-
Ending balance	(3.090.171.800)	(3.060.484.560)

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

	<u>Ending balance</u>	<u>Beginning balance</u>
Repair expenses	2.164.242.392	2.808.533.460
Supplies	239.133.336	3.259.581.350
Insurance premiums	3.233.785.978	3.197.397.875
Other expenses	3.475.243.189	2.436.970.042
Total	9.112.404.895	11.702.482.727

9b. Long-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses on transferring land use right ⁽ⁱ⁾	142.485.425.459	275.038.913.742
Land rental ⁽ⁱⁱ⁾	452.713.874.064	466.246.574.207
Expenses on frontage road investment	25.261.510.404	27.026.364.939
Supplies, spare parts	1.594.332.180	23.087.327.160
Expenses of warehouse, office repair	802.551.813	8.620.084.653
Interest expenses for container financial lease	15.537.339.932	17.701.641.274
Other expenses	29.766.427.316	19.909.773.587
Total	668.161.461.168	837.630.679.562

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- (i) This is the expenses on transferring the land use right of Nam Hai Dinh Vu Port J.S.C. This land use right has been mortgaged to secure the loan from Techcombank – Hai Phong Branch (see Note No. V.22b).
- (ii) This is the land rentals of Nam Hai ICD Joint Stock Company and Nam Dinh Vu Port Joint Stock Company. This land rental has been mortgaged to secure the loans from Indovina Bank Ltd. – Hai Phong Branch and VIB – Saigon Branch (see Note No. V.22b).

10. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Historical costs					
Beginning balance	1.530.169.505.383	1.109.716.525.465	2.129.356.317.680	47.289.047.201	4.816.531.395.729
Acquisition during the period	-	1.686.363.636	216.201.161.775	1.647.696.582	219.535.221.993
Completed constructions	569.056.705.693	399.605.009.190	-	7.778.831.136	976.440.546.019
Liquidation	-	(2.754.462.458)	(1.785.153.084)	-	(4.539.615.542)
Decrease due to capital withdrawal	(161.046.845.788)	(193.432.392.611)	(1.150.705.016.001)	(32.739.728.570)	(1.537.923.982.970)
Other decrease	-	-	(9.271.246.714)	-	(9.271.246.714)
Effect of exchange difference	2.204.337.120	35.816.640	134.847.120	17.406.480	2.392.407.360
Ending balance	1.940.383.702.408	1.314.856.859.862	1.183.930.910.776	23.993.252.829	4.463.164.725.875
<i>In which:</i>					
Assets fully depreciated but still in use	31.227.674.452	95.502.424.270	244.479.158.366	9.256.661.976	380.465.919.064
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	456.822.862.774	385.784.247.638	1.131.841.132.731	14.346.054.755	1.988.794.297.898
Depreciation during the period	54.298.833.180	44.713.688.269	41.344.982.382	698.494.150	141.055.997.981
Liquidation	-	(2.754.462.458)	(1.785.153.084)	-	(4.539.615.542)
Decrease due to capital withdrawal	(12.507.161.456)	(40.337.282.775)	(635.041.465.511)	(4.827.677.475)	(692.713.587.217)
Other decrease	-	-	(8.772.170.095)	-	(8.772.170.095)
Effect of exchange difference	1.177.314.270	35.591.900	111.232.460	17.118.880	1.341.257.510
Ending balance	499.791.848.768	387.441.782.574	527.698.558.883	10.233.990.310	1.425.166.180.535
Net book values					
Beginning balance	1.073.346.642.609	723.932.277.827	997.515.184.949	32.942.992.446	2.827.737.097.831
Ending balance	1.440.591.853.640	927.415.077.288	656.232.351.893	13.759.262.519	3.037.998.545.340
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

Some tangible fixed assets, of which the net book values are VND 2.504.840.482.192, have been mortgaged to secure the loans from banks (see Note No. V.22b).

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11. Financial leased assets

	Vehicles
Historical costs	
Beginning balance	92.987.286.021
Ending balance	92.987.286.021
Depreciation	
Beginning balance	28.158.836.164
Depreciation during the period	8.133.960.530
Ending balance	36.292.796.694
Net book values	
Beginning balance	64.828.449.857
Ending balance	56.694.489.327

12. Intangible fixed assets

	Land use right	Computer software	Website design expenses	Total
Initial costs				
Beginning balance	344.131.744.203	30.975.810.200	105.000.000	375.212.554.403
Acquisition during the period	-	203.000.000	-	203.000.000
Completed constructions	-	15.152.533.065	-	15.152.533.065
Decrease due to capital withdrawal	(42.339.417.073)	(5.585.449.716)	-	(47.924.866.789)
Effect of exchange difference	2.944.615.680	1.432.560	-	2.946.048.240
Ending balance	304.736.942.810	40.747.326.109	105.000.000	345.589.268.919
<i>In which:</i>				
Assets fully amortized but still in use	-	10.081.813.187	30.000.000	10.111.813.187
Amortization				
Beginning balance	42.813.415.433	16.456.438.985	44.112.903	59.313.967.321
Amortization during the period	3.029.639.286	1.383.000.583	7.500.000	4.420.139.869
Decrease due to capital withdrawal	(3.386.002.968)	(2.704.593.386)	-	(6.090.596.354)
Effect of exchange difference	381.556.640	1.313.031	-	382.869.671
Ending balance	42.838.608.391	15.136.159.213	51.612.903	58.026.380.507
Net book values				
Beginning balance	301.318.328.770	14.519.371.215	60.887.097	315.898.587.082
Ending balance	261.898.334.419	25.611.166.896	53.387.097	287.562.888.412
<i>In which:</i>				
Assets temporarily not in use	-	-	-	-
Assets waiting for liquidation	-	-	-	-

Some intangible fixed assets, of which the net book values are VND 15.047.429.941, have been mortgaged to secure the loans from banks (see Note No. V.22b).

