

INTERIM FINANCIAL STATEMENTS

**FOR THE FIRST 6 MONTHS
OF THE FISCAL YEAR ENDING 31 DECEMBER 2015**

GEMADEPT CORPORATION

CONTENTS

	Page
1. Contents	1
2. Statement of the Board of Directors	2 - 4
3. Independent Auditor's report	5
4. Interim Balance sheet as of 30 June 2015	6 - 9
5. Interim Income statement for the first 6 months of the fiscal year ending 31 December 2015	10
6. Interim Cash flow statement for the first 6 months of the fiscal year ending 31 December 2015	11 - 12
7. Notes to the Interim financial statements for the first 6 months of the fiscal year ending 31 December 2015	13 - 48
8. Appendix	49 - 50

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 reviewed Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2015.

Business highlights

Gemadept Corporation has been operating under the Business Registration Certificate No. 0301116791 (old number: 059080), which was registered for the 1st time on 01 November 1993 and was amended for the 19th time on 23 June 2015, granted by the Department of Planning and Investment of Ho Chi Minh City.

Charter capital as in the Business Registration Certificate: VND 1.161.379.940.000
 Number of shares: 116.137.994 shares
 Face value: 10.000 VND/share

The stocks of the Corporation were listed in Ho Chi Minh City Stock Exchange (HOSE) since 08 March 2002 (code: GMD).

Head office

Address : No. 6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
 Tel. : (84-8) 38 236 236
 Fax : (84-8) 38 235 236
 E-mail : info@gemadept.com.vn
 Tax code : 0 3 0 1 1 1 6 7 9 1

Affiliates:

Affiliates	Address
Huu Nghi Shipping Company (Hunship)	2A - 4A Ton Duc Thang, District 1, Ho Chi Minh City
Pacific Marine Company (PAMAR)	15 th Floor, No. 35 Nguyen Hue, District 1, Ho Chi Minh City
Da Nang Branch	39 Quang Trung, Hai Chau District, Da Nang City
Can Tho Branch	47/11A Le Hong Phong, Can Tho City
Vung Tau Branch	Ward 7, Vung Tau City, Ba Ria - Vung Tau Province
Branch of Gemadept in Cambodia	# 193C Mao Tse Toung Avenue, Chamcamon, Phnom Penh, Cambodia

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

- Port operation: Operating a port system stretching from the North to the South, at big cities and major industrial zones: Phuoc Long ICD Port, Nam Hai Port, Nam Hai Dinh Vu Port, Dung Quat Port and Binh Duong Port; investing in the projects of Gemalink Cai Mep deep-sea Port and Gemadept Hoa Sen Port.
- Logistics: Distribution centers; container liner services; super length and weight cargo transport; multi-modal transport, ship and crew management; shipping agency and freight forwarding services; air-cargo terminal, etc.
- Forestry: Plant, care, exploit and process 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.



GEMADEPT CORPORATION**STATEMENT OF THE BOARD OF DIRECTORS (cont.)****Financial position and financial performance**

The financial position as of 30 June 2015, the financial performance and the cash flows for the year then ended of the Corporation have been expressed in the Interim Financial Statements attached to this statement (from page 06 to page 50).

During the period, the Corporation has distributed its profit and appropriated for its funds in the year 2014 in line with the Resolution dated 26 May 2015 of the Annual Shareholders' Meeting as follows:

- Appropriation for bonus and welfare funds (05% of profit after tax)	VND 7.749.621.305
- Appropriation for investment and development fund (05% of profit after tax)	VND 7.749.621.305
- Appropriation for reserved fund to support charter capital (05% of profit after tax)	VND 7.749.621.305
- Appropriation for funds for activities of the Board of Management (03% of profit after tax)	VND 4.649.772.783
- Appropriation for dividends in 2014 (2.000 VND/share)	VND 232.275.988.000
Total	VND 260.174.624.698

Subsequent events

The Board of Directors of the Corporation hereby confirms that there have been no events from 30 June 2015 to the date of this statement, which need any adjustments on the figures or the disclosures in the Interim Financial Statements.

