

INTERIM FINANCIAL STATEMENTS

**FOR THE FIRST 06 MONTHS OF
THE FISCAL YEAR ENDING 31 DECEMBER 2018**

GEMADEPT CORPORATION

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Gemadept Corporation (hereinafter referred to as "the Corporation") presents this statement together with the Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2018.

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 22nd time on 15 November 2017, 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 and Nam Hai ICD Port; investing in the project 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, exploiting and processing rubber trees and other industrial crops in Cambodia.
- Real estate: Building and operating commercial centers, hotels, office buildings in big cities of Vietnam and Indochina including Saigon Gem Mixed-use Development project and Gemadept Mixed-use Development project in Vientiane- Laos.

Board of Management and Executive Officers

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

The Board of Management

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

GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

The Control Board

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

The Board of Directors

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

Legal Representative

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

Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the review on the Corporation's Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2018.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation of the Interim Financial Statements to give a true and fair view on the financial position, the financial performance and the cash flows of the Corporation during the period. In order to prepare these 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 Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Interim Financial Statements.
- prepare the Interim Financial Statements of the Corporation 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 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 Corporation have been fully recorded and can fairly reflect the financial position of the Corporation 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 Corporation'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 Interim Financial Statements.



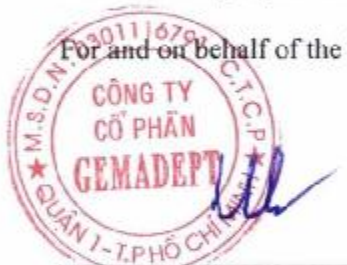
GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Approval on the Financial Statements

The Board of Directors hereby approves the accompanying Interim Financial Statements which give a true and fair view of the financial position of the Corporation as of 30 June 2018, the financial performance and the cash flows for the first 6 months of the fiscal year ending 31 December 2018, in accordance with the Vietnamese Accounting Standards and System as well as other legal regulations related to the preparation and presentation of the Interim Financial Statements.

For and on behalf of the Board of Directors,



Do Van Minh
General Director

Date: 29 August 2018



Head Office

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No. 1.1169/18/TC-AC

REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

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

We have reviewed the accompanying Interim Financial Statements of Gemadept Corporation (hereinafter referred to as "the Corporation"), which were prepared on 28 August 2018 (from page 06 to page 47), including the Interim Balance Sheet as at 30 June 2018, the Interim Income Statement, the Interim Cash Flow Statement for the first 06 months of the fiscal year ending 31 December 2018 and the Notes to the 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 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 Interim Financial Statements and responsible for such internal control as the Board of Directors determines necessary to enable the preparation and presentation of 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 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 Interim Financial Statements have not given a true and fair view, in all material respects, of the financial position as of 30 June 2018 of the Corporation, its financial performance and its cash flows for the first 06 months of the fiscal year ending 31 December 2018, in conformity with the Vietnamese Accounting Standards and Systems as well as other legal regulations related to preparation and presentation of Interim Financial Statements.

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



Nguyễn Minh Trí
Deputy General Director

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

Ho Chi Minh City, 29 August 2018

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

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

INTERIM BALANCE SHEET

(Full form)

As of 30 June 2018

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		732.104.091.744	1.275.567.789.700
I. Cash and cash equivalents	110	V.1	48.643.895.927	336.882.059.451
1. Cash	111		21.643.895.927	142.382.059.451
2. Cash equivalents	112		27.000.000.000	194.500.000.000
II. Short-term financial investments	120		70.230.475.028	66.540.734.528
1. Trading securities	121	V.2a	140.694.265.680	140.694.265.680
2. Provisions for devaluation of trading securities	122	V.2a	(70.463.790.652)	(74.153.531.152)
3. Held-to-maturity investments	123		-	-
III. Short-term receivables	130		562.763.918.198	845.245.523.518
1. Short-term trade receivables	131	V.3	83.162.882.324	133.085.476.562
2. Short-term prepayments to suppliers	132	V.4	43.858.512.466	47.086.464.628
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	196.110.000.000	133.545.000.000
6. Other short-term receivables	136	V.6a	250.326.905.419	684.682.533.411
7. Allowance for short-term doubtful debts	137	V.7	(10.694.382.011)	(153.153.951.083)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140		5.071.759.204	32.185.773
1. Inventories	141	V.8	5.071.759.204	32.185.773
2. Allowance for inventories	149		-	-
V. Other current assets	150		45.394.043.387	26.867.286.430
1. Short-term prepaid expenses	151	V.9a	917.656.587	694.584.680
2. Deductible VAT	152		42.638.706.153	24.367.464.665
3. Taxes and other receivables from the State	153	V.17	1.837.680.647	1.805.237.085
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

GEMADEPT CORPORATION

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INTERIM FINANCIAL STATEMENTS

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

Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		5.522.743.484.666	5.560.236.939.168
I. Long-term receivables	210		68.005.000.000	37.005.000.000
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
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	68.005.000.000	37.005.000.000
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		559.019.943.385	376.074.711.779
1. Tangible fixed assets	221	V.10	491.652.297.073	299.954.770.899
- Historical cost	222		682.505.304.776	473.009.010.811
- Accumulated depreciation	223		(190.853.007.703)	(173.054.239.912)
2. Financial leased assets	224	V.11	56.694.489.327	64.828.449.857
- Historical cost	225		92.987.286.021	92.987.286.021
- Accumulated depreciation	226		(36.292.796.694)	(28.158.836.164)
3. Intangible fixed assets	227	V.12	10.673.156.985	11.291.491.023
- Initial cost	228		21.027.746.542	21.027.746.542
- Accumulated amortization	229		(10.354.589.557)	(9.736.255.519)
III. Investment property	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in process	240		18.563.838.242	17.885.070.242
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.13	18.563.838.242	17.885.070.242
V. Long-term financial investments	250		4.847.651.562.072	5.099.008.826.299
1. Investments in subsidiaries	251	V.2b	3.336.106.643.683	3.857.249.567.918
2. Investments in joint ventures and associates	252	V.2b	1.802.216.194.581	1.529.391.295.376
3. Investments in other entities	253	V.2b	186.457.032.000	186.457.032.000
4. Provisions for devaluation of long-term financial investments	254	V.2b	(477.128.308.192)	(474.089.068.995)
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		29.503.140.967	30.263.330.848
1. Long-term prepaid expenses	261	V.9b	17.649.442.965	18.533.323.607
2. Deferred income tax assets	262	V.14	11.853.698.002	11.730.007.241
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
TOTAL ASSETS	270		6.254.847.576.410	6.835.804.728.868

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

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

Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		1.026.443.828.103	1.283.017.800.871
I. Current liabilities	310		677.905.070.371	1.011.451.956.496
1. Short-term trade payables	311	V.15	27.784.301.081	41.957.482.431
2. Short-term advances from customers	312	V.16	-	23.172.673.918
3. Taxes and other obligations to the State Budget	313	V.17	129.097.612.878	5.154.073.091
4. Payables to employees	314	V.18	3.326.821.274	16.158.873.636
5. Short-term accrued expenses	315	V.19	3.957.563.736	8.669.298.382
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		-	-
9. Other short-term payables	319	V.20	52.292.222.252	481.995.092.708
10. Short-term borrowings and financial leases	320	V.21a	349.915.231.470	357.482.529.032
11. Provisions for short-term payables	321	V.22	61.020.766.549	60.402.312.740
12. Bonus and welfare funds	322	V.23	50.510.551.131	16.459.620.558
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		348.538.757.732	271.565.844.375
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		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.21b	348.233.988.345	270.217.938.887
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341	V.24	304.769.387	1.347.905.488
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


INTERIM FINANCIAL STATEMENTS


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

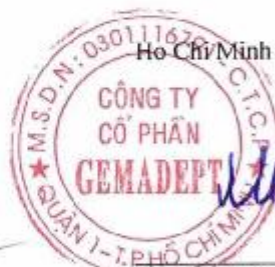
Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		5.228.403.748.307	5.552.786.927.997
I. Owner's equity	410		5.228.403.748.307	5.552.786.927.997
1. Capital	411	V.25	2.882.769.570.000	2.882.769.570.000
- Ordinary shares carrying voting rights	411a		2.882.769.570.000	2.882.769.570.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.25	1.941.832.197.040	1.941.832.197.040
3. Bond conversion options	413		-	-
4. Other sources of capital	414	V.25	69.388.382.902	69.388.382.902
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417	V.25	(304.042.949)	(482.399.072)
8. Investment and development fund	418	V.25	72.682.100.796	72.682.100.796
9. Business arrangement supporting fund	419		-	-
10. Other funds	420	V.25	69.568.035.889	69.568.035.889
11. Retained earnings	421	V.25	192.467.504.629	517.029.040.442
- Retained earnings accumulated to the end of the previous period	421a		-	517.029.040.442
- Retained earnings of the current period	421b		192.467.504.629	-
12. Construction investment fund	422		-	-
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		6.254.847.576.410	6.835.804.728.868