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13. Construction-in-progress

Information on increases/(decreases) of construction-in-progress is presented in attached Appendix 02.

14. Deferred income tax assets

This item reflects deferred income tax assets related to temporarily deductible differences. Details of increases/(decreases) during the period are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	33.016.627.000	26.086.668.794
Inclusion into operation results during the period	(3.207.154.518)	(882.409.191)
Other increase	-	60.557.220
Ending balance	29.809.472.482	25.264.816.823

The corporate income tax rate used for determining deferred income tax assets is 20%.

15. Goodwill

The goodwill is generated from the investment in Hoa Sen – Gemadept Logistics and International Port Corporation, Nam Hai Port Corporation and Nam Hai Dinh Vu Port J.S.C. Details are as follows:

	<u>Initial costs</u>	<u>Amount allocated</u>	<u>Net book values</u>
Beginning balance	334.718.217.270	241.223.927.058	93.494.290.212
Allocation during the period		16.485.090.292	
Decrease due to capital withdrawal from subsidiaries	(52.236.807.812)	(44.401.286.640)	
Ending balance	282.481.409.458	213.307.730.710	69.173.678.748

16. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>26.668.683.659</i>	<i>22.285.504.586</i>
Gemadept Shipping Limited Company	13.316.628.434	-
Gemadept Hai Phong One Member Company Limited	8.533.182.577	-
Gemadept Logistics One Member Company Limited	4.818.872.648	-
Power Transportation and Service J.S.C. (Potraco)	-	22.285.504.586
<i>Payables to other suppliers</i>	<i>355.638.192.670</i>	<i>738.987.716.921</i>
Rich Mountain Trading Co., Ltd.	68.870.740.000	71.072.196.800
V.K.S Capital Investment Co., Ltd.	60.683.660.000	53.904.283.280
Shanghai Zhenhua Heavy Industries Co., Ltd.	-	219.299.040.000
Other suppliers	226.083.792.670	394.712.196.841
Total	382.306.876.329	761.273.221.507

The Group has no outstanding trade payables.

17. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Khanh Duy Co., Ltd.	2.000.000.000	-
Benetech Shipping SA	728.466.920	-
Hyosung Vietnam Co., Ltd.	-	17.879.882.833
Marubeni Logistics Corporation	-	15.117.199.993
Other customers	2.102.895.870	11.837.237.220
Total	4.831.362.790	44.834.320.046

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	Beginning balance		Increase		Capital withdrawal from subsidiaries	Ending balance	
	Payables	Receivables	Amount payable	Amount already paid		Payables	Receivables
VAT on local sales	5,482,829,994	-	41,181,159,670	(39,253,142,499)	(4,103,580,740)	3,311,871,623	4,605,198
VAT on imports	-	-	55,483,209,165	(55,483,209,165)	-	-	-
Export-import duties	-	-	52,737,517	(52,737,517)	-	-	-
Corporate income tax	34,103,148,549	1,934,612,615	238,263,659,738	(106,390,517,499)	(24,925,484,901)	139,697,974,767	581,781,495
Personal income tax	1,216,632,703	1,522,977,887	69,001,215,714	(67,362,427,718)	(526,467,151)	2,438,079,315	1,632,103,654
Other taxes	2,000,758,808	313,668,403	6,284,259,041	(6,923,687,632)	(1,410,785,934)	151,740,146	514,864,266
Total	42,803,370,054	3,771,258,905	410,266,240,845	(275,465,722,030)	(29,966,318,726)	145,599,665,851	2,733,354,613

Value added tax (VAT)

The Group companies have to pay VAT in accordance with the deduction method at the rate of 10%.

Export-import duties

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

Corporate income tax

The Group companies have to pay corporate income tax on taxable income at the rate of 20%. Particularly, overseas companies are responsible for paying corporate income tax at the rate as stipulated by each country.

Determination of corporate income tax liability of the Group companies is based on prevailing regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Interim Financial Statements can be changed upon the inspection of tax authorities.

Other taxes

The Group companies have declared and paid these taxes in line with the prevailing regulations.

19. Payables to employees

This item reflects the salary and others payables to employees.

20. Short-term accrued expenses

	Ending balance	Beginning balance
Payables to related parties	573,343,068	6,285,908,465
Gemadep – Terminal Link Cai Mep Terminal J.S.C – Loan interest expenses	308,350,190	6,285,908,465
Gemadep Hai Phong One Member Company Limited – Service charges	264,992,878	-
Payables to other organizations and individuals	211,425,246,016	310,759,175,094
Loan interest expenses	24,769,287,909	9,550,398,002
Expenses on rubber tree cultivation project	61,701,180,000	58,143,173,960
Expenses on repairing and building	59,231,392,591	15,248,157,242
Expenses on goods loading, unloading and transport	21,422,660,424	19,152,578,328
Expenses on asset acquisition	-	147,290,400,000
Other expenses	44,300,725,092	61,374,467,562
Total	211,998,589,084	317,045,083,559