Board of Management and the 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. Do Van Minh	Member
Mr. Nguyen Quoc Huy	Member
Mr. Pham Hong Hai	Member
Mr. Vu Ninh	Member
Ms. Nguyen Minh Nguyet	Member
Ms. Bui Thi Thu Huong	Member
Mr. Pham Tien Tinh	Member
Mr. Phan Thanh Loc	Member
Mr. Bolat Duisenov	Member

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. Tran Thanh Thuy	Member
Ms. Phan Cam Ly	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

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GEMADEPT CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Legal Representative

The Legal Representative of the Corporation during the period and as of the date of this statement is Mr. Do Van Minh - General Director.

Auditors

A&C Auditing and Consulting Co., Ltd. has performed the review on the Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2015.

Responsibilities 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 of the financial position, the financial performance and the cash flows of the Corporation. 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 requirements mentioned above have been followed when the Interim Financial Statements are prepared, 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 Interim Financial Statements have been prepared in compliance with the Vietnamese Accounting Standards and System, which have been issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance as well as the circulars of the Ministry of Finance giving guidance on the implementation of the Accounting Standards and System.

The Board of Directors is also responsible for protecting the assets of the Corporation, and consequently has taken appropriate measures to prevent and to detect frauds and other irregularities.

Approval on the Financial Statements

The Board of Directors has approved the accompanying Interim Financial Statements, which give a true and fair view of the financial position of Gemadept Corporation as of 30 June 2015, as well as the financial performance and the cash flows for the fiscal year then ended in conformity with the Vietnamese Accounting Standards and System, which were issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance and the Circulars of the Ministry of Finance giving guidance on the implementation of the Accounting Standards and System.

For and on behalf of the Board of Directors,



Do Van Minh
General Director

Date: 28 August 2015





**BAKER TILLY
A&C**

**CÔNG TY TNHH KIỂM TOÁN VÀ TƯ VẤN A&C
A&C AUDITING AND CONSULTING CO., LTD.**



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No. 0777/2015/BCTC-KTTV

**AUDITOR'S REPORT
ON THE REVIEW OF INTERIM FINANCIAL STATEMENTS
FOR THE FIRST 06 MONTHS OF THE FISCAL YEAR ENDING 31 DECEMBER 2015
OF GEMADEPT CORPORATION**

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE
BOARD OF DIRECTORS OF GEMADEPT CORPORATION**

We have reviewed the Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2015 of Gemadept Corporation (hereinafter referred to as "the Corporation") including the Interim Balance Sheet as of 30 June 2015, the Interim Income Statement, the Interim Cash Flow Statement and the Notes to the Interim Financial Statements for the first 06 months of the fiscal year ending 31 December 2015, which were prepared on 06 August 2015 (from page 06 to page 50).

The preparation and the presentation of these Interim Financial Statements are the responsibility of the Corporation's Board of Directors. Our responsibility is to express an opinion on these Interim Financial Statements based on our review.

We have conducted the review on the accompanying Interim Financial Statements in accordance with the Vietnamese Auditing Standards on financial statement reviews. These standards require that we plan and perform the review procedures to obtain a reasonable assurance that the Interim Financial Statements are free from material mistakes. The review is developed on the bases of our discussions with responsible staffs of the Corporation and of applying our analytical procedures on the financial information obtained. Consequently, this review provides less assurance than a final audit. We have not performed an audit, so we do not express any audit opinion.

Based on this review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Statements have not been truly and fairly presented, in all material respects, in conformity with the Vietnamese Accounting Standards and System and as well as other legal regulations related to the preparation and presentation of the Interim Financial Statements.

This report is made in two languages (Vietnamese and English), both of equal validity. The Vietnamese version will be the original for reference when needed.

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



Nguyen Chi Dung - Deputy General Director
Audit Practice Registration Certificate
No. 0100-2013-008-1

Hoang Thai Vuong - Auditor
Audit Practice Registration Certificate
No. 2129-2013-008-1