Ho Chi Minh City, 28 August 2018


Pham Quang Huy
 Preparer


Nguyen Minh Nguyen
 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

INTERIM FINANCIAL STATEMENTS

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

INTERIM INCOME STATEMENT

(Full form)

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


Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
1. Sales	01	VI.1	91.981.012.001	407.239.497.206
2. Sales deductions	02		-	-
3. Net sales	10		91.981.012.001	407.239.497.206
4. Cost of sales	11	VI.2	58.838.598.237	385.304.827.192
5. Gross profit	20		33.142.413.764	21.934.670.014
6. Financial income	21	VI.3	1.850.810.273.223	357.238.773.027
7. Financial expenses	22	VI.4	34.840.728.187	136.555.567.648
In which: Loan interest expenses	23		16.013.743.802	61.034.008.809
8. Selling expenses	25	VI.5	318.077.636	4.938.920.820
9. General and administration expenses	26	VI.6	52.666.287.318	188.866.579.172
10. Net operating profit	30		1.796.127.593.846	48.812.375.401
11. Other income	31	VI.7	4.103.808.663	23.733.457.477
12. Other expenses	32	VI.8	506.094.053	63.524.662
13. Other profit	40		3.597.714.610	23.669.932.815
14. Total accounting profit before tax	50		1.799.725.308.456	72.482.308.216
15. Current income tax	51	V.17	211.022.704.601	824.993.674
16. Deferred income tax	52	VI.9	(1.166.826.862)	89.242.430
17. Profit after tax	60		1.589.869.430.717	71.568.072.112
18. Basic earnings per share	70	VI.10	-	-
19. Diluted earnings per share	71	VI.10	-	-


Pham Quang Huy
 Preparer


Nguyen Minh Nguyen
 Chief Accountant

Ho Chi Minh City, 28 August 2018


Do Van Minh
 General Director

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

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

INTERIM CASH FLOW STATEMENT

(Full form)

(Indirect method)

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

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		1.799.725.308.456	72.482.308.216
2. Adjustments				
- Depreciation of fixed assets and investment properties	02	V.10, V.11, V.12	28.855.224.661	35.857.907.101
- Provisions and allowances	03	V.2, V.7	- 14.927.740.492	215.846.386.825
- Exchange gain/ (loss) due to revaluation of monetary items in foreign currencies	04	VI.3, VI.4	2.464.703.912	(5.941.428.007)
- Gain/ (loss) from investing activities	05	VI.3, VI.7	(1.837.220.640.141)	(345.605.403.600)
- Interest expenses	06	VI.4	16.013.743.802	61.034.008.809
- Others	07		-	-
3. Operating profit before changes of working capital	08		24.766.081.182	33.673.779.344
- Increase/ (decrease) of receivables	09		(14.142.689.605)	22.456.228.806
- Increase/ (decrease) of inventories	10		(5.039.573.431)	(586.785.230)
- Increase/ (decrease) of payables	11		(31.736.767.970)	(99.239.979.032)
- Increase/ (decrease) of prepaid expenses	12		(1.503.492.607)	(5.201.814.550)
- Increase/ (decrease) of trading securities	13		-	2.064.388.947
- Interests paid	14	V.19, V.20, VI.4	(15.476.663.831)	(12.002.986.894)
- Corporate income tax paid	15	V.17	(86.632.031.323)	(1.575.299.730)
- Other cash inflows	16		-	-
- Other cash outflows	17	V.23	(6.579.815.457)	(16.540.249.654)
Net cash flows from operating activities	20		(136.344.953.042)	(76.952.717.993)
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21	V.10, V.13, VII.	(211.809.631.886)	(28.718.513.100)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.10, VI.7, VII.	17.326.589.573	44.523.901.819
3. Cash outflow for lending, buying debt instruments of other entities	23	V.5	(109.330.000.000)	(102.000.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.5	46.765.000.000	-
5. Investments into other entities	25		(76.833.533.255)	(48.094.600.000)
6. Withdrawals of investments in other entities	26		2.021.190.288.788	-
7. Interest earned, dividends and profits received	27		399.394.992.918	302.314.210.440
Net cash flows from investing activities	30		2.086.703.706.138	168.024.999.159

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

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

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		253.998.301.958	234.645.605.804
4. Repayment for loan principal	34		(176.306.659.975)	(267.280.026.552)
5. Payments for financial leased assets	35		(10.356.196.331)	(9.706.593.051)
6. Dividends and profit paid to the owners	36	V.20, V.25	(2.306.202.021.600)	-
<i>Net cash flows from financing activities</i>	<i>40</i>		<u><i>(2.238.866.575.948)</i></u>	<u><i>(42.341.013.799)</i></u>
Net cash flows during the period	50		(288.507.822.852)	48.731.267.367
Beginning cash and cash equivalents	60	V.1	336.882.059.451	74.289.026.051
Effects of fluctuations in foreign exchange rates	61		269.659.328	109.578.105
Ending cash and cash equivalents	70	V.1	<u>48.643.895.927</u>	<u>123.129.871.523</u>

Ho Chi Minh City, 28 August 2018


Pham Quang Huy
 Preparer


Nguyen Minh Nguyen
 Chief Accountant


Đo Van Minh
 General Director

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2018

1. GENERAL INFORMATION

1. Ownership form

Gemadep Corporation (hereinafter referred to as "the Corporation") is a joint stock company.

2. Operating field

The Corporation operates in many different fields.

3. Principal business activities

Gemadep 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 and Nam Hai ICD Port; investing in the project 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, 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 Corporation's operation during the period on the Financial Statements

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

The container liner services were separated to be business activities of another company. Accordingly, revenues of the current period only include sales of asset leasing and agency services.

During the period, the Corporation kept investing in Pacific Pride J.S.C., Pacific Rubber Industry Co., Ltd. and "K" Line – Gemadep Logistics Company Limited.

6. Structure of the Corporation

At the end of period, the Corporation includes 19 subsidiaries and 10 joint ventures, associates (at the beginning of the year: 24 subsidiaries and 8 joint ventures, associates).

6a. Investment withdrawal

On 13 February 2018, the Corporation finished transfer of 50,90% of capital contributed at Gemadep Logistics Holding Company Limited. The remaining investments are presented at the item "Investments in joint ventures, associates" in the Interim Financial Statements. Gemadep Logistics Holding Company Limited was renamed into CJ Gemadep Logistics Holdings Company Limited in accordance with the Business Registration Certificate No. 0314546921, amended for the 3rd time on 15 March 2018.

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On 13 February 2018, the Corporation finished transfer of 49% of capital contributed at Gemadept Shipping Holding Limited Company. The remaining investments are presented at the item "Investments in joint ventures, associates" in the Interim Financial Statements as agreed in the Capital Transfer Contract. Gemadept Shipping Holding Limited Company was renamed into CJ Gemadept Shipping Holdings Company Limited in accordance with the Business Registration Certificate No. 0314492497, amended for the 3rd time on 15 March 2018.

On 30 June 2018, the Corporation finished transfer of entire capital contributed at Hoa Sen - Gemadept Logistics and International Port Corporation.

During the period, the Corporation terminated operations of Bright Ocean Logistics Co., Ltd., Gemadept (S) Pte., Ltd. and Grand Pacific Shipping Pte., Ltd.

6b. List of subsidiaries at the end of period

Subsidiaries	Address	Capital contribution rate	Benefit rate	Voting right rate
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%
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%
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%
Nam Hai ICD Joint Stock Company	Lot CN3, MP Dinh Vu Industrial Park, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam	65,00%	65,00%	65,00%
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%
Phuoc Long Port Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%
Truong Tho Transportation Services Corporation ⁽ⁱ⁾	Quarter 7, Truong Tho Ward, Thu Duc District, Ho Chi Minh City, Vietnam	46,00%	46,00%	54,00%
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%
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%
Pacific Marine Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	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%
Pacific Pearl Joint Stock Company Limited	61 Road No. 468, Toul Tumpoung 2 Ward, Chamkarmon District,	100%	100%	100%

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Notes to the Interim Financial Statements (cont.)

Subsidiaries	Address	Capital contribution rate	Benefit rate	Voting right rate
Pacific Lotus Joint Stock Company Limited	Phnom Penh City, Cambodia 18B Road No. 500, Phsar Deum Thkov Ward, Chamkarmon District, Phnom Penh City, Cambodia	100%	100%	100%
Pacific Pride J.S.C.	947 Por Prok Khang Tbong Hamlet, Kar Karb Ward, Po Sen Chey District, Phnom Penh City, Cambodia	100%	100%	100%
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%
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%
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%
Gemadept Nhon Hoi International Port J.S.C.	No. 98 Pham Hung Street, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province, Vietnam	53,20%	53,20%	53,20%
Vi Tin Service Computing Co., Ltd.	No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	100%	100%	100%

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

6c. List of joint ventures and associates at the end of period

Company's name	Address	Capital contribution rate	Ownership rate	Voting Right rate
Gemadept - Terminal Link Cai Mep Terminal J.S.C.	Cai Mep Area, Phuoc Hoa Commune, Tan Thanh District, Ba Ria – Vung Tau Province, Vietnam	41,67%	41,67%	41,67%
Saigon Cargo Service Corporation (SCSC Corp.)	No. 30, Phan Thuc Duyen Street, Ward 4, Tan Binh District, Ho Chi Minh City, Vietnam	32,25%	32,25%	32,25%
CJ Gemadept 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%
CJ Gemadept 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%

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Notes to the Interim Financial Statements (cont.)