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21. Other short-term/long-term payables**21a. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>15.370.316.498</i>	<i>72.304.500</i>
Gemadept Logistics One Member Company Limited – Collection on this company's behalf	6.957.478.025	-
Gemadept – Terminal Link Cai Mep Terminal J.S.C – Loan interest expenses	6.610.705.233	-
Gemadept Shipping Limited Company – Collection on this company's behalf	1.407.959.847	-
Gemadept Hai Phong One Member Company Limited – Collection on this company's behalf and other payables	321.868.893	-
“K” Line – Gemadept Logistics Co., Ltd. – Gemadept – Receipt of deposits for office lease	72.304.500	72.304.500
<i>Payables to other organizations and individuals</i>	<i>92.976.468.297</i>	<i>580.661.971.703</i>
Land rental (*)	6.849.032.000	-
Trade Union's expenditures, social insurance, health insurance and unemployment insurance premiums	1.510.810.926	1.967.344.581
Receipts of short-term deposits	3.875.713.655	12.315.425.815
Dividends payable	10.299.330.750	475.664.793.208
Payable for agency service	6.274.627.078	13.857.644.949
Other short-term payables	64.166.953.888	76.856.763.150
Total	108.346.784.795	580.734.276.203

21b. Other long-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>2.000.000.000</i>	-
Gemadept Logistics One Member Company Limited – Receipt of deposits for warehouse lease	2.000.000.000	-
<i>Payables to other organizations and individuals</i>	<i>62.208.238.000</i>	<i>61.593.495.590</i>
Land rental (*)	62.208.238.000	58.210.475.280
Receipt of long-term deposits	-	3.383.020.310
Total	64.208.238.000	61.593.495.590

(*) Land rentals incurred at Pacific Pearl Joint Stock Company Limited, Pacific Lotus Joint Stock Company Limited and Pacific Pride J.S.C. have been allocated for the period accumulated from 2011 to 30 June 2018. These expenses will be paid after the period of 05 years since the signing date of Land Leasing Contract.

21c. Outstanding debts

The Group has no other outstanding payables.

22. Short-term/long-term borrowings and financial lease**22a. Short-term borrowings and financial lease**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Short-term borrowings payables to related parties</i>	<i>247.357.853.440</i>	<i>244.776.728.013</i>
Loan from Gemadept – Terminal Link Cai Mep Terminal J.S.C. at fixed interest rate as stipulated in the Contract	247.357.853.440	244.776.728.013

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	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term borrowings payables to organizations	109.058.314.591	239.462.274.519
Loan from Techcombank – Hai Phong Branch ⁽ⁱ⁾	73.842.667.093	-
Loan from Vietinbank – Branch 1 in Ho Chi Minh City ⁽ⁱⁱ⁾	35.215.647.498	729.387.696
Loan from ACB – Saigon Branch	-	175.605.000.000
Loan from VIB – Saigon Branch	-	19.127.886.823
Loan from Minh Phu – Hau Giang Port Corp.	-	44.000.000.000
Current portions of borrowings and financial lease payables to organizations	207.514.402.833	230.274.337.448
Current portions of long-term loans (see Note No. V.22b)	185.918.265.333	208.903.550.948
Current portions of financial lease (see Note No. V.22b)	21.596.137.500	21.370.786.500
Total	563.930.570.864	714.513.339.980

(i) The loan from Techcombank – Hai Phong Branch is to supplement the working capital. The loan term is 12 months. This loan is secured by mortgaging leased land use right, of which the rental is paid annually and benefit thereof, assets on land formed from loan and machinery, equipment formed from loan.

(ii) The loan from Vietinbank – Branch 1 in Ho Chi Minh City is to supplement the working capital. This loan is secured by mortgaging asset right arising from contracts signed by the Corporation before and after the signing date of credit contracts.

The Group is solvent over short-term loans and financial leases.

22b. Long-term borrowings and financial lease

	<u>Ending balance</u>	<u>Beginning balance</u>
Long-term loans from banks	1.465.612.814.108	1.154.741.380.660
Loan from VIB – Saigon Branch ⁽ⁱ⁾	858.411.334.997	359.696.992.183
Loan from OCB – Tan Binh Branch ⁽ⁱⁱ⁾	202.439.019.285	104.349.060.000
Loan from Indovina Bank Ltd. – Hai Phong Branch ⁽ⁱⁱⁱ⁾	188.419.122.328	222.548.126.025
Loan from ACB – Saigon Branch ^(iv)	90.000.000.000	100.000.000.000
Loan from BIDV – Quang Ngai Branch ^(v)	80.000.000.000	96.000.000.000
Loan from Techcombank – Hai Phong Branch ^(vi)	46.343.337.498	69.515.007.334
Loan from VIB – Can Tho Branch	-	202.632.195.118
Financial lease from Intermodal Investment Fund IV LLC	55.794.969.060	65.868.878.887
Total	1.521.407.783.168	1.220.610.259.547

(i) The loans from VIB – Saigon Branch are to supplement the capital for the operations. The loan term is 05 years, starting from the date of first loan disbursement. This loan is also to invest in Nam Dinh Vu Port project and the loan term is 120 months, starting from the date of first loan disbursement. The grace period is 24 months. These loans are secured by mortgaging machinery, equipment and all rights to exploit the project, to use infrastructure on land, construction works, machinery and equipment, etc. and existing assets attached to land as well as assets formed in the future under the project's scope. (see Notes No. V.9b, V.10 and V.12).

