

**CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**
FOR THE FIRST 06 MONTHS OF
THE FISCAL YEAR ENDING 31 DECEMBER 2020

GEMADEPT CORPORATION

CONTENTS

| | Page |
|---|---------|
| 1. Contents | 1 |
| 2. Statement of the Board of Directors | 2 - 4 |
| 3. Report on the Review of Interim Financial Information | 5 |
| 4. Consolidated Interim Balance Sheet as of 30 June 2020 | 6 - 9 |
| 5. Consolidated Interim Income Statement for the first 06 months of the fiscal year ending 31 December 2020 | 10 |
| 6. Consolidated Interim Cash Flow Statement for the first 06 months of the fiscal year ending 31 December 2020 | 11 - 12 |
| 7. Notes to the Consolidated Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2020 | 13 - 50 |
| 8. Appendix | 51 - 56 |

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 2020 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, registered for the 1st time on 01 November 1993 and amended for the 24th time on 04 June 2019, granted by Ho Chi Minh City Department of Planning and Investment.

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. Ha Thu Hien | Member |
| Mr. Tsuyoshi Kato | 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. Pham Quoc Long | Deputy General Director |
| Mr. Nguyen Thanh Binh | Deputy General Director |
| Mr. Nguyen The Dung | Deputy General Director |
| Mr. Do Cong Khanh | 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 2020.

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.



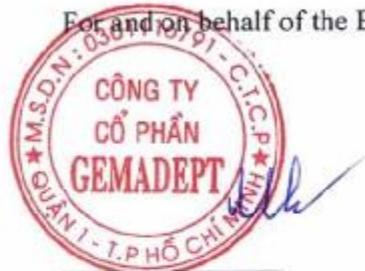
GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Approval of 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 2020, the consolidated financial performance and the consolidated cash flows for the first 06 months of the fiscal year ending 31 December 2020, 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: 28 August 2020



| | | |
|---------------------|---|--------------------|
| Head Office | : 02 Truong Son St., Tan Binh Dist., Ho Chi Minh City, Vietnam Tel: +84 (028) 3547 2972 Fax: +84 (028) 3547 2970 | kttv@a-c.com.vn |
| Branch in Ha Noi | : 40 Giang Vo St., Dong Da Dist., Ha Noi City, Vietnam Tel: +84 (024) 3736 7879 Fax: +84 (024) 3736 7869 | kttv.hn@a-c.com.vn |
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No. 1.1319/20/TC-AC

REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

**To: 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 28 August 2020 (from page 06 to page 56), including the Consolidated Interim Balance Sheet as at 30 June 2020, the Consolidated Interim Income Statement, the Consolidated Interim Cash Flow Statement for the first 06 months of the fiscal year ending 31 December 2020 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

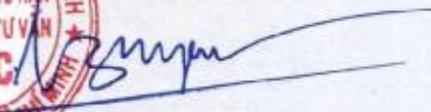
Our responsibility is to express conclusion on these Consolidated Interim Financial Statements based on our review. We have conducted the review in accordance with the Vietnamese Standards on Review Engagements No. 2410 – Review on interim financial information performed by independent auditor of the 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 2020 of the Group, its consolidated financial performance and its consolidated cash flows for the first 06 months of the fiscal year ending 31 December 2020, 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, 28 August 2020

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 2020

CONSOLIDATED INTERIM BALANCE SHEET**(Full form)
As of 30 June 2020**

Unit: VND

| ITEMS | Code | Note | Ending balance | Beginning balance |
|--|------------|------------|--------------------------|--------------------------|
| A - CURRENT ASSETS | 100 | | 1.385.457.407.092 | 1.187.770.152.906 |
| I. Cash and cash equivalents | 110 | V.1 | 220.127.960.428 | 185.545.788.383 |
| 1. Cash | 111 | | 213.627.960.428 | 181.545.788.383 |
| 2. Cash equivalents | 112 | | 6.500.000.000 | 4.000.000.000 |
| II. Short-term financial investments | 120 | | 42.559.479.361 | 44.267.969.361 |
| 1. Trading securities | 121 | V.2a | 83.409.810.665 | 83.409.810.665 |
| 2. Provisions for devaluation of trading securities | 122 | V.2a | (44.550.331.304) | (42.841.841.304) |
| 3. Held-to-maturity investments | 123 | V.2b | 3.700.000.000 | 3.700.000.000 |
| III. Short-term receivables | 130 | | 953.672.304.086 | 787.249.150.460 |
| 1. Short-term trade receivables | 131 | V.3 | 342.619.613.429 | 366.913.853.716 |
| 2. Short-term prepayments to suppliers | 132 | V.4a | 180.625.769.129 | 150.628.682.211 |
| 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 | 70.090.000.000 | 29.890.000.000 |
| 6. Other short-term receivables | 136 | V.6a | 370.195.012.301 | 248.569.466.319 |
| 7. Allowance for short-term doubtful debts | 137 | V.7 | (9.858.090.773) | (8.752.851.786) |
| 8. Deficit assets for treatment | 139 | | - | - |
| IV. Inventories | 140 | | 91.201.480.077 | 78.380.973.226 |
| 1. Inventories | 141 | V.8 | 94.322.688.537 | 81.502.181.686 |
| 2. Allowance for inventories | 149 | V.8 | (3.121.208.460) | (3.121.208.460) |
| V. Other current assets | 150 | | 77.896.183.140 | 92.326.271.476 |
| 1. Short-term prepaid expenses | 151 | V.9a | 11.559.490.622 | 10.084.640.619 |
| 2. Deductible VAT | 152 | | 63.829.866.235 | 77.345.950.952 |
| 3. Taxes and other receivables from the State | 153 | V.18 | 2.506.826.283 | 4.895.679.905 |
| 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 2020

Consolidated Interim Balance Sheet (cont.)

| ITEMS | Code | Note | Ending balance | Beginning balance |
|--|------------|------|---------------------------|---------------------------|
| B- NON-CURRENT ASSETS | 200 | | 8.689.995.965.793 | 8.932.136.744.096 |
| I. Long-term receivables | 210 | | 30.634.208.570 | 35.083.378.013 |
| 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 | 30.276.208.570 | 34.725.378.013 |
| 7. Allowance for long-term doubtful debts | 219 | | - | - |
| II. Fixed assets | 220 | | 3.295.502.893.999 | 3.345.274.223.419 |
| 1. Tangible fixed assets | 221 | V.10 | 2.893.808.333.103 | 2.916.128.041.718 |
| - Historical cost | 222 | | 4.966.869.195.694 | 4.832.622.857.685 |
| - Accumulated depreciation | 223 | | (2.073.060.862.591) | (1.916.494.815.967) |
| 2. Financial leased assets | 224 | V.11 | 137.840.158.080 | 159.869.253.562 |
| - Historical cost | 225 | | 259.738.889.560 | 259.738.889.560 |
| - Accumulated depreciation | 226 | | (121.898.731.480) | (99.869.635.998) |
| 3. Intangible fixed assets | 227 | V.12 | 263.854.402.816 | 269.276.928.139 |
| - Initial cost | 228 | | 348.826.028.541 | 347.724.397.901 |
| - Accumulated amortization | 229 | | (84.971.625.725) | (78.447.469.762) |
| III. Investment property | 230 | | - | - |
| - Historical costs | 231 | | - | - |
| - Accumulated depreciation | 232 | | - | - |
| IV. Long-term assets in process | 240 | | 1.686.245.569.260 | 1.799.802.914.004 |
| 1. Long-term work in process | 241 | | - | - |
| 2. Construction-in-progress | 242 | V.13 | 1.686.245.569.260 | 1.799.802.914.004 |
| V. Long-term financial investments | 250 | | 2.648.105.592.041 | 2.684.481.348.160 |
| 1. Investments in subsidiaries | 251 | | - | - |
| 2. Investments in joint ventures and associates | 252 | V.2c | 2.444.986.113.835 | 2.481.007.591.207 |
| 3. Investments in other entities | 253 | V.2d | 206.602.032.000 | 206.581.032.000 |
| 4. Provisions for devaluation of long-term financial investments | 254 | V.2d | (3.482.553.794) | (3.107.275.047) |
| 5. Held-to-maturity investments | 255 | | - | - |
| VI. Other non-current assets | 260 | | 1.029.507.701.923 | 1.067.494.880.500 |
| 1. Long-term prepaid expenses | 261 | V.9b | 653.447.022.597 | 676.460.835.521 |
| 2. Deferred income tax assets | 262 | V.14 | 106.918.343.611 | 94.280.850.909 |
| 3. Long-term components and spare parts | 263 | | - | - |
| 4. Other non-current assets | 268 | | - | - |
| 5. Goodwill | 269 | V.15 | 269.142.335.715 | 296.753.194.070 |
| TOTAL ASSETS | 270 | | 10.075.453.372.885 | 10.119.906.897.002 |

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 2020

Consolidated Interim Balance Sheet (cont.)

| ITEMS | Code | Note | Ending balance | Beginning balance |
|--|------------|-------|--------------------------|--------------------------|
| C - LIABILITIES | 300 | | 3.348.449.189.721 | 3.552.650.031.380 |
| I. Current liabilities | 310 | | 1.707.202.210.763 | 1.828.483.009.231 |
| 1. Short-term trade payables | 311 | V.16 | 320.988.544.205 | 422.801.324.306 |
| 2. Short-term advances from customers | 312 | V.17 | 104.367.093.761 | 131.371.902.987 |
| 3. Taxes and other obligations to the State Budget | 313 | V.18 | 36.671.836.078 | 84.738.031.413 |
| 4. Payables to employees | 314 | V.19 | 33.023.658.738 | 54.637.591.528 |
| 5. Short-term accrued expenses | 315 | V.20 | 206.020.902.339 | 168.100.913.409 |
| 6. Short-term inter-company payables | 316 | | - | - |
| 7. Payable according to the progress of construction contracts | 317 | | - | - |
| 8. Short-term unearned revenue | 318 | V.21a | - | 5.234.940.031 |
| 9. Other short-term payables | 319 | V.22a | 207.585.523.819 | 179.612.613.672 |
| 10. Short-term borrowings and financial leases | 320 | V.23a | 729.100.920.646 | 651.869.390.233 |
| 11. Provisions for short-term payables | 321 | V.24 | 8.321.255.010 | 68.156.661.011 |
| 12. Bonus and welfare funds | 322 | V.25 | 61.122.476.167 | 61.959.640.641 |
| 13. Price stabilization fund | 323 | | - | - |
| 14. Trading Government bonds | 324 | | - | - |
| II. Non-current liabilities | 330 | | 1.641.246.978.958 | 1.724.167.022.149 |
| 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.21b | 263.996.721.534 | 223.677.508.700 |
| 7. Other long-term payables | 337 | V.22b | 78.300.479.360 | 74.872.092.260 |
| 8. Long-term borrowings and financial leases | 338 | V.23b | 1.298.949.778.064 | 1.425.617.421.189 |
| 9. Convertible bonds | 339 | | - | - |
| 10. Preferred shares | 340 | | - | - |
| 11. Deferred income tax liability | 341 | V.26 | - | - |
| 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 2020