Company's name	Address	Capital contribution rate	Ownership rate	Voting Right rate
"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%
Golden Globe Co., Ltd.	Sibunhuong Village, Chanthabouly District, Vientiane, Laos	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%
United Food J.S.C.	No. 267 Quang Trung Street, Quang Trung Ward, Ha Dong District, Hanoi City, Vietnam	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%
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%

6d. Affiliates which are not legal entities and cannot do accounting works independently

Affiliates	Address
Pacific Shipping Enterprise	15 th Floor, No. 35 Nguyen Hue Street, District 1, Ho Chi Minh City, Vietnam
Da Nang Branch	No. 39 Quang Trung Street, Hai Chau District, Da Nang City, Vietnam
Can Tho Branch	No. 80-82-84 Le Hong Phong Street, Binh Thuy Ward, Binh Thuy District, Can Tho City, Vietnam
Vung Tau Branch	No. 1/1A Pham Hong Thai Street, Ward 7, Vung Tau City, Ba Ria – Vung Tau Province, Vietnam
Cambodia Branch	193C Mao Tse Tong Blv, Beung Trabaek Ward, Chamkarmon District, Phnom Penh Capital, Cambodia

7. Statement on information comparability on the Financial Statements

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

8. Employees

As at the balance sheet date, there have been 166 employees working for the Corporation (at the beginning of the year: 169 employees).

II. FISCAL YEAR AND ACCOUNTING CURRENCY**1. Fiscal year**

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

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND).

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INTERIM FINANCIAL STATEMENTS

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Notes to the Interim Financial Statements (cont.)

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

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

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

The 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 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of the Interim Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

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

2. 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 recorded 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 Corporation and the Bank.
- For capital contribution made or received: the buying rate of the bank where the Corporation 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 Corporation designates the customers to make payments.
- For payables: the selling rate of foreign currency ruling as at the time of transaction of the commercial bank where the Corporation 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 Corporation makes payments.

The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are determined according to the following principles:

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Notes to the Interim Financial Statements (cont.)

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

3. 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.

4. Financial investments

Trading securities

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

Trading securities are recognized at original costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Corporation 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 laws.

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

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

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

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

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Notes to the Interim Financial Statements (cont.)

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.

Loans

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

Investments in subsidiaries, joint ventures and associates

Subsidiaries

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

Joint ventures

A joint venture is an entity which is established by a contractual arrangement whereby the Corporation 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 venturers.

Associates

An associate is an entity which the Corporation 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.

Initial recognition

Investments in subsidiaries, joint ventures and associates are initially recognized at original costs, including the cost of purchase or capital contributions plus other directly attributable transaction cost. In case of investment in non-monetary assets, the costs of the investment are recognized at the fair value of non-monetary assets at the arising time.

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 Corporation's revenues. 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 impairment of investments in subsidiaries, joint ventures and associates

Provisions for impairment of investments in subsidiaries, joint ventures and associates are made when these entities suffers from losses at the rate equal to the difference between the actual capital invested by investors in subsidiaries, joint ventures and associates and the actual owner's equity multiplying (x) by the Corporation's rate of capital contribution over the total actual capital invested by investors in subsidiaries, joint ventures and associates. If the subsidiaries, joint ventures and associates are consolidated into Consolidated Financial Statements, the basis for impairment provisions is the Consolidated Financial Statements.

Increases/ (decreases) in the provision for impairment of investments in subsidiaries, joint ventures and associates is recorded into financial expenses as of the balance sheet date.

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Notes to the Interim Financial Statements (cont.)

Investments in equity instruments of other entities

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

Investments in equity instruments of other entities are initially recognized at costs, including cost of purchase or capital contributions plus other directly attributable transaction cost. 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 Corporation's revenues. 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 impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provisions are made on the basis of the losses suffered by investees, at the rate equal to the difference between the actual capital invested by investors and the actual owner's equity multiplying (x) by the Corporation's rate of capital contribution over the total actual capital invested by investors in these investees.

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

5. 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 to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Corporation and customers who are independent to the Corporation.
- 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 the estimated loss.

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

6. Inventories

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

Inventories include fuels and merchandises. Costs of inventories comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.

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.

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Notes to the Interim Financial Statements (cont.)

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

7. Prepaid expenses

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. Prepaid expenses of the Corporation mainly include insurance premiums, interest expenses for container financial lease, etc. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

Insurance premiums

Insurance premiums are allocated into expenses in accordance with the straight-line method over the insurance policy's term.

Interest expenses for container financial lease

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

8. 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 Corporation's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

9. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Corporation 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 costs 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 – 25
Machinery and equipment	05 – 07
Vehicles	06 – 15
Office equipment	03 – 08

10. 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.

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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 Corporation 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 equipment and vehicles are 06 years.

11. 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 Corporation 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.

The Corporation's intangible fixed assets include:

Land use right

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

Computer software

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

12. Construction-in-progress

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

13. 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 Corporation.
- 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.

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- 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 Interim Balance Sheet on the basis of their remaining term as of the balance sheet date.

14. Provisions for payables

Provisions are recorded when the Corporation 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 Corporation's provisions for payables include compensations for loss during transportation.

15. 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.

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 Corporation after deducting taxes payable (if any) related to these assets.

16. 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.

17. 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.

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- The Corporation 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 stage of completion as of the balance sheet date.

Income from leasing operating assets

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

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

Dividends and profit shared

Dividends and profit shared are recognized when the Corporation 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 of shares is followed up.

18. Borrowing costs

Borrowing costs include loan interest and other costs incurred directly relevant to borrowings.

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.

19. Expenses

Expenses are those that result in outflows of the Corporation's 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.

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

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

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

Deferred income tax assets and deferred income tax liabilities are offset when:

- The Corporation 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 Corporation 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.

21. Related parties

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

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A business segment is a distinguishable component of the Corporation 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 Corporation 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.

Segment information is prepared and presented in compliance with the accounting policy applied to the preparation and presentation of the Corporation's Interim Financial Statements.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM BALANCE SHEET**1. Cash and cash equivalents**

	Ending balance	Beginning balance
Cash on hand	2.773.742.938	2.928.760.727
Deposits in banks	18.870.152.989	138.837.242.396
Cash in transit	-	616.056.328
Cash equivalents (Bank deposits of which the principal maturity is under 03 months)	27.000.000.000	194.500.000.000
Total	48.643.895.927	336.882.059.451

2. Financial investments

The Corporation's financial investments include trading securities and investments in other entities. The Corporation's financial investments are as follows:

2a. Trading securities

	Ending balance			Beginning balance		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
Shares						
National Citizen Bank (NCB)	94.971.030.000	53.177.982.800	(41.793.047.200)	94.971.030.000	50.379.141.600	(44.591.888.400)
Thu Duc Steel J.S.C.	31.488.264.362	17.052.096.000	(14.436.168.362)	31.488.264.362	15.799.832.700	(15.688.431.662)
Manganese Mineral Joint Stock Company	14.234.321.100	-	(14.234.321.100)	14.234.321.100	361.364.000	(13.872.957.100)
Other shares	650.218	485.250	(253.990)	650.218	512.500	(253.990)
Total	140.694.265.680	70.230.564.050	(70.463.790.652)	140.694.265.680	66.540.850.800	(74.153.531.152)

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

	Current period	Previous period
Beginning balance	(74.153.531.152)	(91.692.607.552)
Reversal	3.689.740.500	15.196.705.200
Ending balance	(70.463.790.652)	(76.495.902.352)

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2b. Investments in other entities