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- (ii) The loan from OCB – Tan Binh Branch is to purchase Green Pacific and Pride Pacific ships. The loan term is 84 months, starting from the date of first loan disbursement. This loan is secured by assets formed from the loan (see Note No. V.10).
- (iii) The loan from Indovina Bank Ltd. – Hai Phong Branch is to fund machinery and equipment package of Nam Hai Dinh Vu Port project. The loan term is 08 years, starting from the date of first loan disbursement. This loan is secured by all values of machinery and equipment package of Nam Hai Dinh Vu Port project (see Notes No. V.9b and V.10).
- The loan from Indovina Bank Ltd. – Hai Phong Branch is to fund partially Nam Hai Logistics and Industry Center project. This loan is secured by mortgaging asset right arising from the Contract on subleasing land lot CN3 – MP Dinh Vu Industrial Park, assets attached to land and equipment.
- (iv) The loan from ACB – Saigon Branch is to contribute capital to Phuoc Long Port Co., Ltd. The loan term is 84 months, starting from the date of first loan disbursement. This loan is secured by 11.100.000 shares of Saigon Cargo Service Corporation (see Note No. V.2c).
- (v) The loan from BIDV – Quang Ngai Branch is to invest in Wharf No. 1 – Dung Quat General Port. The loan term is 14,5 years, starting from the date of first loan disbursement. This loan is secured by assets formed from investment project of Wharf No. 1 – Dung Quat General Port (see Note No. V.10).
- (vi) The loan from Techcombank – Hai Phong Branch is to implement the project of Nam Hai Dinh Vu Port. The loan term is 07 years, starting from the date of first loan disbursement. This loan is secured by leased land use right, of which the rental is paid annually and benefits generating from the leased land, assets on the land formed from the loan, machinery and equipment formed from the loan.

The Group is solvent over long-term loans and financial leases.

Payment schedule of long-term loans and financial lease is as follows:

	Total debts	Under 01 year	From 01 year to 05 years	Over 05 years
Ending balance				
Long-term loans from banks	1.651.531.079.441	185.918.265.333	997.917.743.749	467.695.070.359
Financial lease	77.391.106.560	21.596.137.500	55.794.969.060	-
Total	1.728.922.186.001	207.514.402.833	1.053.712.712.809	467.695.070.359
Beginning balance				
Long-term loans from banks	1.363.644.931.608	208.903.550.948	900.864.952.106	253.876.428.554
Financial lease	87.239.665.387	21.370.786.500	65.868.878.887	-
Total	1.450.884.596.995	230.274.337.448	966.733.830.993	253.876.428.554

Total financial lease payable is as follows:

	Under 01 year	From 01 year to 05 years	Total
Ending balance			
Principal	16.906.602.999	44.017.603.959	60.924.206.958
Interest	4.689.534.501	11.777.365.101	16.466.899.602
Financial lease payable	21.596.137.500	55.794.969.060	77.391.106.560

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	Under 01 year	From 01 year to 05 years	Total
Beginning balance			
Principal	16.730.186.272	51.923.382.967	68.653.569.239
Interest	4.640.600.228	13.945.495.920	18.586.096.148
Financial lease payable	21.370.786.500	65.868.878.887	87.239.665.387

22c. Outstanding borrowings and financial leases

The Group has no outstanding loan and financial lease.

23. Provisions for short-term payables

This item reflects the amounts payable related to compensations for loss during transportation process.

24. Bonus and welfare funds

Bonus and welfare funds of the Corporation include bonus fund, welfare fund and operating fund of the Board of Management.

25. Long-term unearned revenues

	Ending balance	Beginning balance
Deferred interest due to revaluation of fixed assets contributed as capital to associate and jointly controlled entities	231.175.236.467	228.460.256.153
Other unearned revenues	3.000.427.600	3.217.325.980
Total	234.175.664.067	231.677.582.133

26. Deferred income tax liabilities

	Current period	Previous period
Beginning balance	6.567.021.758	9.891.943.471
Inclusion into operation result during the period	(6.151.199.530)	68.627.303
Decrease due to capital withdrawal from subsidiaries	(50.937.300)	-
Effects of exchange difference	-	1.957.500
Ending balance	364.884.928	9.962.528.274

The corporate income tax rate used for determining value of deferred income tax is 20%.

27. Owner's equity**27a. Statement on fluctuations in owner's equity**

Information on the fluctuations in owner's equity is presented in attached Appendix 03.

27b. Shares

	Ending balance	Beginning balance
Number of shares already sold to the public	288.276.957	288.276.957
- Common shares	288.276.957	288.276.957
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	288.276.957	288.276.957
- Common shares	288.276.957	288.276.957
- Preferred shares	-	-
Face value of outstanding shares: VND 10.000.		

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Exchange difference arises due to converting the Financial Statements of subsidiaries prepared in USD into those in VND.

28. Off-balance sheet items**28a. External leased assets**

The total minimum lease payment in the future for leasing contracts will be settled as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Under 01 year	9.356.265.300	22.517.449.299
From 01 year to 05 years	-	10.893.101.618
Total	9.356.265.300	33.410.550.917

The above-mentioned lease payments reflect the rental and management fee payable for leasing office of CJ Vietnam Co., Ltd. located at No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City.