Ho Chi Minh City, 28 August 2015

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

INTERIM BALANCE SHEET

As of 30 June 2015

Unit: VND

ASSETS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		2.248.869.072.047	2.412.087.504.715
I. Cash and cash equivalents	110	V.1	536.232.965.601	568.365.071.697
1. Cash	111		289.132.965.601	234.495.071.697
2. Cash equivalents	112		247.100.000.000	333.870.000.000
II. Short-term financial investments	120		590.918.692.949	745.637.977.429
1. Short-term investment	121	V.2	706.972.199.042	858.300.882.680
2. Provisions for devaluation of short-term investments	129	V.3	(116.053.506.093)	(112.662.905.251)
III. Short-term receivables	130		985.449.592.354	1.021.206.469.105
1. Trade receivables	131	V.4	300.154.920.462	312.375.504.590
2. Prepayments to suppliers	132	V.5	70.219.388.151	69.967.162.297
3. Short-term inter-company receivable	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Other receivables	135	V.6	621.908.689.052	656.697.207.529
6. Allowance for doubtful debts	139	V.7	(6.833.405.311)	(17.833.405.311)
IV. Inventories	140		27.238.751.115	23.904.542.399
1. Inventories	141	V.8	27.238.751.115	23.904.542.399
2. Allowance for inventories	149		-	-
V. Other current assets	150		109.029.070.028	52.973.444.085
1. Short-term prepaid expenses	151	V.9	4.136.134.752	2.085.309.238
2. Deductible VAT	152		6.700.960.441	-
3. Taxes and other accounts receivable from the State	154	V.26	8.969.427.686	4.217.145.334
4. Trading Government bonds	157		-	-
5. Other current assets	158	V.10	89.222.547.149	46.670.989.513

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

Interim Balance Sheet (cont.)

ASSETS	Code	Note	Ending balance	Beginning balance
B - NON-CURRENT ASSETS	200		4.002.316.061.362	3.741.601.429.148
I. Long-term receivables	210		37.000.000.000	37.000.000.000
1. Long-term trade receivables	211		-	-
2. Working capital in affiliates	212		-	-
3. Long-term inter-company receivable	213		-	-
4. Other long-term receivable	218	V.11	37.000.000.000	37.000.000.000
5. Allowance for doubtful debts	219		-	-
II. Fixed assets	220		464.471.085.028	410.274.919.094
1. Tangible fixed assets	221	V.12	394.790.561.441	332.299.069.202
<i>Historical cost</i>	222		1.027.844.436.583	936.303.887.583
<i>Accumulated depreciation</i>	223		(633.053.875.142)	(604.004.818.381)
2. Financial leased assets	224	V.13	26.856.862.019	14.392.730.508
<i>Historical cost</i>	225		29.005.337.261	14.592.547.596
<i>Accumulated depreciation</i>	226		(2.148.475.242)	(199.817.088)
3. Intangible fixed assets	227	V.14	3.870.907.910	4.455.022.466
<i>Initial cost</i>	228		11.458.486.153	11.458.486.153
<i>Accumulated amortization</i>	229		(7.587.578.243)	(7.003.463.687)
4. Construction-in-progress	230	V.15	38.952.753.658	59.128.096.918
III. Investment property	240		-	-
Historical costs	241		-	-
Accumulated depreciation	242		-	-
IV. Long-term investments	250		3.422.948.690.315	3.223.196.141.038
1. Investments in subsidiaries	251	V.16	2.534.095.749.428	2.310.538.249.428
2. Investments in associates	252	V.17	732.399.791.279	727.075.791.280
3. Other long-term investments	258	V.18	356.472.332.000	382.905.332.000
4. Provisions for devaluation of long-term financial investments	259	V.19	(200.019.182.392)	(197.323.231.670)
V. Other non-current assets	260		77.896.286.019	71.130.369.016
1. Long-term prepaid expenses	261	V.20	11.585.397.880	4.994.473.164
2. Deferred income tax assets	262	V.21	15.312.372.139	16.069.763.352
3. Other non-current assets	268	V.22	50.998.516.000	50.066.132.500
TOTAL ASSETS	270		6.251.185.133.409	6.153.688.933.863

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

Interim Balance Sheet (cont.)