Consolidated Interim Balance Sheet (cont.)

| ITEMS | Code | Note | Ending balance | Beginning balance |
|---|------------|------|---------------------------|---------------------------|
| D - OWNER'S EQUITY | 400 | | 6.727.004.183.164 | 6.567.256.865.622 |
| I. Owner's equity | 410 | | 6.727.004.183.164 | 6.567.256.865.622 |
| 1. Capital | 411 | V.27 | 2.969.249.570.000 | 2.969.249.570.000 |
| - Ordinary shares carrying voting rights | 411a | | 2.969.249.570.000 | 2.969.249.570.000 |
| - 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 | 95.391.108.208 | 96.692.165.949 |
| 8. Investment and development fund | 418 | V.27 | 152.636.937.352 | 152.636.937.352 |
| 9. Business arrangement supporting fund | 419 | | - | - |
| 10. Other funds | 420 | V.27 | 137.697.170.488 | 138.163.837.156 |
| 11. Retained earnings | 421 | V.27 | 651.524.297.335 | 505.387.726.304 |
| - Retained earnings accumulated to the end of the previous period | 421a | | 434.232.307.437 | 505.387.726.304 |
| - Retained earnings of the current period | 421b | | 217.291.989.898 | - |
| 12. Construction investment fund | 422 | | - | - |
| 13. Benefits of non-controlling shareholders | 429 | V.27 | 706.875.126.839 | 691.496.655.919 |
| 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 | | 10.075.453.372.885 | 10.119.906.897.002 |

Ho Chi Minh City, 28 August 2020



Pham Quang Huy
Preparer



Nguyen Minh Nguyet
Chief Accountant



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 2020

CONSOLIDATED INTERIM INCOME STATEMENT

(Full form)

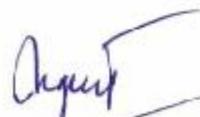
For the first 06 months of the fiscal year ending 31 December 2020

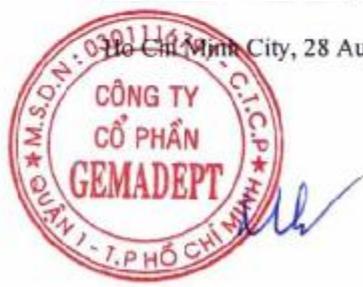
Unit: VND

| ITEMS | Code | Note | Accumulated from the beginning of the year | |
|--|------|-------|--|------------------------|
| | | | Current year | Previous year |
| 1. Sales | 01 | VI.1 | 1.209.016.252.255 | 1.297.931.416.993 |
| 2. Sales deductions | 02 | | - | - |
| 3. Net sales | 10 | | 1.209.016.252.255 | 1.297.931.416.993 |
| 4. Cost of sales | 11 | VI.2 | 714.126.799.638 | 776.962.473.936 |
| 5. Gross profit | 20 | | 494.889.452.617 | 520.968.943.057 |
| 6. Financial income | 21 | VI.3 | 22.104.036.991 | 102.003.687.327 |
| 7. Financial expenses | 22 | VI.4 | 101.873.356.626 | 84.708.025.241 |
| In which: Loan interest expenses | 23 | | 77.535.973.511 | 74.067.878.025 |
| 8. Gain or loss in joint ventures, associates | 24 | V.2c | 78.045.010.982 | 120.744.542.030 |
| 9. Selling expenses | 25 | VI.5 | 63.158.537.083 | 64.232.024.728 |
| 10. General and administration expenses | 26 | VI.6 | 156.251.174.564 | 149.638.361.889 |
| 11. Net operating profit | 30 | | 273.755.432.317 | 445.138.760.556 |
| 12. Other income | 31 | VI.7 | 67.182.507.879 | 7.906.555.864 |
| 13. Other expenses | 32 | VI.8 | 58.870.686.518 | 53.595.454.785 |
| 14. Other profit/(loss) | 40 | | 8.311.821.361 | (45.688.898.921) |
| 15. Total accounting profit before tax | 50 | | 282.067.253.678 | 399.449.861.635 |
| 16. Current income tax | 51 | V.18 | 43.674.949.749 | 49.762.598.913 |
| 17. Deferred income tax | 52 | VI.9 | (12.637.492.702) | 2.294.160.337 |
| 18. Profit after tax | 60 | | <u>251.029.796.631</u> | <u>347.393.102.385</u> |
| 19. Profit after tax of the Parent Company | 61 | | <u>217.291.989.898</u> | <u>288.492.930.850</u> |
| 20. Profit after tax of non-controlling shareholders | 62 | | <u>33.737.806.733</u> | <u>58.900.171.535</u> |
| 21. Basic earnings per share | 70 | VI.10 | <u>673</u> | <u>894</u> |
| 22. Diluted earnings per share | 71 | VI.10 | <u>673</u> | <u>894</u> |

Ho Chi Minh City, 28 August 2020


 Pham Quang Huy
 Preparer


 Nguyen Minh Nguyet
 Chief Accountant


 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 2020

CONSOLIDATED INTERIM CASH FLOW STATEMENT

(Full form)

(Indirect method)

For the first 06 months of the fiscal year ending 31 December 2020

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 | | 282.067.253.678 | 399.449.861.635 |
| 2. Adjustments | | | | |
| - Depreciation of fixed assets and investment properties | 02 | | 202.479.376.580 | 179.010.905.184 |
| - Provisions and allowances | 03 | V.2; V.7; V.24 | (56.503.091.487) | 4.486.811.078 |
| - Exchange gain/(loss) due to revaluation of monetary items in foreign currencies | 04 | VI.4 | 21.016.035.013 | 2.180.049.003 |
| - Gain/(loss) from investing activities | 05 | V.2c; VI.3; VI.7; VI.8 | (44.880.515.035) | (174.008.276.865) |
| - Interest expenses | 06 | VI.4 | 77.535.973.511 | 74.067.878.025 |
| - Others | 07 | | - | - |
| 3. Operating profit before changes of working capital | 08 | | 481.715.032.260 | 485.187.228.060 |
| - Increase/(decrease) of receivables | 09 | | 74.183.051.972 | (56.183.793.739) |
| - Increase/(decrease) of inventories | 10 | | (12.820.506.851) | (5.185.984.068) |
| - Increase/(decrease) of payables | 11 | | (96.015.452.202) | (57.479.202.564) |
| - Increase/(decrease) of prepaid expenses | 12 | | 16.122.256.869 | 13.260.889.300 |
| - Increase/(decrease) of trading securities | 13 | | - | - |
| - Interests paid | 14 | V.20; VI.4 | (75.365.118.981) | (73.328.717.701) |
| - Corporate income tax paid | 15 | V.18 | (95.051.716.023) | (35.737.088.016) |
| - Other cash inflows | 16 | | - | - |
| - Other cash outflows | 17 | | (24.776.390.882) | (26.439.342.637) |
| Net cash flows from operating activities | 20 | | 267.991.156.162 | 244.093.988.635 |
| II. Cash flows from investing activities | | | | |
| 1. Purchases and construction of fixed assets and other non-current assets | 21 | | (113.928.976.236) | (89.395.384.702) |
| 2. Proceeds from disposals of fixed assets and other non-current assets | 22 | V.10; VI.7 | 993.545.454 | (3.214.467.552) |
| 3. Cash outflow for lending, buying debt instruments of other entities | 23 | V.5 | (44.200.000.000) | (10.065.460.000) |
| 4. Cash recovered from lending, selling debt instruments of other entities | 24 | V.5 | 4.000.000.000 | 8.100.000.000 |
| 5. Investments into other entities | 25 | | (31.011.135.909) | - |
| 6. Withdrawals of investments in other entities | 26 | | 18.742.372.000 | 128.807.032.180 |
| 7. Interest earned, dividends and profits received | 27 | V.2c; V.6; VI.3 | 5.207.576.241 | 46.321.161.860 |
| Net cash flows from investing activities | 30 | | (160.196.618.450) | 80.552.881.786 |

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 2020

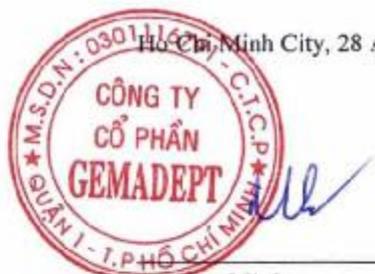
Consolidated Interim Cash Flow Statement (cont.)

| 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 | | 500.439.159.904 | 319.148.866.591 |
| 4. Repayment for loan principal | 34 | | (524.106.295.256) | (577.375.493.200) |
| 5. Payments for financial leased assets | 35 | | (28.231.541.732) | (27.428.291.615) |
| 6. Dividends and profit paid to the owners | 36 | | (21.148.805.747) | - |
| <i>Net cash flows from financing activities</i> | 40 | | <u>(73.047.482.831)</u> | <u>(285.654.918.224)</u> |
| Net cash flows during the period | 50 | | 34.747.054.881 | 38.991.952.197 |
| Beginning cash and cash equivalents | 60 | V.1 | 185.545.788.383 | 172.567.048.493 |
| Effects of fluctuations in foreign exchange rates | 61 | | (164.882.836) | 199.895.551 |
| Ending cash and cash equivalents | 70 | V.1 | <u>220.127.960.428</u> | <u>211.758.896.241</u> |

Ho Chi Minh City, 28 August 2020


 Pham Quang Huy
 Preparer


 Nguyen Minh Nguyet
 Chief Accountant


 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 2020

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 06 months of the fiscal year ending 31 December 2020

I. GENERAL INFORMATION

1. Ownership form

Gemadep 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 Gemadep 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

During the period, the Group carried out the procedures to dissolve Gemadep Nhon Hoi International Port Corporation and transferred 48% of share capital in OOCL Logistics (Vietnam) Company Limited.

Due to the impact of Covid-19 pandemic on port operations and logistics, the Group’s revenue and profit for the first 6 months of 2020 decreased as compared to those of the same period of the previous year.

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 16 joint ventures, associates (at the beginning of the year, the Group had 19 subsidiaries and 17 joint ventures, associates). All subsidiaries are consolidated in these Consolidated Interim Financial Statements.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)**6a. List of subsidiaries at the end of period**

| 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 ⁽ⁱ⁾ | Lot CN3, MP Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam | 75,00% | 65,00% | 75,00% | 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 ⁽ⁱⁱ⁾ | 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% |
| 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 Joint Stock Company Limited | 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 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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

| Subsidiaries | Address | Benefit rate | | Voting right | |
|---|---|----------------|-------------------|----------------|-------------------|
| | | Ending balance | Beginning balance | Ending balance | Beginning balance |
| Gemadep Nhon Hoi International Port Corporation | No. 98 Pham Hung Street, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province, Vietnam | 53,20% | 53,20% | 53,20% | 53,20% |
| Binh Duong Port Corporation | Land Lot No. 712, the Map No. 8.BT.B, Group 5, Quyet Thang Quarter, Binh Thang Ward, Di An Town, Binh Duong Province, Vietnam | 80,09% | 80,09% | 80,09% | 80,09% |

(i) On 16 January 2020, the Group additionally acquired 10% shares of Nam Hai ICD Joint Stock Company, increasing the capital contribution rate in this subsidiary to 75% since this date.