28b. Foreign currencies

	<u>Ending balance</u>	<u>Beginning balance</u>
United States Dollar (USD)	1.499.223,19	8.213.668,67
Euro (EUR)	766,28	7,00
Singapore Dollar (SGD)	-	5.382,00

28c. Treated doubtful debts

	<u>Ending balance</u>	<u>Beginning balance</u>	<u>Reasons for writing off</u>
Lion Lord Corporation	1.277.515.915	1.277.515.915	This Company was dissolved.
Other subjects	1.491.795.718	1.491.795.718	Unrecoverable
Total	2.769.311.633	2.769.311.633	

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM INCOME STATEMENT**1. Sales****1a. Gross sales**

	<u>Accumulated from the beginning of the year</u>	
	<u>Current year</u>	<u>Previous year</u>
Sales from port operation	1.023.013.458.188	825.819.556.942
Sales from logistics services: transportation services, agent services, leasing assets, etc.	273.940.692.497	1.041.126.102.781
Sales from leasing offices	2.120.400.388	592.801.364
Total	1.299.074.551.073	1.867.538.461.087

1b. Sales to related parties

Apart from sales of goods and service provisions with joint ventures and associates presented in Note No. V.2c, the Group has no sales of goods and service provisions with related parties which are not joint ventures and associates.

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2. Costs of sales

	Accumulated from the beginning of the year	
	Current year	Previous year
Costs of port operation	595.446.535.561	489.045.595.562
Costs of logistics services: transportation services, agent services, leasing assets, etc.	218.533.382.438	910.883.082.957
Total	813.979.917.999	1.399.928.678.519

3. Financial income

	Accumulated from the beginning of the year	
	Current year	Previous year
Bank deposit interest	12.664.293.915	7.494.829.858
Interest on loans given	455.779.315	1.375.652.777
Dividends and profit shared	8.778.483.883	7.948.498.799
Proceeds from investments in securities	-	1.642.835.053
Proceeds from transfer of subsidiaries	1.519.922.732.049	-
Exchange gain arising	3.662.297.693	9.257.334.347
Exchange gain due to the revaluation of monetary items in foreign currencies	214.383.024	7.382.913.531
Other financial income	435.716.454	402.110.882
Total	1.546.133.686.333	35.504.175.247

4. Financial expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Loan interest expenses	53.630.625.584	87.741.458.559
Exchange loss arising	12.955.853.746	10.480.645.796
Exchange loss due to the revaluation of monetary items in foreign currencies	7.793.973.578	2.876.296.545
(Reversal of)/Provision for devaluation of trading securities and investment loss	(114.060.884.172)	(15.688.557.221)
Other financial expenses	15.249.387.471	80.929.348
Total	(24.431.043.793)	85.490.773.027

5. Selling expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Commission brokerage expenses	73.571.825.982	29.321.105.733
Other expenses	5.636.157.753	7.657.864.275
Total	79.207.983.735	36.978.970.008

6. General and administration expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Salary for office staff	57.526.843.110	63.909.918.519
Materials and stationery	3.296.491.014	2.160.385.771
Depreciation/(amortization) of fixed assets	7.508.240.595	4.685.652.685
(Reversal of)/allowance for doubtful debts	370.941.795	(1.663.119.000)
Allocation of goodwill	16.485.090.292	16.696.575.610

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	Accumulated from the beginning of the year	
	Current year	Previous year
Taxes, fees and legal fees	5.135.157.881	5.097.070.044
External services rendered	23.504.665.461	27.377.699.114
Other expenses	35.816.699.899	27.144.700.898
Total	149.644.130.047	145.408.883.641

7. Other income

	Accumulated from the beginning of the year	
	Current year	Previous year
Proceeds from liquidation of fixed assets	2.492.292.492	10.417.378.840
Unearned revenues to be allocated ^(*)	2.907.645.051	2.035.351.536
Reversal of allowance for tax fine	-	21.054.124.191
Other income	6.487.782.904	4.626.562.531
Total	11.887.720.447	38.133.417.098

(*) The unearned revenue of totally VND 283.980.000.000 is due to revaluation of the land use right contributed as capital to Gemadept – Terminal Link Cai Mep Terminal J.S.C., which generated from 2008. During the period, the Group allocated unearned revenue in correspondence with the amortization period applied to land use right, i.e. 48 years and 10 months.

8. Other expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Expenses on ineffective investment	100.615.371.480	59.921.247.750
Other expenses	2.547.951.592	5.085.206.721
Total	103.163.323.072	65.006.454.471

9. Deferred income tax

	Accumulated from the beginning of the year	
	Current year	Previous year
Deferred income tax arising from temporarily taxable differences	402.537.129	764.738.837
Deferred income tax arising from reversal of deferred income tax assets	4.521.287.982	1.382.606.511
Gain from deferred income tax arising from temporarily deductible differences	(1.314.133.464)	(500.197.320)
Gain from deferred income tax arising from reversal of deferred income tax payable	(6.553.736.659)	(696.111.534)
Total	(2.944.045.012)	951.036.494

10. Earnings per share**10a. Basic earnings per share and diluted earnings per share**

	Accumulated from the beginning of the year	
	Current year	Previous year
Accounting profit after corporate income tax of shareholders of the Parent Company	1.528.862.954.602	192.543.166.727
Appropriation for bonus and welfare funds, funds of the Board of Management, Executive Officers and Control Board	(17.503.688.024)	(15.403.453.338)

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	Accumulated from the beginning of the year	
	Current year	Previous year
Increases/(decreases) in accounting profit used to determine profit distributed to ordinary equity holders	-	-
Profit used to calculate basic and diluted earnings per share	1.511.359.266.578	177.139.713.389
The average number of ordinary shares outstanding during the period	288.276.957	187.249.854
Basic earnings per share	5.243	946
Diluted earnings per share	5.243	946

10b. Other information

There is no transaction over the common share or potential common share from the balance sheet date until the date of these Consolidated Interim Financial Statements.