	Ending balance		Beginning balance	
	Original cost	Provision	Original cost	Provision
<i>Investments in subsidiaries</i>	3,336,106,643,683	(361,090,339,205)	3,857,249,567,918	(253,944,866,923)
Pacific Lotus Joint Stock Company Limited	801,823,100,000	(84,577,043,343)	801,823,100,000	(35,521,951,507)
Pacific Pearl Joint Stock Company Limited	586,721,892,380	(157,354,313,689)	586,721,892,380	(136,185,022,864)
Nam Hai Port Corporation Joint Stock Company	424,383,000,000	-	424,383,000,000	-
Nam Dinh Vu Port Joint Stock Company	360,000,000,000	(17,786,880,782)	360,000,000,000	(4,375,994,860)
Nam Hai Dinh Vu Port J.S.C.	338,625,450,000	-	338,625,450,000	-
Pacific Pride J.S.C. ⁽ⁱ⁾	221,642,245,550	(78,419,158,689)	183,045,245,550	(39,063,050,101)
Phuoc Long Port Co., Ltd.	200,000,000,000	-	200,000,000,000	-
Pacific Rubber Industry Co., Ltd. ⁽ⁱ⁾	83,900,000,000	(8,886,393,359)	82,500,000,000	(8,621,082,937)
Nam Hai ICD Joint Stock Company	78,000,000,000	(13,066,549,343)	78,000,000,000	(13,971,545,505)
Gemadept – Vung Tau Corporation	67,200,000,000	-	67,200,000,000	-
Gemadept Infrastructures Development and Investment Construction J.S.C.	60,000,000,000	-	60,000,000,000	-
Gemadept Dung Quat International Port J.S.C.	41,730,000,000	-	41,730,000,000	-
V.N.M General Transportation Service Co., Ltd.	35,000,000,000	-	35,000,000,000	-
Truong Tho Transportation Services Corporation	27,600,000,000	-	27,600,000,000	-
Pacific Marine Co., Ltd.	3,500,000,000	-	3,500,000,000	-
Gemadept Nhon Hoi International Port J.S.C.	2,343,651,753	-	2,343,651,753	-
Pacific Marine Equipment and Service Company Limited	1,000,000,000	-	1,000,000,000	-
Gemadept Logistics Holding Company Limited ⁽ⁱⁱ⁾	-	-	267,797,641,500	-
Gemadept Shipping Holding Limited Company ⁽ⁱⁱ⁾	-	-	205,086,700,000	-
Hoa Sen - Gemadept Logistics and International Port Corporation ⁽ⁱⁱ⁾	-	-	70,866,282,735	(128,185,291)
Gemadept (S) Pte., Ltd. ⁽ⁱⁱⁱ⁾	-	-	15,207,300,000	(15,207,300,000)
Bright Ocean Logistics Co., Ltd. ⁽ⁱⁱⁱ⁾	-	-	2,182,000,000	-
Other subsidiaries	2,637,304,000	(1,000,000,000)	2,637,304,000	(870,733,858)
<i>Investments in joint ventures, associates</i>	1,802,216,194,581	(106,482,005,703)	1,529,391,295,376	(98,608,327,116)
Gemadept – Terminal Link Cai Mep Terminal J.S.C.	834,150,000,000	(75,833,872,325)	834,150,000,000	(71,095,385,067)
Saigon Cargo Service Corporation (SCSC Corp.)	393,773,440,000	-	393,773,440,000	-
CJ Gemadept Logistics Holdings Company Limited	131,555,876,205	-	-	-

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	Ending balance		Beginning balance	
	Original cost	Provision	Original cost	Provision
"K" Line – Gemadept Logistics Co., Ltd. ⁽ⁱ⁾	108.001.500.000	-	71.352.500.000	-
CJ Gemadept Shipping Holdings Company Limited	104.620.023.000	(2.678.296.226)	-	-
Golden Globe Co., Ltd.	89.355.403.136	(620.444.935)	89.355.403.136	(1.060.531.832)
Golden Globe Trading Co., Ltd.	62.538.064.097	-	62.538.064.097	-
United Food J.S.C.	49.825.280.000	(8.594.784.074)	49.825.280.000	(7.697.802.074)
Other associates	28.396.608.143	(18.754.608.143)	28.396.608.143	(18.754.608.143)
Investments in other entities	186.457.032.000	(9.555.963.284)	186.457.032.000	(121.535.874.956)
Maritime Bank	165.581.032.000	-	165.581.032.000	(113.572.432.000)
Vietnam Industry Securities Company ^(iv)	15.876.000.000	(6.246.822.728)	15.876.000.000	(4.638.054.728)
Intellectual Vietnam Asset Management Joint-Stock Company	5.000.000.000	(3.309.140.556)	5.000.000.000	(3.325.388.228)
Total	5.324.779.870.264	(477.128.308.192)	5.573.097.895.294	(474.089.068.995)

(i) Increase due to additional capital contribution.

(ii) Decrease due to transfer of share capital.

(iii) Decrease due to subsidiaries' dissolution.

(iv) Vietnam Industry Securities Company is completing its dissolution procedures.

Fair value

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

Operations of subsidiaries, joint ventures and associates

Subsidiaries, joint ventures and associates are in normal operation.

Provisions for investments in other entities

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

	Current period	Previous period
Beginning balance	(474.089.068.995)	(358.289.881.095)
Additional extraction	(18.246.539.197)	(75.467.509.883)
Writing off provisions due to subsidiaries' dissolution	15.207.300.000	-
Ending balance	(477.128.308.192)	(433.757.390.978)

Transactions with subsidiaries, joint ventures and associates

Significant transactions between the Corporation and its subsidiaries, joint ventures and associates are presented at Note No. VIII.1b.

Investments in other entities used as mortgage

The Corporation has mortgaged 11.100.000 shares of Saigon Cargo Services Corporation to secure loans from ACB – Saigon Branch (see Note No. V.21b).

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Notes to the Interim Financial Statements (cont.)**3. Short-term trade receivables**

	Ending balance	Beginning balance
<i>Receivables from related parties</i>	<i>37.363.887.289</i>	<i>73.959.210.315</i>
Gemadept Shipping Limited Company	11.934.929.539	19.183.375.817
Pacific Marine Equipment and Service Company Limited	11.000.000.000	15.863.651.038
Truong Tho Transportation Services Corporation	5.940.000.000	3.564.000.000
Gemadept Hai Phong Co., Ltd.	2.982.000.000	449.145.392
Nam Dinh Vu Port Joint Stock Company	1.720.413.750	-
Gemadept Logistics One Member Company Limited	1.420.778.956	380.626.242
Nam Hai Dinh Vu Port J.S.C.	1.258.451.388	52.000.000
Nam Hai ICD Joint Stock Company	924.000.000	89.000.001
Phuoc Long Port Co., Ltd.	102.730.156	17.144.944.275
Gemadept - Terminal Link Cai Mep Terminal J.S.C.	72.600.000	-
ISS - Gemadept Co., Ltd.	7.983.500	-
CJ Gemadept Shipping Holdings Company Limited	-	16.939.164.416
Nam Hai Port Corporation Joint Stock Company	-	172.500.001
CJ Gemadept Logistics Holdings Company Limited	-	74.303.680
Golden Globe Co., Ltd.	-	46.499.453
<i>Receivables from other customers</i>	<i>45.798.995.035</i>	<i>59.126.266.247</i>
Hyosung Vietnam Co., Ltd.	17.753.995.869	-
Other customers	28.044.999.166	59.126.266.247
Total	83.162.882.324	133.085.476.562

The claim for all receivables has been mortgaged to secure the loan from Vietinbank – Branch 1 in Ho Chi Minh City (see Note No. V.21a).

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
Golden Lotus Corporation	26.080.800.000	26.080.800.000
Galaxy Maritime Corporation	10.783.853.004	10.783.853.004
Other suppliers	6.993.859.462	10.221.811.624
Total	43.858.512.466	47.086.464.628

5. Receivables for short-term loans

	Ending balance	Beginning balance
<i>Loans given to related parties</i>	<i>185.110.000.000</i>	<i>122.545.000.000</i>
Phuoc Long Port Co., Ltd.	92.000.000.000	26.000.000.000
Nam Hai ICD Joint Stock Company	88.000.000.000	81.000.000.000
Mekong Logistics Company	3.000.000.000	-
Minh Dam Tourism J.S.C.	2.110.000.000	1.780.000.000
Gemadept Logistics One Member Co., Ltd.	-	13.765.000.000
<i>Loans given to other organizations</i>	<i>11.000.000.000</i>	<i>11.000.000.000</i>
Total	196.110.000.000	133.545.000.000

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Notes to the Interim Financial Statements (cont.)