(ii) 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.

6b. 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 Gemadep Logistics Holdings Company Limited | No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam | 49,10% | 49,10% | 49,10% | 49,10% |
| Gemadep 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% | 49,10% | 49,10% | 49,10% |
| Mekong Logistics Company | Song Hau Industrial Park, Dong Phu Commune, Chau Thanh District, Hau Giang Province, Vietnam | 25,02% | 25,02% | 25,02% | 25,02% |
| Gemadep 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% | 49,10% | 49,10% | 49,10% |
| CJ Gemadep Shipping Holdings Company Limited | No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam | 51,00% | 51,00% | 50,00% | 50,00% |
| Gemadep Shipping Limited Company | No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam | 51,00% | 51,00% | 50,00% | 50,00% |
| Gemadep Shipping Singapore Pte. Ltd. | 63 Market Street #05 – 01A Bank of Singapore Centre, Singapore, 048942 | 51,00% | 51,00% | 50,00% | 50,00% |
| Gemadep (Malaysia) Sdn. Bhd. | No. 68B, Jalan Batai Laut 4, Taman Intan, 41300 Klang, Selangor Darul Ehsan, Malaysia | 51,00% | 51,00% | 50,00% | 50,00% |
| Gemadep - Terminal Link Cai Mep Terminal J.S.C. ⁽ⁱ⁾ | Tan Loc Hamlet, Phuoc Hoa Ward, Phu My Town, 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 | 34,53% | 34,97% | 34,53% | 34,97% |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

| Companies | Address | Benefit rate | | Voting right | |
|--|--|----------------|-------------------|----------------|-------------------|
| | | Ending balance | Beginning balance | Ending balance | Beginning balance |
| "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. ⁽ⁱⁱ⁾ | 13 th Floor, Saigon Trade Center Building, No. 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam | - | 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%, the Resolutions of its General Meeting of Shareholders have to be approved by the shareholders who jointly hold at least 76% of total voting shares as required by the charter of this company. Therefore, this investment is presented in the item "Investments in joint ventures and associates" on the Consolidated Interim Financial Statements.

(ii) On 27 February 2020, the Group transferred 48% of share capital in OOCL Logistics (Vietnam) Co., Ltd. Because it only holds 1% of the voting rights, the Group no longer controls this company. The remaining investment is presented in the Consolidated Interim Financial Statements on the item "Investments in other entities".

7. Statement of information comparability on the Consolidated Financial Statements

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

8. Headcount

As of the balance sheet date, the Group's headcount is 1.479 (headcount at the beginning of the year: 1.482).

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).

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 of 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.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

- 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 Orient Commercial Joint Stock Bank (OCB) – Tan Binh Branch where the Group frequently makes transactions.
- For monetary items in foreign currencies classified as liabilities: the selling rate of Orient Commercial Joint Stock Bank (OCB) – Tan Binh 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.
- 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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 and dividends of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Interest and dividends 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 is determined as follows:

- For securities listed on the stock market: the closing price at the most recent trading date by the balance sheet date.
- For shares registered for trading on UPCOM: the average reference price in the 30 most preceding trading days prior to the balance sheet date, disclosed by Stock Exchange.
- For shares listed on the stock market or shares registered for trading on Upcom without transactions within 30 days prior to the date of provision, the shares which are delisted, canceled or suspended from trading: provision is made based on the losses of the investee at the rate equal to the difference between the actual capital invested by the owners and owner's equity as of the balance sheet date multiplying by the ownership rate over the total actual charter capital invested.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 measured at 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.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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.

The classification of receivables as trade receivables and other receivables is made according 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".

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

7. Inventories

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

Cost of inventories is determined as follows:

- For materials, fuels 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.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

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 for the maximum period of 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 period of 06 years.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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.

Intangible fixed assets of the Group include:



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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 amortized in accordance with the straight-line method over the land using period. 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 attributable to assets under construction, machinery and equipment under installation for purposes of 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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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.

The Group's provisions for payables include compensation for damages during transport and provision for fines on late tax payment.

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 and Notice of dividend payment from the Board of Management.

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 is done on the basis of the volume of work done 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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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.

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 | 21.745.715.486 | 22.107.550.095 |
| Cash in banks | 190.244.629.103 | 158.670.683.778 |
| Cash in transit | 1.637.615.839 | 767.554.510 |
| Cash equivalents (Bank deposits of which the principal maturity is under 03 months) | 6.500.000.000 | 4.000.000.000 |
| Total | <u>220.127.960.428</u> | <u>185.545.788.383</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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:

2a. Trading securities

| | Ending balance | | | Beginning balance | | |
|---------------------------------------|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|-------------------------|
| | Original costs | Fair values | Provisions | Original costs | Fair values | Provisions |
| Shares | | | | | | |
| National Citizen Bank (NCB) | 37.686.574.985 | 23.601.125.511 | (14.085.449.474) | 37.686.574.985 | 26.100.068.211 | (11.586.506.774) |
| Thu Duc Steel J.S.C. | 31.488.264.362 | 15.258.073.400 | (16.230.190.962) | 31.488.264.362 | 14.467.637.700 | (17.020.626.662) |
| Manganese Mineral Joint Stock Company | 14.234.321.100 | - | (14.234.321.100) | 14.234.321.100 | - | (14.234.321.100) |
| Other shares | 650.218 | 284.500 | (369.768) | 650.218 | 461.000 | (386.768) |
| Total | 83.409.810.665 | 38.859.483.411 | (44.550.331.304) | 83.409.810.665 | 40.568.166.911 | (42.841.841.304) |

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

| | <u>Current period</u> | <u>Previous period</u> |
|-----------------------|-------------------------|-------------------------|
| Beginning balance | (42.841.841.304) | (61.529.687.071) |
| Additional extraction | (1.708.490.000) | (7.389.234.504) |
| Ending balance | (44.550.331.304) | (68.918.921.575) |

2b. Held-to-maturity investments

This item reflects bank 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 |
| Gemadep – Terminal Link Cai Mep Terminal J.S.C. | 1.477.350.000.000 | (151.611.589.496) | 1.325.738.410.504 | 1.477.350.000.000 | (141.976.973.075) | 1.335.373.026.925 |
| Saigon Cargo Service Corporation (SCSC Corp.) ⁽ⁱ⁾ | 406.098.170.317 | 86.398.650.755 | 492.496.821.072 | 414.687.317.817 | 116.076.825.019 | 530.764.142.836 |
| CJ Gemadep Logistics Holdings Company Limited | 131.555.876.205 | 67.780.845.369 | 199.336.721.574 | 131.555.876.205 | 56.337.943.433 | 187.893.819.638 |
| "K" Line – Gemadep Logistics Co., Ltd. | 108.001.500.000 | 12.836.387.825 | 120.837.887.825 | 108.001.500.000 | 8.343.082.788 | 116.344.582.788 |
| CJ Gemadep Shipping Holdings Company Limited | 104.620.023.000 | (5.026.583.718) | 99.593.439.282 | 104.620.023.000 | (754.392.456) | 103.865.630.544 |
| Golden Globe Co., Ltd. | 103.823.882.496 | (1.229.410.786) | 102.594.471.710 | 103.823.882.496 | (1.023.518.708) | 102.800.363.788 |
| Golden Globe Trading Co., Ltd. | 62.538.064.097 | 5.027.938.050 | 67.566.002.147 | 62.538.064.097 | 2.531.486.528 | 65.069.550.625 |
| Foodstuff Combina Torial Joint Stock Company | 49.825.280.000 | (23.846.730.711) | 25.978.549.289 | 49.825.280.000 | (22.586.547.257) | 27.238.732.743 |
| OOCL Logistics (Vietnam) Co., Ltd. ⁽ⁱⁱ⁾ | - | - | - | 1.029.000.000 | (1.029.000.000) | - |
| Other joint ventures, associates | 28.396.608.143 | (17.552.797.711) | 10.843.810.432 | 28.396.608.143 | (16.738.866.823) | 11.657.741.320 |
| Total | 2.472.209.404.258 | (27.223.290.423) | 2.444.986.113.835 | 2.481.827.551.758 | (819.960.551) | 2.481.007.591.207 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

- (i) Decreased due to share transfer.
- (ii) On 27 February 2020, the Group transferred 48% of capital in OOCL Logistics (Vietnam) Co., Ltd. Because it only holds 1% of the voting rights, the Group no longer controls this company. The remaining investment is presented in the Consolidated Interim Financial Statements on the item "Investments in other entities".

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>Gemadep - Terminal Link Cai Mep Terminal J.S.C.</i> | | |
| Sales from leasing office | 124.139.848 | 132.701.962 |
| Sales from service provision | 180.262.939.092 | - |
| Service charges | 314.929.229 | - |
| Loan interest | - | 328.142.924 |
| Payment on this company's behalf | 34.559.814 | - |
| <i>Saigon Cargo Service Corporation</i> | | |
| Dividends shared | 100.032.675.000 | 77.079.750.500 |
| Loan | 105.000.000.000 | 50.000.000.000 |
| Loan interest | 3.254.206.545 | 2.386.574.562 |
| <i>CJ Gemadep Logistics Holdings Company Limited</i> | | |
| Loan given | 2.000.000.000 | 6.000.000.000 |
| Interest on loan given | 665.635.068 | 184.986.302 |
| <i>"K" Line - Gemadep Logistics Co., Ltd.</i> | | |
| Sales from service provision | 5.326.880.005 | 2.327.512.173 |
| Sales from leasing office | 179.575.508 | 190.900.982 |
| <i>CJ Gemadep Shipping Holdings Company Limited</i> | | |
| Loan given | - | 2.785.460.000 |
| Interest on loan given | - | 46.258.709 |
| <i>Vung Tau Commercial Port J.S.C.</i> | | |
| Dividends shared | 1.060.620.000 | 674.940.000 |
| <i>Minh Dam Tourism J.S.C.</i> | | |
| Loan given | 100.000.000 | 180.000.000 |
| Interest on loan given | 572.138.082 | - |
| <i>Gemadep Hai Phong One Member Company Limited</i> | | |
| Sales from service provision | 29.551.143.606 | 33.926.482.163 |
| Sales from leasing assets | 2.953.090.911 | 3.073.090.909 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

| | Accumulated from the beginning of the year | |
|--|---|----------------------|
| | Current year | Previous year |
| Acquisition of assets | 2.981.000.000 | - |
| Service charges | 5.813.582.758 | 27.758.997.200 |
| Payment on this company's behalf | 12.952.722 | 21.662.046 |
| <i>Gemadep Logistics One Member Company Limited</i> | | |
| Sales from service provision | 1.900.446.432 | 10.072.302.213 |
| Sales from leasing assets | 6.908.223.154 | 2.188.353.404 |
| Service charges | 243.685.381 | 1.201.573.700 |
| Payment on this company's behalf | 454.411.375 | 1.094.715.828 |
| Collection on this company's behalf | 3.879.420.374 | 9.626.216.624 |
| <i>Gemadep Shipping Limited Company</i> | | |
| Sales from leasing assets | 39.459.262.203 | 39.557.286.326 |
| Sales from service provision | 3.923.397.919 | 6.796.577.842 |
| Service charges | 4.263.025.419 | 429.090.911 |
| Collection on this company's behalf | 16.207.661.335 | 17.729.328.949 |
| Payment on this company's behalf | 14.658.168.821 | 13.947.984.466 |
| <i>Mekong Logistics Company</i> | | |
| Sales from service provision | 162.039.467 | 152.918.145 |
| Interest on loans given | - | 282.849.316 |

Investments in associates used as mortgage

The Group has mortgaged 8.530.000 shares of the Parent Company in Saigon Cargo Service Corporation to secure the loan from ACB – Saigon Branch (see Note No. V.23b).