11. Operating costs

	Accumulated from the beginning of the year	
	Current year	Previous year
Materials and supplies	116.134.274.477	175.644.730.681
Labor	150.145.821.471	187.925.370.508
Depreciation/(amortization) of fixed assets and goodwill allocated	151.333.962.072	148.943.422.813
External services rendered	550.549.288.090	963.623.152.383
Other expenses	74.668.685.671	106.179.855.783
Total	1.042.832.031.781	1.582.316.532.168

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

The Group's related parties 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 members of the Board of Management and the Executive Officers (the Board of Directors and the Chief Accountant). The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

The Group has no sales of goods and service provisions as well as other transactions with the key managers and their related individuals.

Receivables from and payables to the key managers and their related individuals

The Group has no receivables from and payables to the key managers and their related individuals.

Income of the key managers

	Accumulated from the beginning of the year	
	Current year	Previous year
Salary	4.139.655.000	3.747.000.000
Other income	189.317.646	189.317.646
Total	4.328.972.646	3.936.317.646

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Notes to the Consolidated Interim Financial Statements (cont.)

1b. Transactions and balances with other related parties

Other related parties of the Group include:

Other related parties	Relationship
Gemadept - Terminal Link Cai Mep Terminal J.S.C.	Jointly-controlled entity
"K" Line - Gemadept Logistics Co., Ltd.	Jointly-controlled entity
CJ Gemadept Shipping Holdings Company Limited	Jointly-controlled entity
Saigon Cargo Service Corporation	Associate
CJ Gemadept Logistics Holdings Company Limited	Associate
Golden Globe Co., Ltd.	Associate
Vung Tau Commercial Port J.S.C. (VCP)	Associate
Golden Globe Trading Co., Ltd.	Associate
Foodstuff Combina Torial Joint Stock Company	Associate
Minh Dam Tourism J.S.C.	Associate
Gemadept Hai Phong One Member Company Limited	Subsidiary of associate
Gemadept Logistics One Member Company Limited	Subsidiary of associate
Mekong Logistics Company	Subsidiary of associate
Gemadept Shipping Limited Company	Subsidiary of Jointly-controlled entity
Gemadept Shipping Singapore Pte. Ltd.	Subsidiary of Jointly-controlled entity
Gemadept (Malaysia) Sdn. Bhd.	Subsidiary of Jointly-controlled entity
OOCL Logistics (Vietnam) Co., Ltd.	Associate
Power Transportation and Service J.S.C. (Potraco)	Associate of associate

Transactions with other related parties

Apart from transactions with joint ventures and associates presented in Note No. V.2c, the Group has no transaction with other related parties.

Receivables from and payables to other related parties

Receivables from and payables to other related parties are presented in Notes No. V.3, V.5, V.6, V.16, V.20, V.21, and V.22.

The receivables from other related parties are unsecured and will be paid in cash. No provision has been made for the receivables from other related parties.

2. Segment information

The primary segment report is for the business segment since the organization and management of business operations of the Group are mainly based on their types of services.

2a. Information on business segment

The Group has the major business segments as follows:

- Port operation: including all services related to port operation.
- Logistics: including providing transportation, leasing vehicles, and agency services, etc.;
- Real estate: leasing office and investing in construction of a mixed-use development in Laos.
- Planting rubber trees: including the activities of planting rubber trees in Cambodia.

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses of the business segments of the Group is presented in attached Appendix 04.

2b. Information on geographical segment

The Group's activities are taken place locally and overseas (Southeast Asian countries).

Details of net external sales according to geographical segments based on the locations of customers are as follows:

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	Accumulated from the beginning of the year	
	Current year	Previous year
Local areas	1.274.046.252.320	1.698.466.334.753
Overseas areas	25.028.298.753	169.072.126.334
Total	1.299.074.551.073	1.867.538.461.087

Details of expenses generated on purchases of fixed assets, other non-current assets and segment assets according to geographical segments, based on the locations of assets are as follows:

	Expenses increased to purchase fixed assets and other non-current assets accumulated from the beginning of the year		Segment assets	
	Current year	Previous year	Ending balance	Beginning balance
Local areas	431.913.991.501	334.201.416.139	8.187.478.848.925	9.001.471.068.536
Overseas areas	45.662.792.035	29.169.308.814	1.570.011.599.084	1.504.230.338.579
Total	477.576.783.536	363.370.724.953	9.757.490.448.009	10.505.701.407.115


3. Subsequent events

On 19 July 2018, the Group received a notice from Saigon Cargo Service Corporation regarding second payment for dividend of 2017 at the rate of 30%.


On 08 August 2018, the Corporation disclosed information on share issuance under the employee stock option plan (ESOP) with the expected number of 8.648.000 shares.

Apart from foregoing events, there is no material subsequent event which is required to adjust figures or disclosures in the Consolidated Interim Financial Statements.