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

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>185.750.399.602</i>	<i>619.574.542.241</i>
Pacific Pearl Joint Stock Company Limited – Payment on other's behalf	80.311.948.800	79.470.251.520
Gemadept Shipping Limited Company – Profits shared, collection on the Corporation's behalf	32.348.287.065	26.934.547.919
Phuoc Long Port Co., Ltd. – Payment on other's behalf, profit shared, interests on loans given	27.496.255.963	59.785.949.034
Golden Globe Co., Ltd. – Payment on other's behalf	20.839.000.000	20.620.600.000
Gemadept Hai Phong Co., Ltd. – Payment on other's behalf, profit shared	9.094.066.976	14.061.901.345
Truong Tho Transportation Services Corporation – Capital support, payment on other's behalf, dividends	9.020.800.000	6.000.800.000
Nam Hai ICD Joint Stock Company – Interests on loans given	2.832.441.400	1.652.444.444
Vi Tin Service Computing Co., Ltd. – Payment on other's behalf	1.424.500.451	2.306.105.171
Power Transportation and Service J.S.C. (Potraco) – Dividends	1.072.446.000	1.072.446.000
Pacific Rubber Industry Co., Ltd. – Payment on other's behalf	546.233.504	344.270.605
Gemadept Logistics One Member Co., Ltd. – Payment on other's behalf, profit shared, interests on loans given	182.196.568	21.225.867.164
Mekong Logistics Company – Interests on loans given	70.767.123	-
Nam Hai Port Corporation Joint Stock Company – Dividends, payment on other's behalf	3.135.064	27.990.000.000
Nam Hai Dinh Vu Port J.S.C. – Dividends, payment on other's behalf	1.438.466	209.949.241.945
Grand Pacific Shipping Pte., Ltd. – Deposits for leasing ships	-	29.458.000.000
Gemadept Dung Quat International Port J.S.C. – Dividends	-	4.400.000.000
Gemadept (S) Pte., Ltd. – Payment on other's behalf	-	113.372.510.867
Other related parties	506.882.222	929.606.227
<i>Receivables from other organizations and individuals</i>	<i>64.576.505.817</i>	<i>65.107.991.170</i>
Advances	38.552.661.850	38.172.040.862
Payments on other's behalf to perform agent service	2.989.108.754	4.808.856.213
Short-term deposits	6.424.454.000	5.945.954.000
Other short-term receivables	16.610.281.213	16.181.140.095
Total	<u>250.326.905.419</u>	<u>684.682.533.411</u>

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Notes to the Interim Financial Statements (cont.)**6b. Other long-term receivables**

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
Sai Gon Xanh Trading And Service Joint Stock Company - Capital contribution to develop the project of investment and exploitation of the fleet of constructing, dredging ports and canals	31.000.000.000	-	-	-
Hang River Co., Ltd. - Capital contribution to develop the project of Le Chan General Port	19.000.000.000	-	19.000.000.000	-
Indochina Sun Infrastructure Development Construction Investment Corporation- Capital contribution to develop the project of Logistics Service Area	18.000.000.000	-	18.000.000.000	-
Long-term deposits	5.000.000	-	5.000.000	-
Total	68.005.000.000	-	37.005.000.000	-

7. Doubtful debts

	Outstanding period	Ending balance		Outstanding period	Beginning balance	
		Original costs	Provisions already made		Original costs	Provisions already made
Related parties		2.266.882.222	(2.266.882.222)		144.767.393.089	(144.767.393.089)
Minh Dam Tourism J.S.C - Loan given and loan interest		2.266.882.222	(2.266.882.222)		1.936.882.222	(1.936.882.222)
Gemadep (S) Pte., Ltd. - Payment on this company's behalf ^(*)		-	-		113.372.510.867	(113.372.510.867)
Grand Pacific Shipping Pte., Ltd. - Deposits for leasing ships ^(*)		-	-		29.458.000.000	(29.458.000.000)
Other organizations and individuals		8.528.929.789	(8.427.499.789)		8.487.987.994	(8.386.557.994)
Ms. Nguyen Thi Hong Linh - Receivable for trading securities	Over 03 years	3.000.000.000	(3.000.000.000)	Over 03 years	3.000.000.000	(3.000.000.000)
Penex Container Lines Pte., Ltd. - Trade receivables	Over 03 years	2.763.212.976	(2.763.212.976)	Over 03 years	2.763.212.976	(2.763.212.976)
Receivables from other organizations and individuals	From 01 year to over 03 years	2.765.716.813	(2.664.286.813)	From 01 year to over 03 years	2.724.775.018	(2.623.345.018)
Total		10.795.812.011	(10.694.382.011)		153.255.381.083	(153.153.951.083)

^(*) The receivables from Gemadep (S) Pte., Ltd. and Grand Pacific Shipping Pte., Ltd. have been written off in accordance with the Meeting Minutes No. 029/BBHDQT-GMD dated 28 March 2018 of the Board of Management.

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Notes to the Interim Financial Statements (cont.)

Fluctuations in allowances for short-term doubtful debts are as follows:

	Current period	Previous period
Beginning balance	(153.153.951.083)	(10.218.852.716)
Additional extraction	(370.941.795)	(140.368.282.142)
Writing off	142.830.510.867	-
Ending balance	(10.694.382.011)	(150.587.134.858)

8. Inventories

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Fuel in ships	948.854.552	-	-	-
Merchandises	4.122.904.652	-	32.185.773	-
Total	5.071.759.204	-	32.185.773	-

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

	Ending balance	Beginning balance
Insurance premiums	722.958.147	379.051.790
Other short-term prepaid expenses	194.698.440	315.532.890
Total	917.656.587	694.584.680

9b. Long-term prepaid expenses

	Ending balance	Beginning balance
Interest expenses for container financial lease	15.537.339.932	17.701.641.274
Other long-term prepaid expenses	2.112.103.033	831.682.333
Total	17.649.442.965	18.533.323.607

10. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Historical costs					
Beginning balance	6.051.904.132	4.474.472.564	456.794.195.174	5.688.438.941	473.009.010.811
New purchases	-	-	212.299.532.886	-	212.299.532.886
Liquidation	-	-	(2.308.671.902)	-	(2.308.671.902)
Other decreases	-	-	(499.076.619)	-	(499.076.619)
Effect of exchange difference due to conversion of the Financial Statements	-	-	3.000.000	1.509.600	4.509.600
Ending balance	6.051.904.132	4.474.472.564	666.288.979.539	5.689.948.541	682.505.304.776
<i>In which:</i>					
Assets fully depreciated but still in use	1.925.462.908	4.378.108.931	112.012.540.579	5.454.808.537	123.770.920.955
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	5.709.464.200	4.392.026.030	157.406.813.484	5.545.936.198	173.054.239.912
Depreciation during the period	171.981.780	6.883.116	19.889.784.287	34.280.910	20.102.930.093
Liquidation	-	-	(2.308.671.902)	-	(2.308.671.902)

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	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Effect of exchange difference due to conversion of the Financial Statements	-	-	3.000.000	1.509.600	4.509.600
Ending balance	5.881.445.980	4.398.909.146	174.990.925.869	5.581.726.708	190.853.007.703
Net book values					
Beginning balance	342.439.932	82.446.534	299.387.381.690	142.502.743	299.954.770.899
Ending balance	170.458.152	75.563.418	491.298.053.670	108.221.833	491.652.297.073
<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 351.311.427.521, have been mortgaged to secure the loan from OCB – Tan Binh Branch (see Note No. V.21b).

11. Financial leased assets

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

12. Intangible fixed assets

	Land use right	Computer software	Total
Initial costs			
Beginning balance	1.271.530.010	19.756.216.532	21.027.746.542
Ending balance	1.271.530.010	19.756.216.532	21.027.746.542
<i>In which:</i>			
Assets fully amortized but still in use	-	8.445.024.495	8.445.024.495
Amortization			
Beginning balance	-	9.736.255.519	9.736.255.519
Amortization during the period	-	618.334.038	618.334.038
Ending balance	-	10.354.589.557	10.354.589.557
Net book values			
Beginning balance	1.271.530.010	10.019.961.013	11.291.491.023
Ending balance	1.271.530.010	9.401.626.975	10.673.156.985

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	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

13. Construction-in-progress

This item reflects expenses for acquisition of fixed assets. Details are as follows:

	<u>Beginning balance</u>	<u>Increase during the period</u>	<u>Other decreases</u>	<u>Ending balance</u>
Expenses on purchases of crane truck, forklift truck, barge	15.839.894.800	-	-	15.839.894.800
ORC software	1.355.175.442	-	-	1.355.175.442
GSS software	630.000.000	-	-	630.000.000
HR software	-	738.768.000	-	738.768.000
Other expenses	60.000.000	-	(60.000.000)	-
Total	17.885.070.242	738.768.000	(60.000.000)	18.563.838.242

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	11.730.007.241	11.760.929.931
Inclusion into operation results during the period	123.690.761	(20.615.127)
Ending balance	11.853.698.002	11.740.314.804

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

15. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>19.699.786.048</i>	<i>17.109.663.290</i>
Gemadept Shipping Limited Company	13.283.487.709	13.262.786.457
Gemadept Logistics One Member Co., Ltd.	4.818.872.648	3.846.876.833
Vi Tin Service Computing Co., Ltd.	945.000.000	-
Gemadept Dung Quat International Port J.S.C.	652.425.691	-
<i>Payables to other suppliers</i>	<i>8.084.515.033</i>	<i>24.847.819.141</i>
Phnom Penh Autonomous Port	-	13.638.422.452
Other suppliers	8.084.515.033	11.209.396.689
Total	27.784.301.081	41.957.482.431

The Corporation has no outstanding trade payable.

16. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Hyosung Vietnam Co., Ltd.	-	17.879.882.833
Other customers	-	5.292.791.085
Total	-	23.172.673.918

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17. Taxes and other obligations to the State Budget**a. Taxes and other obligations to the State Budget generated in Vietnam**

	Beginning balance		Increase during the period		Ending balance	
	Payables	Receivables	Amount payable	Amount already paid	Payables	Receivables
VAT on local sales	-	-	-	-	-	-
VAT on imports	-	-	18.955.942.068	(18.955.942.068)	-	-
Export-import duties	-	-	52.737.517	(52.737.517)	-	-
Corporate income tax	4.423.731.360	-	211.022.704.601	(86.439.600.984)	129.006.834.977	-
Personal income tax	-	1.491.568.682	61.525.878.419	(61.558.321.981)	-	1.524.012.244
Withholding tax	537.911.392	-	2.630.488.136	(3.077.621.627)	90.777.901	-
Other taxes	-	313.668.403	17.900.000	(17.900.000)	-	313.668.403
Total	4.961.642.752	1.805.237.085	294.205.650.741	(170.102.124.177)	129.097.612.878	1.837.680.647

Value added tax (VAT)

The Corporation has to pay VAT in accordance with the deduction method at the rate of 10%.

Export-import duties

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

Corporate income tax

The Corporation has to pay corporate income tax on taxable income at the rate of 20%.

Determination of corporate income tax liability of the Corporation 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 Interim Financial Statements can be changed upon the inspection of tax authorities.

Other taxes

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

b. Taxes and other obligations to the State Budget generated in Cambodia Branch

	Beginning balance	Amount payable during the period	Amount already paid during the period	Ending balance
VAT on local sales	-	-	-	-
Corporate income tax	192.430.339	-	(192.430.339)	-
Total	192.430.339	-	(192.430.339)	-

18. Payables to employees

This item reflects the salary and others payables to employees.

19. Short-term accrued expenses

	Ending balance	Beginning balance
Payables to related parties	316.843.340	6.285.908.465
Gemadept - Terminal Link Cai Mep Terminal		
J.S.C. - Loan interest expenses	308.350.190	6.285.908.465
V.N.M General Transportation Service Co., Ltd. -		
Loan interest expenses	8.493.150	-
Payables to other organizations and individuals	3.640.720.396	2.383.389.917
Loan interest expenses	802.308.931	712.249.966
Other short-term accrued expenses	2.838.411.465	1.671.139.951
Total	3.957.563.736	8.669.298.382

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20. Other short-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>17.766.937.233</i>	<i>15.868.236.755</i>
Gemadept Logistics One Member Co., Ltd. – Collection on the other's behalf	6.957.478.025	512.320.855
Gemadept - Terminal Link Cai Mep Terminal J.S.C. – Loan interest expenses	6.610.705.233	-
Gemadept Infrastructures Development and Investment Construction J.S.C. – Collection on other's behalf and other payables	1.677.414.393	1.677.414.393
Gemadept Shipping Limited Company – Collection on the Corporation's behalf	1.407.959.847	3.755.249.639
Pacific Pride J.S.C. – Payment on the Corporation's behalf	572.631.000	566.655.720
Gemadept Hai Phong Co., Ltd. – Collection on the other's behalf and other payables	321.868.893	321.868.893
Pacific Marine Co., Ltd. – Loan interest expenses	146.575.342	67.777.777
"K" Line – Gemadept Logistics Co., Ltd. – Receipt of deposits for office lease	72.304.500	72.304.500
Hoa Sen - Gemadept Logistics and International Port Corporation – Receipt of capital support	-	4.595.839.422
Bright Ocean Logistics Co., Ltd. – Receipt of capital support	-	2.142.000.000
Vi Tin Service Computing Co., Ltd. – Collection on the other's behalf	-	1.890.000.000
Nam Hai Dinh Vu Port J.S.C. – Loan interest expenses	-	197.916.667
Gemadept Dung Quat International Port J.S.C. – Loan interest expenses	-	68.888.889
<i>Payables to other organizations and individuals</i>	<i>34.525.285.019</i>	<i>466.126.855.953</i>
Collections on other's behalf to perform agent service	472.941.984	464.090.084
Receipts of short-term deposits	845.558.655	1.029.036.015
Dividends payable	208.326.750	432.610.127.850
Other short-term payables	32.998.457.630	32.023.602.004
Total	<u>52.292.222.252</u>	<u>481.995.092.708</u>

The Corporation has no other outstanding payable.

21. Short-term/long-term borrowings and financial lease**21a. Short-term borrowings and financial lease**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Short-term borrowings payable to related parties</i>	<i>276.357.853.440</i>	<i>302.776.728.013</i>
Loan from Gemadept – Terminal Link Cai Mep Terminal J.S.C. ⁽ⁱ⁾	247.357.853.440	244.776.728.013
Loan from Nam Hai Dinh Vu Port J.S.C. ⁽ⁱ⁾	17.000.000.000	50.000.000.000
Loan from Pacific Marine Company Limited ⁽ⁱ⁾	11.000.000.000	8.000.000.000
Loan from V.N.M General Transportation Service Co., Ltd. ⁽ⁱ⁾	1.000.000.000	-

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	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Short-term borrowings and financial lease payable to other organizations</i>	<i>73.557.378.030</i>	<i>54.705.801.019</i>
Loan from Vietinbank – Branch 1 in Ho Chi Minh City ⁽ⁱⁱ⁾	5.998.301.958	729.387.696
Loan from VIB – Saigon Branch	-	19.127.886.823
Current portions of long-term loans (see Note No. V.21b)	45.962.938.572	13.477.740.000
Current portions of financial lease (see Note No. V.21b)	21.596.137.500	21.370.786.500
Total	349.915.231.470	357.482.529.032

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

- (i) The loans from related parties are at fixed interest rate as stipulated in the contract.
- (ii) The loan from Vietinbank – Branch 1 in Ho Chi Minh City is to supplement the working capital. This loan is secured by mortgaging assets arising from contracts signed by the Corporation before and after the signing date of credit contracts.

21b. Long-term borrowings and financial lease

	<u>Ending balance</u>	<u>Beginning balance</u>
Long-term loans from banks	292.439.019.285	204.349.060.000
Loan from ACB – Saigon Branch ⁽ⁱ⁾	90.000.000.000	100.000.000.000
Loan from OCB – Tan Binh Branch ⁽ⁱⁱ⁾	202.439.019.285	104.349.060.000
Financial lease from Intermodal Investment Fund IV LLC	55.794.969.060	65.868.878.887
Total	348.233.988.345	270.217.938.887

The Corporation is solvent over long-term loans and financial lease.

- (i) The loan from ACB – Saigon Branch is to contribute capital to Phuoc Long Port Co., Ltd. The loan term is 84 months, starting from the date of first loan disbursement. This loan is secured by 11.100.000 shares of Saigon Cargo Service Corporation (see Note No. V.2b).
- (ii) The loan from OCB – Tan Binh Branch is to purchase Green Pacific ship and Pride Pacific ship. The loan term is 84 months, starting from the date of first loan disbursement. This loan is secured by assets formed from the loan (see Note No. V.10).

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

	<u>Total debts</u>	<u>Under 01 year</u>	<u>From 01 year to 05 years</u>	<u>Over 05 years</u>
Ending balance				
Long-term loans from banks	338.401.957.857	45.962.938.572	269.814.692.860	22.624.326.425
Financial lease	77.391.106.560	21.596.137.500	55.794.969.060	-
Total	415.793.064.417	67.559.076.072	325.609.661.920	22.624.326.425
Beginning balance				
Long-term loans from banks	217.826.800.000	13.477.740.000	149.566.040.000	54.783.020.000
Financial lease	87.239.665.387	21.370.786.500	65.868.878.887	-
Total	305.066.465.387	34.848.526.500	215.434.918.887	54.783.020.000

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Total financial lease payable is as follows:

	Under 01 year	From 01 year to 05 years	Total
Ending balance			
Principal	16,906,602,999	44,017,603,959	60,924,206,958
Interest	4,689,534,501	11,777,365,101	16,466,899,602
Financial lease payable	21,596,137,500	55,794,969,060	77,391,106,560
Beginning balance			
Principal	16,730,186,272	51,923,382,967	68,653,569,239
Interest	4,640,600,228	13,945,495,920	18,586,096,148
Financial lease payable	21,370,786,500	65,868,878,887	87,239,665,387

21c. Outstanding borrowings and financial lease

The Corporation has no outstanding loan and financial lease.