The Group has mortgaged its contributed capital in Gemadep - Terminal Link Cai Mep Terminal J.S.C. to secure the loan of this company from Vietcombank - Ho Chi Minh City Branch in relation to the investment in Cai Mep - Gemadep Terminal Link Phase 1.

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 | - |
| Indochina Sun Infrastructure Development Construction Investment Corporation | 36.000.000.000 | - | 36.000.000.000 | - |
| Intellectual Vietnam Asset Management Joint Stock Company | 5.000.000.000 | (3.461.553.794) | 5.000.000.000 | (3.107.275.047) |
| OOCL Logistics (Vietnam) Co., Ltd. | 21.000.000 | (21.000.000) | - | - |
| Total | 206.602.032.000 | (3.482.553.794) | 206.581.032.000 | (3.107.275.047) |

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)*Provisions for investments in other entities*

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

| | <u>Current period</u> | <u>Previous period</u> |
|-----------------------|-------------------------------|--------------------------------|
| Beginning balance | (3.107.275.047) | (15.660.934.288) |
| Additional extraction | (375.278.747) | - |
| Reversal | - | 3.132.423.426 |
| Ending balance | <u>(3.482.553.794)</u> | <u>(12.528.510.862)</u> |

Investments in other entities used as mortgage

The Group has mortgaged shares of the Parent Company in Maritime Bank to secure the loan from OCB – Tan Binh Branch (see Note No. V.23b).

3. Short-term trade receivables

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-------------------------------|-------------------------------|
| <i>Receivables from related parties</i> | <i>29.551.070.030</i> | <i>31.148.806.056</i> |
| Gemadep Hai Phong One Member Company Limited | 16.887.024.796 | 15.809.907.826 |
| Gemadep Shipping Limited Company | 8.504.172.898 | 9.036.900.386 |
| Gemadep Logistics One Member Company Limited | 2.174.039.916 | 1.969.153.844 |
| “K” Line – Gemadep Logistics Co., Ltd. | 1.907.169.000 | 4.055.524.000 |
| Mekong Logistics Company | 78.663.420 | - |
| OOCL Logistics (Vietnam) Co., Ltd. | - | 277.320.000 |
| <i>Receivables from other customers</i> | <i>313.068.543.399</i> | <i>335.765.047.660</i> |
| Total | <u>342.619.613.429</u> | <u>366.913.853.716</u> |

Some receivables have been mortgaged to secure the loan from Vietinbank – Branch 1 in Ho Chi Minh City (see Note No. V.23a).

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

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-------------------------------|-------------------------------|
| Golden Lotus Corporation | 52.774.181.296 | 55.274.181.296 |
| Sao Do Investment Group Joint Stock Company | 27.272.727.273 | 20.000.000.000 |
| An Duong Automation Engineering Co., Ltd. | 18.740.213.624 | 21.736.500.000 |
| Galaxy Maritime Corporation | 13.283.853.004 | 10.783.853.004 |
| Other suppliers | 68.554.793.932 | 42.834.147.911 |
| Total | <u>180.625.769.129</u> | <u>150.628.682.211</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>20.990.000.000</i> | <i>18.890.000.000</i> |
| CJ Gemadep Logistics Holdings Company Limited | 18.600.000.000 | 16.600.000.000 |
| Minh Dam Tourism J.S.C. | 2.390.000.000 | 2.290.000.000 |
| <i>Loans given to other organizations</i> | <i>49.100.000.000</i> | <i>11.000.000.000</i> |
| Galaxy Maritime Corporation | 37.100.000.000 | 11.000.000.000 |
| Other organizations | 12.000.000.000 | - |
| Total | <u>70.090.000.000</u> | <u>29.890.000.000</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-------------------------------|-------------------------------|
| <i>Receivables from related parties</i> | <i>128.736.449.707</i> | <i>34.523.148.215</i> |
| Saigon Cargo Service Corporation (SCSC Corp.) – Dividends shared | 100.032.675.000 | - |
| Golden Globe Co., Ltd. – Payment on this company’s behalf | 26.059.414.500 | 26.059.414.500 |
| CJ Gemadept Logistics Holdings Company Limited – Interest on loan given | 959.333.698 | 293.698.630 |
| Minh Dam Tourism J.S.C. – Interest on loan given | 779.020.304 | 206.882.222 |
| Gemadept Shipping Limited Company – Profit shared, collection on the Group’s behalf | 305.596.755 | 7.663.152.863 |
| Golden Globe Trading Co., Ltd. – Payment on this company’s behalf | 300.000.000 | 300.000.000 |
| Gemadept Logistics One Member Company Limited - Payment on this company’s behalf | 265.849.636 | - |
| Gemadept - Terminal Link Cai Mep Terminal J.S.C. - Payment on this company’s behalf | 34.559.814 | - |
| <i>Receivables from other organizations and individuals</i> | <i>241.458.562.594</i> | <i>214.046.318.104</i> |
| Advances | 122.140.990.270 | 100.146.138.917 |
| Ocean Investment Consultants Corporation – Investment cooperation | 32.000.000.000 | 32.000.000.000 |
| Hang River Co., Ltd. – Capital contribution to develop the project of Le Chan General Port | 19.000.000.000 | 19.000.000.000 |
| Payments on other’s behalf | 14.288.671.895 | 13.579.760.293 |
| Short-term deposits | 8.307.318.518 | 1.767.449.075 |
| Other short-term receivables | 45.721.581.911 | 47.552.969.819 |
| Total | <u>370.195.012.301</u> | <u>248.569.466.319</u> |

6b. Other long-term receivables

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|------------------------------|------------------------------|
| 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 | 11.799.208.570 | 13.987.883.113 |
| Other long-term receivables | 477.000.000 | 2.737.494.900 |
| Total | <u>30.276.208.570</u> | <u>34.725.378.013</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

7. Doubtful debts

| | Outstanding period | Ending balance | | Outstanding period | Beginning balance | |
|--|-------------------------------|------------------------------|-------------------------------|-------------------------------|-----------------------------|-------------------------------|
| | | Original costs | Provisions already made | | Original costs | Provisions already made |
| <i>Related parties</i> | | <u>3.169.020.304</u> | <u>(3.169.020.304)</u> | | <u>2.496.882.222</u> | <u>(2.496.882.222)</u> |
| Minh Dam Tourism J.S.C. – Loan given and loan interest | | 3.169.020.304 | (3.169.020.304) | | 2.496.882.222 | (2.496.882.222) |
| <i>Other organizations and individuals</i> | | <u>7.324.204.817</u> | <u>(6.689.070.469)</u> | | <u>6.548.378.480</u> | <u>(6.255.969.564)</u> |
| 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) |
| Receivables from other organizations and individuals | From 01 year to over 03 years | 4.324.204.817 | (3.689.070.469) | From 01 year to over 03 years | 3.548.378.480 | (3.255.969.564) |
| Total | | <u>10.493.225.121</u> | <u>(9.858.090.773)</u> | | <u>9.045.260.702</u> | <u>(8.752.851.786)</u> |

Fluctuations in allowances for doubtful debts are as follows:

| | Current period | Previous period |
|---------------------------------------|-------------------------------|--------------------------------|
| Beginning balance | (8.752.851.786) | (9.775.949.394) |
| Additional extraction | (1.248.545.767) | (230.000.000) |
| Written-off debt (see Note No. V.28c) | 143.306.780 | - |
| Ending balance | <u>(9.858.090.773)</u> | <u>(10.005.949.394)</u> |

8. Inventories

| | Ending balance | | Beginning balance | |
|------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| | Original costs | Allowance | Original costs | Allowance |
| Materials and supplies | 37.350.041.136 | - | 36.852.578.743 | - |
| Fuel in ships | 4.897.474.237 | - | 4.690.132.405 | - |
| Spare parts | 12.593.472.953 | - | 13.984.714.834 | - |
| Tools | 326.526.210 | - | 326.526.210 | - |
| Work-in-process | 29.537.293.142 | - | 16.053.759.635 | - |
| Merchandises, finished goods | 9.617.880.859 | (3.121.208.460) | 9.594.469.859 | (3.121.208.460) |
| Total | <u>94.322.688.537</u> | <u>(3.121.208.460)</u> | <u>81.502.181.686</u> | <u>(3.121.208.460)</u> |

Some inventories have been mortgaged to secure the loan from Vietinbank – Branch 1 in Ho Chi Minh City (see Note No. V.23a).

Fluctuations in allowances for inventories are as follows:

| | Current period | Previous period |
|-----------------------|-------------------------------|-------------------------------|
| Beginning balance | (3.121.208.460) | (3.118.509.620) |
| Exchange difference | - | (19.566.590) |
| Ending balance | <u>(3.121.208.460)</u> | <u>(3.138.076.210)</u> |

9. Prepaid expenses**9a. Short-term prepaid expenses**

| | Ending balance | Beginning balance |
|-----------------------------------|------------------------------|------------------------------|
| Insurance premiums | 4.074.090.133 | 4.183.100.579 |
| Repair expenses | 2.477.562.782 | 1.460.314.418 |
| Land rental | 1.805.208.502 | - |
| Supplies | 993.883.764 | 759.894.626 |
| Other short-term prepaid expenses | 2.208.745.441 | 3.681.330.996 |
| Total | <u>11.559.490.622</u> | <u>10.084.640.619</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

9b. Long-term prepaid expenses

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-------------------------------|-------------------------------|
| Expenses on transferring land use right ⁽ⁱ⁾ | 134.192.055.654 | 136.256.889.176 |
| Land rental ⁽ⁱⁱ⁾ | 430.130.106.832 | 435.776.048.628 |
| Expenses on frontage road investment | 18.133.838.214 | 19.908.443.329 |
| Supplies, spare parts | 3.324.357.820 | 4.007.090.743 |
| Expenses of warehouse, office repair | 16.231.907.053 | 20.257.228.798 |
| Interest expenses for container financial lease | 33.173.057.601 | 38.589.763.593 |
| Other long-term prepaid expenses | 18.261.699.423 | 21.665.371.254 |
| Total | <u>653.447.022.597</u> | <u>676.460.835.521</u> |

(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.23).