LIABILITIES AND OWNER'S EQUITY	Code	Note	Ending balance	Beginning balance
A - LIABILITIES	300		1.802.896.224.107	1.533.456.870.586
I. Current liabilities	310		888.488.700.548	617.166.271.514
1. Short-term borrowings	311	V.23	268.027.849.851	277.688.542.614
2. Trade payables	312	V.24	102.346.915.407	69.295.869.307
3. Advances from customers	313	V.25	14.811.607.679	6.509.573.223
4. Taxes and other obligations payable to State Budget	314	V.26	1.769.348.184	22.587.302.977
5. Payable to employees	315	V.27	4.272.285.124	14.055.370.460
6. Accrued expenses	316	V.28	130.116.571.649	96.894.361.572
7. Inter-company payable	317		-	-
8. Payable according to the progress of construction contracts	318		-	-
9. Other payable	319	V.29	296.000.496.809	65.432.864.774
10. Provisions for short-term payables	320	V.30	56.370.645.321	56.982.318.300
11. Bonus and welfare funds	323	V.31	14.772.980.524	7.720.068.287
12. Trading Government bonds	327		-	-
II. Long-term liabilities	330		914.407.523.559	916.290.599.072
1. Long-term trade payables	331		-	-
2. Long-term inter-company payables	332		-	-
3. Other long-term payable	333	V.32	717.317.183	857.354.183
4. Long-term borrowings	334	V.33	902.204.186.065	903.181.681.890
5. Deferred income tax payable	335	V.34	11.486.020.311	12.251.562.999
6. Provisions for unemployment allowances	336		-	-
7. Provisions for long-term payables	337		-	-
8. Unearned revenues	338		-	-
9. Science and technology development funds	339		-	-
B - OWNER'S EQUITY	400		4.448.288.909.302	4.620.232.063.277
I. Owner's equity	410		4.448.288.909.302	4.620.232.063.277
1. Capital	411	V.35	1.161.379.940.000	1.161.379.940.000
2. Share premiums	412	V.35	2.471.474.474.400	2.471.474.474.400
3. Other sources of capital	413	V.35	69.388.382.902	69.388.382.902
4. Treasury stocks	414		-	-
5. Differences on asset revaluation	415		-	-
6. Foreign exchange differences	416		-	-
7. Investment and development fund	417		52.564.113.317	44.814.492.012
8. Financial reserved fund	418	V.35	-	-
9. Other funds	419	V.35	49.450.048.410	41.700.427.105
10. Retained earnings	420	V.35	644.031.950.273	831.474.346.858
11. Construction investment fund	421		-	-
12. Business arrangement supporting fund	422		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditures	432		-	-
2. Fund to form fixed assets	433		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		6.251.185.133.409	6.153.688.933.863

This statement should be read in conjunction with the Notes to the Interim Financial Statements

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GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

Interim Balance Sheet (cont.)**OFF BALANCE SHEET ITEMS**

ITEMS	Note	Ending balance	Beginning balance
1. Leasehold assets		-	-
2. Materials and goods kept or processed for others		-	-
3. Goods deposited by others		-	-
4. Treated doubtful debts		2.455.701.880	2.455.701.880
5. Foreign currencies:			
USD		2.697.315,55	428.733,51
EUR		111,18	1.182.201,01
6. Estimates for non-business and project expenditure		-	-

Ho Chi Minh City, 06 August 2015



Truong Nhu Nguyen
Preparer



Nguyen Minh Nguyet
Chief Accountant



Do Van Minh
General Director



GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

INTERIM INCOME STATEMENT

For the first 06 months of the fiscal year ending 31 December 2015

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
1. Sales	01	VI.1	423.045.109.879	462.750.942.349
2. Sales deductions	02		-	-
3. Net sales	10	VI.1	423.045.109.879	462.750.942.349
4. Cost of sales	11	VI.2	407.546.216.575	451.054.788.994
5. Gross profit	20		15.498.893.304	11.696.153.355
6. Financial income	21	VI.3	192.250.937.622	191.587.911.463
7. Financial expenses	22	VI.4	95.249.358.928	97.636.622.593
In which: Loan interest expenses	23		32.847.539.233	36.416.631.418
8. Selling expenses	24	VI.5	1.917.503.039	1.894.120.116
9. General and administration expenses	25	VI.6	35.724.046.022	44.321.140.345
10. Net operating profit	30		74.858.922.937	59.432.181.764
11. Other income	31	VI.7	1.379.902.427	3.507.525.466
12. Other expenses	32	VI.8	143.039.090	518.165.950
13. Other profit	40		1.236.863.337	2.989.359.516
14. Total accounting profit before tax	50		76.095.786.274	62.421.541.280
15. Current income tax	51	V.26	3.371.709.636	64.232.132.082
16. Deferred income tax	52	VI.9	(8.151.475)	(73.208.777.099)
17. Profit after tax	60		<u>72.732.228.113</u>	<u>71.398.186.297</u>
18. Earnings per share	70	VI.10	<u>-</u>	<u>-</u>