Ho Chi Minh City, 29 August 2018


Pham Quang Huy
Preparer


Nguyen Minh Nguyet
Chief Accountant


Do Van Minh
General Director



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Appendix 01: Value of the Group's ownership in joint ventures, associates

	Beginning value of the ownership	Capital contribution during the period	Increase due to partial transfer of subsidiaries	Profits or loss during the period	Dividends and profit shared during the period	Appropriation for bonus and welfare funds	Value of the transfer	Ending value of the ownership
Gemadep-Terminal Link Cai Mep Terminal Joint Stock Company	1,367,125,745,238	-	-	(6,210,261,301)	-	-	-	1,360,915,483,937
Sai Gon Cargo Service Corporation	512,978,204,979	-	-	64,600,750,108	(55,885,920,000)	(2,606,400,000)	-	519,086,635,087
CJ Gemadep Logistics Holdings Company Limited	-	-	133,411,196,946	6,391,746,522	-	-	-	139,802,943,468
"K" Line-Gemadep Logistics Company Limited	78,701,261,236	36,649,000,000	-	(1,826,365,137)	-	(136,195,800)	-	113,387,760,299
CJ Gemadep Shipping Holdings Company Limited	-	-	111,805,652,124	(10,447,442,198)	-	-	-	101,358,209,926
Golden Globe Co., Ltd.	89,355,403,136	-	-	(123,355,391)	-	-	-	89,232,047,745
Golden Globe Trading Co., Ltd.	77,882,534,978	-	-	1,857,806,404	-	-	-	79,740,341,382
Foodstuff Combina Torial Joint Stock Company	32,770,982,211	-	-	(896,982,000)	-	-	-	31,874,000,211
Power Transport and Service J.S.C	27,555,359,395	-	-	124,344,068	-	-	(27,679,703,463)	-
Other joint ventures, associates	11,666,404,407	-	-	503,885,625	(1,157,040,000)	(221,409,896)	-	10,791,840,136
Total	2,198,035,895,580	36,649,000,000	245,216,849,070	53,974,186,700	(57,042,960,000)	(2,964,005,696)	(27,679,703,463)	2,446,189,262,191

Unit: VND

Ho Chi Minh City, 29 August 2018



Nguyen Minh-Nguyet
Chief Accountant

Pham Quang Huy
Preparer

GEMADEPT CORPORATION

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Appendix 02: Increases/(decreases) of construction-in-progress

Unit: VND

	Beginning balance	Increase during the period	Inclusion into fixed assets during the period	Other decrease	Ending balance
Acquisition of fixed assets	396.188.491.516	1.951.966.831	(370.262.520.516)	(60.000.000)	27.817.937.831
Construction-in-progress	2.061.620.481.882	267.421.790.934	(621.330.558.568)	(133.410.782.525)	1.574.300.931.723
- Rach Chiec Residential Area	51.165.085.825	-	-	-	51.165.085.825
- Pacific Pride Rubber Trees	704.723.258.140	26.142.861.300	-	(28.996.462.440)	701.869.657.000
- Pacific Pearl Rubber Trees	358.756.768.260	16.316.829.300	-	(13.676.904.060)	361.396.693.500
- Pacific Lotus Rubber Trees	472.932.713.220	17.967.369.810	-	(41.792.542.330)	449.107.540.700
- Hau Giang Warehouse	36.855.889.212	-	-	(36.855.889.212)	-
- Nam Dinh Vu Port	394.552.832.185	169.220.852.145	(563.773.684.330)	-	-
- Other projects	42.633.935.040	37.773.878.379	(57.556.874.238)	(12.088.984.483)	10.761.954.698
Total	2.457.808.973.398	269.373.757.765	(991.593.079.084)	(133.470.782.525)	1.602.118.869.554

Pham Quang Huy
Preparer

Nguyen Minh Nguyet
Chief Accountant

Ho Chi Minh City, 29 August 2018



Do Van Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Appendix 03: Statement on fluctuations in owner's equity

	Capital	Share premiums	Other sources of capital	Exchange difference	Investment and development fund	Other funds	Retained earnings	Benefits of non-controlling shareholders	Total
Beginning balance of the previous year	1,794,322,810,000	1,872,171,604,400	71,797,775,902	62,531,779,733	131,005,909,687	103,480,642,037	1,130,829,670,684	700,475,825,589	5,866,616,018,032
Capital increased during the period	1,088,446,760,000	69,640,592,640	-	-	-	-	-	57,000,300,000	1,215,107,352,640
Profit during the period	-	-	-	-	-	-	192,543,166,727	37,973,015,759	230,516,182,486
Appropriation for funds during the period	-	-	-	-	15,175,505,142	30,331,010,284	(102,496,790,890)	(1,399,224,775)	(58,369,500,239)
Dividends shared during the period	-	-	-	-	-	-	(432,415,435,500)	(35,404,011,330)	(467,819,446,830)
Disbursement during the period	-	-	-	-	-	(559,999,998)	-	-	(559,999,998)
Exchange difference	-	-	-	6,074,055,720	-	-	-	-	6,074,055,720
Other decreases	-	-	-	-	-	-	(975,750,636)	(195,150)	(975,945,786)
Ending balance of the previous period	2,882,769,570,000	1,941,832,197,040	71,797,775,902	68,605,835,453	146,181,414,829	133,271,652,323	787,484,860,385	758,645,410,093	6,790,588,716,025
Beginning balance of the current year	2,882,769,570,000	1,941,832,197,040	71,797,775,902	65,512,288,357	140,506,085,321	128,055,807,347	1,113,091,207,224	750,371,550,398	7,094,537,082,089
Profit during the period	-	-	-	-	-	-	1,528,862,954,602	25,323,264,165	1,554,186,218,767
Appropriation for funds during the period	-	-	-	-	-	-	(40,962,084,068)	(388,962,045)	(41,351,046,113)
Dividends shared during the period	-	-	-	-	-	-	(1,873,800,220,500)	(6,485,600,000)	(1,880,285,820,500)
Disbursement during the period	-	-	-	-	-	(559,999,998)	-	-	(559,999,998)
Transfer and dissolution of subsidiaries	-	-	-	-	-	-	(39,411,599,353)	(106,303,643,239)	(145,715,242,592)
Other increases	-	-	-	12,134,992,190	-	-	-	-	12,134,992,190
Ending balance of the current period	2,882,769,570,000	1,941,832,197,040	71,797,775,902	77,647,281,047	140,506,085,321	127,495,807,349	687,780,257,905	663,116,609,279	6,592,946,183,843