(ii) This is the land rental 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.23b).

10. Tangible fixed assets

| | <u>Buildings and structures</u> | <u>Machinery and equipment</u> | <u>Vehicles</u> | <u>Office equipment</u> | <u>Total</u> |
|---|---------------------------------|---------------------------------|---------------------------------|------------------------------|---------------------------------|
| Historical costs | | | | | |
| Beginning balance | 2.023.708.154.362 | 1.467.010.908.125 | 1.314.148.088.593 | 27.755.706.605 | 4.832.622.857.685 |
| Acquisition during the period | 328.541.000 | 5.192.025.600 | 24.919.275.458 | 94.980.909 | 30.534.822.967 |
| Completed constructions | 77.074.550.027 | - | 21.466.379.958 | 7.694.033.865 | 106.234.963.850 |
| Liquidation | - | (1.153.143.361) | (757.366.350) | - | (1.910.509.711) |
| Other decrease | (600.626.364) | - | - | - | (600.626.364) |
| Exchange difference | (16.888.320) | - | 4.575.587 | - | (12.312.733) |
| Ending balance | <u>2.100.493.730.705</u> | <u>1.471.049.790.364</u> | <u>1.359.780.953.246</u> | <u>35.544.721.379</u> | <u>4.966.869.195.694</u> |
| <i>In which:</i> | | | | | |
| Assets fully depreciated but still in use | 45.550.263.703 | 176.164.723.731 | 239.915.775.325 | 8.544.035.167 | 470.174.797.926 |
| Assets waiting for liquidation | - | - | - | - | - |
| Depreciation | | | | | |
| Beginning balance | 710.817.841.456 | 531.404.442.566 | 658.055.786.149 | 16.216.745.796 | 1.916.494.815.967 |
| Depreciation during the period | 58.825.788.055 | 49.509.530.362 | 47.949.793.968 | 2.491.026.365 | 158.776.138.750 |
| Liquidation | - | (1.153.143.361) | (757.366.350) | - | (1.910.509.711) |
| Other decrease | (275.533.913) | - | - | - | (275.533.913) |
| Exchange difference | (23.965.870) | 250 | (21.262) | (61.620) | (24.048.502) |
| Ending balance | <u>769.344.129.728</u> | <u>579.760.829.817</u> | <u>705.248.192.505</u> | <u>18.707.710.541</u> | <u>2.073.060.862.591</u> |
| Net book values | | | | | |
| Beginning balance | 1.312.890.312.906 | 935.606.465.560 | 656.092.302.444 | 11.538.960.808 | 2.916.128.041.718 |
| Ending balance | <u>1.331.149.600.977</u> | <u>891.288.960.547</u> | <u>654.532.760.741</u> | <u>16.837.010.838</u> | <u>2.893.808.333.103</u> |
| <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 2.482.360.206.016, have been mortgaged to secure the loans from banks (see Note No. V.23).

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)**11. Financial leased assets**

| | <u>Vehicles</u> |
|--------------------------------|------------------------|
| Historical costs | |
| Beginning balance | 259.738.889.560 |
| Ending balance | <u>259.738.889.560</u> |
| Depreciation | |
| Beginning balance | 99.869.635.998 |
| Depreciation during the period | 22.029.095.482 |
| Ending balance | <u>121.898.731.480</u> |
| Net book values | |
| Beginning balance | 159.869.253.562 |
| Ending balance | <u>137.840.158.080</u> |

12. Intangible fixed assets

| | <u>Land use right</u> | <u>Computer software</u> | <u>Website design expenses</u> | <u>Total</u> |
|---|------------------------|--------------------------|--------------------------------|------------------------|
| Initial costs | | | | |
| Beginning balance | 307.558.866.170 | 40.060.531.731 | 105.000.000 | 347.724.397.901 |
| Acquisition during the period | - | 1.101.630.640 | - | 1.101.630.640 |
| Reclassification | - | 75.000.000 | (75.000.000) | - |
| Ending balance | <u>307.558.866.170</u> | <u>41.237.162.371</u> | <u>30.000.000</u> | <u>348.826.028.541</u> |
| <i>In which:</i> | | | | |
| Assets fully amortized but still in use | - | 10.362.883.617 | 30.000.000 | 10.392.883.617 |
| Amortization | | | | |
| Beginning balance | 52.423.483.991 | 25.949.872.868 | 74.112.903 | 78.447.469.762 |
| Amortization during the period | 3.073.769.826 | 3.450.233.617 | 7.500.000 | 6.531.503.443 |
| Reclassification | - | 51.612.903 | (51.612.903) | - |
| Exchange difference | (7.347.480) | - | - | (7.347.480) |
| Ending balance | <u>55.489.906.337</u> | <u>29.451.719.388</u> | <u>30.000.000</u> | <u>84.971.625.725</u> |
| Net book values | | | | |
| Beginning balance | 255.135.382.179 | 14.110.658.863 | 30.887.097 | 269.276.928.139 |
| Ending balance | <u>252.068.959.833</u> | <u>11.785.442.983</u> | <u>-</u> | <u>263.854.402.816</u> |
| <i>In which:</i> | | | | |
| Assets temporarily not in use | - | - | - | - |
| Assets waiting for liquidation | - | - | - | - |

13. Construction-in-progress

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

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)**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 | 94.280.850.909 | 30.485.029.379 |
| Inclusion into operation results during the period | 12.690.592.054 | (2.356.500.842) |
| Offsetting against deferred income tax liabilities | (53.099.352) | - |
| Ending balance | <u>106.918.343.611</u> | <u>28.128.528.537</u> |

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

15. Goodwill

The goodwill is generated from the investment in Nam Hai Dinh Vu Port J.S.C., Nam Hai Port Corporation and Binh Duong Port Corporation. Details are as follows:

| | <u>Initial costs</u> | <u>Amount allocated</u> | <u>Net book values</u> |
|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Beginning balance | 558.517.383.584 | 261.764.189.514 | 296.753.194.070 |
| Allocation during the period | | 27.610.858.355 | |
| Ending balance | <u>558.517.383.584</u> | <u>289.375.047.869</u> | <u>269.142.335.715</u> |

16. Short-term trade payables

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-------------------------------|-------------------------------|
| <i>Payables to related parties</i> | <i>12.193.584.648</i> | <i>17.359.467.166</i> |
| Gemadep Hai Phong One Member Company Limited | 5.970.851.014 | 2.695.365.948 |
| Gemadep Shipping Limited Company | 5.266.274.303 | 13.767.967.441 |
| Mekong Logistics Company | 749.270.000 | 102.430.000 |
| Gemadep Logistics One Member Company Limited | 207.189.331 | 785.889.307 |
| Power Transport and Service Joint Stock Company | - | 7.814.470 |
| <i>Payables to other suppliers</i> | <i>308.794.959.557</i> | <i>405.441.857.140</i> |
| V.K.S Capital Investment Co., Ltd. | 72.376.262.880 | 66.909.451.680 |
| Rich Mountain Trading Co., Ltd. | 67.082.344.320 | 72.209.927.520 |
| Other suppliers | 169.336.352.357 | 266.322.477.940 |
| Total | <u>320.988.544.205</u> | <u>422.801.324.306</u> |

The Group has no outstanding trade payables.

17. Short-term advances from customers

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-------------------------------|-------------------------------|
| <i>Advances from related parties</i> | <i>97.782.424.882</i> | <i>122.606.177.166</i> |
| Gemadep - Terminal Link Cai Mep Terminal J.S.C. | 97.782.424.882 | 122.606.177.166 |
| <i>Advances from other customers</i> | <i>6.584.668.879</i> | <i>8.765.725.821</i> |
| Total | <u>104.367.093.761</u> | <u>131.371.902.987</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

18. Taxes and other obligations to the State Budget

| | Beginning balance | | Increase during the period | | Ending balance | |
|----------------------|-----------------------|----------------------|----------------------------|--------------------------|-----------------------|----------------------|
| | Payables | Receivables | Amount | Amount | Payables | Receivables |
| | | | payable | already paid | | |
| VAT on local sales | 4.481.801.051 | - | 55.342.262.033 | (51.917.677.088) | 7.926.198.301 | 19.812.305 |
| VAT on imports | - | - | 708.909.241 | (708.909.241) | - | - |
| Export-import duties | - | - | 145.396.705 | (145.396.705) | - | - |
| Corporate income tax | 77.510.246.926 | 3.471.157.510 | 43.674.949.749 | (95.051.716.023) | 23.766.457.190 | 1.104.134.048 |
| Personal income tax | 2.721.296.230 | 1.105.606.380 | 14.052.927.564 | (15.161.867.941) | 1.606.069.400 | 1.099.319.927 |
| Other taxes | 24.687.206 | 318.916.015 | 10.924.760.394 | (7.540.980.401) | 3.373.111.187 | 283.560.003 |
| Total | 84.738.031.413 | 4.895.679.905 | 124.849.205.686 | (170.526.547.399) | 36.671.836.078 | 2.506.826.283 |

Value added tax (VAT)

The Group companies have to pay VAT in accordance with the deduction method at the rates of 0% and 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 payable to employees.

20. Short-term accrued expenses

| | Ending balance | Beginning balance |
|--|------------------------|------------------------|
| Payables to related parties | 4.080.889.341 | 264.861.130 |
| Saigon Cargo Service Corporation (SCSC Corp.) – | | |
| Loan interest expenses | 3.806.428.767 | - |
| Gemadept Hai Phong One Member Company | | |
| Limited – Service charges | 274.460.574 | 264.861.130 |
| Payables to other organizations and individuals | 201.940.012.998 | 167.836.052.279 |
| Loan interest expenses | 13.296.977.483 | 14.932.551.720 |
| Expenses on rubber tree cultivation project | 77.455.004.400 | 73.969.748.100 |
| Expenses on port dredging and maintaining | 29.415.946.827 | 34.716.500.182 |
| Expenses on goods loading, unloading and transport | 15.505.239.457 | 7.470.606.680 |
| Other short-term accrued expenses | 66.266.844.831 | 36.746.645.597 |
| Total | 206.020.902.339 | 168.100.913.409 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)**21. Unearned revenues****21a. Short-term unearned revenues**

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------|--------------------------|
| CJ Logistics Corporation – Prepayment for providing consultancy services | - | 4.937.359.091 |
| Prepayments for leasing fixed assets | - | 297.580.940 |
| Total | - | 5.234.940.031 |

21b. Long-term unearned revenues

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|------------------------|--------------------------|
| Deferred interest due to revaluation of fixed assets contributed as capital to associates and jointly-controlled entities | 218.138.999.921 | 221.327.776.240 |
| Deferred interest due to service provision for jointly-controlled entities | 43.724.887.533 | - |
| Other long-term unearned revenues | 2.132.834.080 | 2.349.732.460 |
| Total | 263.996.721.534 | 223.677.508.700 |