22. Provisions for short-term payables

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

23. Bonus and welfare funds

	Current period	Previous period
Beginning balance	16,459,620,558	19,327,092,509
Increase due to appropriation from profit	40,630,746,030	31,179,213,550
Disbursement	(6,579,815,457)	(3,610,568,796)
Ending balance	50,510,551,131	46,895,737,263

24. Deferred income tax liabilities

Deferred income tax liabilities are mainly the differences due to revaluation of land use right when transferring Gemadept Tower and exchange differences due to revaluation of ending balances of monetary items and receivables. Details are as follows:

	Current period	Previous period
Beginning balance	1,347,905,488	9,845,668,171
Inclusion into operation result	(1,043,136,101)	68,627,303
Ending balance	304,769,387	9,914,295,474

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

25. Owner's equity**25a. Statement on fluctuations in owner's equity**

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

25b. Shares

	Ending balance	Beginning balance
Number of shares already sold to the public	288,276,957	288,276,957
- Common shares	288,276,957	288,276,957
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	288,276,957	288,276,957
- Common shares	288,276,957	288,276,957
- Preferred shares	-	-

Face value of outstanding shares: VND 10,000.

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26. Off-balance sheet items**26a. External leased assets**

The total minimum lease payment in the future for leasing contracts under 01 year is VND 8.999.218.200 (beginning balance: VND 9.847.344.000).

The above-mentioned lease payments reflects 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.

26b. Foreign currencies

As of the balance sheet date, cash includes USD 539.306,83 (beginning balance: USD 5.619.903,53).

26c. Treated doubtful debts

	<u>Ending balance</u>	<u>Beginning balance</u>	<u>Reasons for writing off</u>
Gemadep (S) Pte., Ltd.	113.372.510.867		- This Company was dissolved.
Grand Pacific Shipping Pte., Ltd.	29.458.000.000		- This Company was dissolved.
Lion Lord Corporation	1.277.515.915	1.277.515.915	This Corporation was dissolved.
Other subjects	1.178.185.965	1.178.185.965	Irrecoverable
Total	145.286.212.747	2.455.701.880	

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE 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 logistics services: transportation services, agent services, leasing assets, etc.	89.860.611.613	406.646.695.842
Sales from leasing offices	2.120.400.388	592.801.364
Total	91.981.012.001	407.239.497.206

1b. Sales to related parties

Sales of goods and service provisions to related parties are presented at Note No. VIII.1b.

2. Costs of sales

This item reflects costs of logistics services: transportation services, agent services, leasing assets, etc.

3. Financial income

	<u>Accumulated from the beginning of the year</u>	
	<u>Current year</u>	<u>Previous year</u>
Bank deposit interest	11.517.289.449	181.627.527
Interest on loans given	5.392.442.463	3.345.714.765
Proceeds from investments in securities	-	1.642.835.053
Proceeds from subsidiary transfer	1.731.957.209.714	-

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	Accumulated from the beginning of the year	
	Current year	Previous year
Dividends and profit shared	99.164.769.783	339.702.877.852
Exchange gain arising	2.778.561.814	6.424.289.823
Exchange gain due to the revaluation of monetary items in foreign currencies	-	5.941.428.007
Total	1.850.810.273.223	357.238.773.027
4. Financial expenses		
	Accumulated from the beginning of the year	
	Current year	Previous year
Loan interest expenses	16.013.743.802	61.034.008.809
Exchange loss arising	1.779.871.593	-
Exchange loss due to the revaluation of monetary items in foreign currencies	2.464.703.912	-
Provision for devaluation of trading securities and investment loss	14.556.798.697	75.478.104.683
Other financial expenses	25.610.183	43.454.156
Total	34.840.728.187	136.555.567.648
5. Selling expenses		
This item reflects commission, brokerage expenses and other expenses for sales of goods.		
6. General and administration expenses		
	Accumulated from the beginning of the year	
	Current year	Previous year
Employees	20.959.046.153	22.612.256.788
Office supplies and stationery	279.514.247	477.024.020
Depreciation/ (amortization) of fixed assets	2.854.259.773	2.744.643.702
Allowance for doubtful debts	370.941.795	140.368.282.142
Office rental	10.483.638.806	10.604.986.320
Other expenses	17.718.886.544	12.059.386.200
Total	52.666.287.318	188.866.579.172
7. Other income		
	Accumulated from the beginning of the year	
	Current year	Previous year
Proceeds from liquidation of fixed assets	706.218.181	2.556.810.983
Reversal of provision for late tax payment	-	21.054.124.191
Other income	3.397.590.482	122.522.303
Total	4.103.808.663	23.733.457.477
8. Other expenses		
This item reflects other expenses arising during the period.		

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Notes to the Interim Financial Statements (cont.)**9. Deferred income tax**

	Accumulated from the beginning of the year	
	Current year	Previous year
Deferred income tax arising from temporarily taxable differences	-	764.738.837
Deferred corporate income tax arising from reversals of deferred income tax assets	-	20.615.127
Gain from deferred income tax arising from temporarily deductible differences	(123.690.761)	-
Gain from deferred income tax arising from reversal of deferred income tax payable	(1.043.136.101)	(696.111.534)
Total	(1.166.826.862)	89.242.430

10. Earnings per share

Information on earnings per share is presented in the Consolidated Interim Financial Statements.

11. Operating costs

	Accumulated from the beginning of the year	
	Current year	Previous year
Materials and supplies	6.236.704.545	95.474.893.462
Labor	23.880.229.191	37.418.026.283
Depreciation/ (amortization) of fixed assets	28.855.224.661	35.857.907.101
External services rendered	30.207.753.274	256.159.292.283
Other expenses	22.643.051.520	154.200.208.055
Total	111.822.963.191	579.110.327.184

VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM CASH FLOW STATEMENT

At the end of period, the Corporation has balances related to acquisition and liquidation of fixed assets as follows:

	Ending balance	Beginning balance
Prepayments for fixed asset acquisition	-	1.228.669.000
Liquidation of fixed assets on which collection has not been made	10.452.491.116	27.072.862.508

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

The Corporation'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 Corporation's 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.

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Transactions with the key managers and their related individuals

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

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

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

Income of the key managers

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

1b. Transactions and balances with other related parties

Other related parties of the Corporation include:

Other related parties	Relationship
Pacific Lotus Joint Stock Company Limited	Subsidiary
Pacific Pearl Joint Stock Company Limited	Subsidiary
Nam Hai Port Corporation Joint Stock Company	Subsidiary
Nam Dinh Vu Port Joint Stock Company	Subsidiary
Nam Hai Dinh Vu Port J.S.C.	Subsidiary
Phuoc Long Port Co., Ltd.	Subsidiary
Pacific Pride J.S.C.	Subsidiary
Pacific Rubber Industry Co., Ltd.	Subsidiary
Nam Hai ICD Joint Stock Company	Subsidiary
Gemadept – Vung Tau Corporation	Subsidiary
Gemadept Infrastructures Development and Investment Construction J.S.C.	Subsidiary
Gemadept Dung Quat International Port J.S.C.	Subsidiary
V.N.M General Transportation Service Co., Ltd.	Subsidiary
Truong Tho Transportation Services Corporation	Subsidiary
Pacific Marine Co., Ltd.	Subsidiary
Gemadept Nhon Hoi International Port J.S.C.	Subsidiary
Pacific Marine Equipment and Service Company Limited	Subsidiary
ISS - Gemadept Co., Ltd.	Subsidiary
Vi Tin Service Computing Co., Ltd.	Subsidiary
Hoa Sen - Gemadept Logistics and International Port Corporation	Subsidiary
Gemadept - Terminal Link Cai Mep Terminal J.S.C.	Jointly-controlled entity
“K” Line – Gemadept Logistics Co., Ltd.	Jointly-controlled entity
CJ Gemadept Shipping Holdings Company Limited	Jointly-controlled entity
Saigon Cargo Service Corporation	Associate
CJ Gemadept Logistics Holdings Company Limited	Associate
Golden Globe Co., Ltd.	Associate
Vung Tau Commercial Port J.S.C (VCP)	Associate
Golden Globe Trading Co., Ltd.	Associate
United Food J.S.C.	Associate
Minh Dam Tourism J.S.C.	Associate
Gemadept Hai Phong Co., Ltd.	Subsidiary of associate
Gemadept Logistics One Member Co., Ltd.	Subsidiary of associate
Mekong Logistics Company	Subsidiary of associate

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Other related parties	Relationship
Gemadept Shipping Singapore Pte., Ltd.	Subsidiary of jointly-controlled entity
Gemadept (Malaysia) Sdn. Bhd.	Subsidiary of jointly-controlled entity
Gemadept Shipping Limited Company	Subsidiary of jointly-controlled entity
Power Transportation and Service J.S.C. (Potraco)	Secondary associate

Transactions with other related parties

During the period, the Corporation has significant transactions with other related parties as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Nam Hai Port Corporation Joint Stock Company</i>		
Sales from service provision	-	3.065.279.000
Service charges	-	7.274.100.540
Dividends shared	27.994.400.000	47.309.685.023
<i>Nam Dinh Vu Port Joint Stock Company</i>		
Sales from leasing assets	1.952.941.071	-
<i>Nam Hai Dinh Vu Port J.S.C.</i>		
Sales from leasing assets	1.752.862.258	8.461.344.182
Service charges	-	1.278.501.161
Dividends shared	-	152.381.452.500
Loan	17.000.000.000	130.000.000.000
Loan interest	547.730.973	3.270.555.557
<i>Phuoc Long Port Co., Ltd.</i>		
Sales from leasing assets	13.750.029.325	20.091.636.364
Sales from service provision	-	1.073.341.281
Service charges	-	4.722.144.260
Profits shared	-	29.000.000.000
Loan given	94.000.000.000	69.000.000.000
Interest on loan given	1.181.253.575	309.944.444
Payment on other's behalf	85.806.006	140.934.362
<i>Pacific Pride J.S.C.</i>		
Capital contribution	38.597.000.000	48.094.600.000
Collection on other's behalf	-	566.531.235
<i>Pacific Rubber Industry Co., Ltd.</i>		
Capital contribution	1.400.000.000	-
Payment on other's behalf	201.962.899	204.828.423
<i>Nam Hai ICD Joint Stock Company</i>		
Sales from leasing assets	840.000.000	-
Service charges	-	396.001.172
Loan given	7.000.000.000	33.000.000.000
Interest on loan given	3.401.108.067	2.271.333.333

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Notes to the Interim Financial Statements (cont.)