 Truong Nhu Nguyen
 Preparer


 Nguyen Minh Nguyet
 Chief Accountant

Ho Chi Minh City, 06 August 2015


 Do Van Minh
 General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

INTERIM CASH FLOW STATEMENT

(Indirect method)

For the first 06 months of the fiscal year ending 31 December 2015

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
I. Cash flows from operating activities				
1. Profit/ (loss) before tax	01		76.095.786.274	62.421.541.280
2. Adjustments				
- Depreciation of fixed assets	02	V.12, 13, 14	31.888.109.034	32.906.647.025
- Provisions	03	V.3, 7, 19	(4.913.448.436)	42.920.437.885
- Unrealized foreign exchange gain/(loss)	04	VI.4	30.974.409.508	3.152.973.852
- Gain/(loss) from investing activities	05		(188.091.645.266)	(179.341.283.290)
- Interest expenses	06	VI.4	32.847.539.233	36.416.631.418
3. Operating profit/(loss) before changes of working capital	08		(21.199.249.653)	(1.523.051.830)
- Increase/(decrease) of receivables	09		80.640.462.801	56.754.007.986
- Increase/(decrease) of inventories	10		(3.334.208.716)	(572.852.956)
- Increase/ (decrease) of payables	11		26.177.496.517	7.977.556.830
- Increase/ (decrease) of prepaid expenses	12		(3.846.363.817)	6.970.174.933
- Interests paid	13	V.28; VI.4	(1.595.957.117)	(16.451.486.203)
- Corporate income tax paid	14	V.26	(22.088.290.014)	(36.589.819.663)
- Other cash inflows	15		7.087.197.799	6.776.656.580
- Other cash outflows	16		(54.008.403.150)	(11.845.980.440)
Net cash flows from operating activities	20		7.832.684.650	11.495.205.237
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other long-term assets	21	V.12, 15	(71.788.322.750)	(6.451.440.747)
2. Proceeds from disposals of fixed assets and other long-term assets	22		8.272.727.272	2.269.818.182
3. Cash outflow for lending, buying debt instruments of other entities	23		(56.000.000.000)	(67.997.320.000)
4. Cash recovered from lending, selling debt instruments of other entities	24		214.328.683.639	84.900.000.000
5. Investments into other entities	25		(227.827.500.000)	(209.049.940.000)
6. Withdrawals of investments in other entities	26		-	838.831.750.000
7. Interest earned, dividends and profits received	27	V.6; VI.3	144.344.378.251	21.593.152.858
Net cash flows from investing activities	30		11.329.966.412	664.096.020.293

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

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 shareholders	31		-	17.163.250.000
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from short-term and long-term borrowings	33	V.23	27.010.851.999	508.971.424.383
4. Repayment for loan principal	34	V.23, 33	(78.059.243.270)	(335.388.322.798)
5. Payments for financial leased assets	35	V.33	(1.915.292.698)	-
6. Dividends and profit paid to the owners	36	V.29, 35	-	(10.033.508.803)
Net cash flows from financing activities	40		(52.963.683.969)	180.712.842.782
Net cash flows during the period	50		(33.801.032.907)	856.304.068.312
Beginning cash and cash equivalents	60	V.1	568.365.071.697	207.150.265.471
Effects of fluctuations in foreign exchange rates	61		1.668.926.811	114.178.426
Ending cash and cash equivalents	70	V.1	536.232.965.601	1.063.568.512.209

Ho Chi Minh City, 06 August 2015


Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet
Chief AccountantDo Van Minh
General Director

GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2015

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2015

I. GENERAL INFORMATION

1. **Investment form** : A joint stock company.
2. **Operating field** : Port operation, logistics, forestry and real estate.
3. **Main operations** :
Gemadept Corporation has been consistent with its strategy to develop core businesses and to selectively diversify business sectors. The business scopes of Gemadept Corporation include port operation, logistics, forestry and real estate.
 - Port operation: Operating a port system stretching from the North to the South, at big cities and major industrial zones: Phuoc Long ICD Port, Nam Hai Port, Nam Hai Dinh Vu Port, Dung Quat Port and Binh Duong Port; investing in the projects of Gemalink Cai Mep deep-sea Port and Gemadept Hoa Sen Port.
 - Logistics: Distribution centers; container liner services; super length and weight cargo transport; multi-modal transport, ship and crew management; shipping agency and freight forwarding services; air-cargo terminal, etc.
 - Forestry: Plant, look after, exploit and process rubber trees and other industrial crops in Cambodia.
 - Real estate: Building and operating commercial centers, hotels, office buildings in big cities of Vietnam and Indochina including Saigon Gem Mixed-use Development project and Gemadept Mixed-use Development project in Vientiane- Laos.
4. **Employees**
As of 30 June 2015, there have been 284 employees working for the Corporation (as of 31 December 2014: 293 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 Vietnam Dong (VND).

III. ACCOUNTING STANDARDS AND SYSTEM

1. **Accounting Standards and System**
On 22 December 2014, the Ministry of Finance issued the Circular No. 200/2014/TT-BTC guiding the Vietnamese Accounting System in replacement for the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance and the Circular No. 244/2009/TT-BTC dated 31 December 2009 of the Ministry of Finance. This Circular takes effect and is applied to the fiscal year starting from or after 01 January 2015. The Corporation shall apply regulations of this Circular to prepare and present the Financial Statements for the fiscal year ending 31 December 2015. The Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2015 are prepared and presented in accordance with the Accounting System issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance and other Circulars guiding the implementation of this Accounting System as regulated in the Circular No. 75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance.

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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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

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

The Board of Directors ensured to follow all the requirements of the Vietnamese Accounting Standards and System which were issued together with the Decision No. 15/2006/QĐ-BTC dated 20 March 2006 of the Minister of Finance and the Circulars guiding the implementation of the Accounting Standards and System of the Ministry of Finance in the preparation of these Interim Financial Statements.

3. Accounting form

General journal recording.

IV. ACCOUNTING POLICIES

1. Accounting convention

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

2. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank, cash in transit and short-term investments of which the due dates cannot exceed 3 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.

3. Inventories

Inventories are recorded at their original costs. Costs of inventories comprise all costs of purchases and other costs incurred in bringing the inventories to their present location and conditions.

Costs of inventories are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Allowance for inventories is recognized when their costs are higher than their net realizable values. Net realizable value is the estimated selling price of inventories less the estimated costs of completion and the estimated costs necessary to make the sale.

Increases/(decreases) in the provision for allowance for inventories are recorded into "Costs of sales" during the period.

4. Trade and other receivables

Trade and other receivables are recognized at the values on supporting documents and invoices.

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

The increase/ (decrease) in the balance of allowances for doubtful debts is recorded into the item "General and administration expenses" during the period.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

5. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of 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 conditions mentioned above will be recorded into expenses.

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 of fixed assets applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings & structures	05 - 25
Machinery & equipment	05 - 07
Vehicles	06 - 15
Office equipment	03 - 08

6. Financial leased assets

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

Financial leased assets are depreciated in accordance with the straight-line method over their estimated useful lives. If there is no reasonable certainty that the 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 depreciation years of equipment and vehicles are 06 years.

7. Operating leased assets

The Corporation is the lessor

The income from operating leases is recorded in line with the straight-line method over the lease term. The initial direct expenses to generate income from operating leases are recorded into expenses at once or are gradually allocated into operating expenses over the lease term in conformity with the recognition of income from operating leases.

The Corporation is the lessee

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

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

8. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization. Intangible fixed assets of the Corporation include:

Land use right

Land use right includes all the actual expenses directly related to the land being used such as expenses to obtain the land use right, expenses for compensation, land clearance and ground leveling, registration fees, etc. If the land use right is permanent, it will not be amortized.

Computer software

Purchase price of 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 in 03 years.

9. Construction-in-progress

Construction-in-progress reflects the expenses directly related to the construction of plants and the installation of machinery and equipment, which have not been completed yet. Assets in the progress of construction and installation are not depreciated.