22. Other payables**22a. Other short-term payables**

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|------------------------|--------------------------|
| Payables to related parties | 2.186.476.825 | 5.700.381.590 |
| Gemadept Shipping Limited Company – Collection on this company’s behalf | 1.108.440.166 | 217.678.831 |
| Gemadept Logistics One Member Company Limited – Collection on this company’s behalf | 697.635.279 | 5.102.301.379 |
| Gemadept Hai Phong One Member Company Limited – Collection on this company’s behalf and other payables | 308.096.880 | 308.096.880 |
| “K” Line – Gemadept Logistics Co., Ltd. – Receipt of deposits for office lease | 72.304.500 | 72.304.500 |
| Payables to other organizations and individuals | 205.399.046.994 | 173.912.232.082 |
| Sao Do Investment Group Joint Stock Company – Other payables | 30.000.000.000 | - |
| Land rental (*) | 11.265.192.000 | 9.250.731.900 |
| Trade Union’s expenditures, social insurance, health insurance and unemployment insurance premiums | 2.917.792.344 | 3.502.120.368 |
| Receipts of short-term deposits | 3.018.047.716 | 4.980.897.715 |
| Dividends payable | 14.328.084.423 | 27.220.565.300 |
| Payable for agency service | 13.100.937.798 | 8.700.384.487 |
| Other short-term payables | 130.768.992.713 | 120.257.532.312 |
| Total | 207.585.523.819 | 179.612.613.672 |

22b. Other long-term payables

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------|--------------------------|
| Payables to related parties | 2.000.000.000 | 2.000.000.000 |
| Gemadept Logistics One Member Company Limited - Receipt of deposits for warehouse lease | 2.000.000.000 | 2.000.000.000 |
| Payables to other organizations and individuals | 76.300.479.360 | 72.872.092.260 |
| Land rental (*) | 76.300.479.360 | 72.872.092.260 |
| Total | 78.300.479.360 | 74.872.092.260 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

- (*) Land rentals incurred at Pacific Pearl Joint Stock Company Limited, Pacific Lotus Joint Stock Company Limited and Pacific Pride Joint Stock Company Limited have been allocated for the period accumulated from 2011 to 30 June 2020. These expenses will be paid after the period of 05 years since the signing date of Land Leasing Contract.

22c. Outstanding debts

The Group has no other outstanding payable.

23. Borrowings and financial lease

23a. Short-term borrowings and financial lease

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-------------------------------|-------------------------------|
| <i>Short-term borrowings payable to related parties</i> | <i>161.000.000.000</i> | <i>56.000.000.000</i> |
| Loan from Saigon Cargo Service Corporation at fixed interest rate as stipulated in the Contract | 161.000.000.000 | 56.000.000.000 |
| <i>Short-term borrowings payable to other organizations</i> | <i>219.860.750.759</i> | <i>227.909.755.481</i> |
| Short-term loans from banks | 160.324.700.988 | 165.535.027.481 |
| <i>Loan from Vietinbank – Branch 1 in Ho Chi Minh ⁽ⁱ⁾</i> | <i>77.882.944.573</i> | <i>62.096.079.204</i> |
| <i>Loan from LienVietPostBank – Hai Phong Branch ⁽ⁱⁱ⁾</i> | <i>30.993.987.611</i> | <i>46.285.612.782</i> |
| <i>Loan from Shinhan Bank Vietnam Limited ⁽ⁱⁱⁱ⁾</i> | <i>29.227.370.533</i> | <i>-</i> |
| <i>Loan from Techcombank – Hai Phong Branch ^(iv)</i> | <i>22.220.398.271</i> | <i>36.155.774.385</i> |
| <i>Loan from VIB – Saigon Branch</i> | <i>-</i> | <i>16.818.621.666</i> |
| <i>Loan from OCB – Tan Binh Branch</i> | <i>-</i> | <i>4.178.939.444</i> |
| Short-term loans from other organizations | 59.536.049.771 | 62.374.728.000 |
| <i>Current portions of borrowings and financial lease payable to other organizations</i> | <i>348.240.169.887</i> | <i>367.959.634.752</i> |
| Current portions of long-term loans (see Note No. V.23b) | 295.425.727.141 | 312.213.953.651 |
| Current portions of financial lease (see Note No. V.23b) | 52.814.442.746 | 55.745.681.101 |
| Total | <u>729.100.920.646</u> | <u>651.869.390.233</u> |

- (i) The loan from Vietinbank – Branch 1 in Ho Chi Minh City is to supplement the working capital. This loan is secured by mortgaging rotating receivables, inventories and vehicles (see Notes No. V.3, V.8 and V.10)
- (ii) The loan from LienVietPostBank – Hai Phong Branch is to supplement the working capital. The loan term is 12 months. This loan is secured by mortgaging machinery and equipment and vehicles (see Note No. V.10).
- (iii) The unsecured loan from Shinhan Bank Vietnam Limited is to supplement the working capital. The loan term is 12 months.
- (iv) 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 (see Notes No. V.9b and V.10).

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

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)**23b. Long-term borrowings and financial lease**

| | Ending balance | Beginning balance |
|--|--------------------------|--------------------------|
| Long-term loans from banks | 1.174.335.156.989 | 1.276.364.485.689 |
| Loan from VIB – Saigon Branch ⁽ⁱ⁾ | 738.104.715.638 | 760.038.333.712 |
| Loan from OCB – Tan Binh Branch ⁽ⁱⁱ⁾ | 163.833.142.141 | 187.874.611.427 |
| Loan from Shinhan Bank Vietnam Limited – Hai Phong Branch ⁽ⁱⁱⁱ⁾ | 73.500.000.000 | 84.000.000.000 |
| Loan from Indovina Bank Ltd. – Hai Phong Branch ^(iv) | 70.500.000.000 | 87.045.596.650 |
| Loan from Techcombank – Hai Phong Branch ^(v) | 55.797.299.210 | 51.342.000.000 |
| Loan from ACB – Saigon Branch ^(vi) | 50.000.000.000 | 60.000.000.000 |
| Loan from Vietcombank – Ho Chi Minh City Branch ^(vii) | 16.600.000.000 | 20.063.943.900 |
| Loan from BIDV – Quang Ngai Branch ^(viii) | 6.000.000.000 | 26.000.000.000 |
| Long-term financial leases | 124.614.621.075 | 149.252.935.500 |
| Financial lease from Global Container International LLC | 108.687.851.420 | 125.409.932.219 |
| Financial lease from Intermodal Investment Fund IV LLC | 15.926.769.655 | 23.843.003.281 |
| Total | 1.298.949.778.064 | 1.425.617.421.189 |

(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 and V.10).

(ii) The loan from OCB – Tan Binh Branch is to contribute capital to Phuoc Long Port Co., Ltd. and purchase Green Pacific and Pride Pacific ships. The loan term is within 84 months, starting from the date of first loan disbursement. This loan is secured by shares of the Group in Maritime Bank and assets formed from the loan (see Notes No. V.2d and V.10).

(iii) The loan from Shinhan Bank Vietnam Limited – Hai Phong Branch is to invest 08 Rubber Tired Gantry Crane (RTG). The loan term is 05 years, starting from the date of first loan disbursement. This loan is secured by assets formed from the loan (see Note No. V.10).

(iv) 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 Note No. 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 (see Note No. V.9b).

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

- (v) The loan from Techcombank – Hai Phong Branch is to implement Nam Hai Dinh Vu Port project. The loan term is 07 years, starting from the date of first loan disbursement. 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 (see Notes No. V.9b and V.10).
- (vi) 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 8.530.000 shares of the Group in Saigon Cargo Service Corporation (see Note No. V.2c).
- (vii) The loan from Vietcombank – Ho Chi Minh City Branch is to purchase 04 container forklifts. The loan term is 60 months, starting from the date of first loan disbursement. This loan is secured by assets formed from the loan (see Note No. V.10).
- (viii) 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).

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 | 1.469.760.884.130 | 295.425.727.141 | 910.640.659.948 | 263.694.497.041 |
| Financial lease | 177.429.063.821 | 52.814.442.746 | 124.614.621.075 | - |
| <i>Principal</i> | <i>143.192.687.563</i> | <i>42.440.297.686</i> | <i>100.752.389.877</i> | - |
| <i>Interest</i> | <i>34.236.376.258</i> | <i>10.374.145.060</i> | <i>23.862.231.198</i> | - |
| Total | 1.647.189.947.951 | 348.240.169.887 | 1.035.255.281.023 | 263.694.497.041 |
| Beginning balance | | | | |
| Long-term loans from banks | 1.588.578.439.340 | 312.213.953.651 | 965.894.603.704 | 310.469.881.985 |
| Financial lease | 204.998.616.601 | 55.745.681.101 | 149.233.584.416 | 19.351.084 |
| <i>Principal</i> | <i>165.181.184.343</i> | <i>44.502.012.636</i> | <i>120.663.515.253</i> | <i>15.656.454</i> |
| <i>Interest</i> | <i>39.817.432.258</i> | <i>11.243.668.465</i> | <i>28.570.069.163</i> | <i>3.694.630</i> |
| Total | 1.793.577.055.941 | 367.959.634.752 | 1.115.128.188.120 | 310.489.233.069 |

23c. Outstanding borrowings and financial leases

The Group has no outstanding loan and financial lease.

24. Provisions for short-term payables

| | Beginning balance | Reversal during the period | Ending balance |
|---|-----------------------|-------------------------------|----------------------|
| Provision for damage compensation during transport | 61.587.682.540 | 59.835.406.001 | 1.752.276.539 |
| Provision for fines on late payment of corporate income tax | 6.568.978.471 | - | 6.568.978.471 |
| Total | 68.156.661.011 | 59.835.406.001 | 8.321.255.010 |

25. Bonus and welfare funds

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

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

26. Deferred income tax liabilities

| | <u>Current period</u> | <u>Previous period</u> |
|---|-----------------------|------------------------|
| Beginning balance | - | 111.871.685 |
| Inclusion into operation result during the period | 53.099.352 | (62.340.505) |
| Offsetting against deferred income tax assets | (53.099.352) | - |
| Ending balance | - | 49.531.180 |

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

27. Owner's equity

27a. Statement of fluctuations in owner's equity

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

27b. Shares

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------|--------------------------|
| Number of shares already sold to the public | 296.924.957 | 296.924.957 |
| - Common shares | 296.924.957 | 296.924.957 |
| - Preferred shares | - | - |
| Number of shares repurchased | - | - |
| - Common shares | - | - |
| - Preferred shares | - | - |
| Number of outstanding shares | 296.924.957 | 296.924.957 |
| - Common shares | 296.924.957 | 296.924.957 |
| - Preferred shares | - | - |

Face value of outstanding shares: VND 10.000.