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Gemadept Infrastructures Development and Investment Construction J.S.C.</i>		
Payment on other's behalf	-	22.815.000
<i>Gemadept Dung Quat International Port J.S.C.</i>		
Sales from service provision	317.454.545	317.454.545
Service charges	15.111.407	1.727.086.555
Payment on other's behalf	635.803.143	-
<i>V.N.M General Transportation Service Co., Ltd.</i>		
Profit shared	7.000.000.000	-
Loan	1.000.000.000	-
Loan interest	8.493.150	-
<i>Truong Tho Transportation Services Corporation</i>		
Sales from leasing assets	2.160.000.000	2.160.000.000
Dividends shared	5.520.000.000	6.624.000.000
<i>Pacific Marine Co., Ltd.</i>		
Profit shared	-	2.000.000.000
Loan	5.000.000.000	18.500.000.000
Loan interest	246.575.342	67.333.333
Payment on other's behalf	-	139.708.462
<i>Pacific Marine Equipment and Service Company Limited</i>		
Sales from service provision	32.185.775	2.652.955.489
Sales from asset liquidation	305.000.000	-
Service charges	240.084.687	137.476.807
<i>ISS - Gemadept Co., Ltd.</i>		
Sales from service provision	7.983.500	-
<i>Vi Tin Service Computing Co., Ltd.</i>		
Service charges	945.000.000	-
Payment on other's behalf	1.008.395.280	661.545.735
<i>Gemadept - Terminal Link Cai Mep Terminal J.S.C.</i>		
Sales from leasing office	132.000.000	132.000.000
Loan interest	639.917.450	611.043.350
<i>Saigon Cargo Services Corporation</i>		
Service charges	-	4.270.640
Dividends shared	55.324.920.000	82.987.380.000
Loan	80.000.000.000	-
Loan interest	804.821.918	-

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Notes to the Interim Financial Statements (cont.)

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>"K" Line – Gemadept Logistics Co., Ltd.</i>		
Sales from leasing office	154.820.000	154.820.000
Capital contribution	36.649.000.000	-
Loan	15.000.000.000	-
Loan interest	174.246.575	-
<i>Golden Globe Co., Ltd.</i>		
Payment on other's behalf	-	4.762.800.000
<i>Vung Tau Commercial Port J.S.C.</i>		
Dividends shared	1.157.040.000	-
<i>Minh Dam Tourism J.S.C.</i>		
Loan given	330.000.000	-
<i>Gemadept Logistics One Member Co., Ltd.</i>		
Sales from service provision	75.035.026	7.802.285.800
Sales from leasing assets	1.725.545.455	1.333.045.455
Payment on other's behalf	945.464.275	2.526.084.619
Sales of fixed assets	-	392.500.000
Service charges	-	216.681.818
Collection on other's behalf	18.789.513.916	20.898.834.970
Loan	-	35.000.000.000
Loan interest	-	100.111.111
Loan given	5.000.000.000	-
Interest on loan given	299.916.438	-
<i>Gemadept Hai Phong Co., Ltd.</i>		
Sales from service provision	-	50.492.046.508
Sales from leasing assets	3.253.090.909	9.828.090.909
Service charges	-	54.419.431.175
Payment on other's behalf	33.825.631	54.955.834
Profit shared	-	9.000.000.000
<i>Mekong Logistics Company</i>		
Loan given	3.000.000.000	-
Interest on loan given	70.767.123	-
<i>Gemadept Shipping Limited Company</i>		
Sales from leasing assets	27.110.732.664	-
Sales from leasing office	1.592.060.385	-
Sales from service provision	1.141.254.545	-
Service charges	157.905.136	-
Collection on other's behalf	30.333.981.798	-
Payment on other's behalf	2.151.113.615	-

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

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INTERIM FINANCIAL STATEMENTS

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

Notes to the Interim Financial Statements (cont.)

Receivables from and payables to other related parties

Receivables from and payables to other related parties are presented in Notes No. V.3, V.5, V.6, V.15, V.19, V.20 and V.21.

The receivables from other related parties are not secured and will be settled in cash.

2. Segment information

The principal business activity of the Corporation is mainly logistics, including transportation service, leasing vehicles, agent service, etc. (accounting for 97,69% of its total revenues).

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	66.952.713.248	249.849.903.720
Overseas areas	25.028.298.753	157.389.593.486
Total	91.981.012.001	407.239.497.206

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

	Accumulated from the beginning of the year	
	Current year	Previous year
Local areas	210.777.686.546	72.614.338.044
Overseas areas	3.996.980.885	1.895.549.040
Total	214.774.667.431	74.509.887.084

Details of segment assets according to geographical segments, based on the locations of assets are as follows:


	Ending balance	Beginning balance
Local areas	1.233.481.563.615	1.541.034.159.809
Overseas areas	91.630.277.693	117.491.000.991
Total	1.325.111.841.308	1.658.525.160.800

3. Subsequent events

On 19 July 2018, the Corporation was informed by Saigon Cargo Services Corporation about the 2nd dividend distribution of 2017 at the rate of 30%.

On 08 August 2018, the Corporation disclosed information on share issuance under optional program to its employees for the expected number of 8.648.000 shares.

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


Pham Quang Huy
Preparer


Nguyen Minh Nguyet
Chief Accountant

Ho Chi Minh City, 28 August 2018


Do Van Minh
General Director

GEMADEPT CORPORATION

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INTERIM FINANCIAL STATEMENTS

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

Appendix: Statement on fluctuations in owner's equity

	Capital	Share premiums	Other sources of capital	Exchange difference	Investment and development fund	Other funds	Retained earnings	Total
	Unit: VND							
Beginning balance of the previous year	1,794,322,810,000	1,872,171,604,400	69,388,382,902	(328,536,886)	72,682,100,796	69,568,035,889	527,944,517,003	4,405,748,514,104
Capital increased from conversion of loan	1,088,446,760,000	59,660,592,640	-	-	-	-	-	1,158,107,352,640
Profit during the period	-	-	-	-	-	-	71,568,072,112	71,568,072,112
Appropriation for funds during the period	-	-	-	-	-	-	(31,179,213,550)	(31,179,213,550)
Dividends shared during the period	-	-	-	-	-	-	(432,415,435,500)	(432,415,435,500)
Exchange difference due to the conversion of the Financial Statements prepared in USD into those in VND	-	-	-	(86,481,629)	-	-	-	(86,481,629)
Ending balance of the previous period	2,882,769,570,000	1,941,832,197,040	69,388,382,902	(415,418,515)	72,682,100,796	69,568,035,889	135,917,940,065	5,171,742,808,177
Beginning balance of the current year	2,882,769,570,000	1,941,832,197,040	69,388,382,902	(482,399,072)	72,682,100,796	69,568,035,889	517,029,040,442	5,552,786,927,997
Profit during the period	-	-	-	-	-	-	1,589,869,430,717	1,589,869,430,717
Appropriation for funds during the period	-	-	-	-	-	-	(40,630,746,030)	(40,630,746,030)
Dividends shared during the period	-	-	-	-	-	-	(1,873,800,220,500)	(1,873,800,220,500)
Exchange difference due to the conversion of the Financial Statements prepared in USD into those in VND	-	-	-	178,356,123	-	-	-	178,356,123
Ending balance of the current period	2,882,769,570,000	1,941,832,197,040	69,388,382,902	(304,042,949)	72,682,100,796	69,568,035,889	192,467,504,629	5,228,403,748,307

 Pham Quang Huy
Preparer

 Nguyen Minh Nguyen
Chief Accountant

 Do Van Minh
General Director