10. Borrowing costs

Borrowing costs are recognized as an expense when it is incurred. In case the borrowing costs are directly related 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 capitalized.

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.

11. Financial investments

Investments into stocks, subsidiaries, associates and jointly controlled entities are recorded at their original costs. Interest, dividends and profit of the periods prior to the purchase of investment are recorded as a decrease in the value of that investment. Interest, dividends and profit of the periods after the purchase of investment are recorded in the Corporation's sales.

Provision for devaluation of stocks is made for each particular type of stocks in the market of which the market price is lower than the book value. The market price used as bases for the provision is determined as follows:

- Stocks listed on Hanoi Stock Exchange (HNX): the average transaction price at the date of provision.
- Stocks listed on Ho Chi Minh City Stock Exchange (HOSE): the closing price at the date of provision.
- Stocks registered on Unlisted Public Company Market (UPCom): the average transaction price of the system at the date of provision.
- Stocks not yet registered on Unlisted Public Company Market: the average price on the basis of the transaction prices disclosed by at least 3 securities companies at the date of provision.
- Listed stocks of which transactions are cancelled and stopped from the 6th transaction date onwards: the book value as of the latest balance sheet date.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

Provision for investments in other economic organizations is made when these organizations incur losses (except for the case of losses as in the plan made before the investments) at the rate equal to the difference between the actual capital invested by parties in these economic organizations and the actual owner's equity multiplying (x) by the Corporation's rate of capital contribution in comparison with the total actual capital invested by parties in these economic organizations.

Increases/(decreases) in the provision for financial investments are recorded into "Financial expenses" during the period.

When an investment is liquidated, the differences between net liquidation value and carrying value are recorded into income or expenses.

12. Long-term prepaid expenses

Interior decoration expenses

Interior decoration expenses are allocated into expenses in accordance with the straight-line method for the maximum period of 02 years.

Interest expenses for container financial lease

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

Expenses for materials, components

Expenses for materials, components are allocated into expenses in accordance with the straight-line method for the maximum period of 03 years.

Other expenses

Other expenses are allocated in accordance with the straight-line method for the maximum period of 02 years.

13. Accrued expenses

Accrued expenses are recorded based on reasonable estimates on the amounts payable for goods and services already used.

14. Severance allowances

The Corporation has to pay for severance allowances to the employees who have worked for the Corporation for over 12 months. The rate of payment is equal to $\frac{1}{2}$ of the average salary plus the salary allowances (if any) in 6 consecutive months before the resigning date for one working year during the period when the employees do not pay unemployment insurance premiums.

The severance allowance is included into the "General and administration expenses" upon payment to employees.

15. Provisions for payables

Provisions are recorded when the Corporation has legal obligations or joint obligations resulted from an event in the past and is able to make payment for the accounts. Provisions are determined on the basis of the estimates of necessary expenses to settle the obligation as of the balance sheet date. 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 an interest expense.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

16. Capital

Owner's equity

Owner's equity is the capital recorded according to the actual amounts invested by the 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 stocks. Expenses directly related to the additional issue of stocks and the re-issuance of treasury stocks are recorded as a decrease in "Share premiums".

Other sources of capital

Other sources of capital include the supplementation from result of operations.

17. Dividends

Dividends are recorded as an amount payable when they are disclosed.

18. Appropriation for funds

Funds are appropriated and used in accordance with the Corporation's Charter.

19. Corporate income tax

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

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

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

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

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

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

20. 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.

The foreign exchange differences, which arise from transactions of monetary items in foreign currencies and the differences on foreign exchange rates due to the revaluation of the ending balances of the monetary items in foreign currencies during the period, after offsetting their positive differences against negative differences, shall be recorded into the financial income or the financial expenses.

The exchange rate used to convert the transactions in foreign currencies is the actual exchange rate ruling at the time when arises the transactions with commercial banks. The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are the buying rates or the average buying rates of commercial banks where the Corporation opens its accounts as of the balance sheet date.