27c. Profit distribution

According to the Resolution No. 046/NQ-DHĐCĐ-GMD dated 22 June 2020 of the 2020 Annual General Meeting of Shareholders, the General Meeting of Shareholders approved the 2019 profit distribution as follows:

| | | |
|--|---|-----------------|
| • Appropriation for bonus and welfare funds (5%) | : | 25.851.430.802 |
| • Appropriation for fund of the Board of Management (2,5%) | : | 12.925.715.401 |
| • Dividend distribution (10%) | : | 296.924.957.000 |

The General Meeting of Shareholders has authorized the Board of Management to implement the dividend distribution at an appropriate time.

27d. Exchange differences

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 | 17.449.922.715 | 17.534.222.715 |
| From 01 year to 05 years | 2.251.798.858 | 11.181.997.858 |
| Over 05 years | 11.908.117.863 | 12.384.442.577 |
| Total | 31.609.839.436 | 41.100.663.150 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

The above-mentioned operating lease payments include:

- 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, Vietnam.
- Total land rental at Binh Thang Ward, Di An Town, Binh Duong Province, Vietnam.

28b. Foreign currencies

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|----------------------------|-----------------------|--------------------------|
| United States Dollar (USD) | 1.817.699,77 | 2.294.936,45 |
| Euro (EUR) | - | 749,18 |

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 Corporation was dissolved |
| Other subjects | 3.519.758.973 | 3.376.452.193 | Irrecoverable |
| Total | <u>4.797.274.888</u> | <u>4.653.968.108</u> | |

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 | 1.009.554.683.465 | 1.167.236.743.217 |
| Sales from logistics services: transportation services, agent services, leasing assets, etc. | 177.449.949.869 | 129.966.529.377 |
| Sales from leasing offices and others | 22.011.618.921 | 728.144.399 |
| Total | <u>1.209.016.252.255</u> | <u>1.297.931.416.993</u> |

1b. Sales to related parties

Apart from 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.

2. Costs of sales

| | <u>Accumulated from the beginning of the year</u> | |
|--|---|-------------------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Costs of port operation | 584.940.449.736 | 684.081.835.411 |
| Costs of logistics services: transportation services, agent services, leasing assets, etc. | 129.186.349.902 | 92.880.638.525 |
| Total | <u>714.126.799.638</u> | <u>776.962.473.936</u> |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

3. Financial income

| | Accumulated from the beginning of the year | |
|--|--|------------------------|
| | Current year | Previous year |
| Bank deposit interest | 287.895.007 | 996.318.178 |
| Interest on loans given | 2.432.444.384 | 970.246.533 |
| Dividends and profit shared | 2.664.390.000 | 3.330.481.500 |
| Proceeds from liquidation of investments | 15.195.971.948 | 94.531.232.032 |
| Exchange gain arising | 1.254.267.303 | 816.819.390 |
| Other financial income | 269.068.349 | 1.358.589.694 |
| Total | 22.104.036.991 | 102.003.687.327 |

4. Financial expenses

| | Accumulated from the beginning of the year | |
|--|--|-----------------------|
| | Current year | Previous year |
| Loan interest expenses | 77.535.973.511 | 74.067.878.025 |
| Exchange loss arising | 1.144.857.653 | 3.165.304.358 |
| Exchange loss due to the revaluation of monetary items in foreign currencies | 21.016.035.013 | 2.180.049.003 |
| Provision for financial investment | 2.083.768.747 | 5.256.811.078 |
| Other financial expenses | 92.721.702 | 37.982.777 |
| Total | 101.873.356.626 | 84.708.025.241 |

5. Selling expenses

| | Accumulated from the beginning of the year | |
|-------------------------------|--|-----------------------|
| | Current year | Previous year |
| Commission brokerage expenses | 60.291.146.074 | 60.848.870.345 |
| Other expenses | 2.867.391.009 | 3.383.154.383 |
| Total | 63.158.537.083 | 64.232.024.728 |

6. General and administration expenses

| | Accumulated from the beginning of the year | |
|---|--|------------------------|
| | Current year | Previous year |
| Salary for office staff | 64.541.298.623 | 66.698.063.584 |
| Materials and stationery | 3.222.456.984 | 5.641.812.805 |
| Depreciation/(amortization) of fixed assets | 10.422.845.484 | 9.711.180.084 |
| Allowance for doubtful debts | 1.248.545.767 | 230.000.000 |
| Allocation of goodwill | 27.610.858.355 | 13.873.249.901 |
| External services rendered | 20.264.182.096 | 24.079.994.686 |
| Other expenses | 28.940.987.255 | 29.404.060.829 |
| Total | 156.251.174.564 | 149.638.361.889 |

7. Other income

| | Accumulated from the beginning of the year | |
|---|--|----------------------|
| | Current year | Previous year |
| Proceeds from liquidation of fixed assets | 993.545.454 | 3.214.467.552 |
| Unearned revenues to be allocated (*) | 3.188.776.319 | 3.188.776.319 |
| Reversal of provision payables | 59.835.406.001 | - |
| Other income | 3.164.780.105 | 1.503.311.993 |
| Total | 67.182.507.879 | 7.906.555.864 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

(7) Unearned revenues to be allocated include:

- Revaluation of the land use right contributed as capital to Gemadept – Terminal Link Cai Mep Terminal J.S.C., which generated from 2008 for the amount of VND 283.980.000.000 with the allocation period of 48 years and 10 months.
- Revaluation of the fixed assets contributed as capital to CJ Gemadept Logistics Holdings Company Limited, which generated from 2017 for the amount of VND 5.622.625.365 with the allocation period of 10 years.

8. Other expenses

| | Accumulated from the beginning of the year | |
|------------------------------------|--|-----------------------|
| | Current year | Previous year |
| Expenses on ineffective investment | 54.738.742.740 | 49.779.010.960 |
| Other expenses | 4.131.943.778 | 3.816.443.825 |
| Total | 58.870.686.518 | 53.595.454.785 |

9. Deferred income tax

| | Accumulated from the beginning of the year | |
|--|--|----------------------|
| | Current year | Previous year |
| Deferred income tax arising from temporarily taxable differences | 216.487.529 | - |
| Deferred income tax arising from reversal of deferred income tax assets | 14.388.119.139 | 3.456.944.867 |
| Gain from deferred income tax arising from temporarily deductible differences | (27.078.711.193) | (1.100.444.025) |
| Gain from deferred income tax arising from reversal of deferred income tax payable | (163.388.177) | (62.340.505) |
| Total | (12.637.492.702) | 2.294.160.337 |

10. Earnings per share**10a. Basic/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 | 217.291.989.898 | 288.492.930.850 |
| Appropriation for bonus and welfare funds, funds of the Board of Management, Executive Officers and Control Board | (17.383.359.192) | (23.079.434.468) |
| Increases/(decreases) in accounting profit used to determine profit distributed to ordinary equity holders | - | - |
| Profit used to calculate basic and diluted earnings per share | 199.908.630.706 | 265.413.496.381 |
| The average number of ordinary shares outstanding during the period | 296.924.957 | 296.924.957 |
| Basic earnings per share | 673 | 894 |
| Diluted earnings per share | 673 | 894 |

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.

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

11. Operating costs

| | Accumulated from the beginning of the year | |
|--|--|------------------------|
| | Current year | Previous year |
| Materials and supplies | 110.318.131.779 | 110.219.140.503 |
| Labor | 159.675.008.437 | 175.250.281.374 |
| Depreciation/(amortization) of fixed assets and goodwill allocated | 202.479.376.580 | 179.010.905.184 |
| External services rendered | 425.288.887.189 | 476.477.627.904 |
| Other expenses | 35.775.107.300 | 49.874.905.588 |
| Total | 933.536.511.285 | 990.832.860.553 |

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 and no 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 | 5.243.320.000 | 5.152.448.000 |
| Other income | 189.317.646 | 189.317.646 |
| Total | 5.432.637.646 | 5.341.765.646 |

1b. Transactions and balances with other related parties

Other related parties of the Group include:

| Other related parties | Relationship |
|---|---------------------------|
| Gemadep - Terminal Link Cai Mep Terminal J.S.C. | Jointly-controlled entity |
| Saigon Cargo Service Corporation | Associate |
| CJ Gemadep Logistics Holdings Company Limited | Associate |
| "K" Line - Gemadep Logistics Co., Ltd. | Jointly-controlled entity |
| CJ Gemadep Shipping Holdings Company Limited | Jointly-controlled entity |
| Golden Globe Co., Ltd. | Associate |
| Golden Globe Trading Co., Ltd. | Associate |
| Foodstuff Combina Torial Joint Stock Company | Associate |
| Vung Tau Commercial Port J.S.C. (VCP) | Associate |
| Minh Dam Tourism J.S.C. | Associate |
| Gemadep Hai Phong One Member Company Limited | Subsidiary of associate |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

| <u>Other related parties</u> | <u>Relationship</u> |
|---|---|
| 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 |
| Power Transportation and Service J.S.C. (Potraco) | Secondary 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.

The prices of merchandises and services supplied to other related parties are agreed prices. The purchases of merchandises and services from other related parties are done at the agreed prices.

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.6a, V.16, V.17, V.20, V.22 and V.23a.

The receivables from other related parties are unsecured and will be paid in cash.

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 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 the 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.

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

| | Accumulated from the beginning of the year | |
|----------------|---|--------------------------|
| | Current year | Previous year |
| Local areas | 1.183.051.298.580 | 1.267.795.522.444 |
| Overseas areas | 25.964.953.675 | 30.135.894.549 |
| Total | 1.209.016.252.255 | 1.297.931.416.993 |

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 2020

Notes to the Consolidated Interim Financial Statements (cont.)

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 | 86.765.820.183 | 50.026.844.219 | 8.140.778.650.380 | 8.192.672.164.386 |
| Overseas areas | 14.389.232.670 | 25.294.555.440 | 1.623.471.971.740 | 1.627.108.655.201 |
| Total | 101.155.052.853 | 75.321.399.659 | 9.764.250.622.120 | 9.819.780.819.587 |

3. Subsequent events

Gemadep Nhon Hoi International Port Corporation has completed the dissolution procedure under the Notice No. 68/TB-ĐKKD dated 07 July 2020 of Department of Planning and Investment of Binh Dinh Province.