Unit: VND

CÔNG TY TNHH CỔ PHẦN GEMADEPT
Ho Chi Minh City, 29 August 2018

Nguyễn Minh Nguyệt
Nguyễn Minh Nguyệt
Chief Accountant

Đoàn Văn Minh
Đoàn Văn Minh
General Director

Phạm Quang Huy
Phạm Quang Huy
Preparer

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Appendix 04: Segment information according to the business segments

Unit: VND

Information on the Group's financial performance, fixed assets, other non-current assets and values of remarkable non-cash expenses according to the business segments is as follows:

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
Current period						
Net external sales	1.023.013.458.188	273.940.692.497	2.120.400.388	-	-	1.299.074.551.073
Net inter-segment sales	131.568.511.560	216.517.647.425	-		(348.086.158.985)	-
Total net sales	1.154.581.969.748	490.458.339.922	2.120.400.388	-	(348.086.158.985)	1.299.074.551.073
Segment financial performance						
Expenses not attributable to segments	284.873.184.558	(1.770.074.160)	2.120.400.388	(7.475.938.600)	(5.019.962.602)	272.727.609.584
Operating profit						(16.485.090.292)
Financial income						256.242.519.292
Financial expenses						1.546.133.686.333
Other income						24.431.043.793
Other expenses						11.887.720.447
Gain or loss in associates and joint ventures						(103.163.323.072)
Current income tax	(6.210.261.301)	58.449.996.988	1.734.451.013	-	-	53.974.186.703
Deferred income tax						(238.263.659.738)
Profit after tax						2.944.045.012
						1.554.186.218.767
Total expenses on acquisition of fixed assets and other non-current assets	221.103.776.773	214.807.195.613	-	41.665.811.150	-	477.576.783.536
Total depreciation/(amortization) and allocation of long-term prepayments	117.084.988.730	37.263.425.197	-	383.045.762	-	154.731.459.689
Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)	-	-	-	-	-	-

GEMADEPT CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Appendix 04: Segment information according to the business segments (cont.)

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
Previous period						
Net external sales	825.819.556.942	1.041.126.102.781	592.801.364	-	-	1.867.538.461.087
Net inter-segment sales	186.402.859.910	284.040.105.446	-	890.536.362	(471.333.501.718)	-
Total net sales	1.012.222.416.852	1.325.166.208.227	592.801.364	890.536.362	(471.333.501.718)	1.867.538.461.087
Segment financial performance						
Expenses not attributable to segments	280.480.600.729	(105.017.036.127)	592.801.364	(5.426.184.020)	131.288.322.583	301.918.504.529
Operating profit						(16.696.575.610)
Financial income						285.221.928.919
Financial expenses						35.504.175.247
Other income						(85.490.773.027)
Other expenses						38.133.417.098
Gain or loss in associates and joint ventures						(65.006.454.471)
Current income tax	(5.051.138.455)	37.290.961.071	722.135.703	-	-	52.376.591.361
Deferred income tax						(29.271.666.147)
Profit after tax						(951.036.494)
						230.516.182.486
Total expenses on acquisition of fixed assets and other non-current assets	226.262.404.901	110.215.566.402	-	26.892.753.650	-	363.370.724.953
Total depreciation/(amortization) and allocation of long-term prepayments	78.722.131.287	80.513.600.710	-	347.730.592	-	159.583.462.589
Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)	-	-	-	-	-	-

GEMADEPT CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2018

Appendix 04: Segment information according to the business segments (cont.)

The Group's assets and liabilities according to the business segments are as follows:

	Port operation	Logistic services	Trading real estate	Planting rubber trees	Deductions	Total
Ending balance						
Direct assets of segment	4,911,603,068.172	2,224,284,193.834	151,273,022.298	2,470,330,163.705	-	9,757,490,448.009
Unallocated assets						247,328,703.685
Total assets						10,004,819,151.694
Direct liabilities of segment	1,541,065,023.644	802,563,520.495	-	1,017,429,103.194	-	3,361,057,647.333
Unallocated liabilities						50,815,320.518
Total liabilities						3,411,872,967.851
Beginning balance						
Direct assets of segment	4,146,931,845.374	3,392,769,827.332	151,893,467.233	2,814,106,267.176	-	10,505,701,407.115
Unallocated assets						785,515,800.157
Total assets						11,291,217,207.272
Direct liabilities of segment	1,426,404,870.008	1,732,170,375.736	-	969,994,688.299	-	4,128,569,934.043
Unallocated liabilities						68,110,191.140
Total liabilities						4,196,680,125.183


Pham Quang Huy
Preparer

Nguyen Minh-Nguyet
Chief AccountantDo Van Minh
General Director