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

Ho Chi Minh City, 28 August 2020




Pham Quang Huy
Preparer


Nguyen Minh Nguyet
Chief Accountant


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 2020

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

Unit: VND

| | Beginning value of the ownership | Increase due to additional acquisition | Decrease due to transfer of capital | Profits or loss during the period | Dividends shared during the period | Other decrease | Ending value of the ownership |
|---|----------------------------------|--|-------------------------------------|-----------------------------------|------------------------------------|-------------------------|-------------------------------|
| Gemadept-Terminal Link Cai Mep Terminal Joint Stock Company | 1.335.373.026.925 | - | - | (9.634.616.421) | - | - | 1.325.738.410.504 |
| Saigon Cargo Service Corporation | 530.764.142.836 | 952.045.000 | (3.546.400.052) | 73.030.641.388 | (100.032.675.000) | (8.670.933.100) | 492.496.821.072 |
| CJ Gemadept Logistics Holdings Company Limited | 187.893.819.638 | - | - | 12.455.083.572 | - | (1.012.181.636) | 199.336.721.574 |
| "K" Line-Gemadept Logistics Company Limited | 116.344.582.788 | - | - | 4.729.801.087 | - | (236.496.050) | 120.837.887.825 |
| CJ Gemadept Shipping Holdings Company Limited | 103.865.630.544 | - | - | (4.272.191.262) | - | - | 99.593.439.282 |
| Golden Globe Co., Ltd. | 102.800.363.788 | - | - | (205.892.078) | - | - | 102.594.471.710 |
| Golden Globe Trading Co., Ltd. | 65.069.550.625 | - | - | 2.595.872.797 | - | (99.421.275) | 67.566.002.147 |
| Foodstuff Combina Torial Joint Stock Company | 27.238.732.743 | - | - | (1.260.183.454) | - | - | 25.978.549.289 |
| Other joint ventures, associates | 11.657.741.320 | - | - | 606.495.353 | (1.060.620.000) | (359.806.241) | 10.843.810.432 |
| Total | 2.481.007.591.207 | 952.045.000 | (3.546.400.052) | 78.045.010.982 | (101.093.295.000) | (10.378.838.302) | 2.444.986.113.835 |



Nguyen Minh Nguyet
Chief Accountant



Ho Chi Minh City, 28 August 2020



Do Van Minh
General Director



Pham 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 2020

Appendix 02: Increase/(decrease) of construction-in-progress

Unit: VND

| | Beginning balance | Increase during the period | Inclusion into fixed assets during the period | Other decrease | Ending balance |
|---|--------------------------|----------------------------|---|-------------------------|--------------------------|
| <i>Acquisition of fixed assets</i> | 50.824.338.385 | 660.182.266 | (21.466.379.958) | - | 30.018.140.693 |
| <i>Construction-in-progress</i> | 1.748.978.575.619 | 46.667.153.380 | (84.768.583.892) | (54.649.716.540) | 1.656.227.428.567 |
| Rach Chiec Residential Area | 51.165.085.825 | - | - | - | 51.165.085.825 |
| Pacific Pride Rubber Trees | 752.363.457.390 | 13.422.418.380 | (3.454.498.350) | (25.790.220) | 762.305.587.200 |
| Pacific Pearl Rubber Trees | 407.213.156.429 | 6.806.705.610 | (2.626.916.820) | (10.814.460) | 411.382.130.759 |
| Pacific Lotus Rubber Trees | 467.198.868.511 | 6.628.328.130 | (445.920.510) | (54.613.111.860) | 418.768.164.271 |
| Nam Hai Dinh Vu Port | 58.526.036.987 | 18.769.623.567 | (69.771.644.554) | - | 7.524.016.000 |
| Renovation for base and yard of Binh An oil factory | 7.642.807.715 | 826.795.943 | (8.469.603.658) | - | - |
| Other projects | 4.869.162.762 | 213.281.750 | - | - | 5.082.444.512 |
| Total | 1.799.802.914.004 | 47.327.335.646 | (106.234.963.850) | (54.649.716.540) | 1.686.245.569.260 |



Pham Quang Huy
Preparer



Nguyen Minh Nguyet
Chief Accountant



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 2020

Appendix 03: Statement of fluctuations in owner's equity

Unit: VND

| | 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 | 2,969,249,570,000 | 1,941,832,197,040 | 71,797,775,902 | 88,120,738,511 | 140,506,685,331 | 127,122,474,017 | 541,644,403,653 | 648,708,602,093 | 6,528,982,446,537 |
| Profit during the previous period | - | - | - | - | - | - | 288,492,930,850 | 58,000,171,535 | 347,393,102,385 |
| Appropriation for funds belonging to owner's equity | - | - | - | - | - | - | - | - | - |
| Appropriation for bonus and welfare funds | - | - | - | - | 12,130,252,031 | 12,130,252,031 | (24,260,504,062) | (1,847,447,671) | (49,888,264,136) |
| Dividends shared during the previous period | - | - | - | - | - | - | - | (9,942,677,100) | (9,942,677,100) |
| Disbursement of fund during the previous period | - | - | - | - | - | (622,222,224) | - | - | (622,222,224) |
| Decrease due to dissolution of subsidiaries | - | - | - | - | - | - | (1,292,789,450) | - | (1,292,789,450) |
| Other decreases | - | - | - | (6,659,787,277) | - | - | (3,839,265,610) | - | (10,499,052,887) |
| Ending balance of the previous period | 2,969,249,570,000 | 1,941,832,197,040 | 71,797,775,902 | 81,460,951,234 | 152,636,937,352 | 138,640,503,824 | 752,703,958,916 | 695,818,648,857 | 6,804,130,543,125 |
| Beginning balance of the current year | 2,969,249,570,000 | 1,941,832,197,040 | 71,797,775,902 | 96,692,165,949 | 152,636,937,352 | 138,163,837,155 | 505,387,726,304 | 691,496,655,919 | 6,567,256,865,622 |
| Profit during the current period | - | - | - | - | - | - | 217,291,989,898 | 33,737,806,733 | 251,029,796,631 |
| Effects due to additional acquisition of ownership rate in subsidiaries | - | - | - | - | - | - | - | - | - |
| Appropriation for bonus and welfare funds | - | - | - | - | - | - | (17,438,635,573) | (12,561,363,427) | (30,000,000,000) |
| Dividends shared during the current period | - | - | - | - | - | - | (43,939,226,408) | (284,238,262) | (43,939,226,408) |
| Disbursement of fund during the current period | - | - | - | - | - | - | (43,654,988,146) | (5,513,734,124) | (5,513,734,124) |
| Other increase/(decrease) | - | - | - | (1,301,057,741) | - | (466,666,668) | (10,061,794,148) | - | (466,666,668) |
| Ending balance of the current period | 2,969,249,570,000 | 1,941,832,197,040 | 71,797,775,902 | 95,391,108,208 | 152,636,937,352 | 137,697,120,486 | 651,524,297,335 | 706,875,126,839 | 6,737,004,183,164 |

Pham Quang Huy
Preparer

Nguyen Minh Nguyệt
Chief Accountant



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 2020

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:

| Current period | Port operation | Logistic services | Trading real estate | Planting rubber trees | Deductions | Total |
|---|--------------------------|------------------------|---------------------|-----------------------|--------------------------|--------------------------|
| Net external sales | 1.009.554.683.465 | 198.658.870.774 | 802.698.016 | - | - | 1.209.016.252.255 |
| Net inter-segment sales | 276.200.732.017 | 151.935.342.242 | - | - | (428.136.074.259) | - |
| Total net sales | 1.285.755.415.482 | 350.594.213.016 | 802.698.016 | - | (428.136.074.259) | 1.209.016.252.255 |
| Segment financial performance | 297.793.495.794 | 55.900.443.564 | 802.698.016 | (6.783.261.115) | (44.622.776.934) | 303.090.599.325 |
| Expenses not attributable to segments | - | - | - | - | - | (27.610.858.355) |
| Operating profit | - | - | - | - | - | 275.479.740.970 |
| Financial income | - | - | - | - | - | 22.104.036.991 |
| Financial expenses | - | - | - | - | - | (101.873.356.626) |
| Other income | - | - | - | - | - | 67.182.507.879 |
| Other expenses | - | - | - | - | - | (58.870.686.518) |
| Gain or loss in associates and joint ventures | (9.634.616.421) | 85.289.646.684 | 2.389.980.719 | - | - | 78.045.010.982 |
| Current income tax | - | - | - | - | - | (43.674.949.749) |
| Deferred income tax | - | - | - | - | - | 12.637.492.702 |
| Profit after tax | - | - | - | - | - | 251.029.796.631 |
| Total expenses on acquisition of fixed assets and other non-current assets | 82.826.934.370 | 3.938.895.813 | - | 14.389.232.670 | - | 101.155.052.853 |
| Total depreciation(amortization) and allocation of long-term prepayments | 142.645.445.375 | 63.897.272.260 | - | 36.405.944 | - | 206.579.123.579 |
| Total remarkable non-cash expenses (except depreciation(amortization) and allocation of long-term prepayments) | - | - | - | - | - | - |



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 2020

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 | 1.167.236.743.217 | 129.966.529.377 | 728.144.399 | - | - | 1.297.931.416.993 |
| Net inter-segment sales | 120.749.978.077 | 36.013.041.306 | - | - | (156.763.019.383) | - |
| Total net sales | 1.287.986.721.294 | 165.979.570.683 | 728.144.399 | - | (156.763.019.383) | 1.297.931.416.993 |
| Segment financial performance | | | | | | |
| Expenses not attributable to segments | 349.506.255.838 | (21.113.788.982) | 728.144.399 | (7.354.666.079) | (794.138.835) | 320.971.806.341 (13.873.249.901) |
| Operating profit | | | | | | 307.098.556.440 |
| Financial income | | | | | | 102.003.687.327 |
| Financial expenses | | | | | | (84.708.025.241) |
| Other income | | | | | | 7.906.555.864 |
| Other expenses | | | | | | (53.595.454.785) |
| Gain or loss in associates and joint ventures | | | | | | 120.744.542.030 |
| Current income tax | (8.355.930.698) | 126.872.301.676 | 2.228.171.052 | - | - | (49.762.598.913) |
| Deferred income tax | | | | | | (2.294.160.337) |
| Profit after tax | | | | | | 347.393.102.385 |
| Total expenses on acquisition of fixed assets and other non-current assets | 18.690.543.280 | 31.336.300.939 | - | 25.294.555.440 | - | 75.321.399.659 |
| Total depreciation/(amortization) and allocation of long-term prepayments | 133.629.127.811 | 60.267.818.517 | - | 356.488.992 | - | 194.253.435.320 |
| Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments) | - | - | - | - | - | - |



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 2020

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 | 4.832.140.443.231 | 2.399.170.572.246 | 164.598.852.388 | 2.368.340.754.255 | - | 9.764.250.622.120 |
| Unallocated assets | | | | | | 311.202.750.765 |
| Total assets | | | | | | 10.075.453.372.885 |
| Direct liabilities of segment | 1.392.200.119.544 | 955.488.141.490 | - | 962.015.699.042 | - | 3.309.703.960.076 |
| Unallocated liabilities | | | | | | 38.745.229.645 |
| Total liabilities | | | | | | 3.348.449.189.721 |
| Beginning balance | | | | | | |
| Direct assets of segment | 4.954.402.181.998 | 2.240.748.340.482 | 164.807.887.558 | 2.459.822.409.549 | - | 9.819.780.819.587 |
| Unallocated assets | | | | | | 300.126.077.415 |
| Total assets | | | | | | 10.119.906.897.002 |
| Direct liabilities of segment | 1.519.241.616.566 | 1.037.378.177.011 | - | 963.585.165.353 | - | 3.520.204.958.930 |
| Unallocated liabilities | | | | | | 32.445.072.450 |
| Total liabilities | | | | | | 3.552.650.031.380 |


Pham Quang Huy
 Preparer


Nguyen Minh-Nguyet
 Chief Accountant



Do Van Minh
 General Director