The exchange rates used as of:	31 December 2014 :	VND/USD 21.354
		VND/EUR 25.689
		VND/SGD 16.066
		VND/MYR 6.025
		VND/JPY 178
	30 June 2015 :	VND/HKD 2.724
		VND/USD 21.795
		VND/EUR 24.303
		VND/SGD 16.149
		VND/MYR 5.802
	VND/JPY 177	
	VND/HKD 2.795	

21. Recognition of sales and income

Sales of service provision

Sales of service provision are recognized when there are no significant uncertainties related to payments or additional costs. In the case that the services are provided in many accounting periods, the determination of sales is done on the basis of the service completion rate as of the balance sheet date.

Income from leasing operating assets

Recognition of income from leasing operating assets is presented in Note IV.7.

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 into income, but the increasing quantity is followed up.



GEMADEPT CORPORATION

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

INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

22. Financial assets

Classification of financial assets

The classification of financial assets depends on their nature and purposes and is determined at the date of initial recognition. The financial assets of the Corporation include held-to-maturity investments, loans and receivables, available-for-sale financial assets.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity periods that the Corporation intends and is able to hold to maturity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in the market.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets designated as available for sale or any other instruments that are not classified as financial assets at fair value through the Income Statement, held-to-maturity investments, or loans and receivables.

Initial carrying amount of a financial asset

Financial assets are recognized at the acquisition date and derecognized at the selling date. At the date of initial recognition, financial assets are recognized at the original cost plus other costs directly related to the acquisition or issuance of those financial assets.

23. Financial liabilities and equity instruments

Financial instruments are classified as financial liabilities or equity instruments upon the dates of initial recognition in conformity with the natures and definitions of financial liabilities or equity instruments.

Financial liabilities

The classification of these financial liabilities depends on their natures and purposes and is determined at the date of initial recognition. The financial liabilities of the Corporation include trade payables, borrowings and other payables.

At the date of initial recognition, the financial liability is initially recognized at original costs plus other costs directly related to that financial liability.

Equity instruments

Equity instrument is the contract which can prove the remaining benefits in the assets of the Corporation after deducting all of its liabilities.

24. Offsetting financial instruments

Financial assets and financial liabilities will be offset against each other and reflected at their net values in the balance sheet when, and only when, the Corporation:

- has a legal right to offset the recognized amounts; and
- has intention either to settle on a net basis, or to recognize the asset and to settle the liability simultaneously.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**25. Segment reporting**

A business segment is a distinguishable component 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 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.

26. 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.

Transactions with the related parties during the period are presented in Note VIII.1.

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

	Ending balance	Beginning balance
Cash on hand	3.121.701.824	3.164.467.435
Cash in bank	284.614.620.561	231.325.468.776
Cash in transit	1.396.643.216	5.135.486
Cash equivalents (Under-3-month deposits)	247.100.000.000	333.870.000.000
Total	536.232.965.601	568.365.071.697

2. Short-term investments

	Ending balance	Beginning balance
Short-term investments in stocks	144.872.199.042	144.874.562.680
- National Citizen Bank ⁽ⁱ⁾	94.971.030.000	94.971.030.000
- Thu Duc Steel J.S.C	31.488.264.362	31.490.628.000
- Mangan Mineral J.S.C	14.234.321.100	14.234.321.100
- Thu Duc Electro Mechanical Joint Stock Company - EMC	3.150.000.000	3.150.000.000
- Binh Duong Mineral and Construction Joint Stock Company	1.028.054.940	1.028.054.940
- Other companies	528.640	528.640
Gemadep – Terminal Link Cai Mep Terminal J.S.C (see Note V.17)	482.400.000.000	482.400.000.000
Other short-term investments	79.700.000.000	231.026.320.000
- Term deposits from over 03 months to 1 year	-	61.024.320.000
- Short-term loans given	79.700.000.000	170.002.000.000
Total	706.972.199.042	858.300.882.680

(i) 6.800.000 stocks of National Citizen Bank (formerly Navibank) have been blockaded.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

3. Provisions for devaluation of short-term investments

Provisions for devaluation of short-term investment in securities.

Fluctuations in provisions for devaluation of short-term investments are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	(112.662.905.251)	(106.584.565.014)
Additional appropriation	(3.390.600.842)	(9.521.182.953)
Ending balance	(116.053.506.093)	(116.105.747.967)

4. Trade receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
Logistics: transportation, shipping agency, etc.	273.118.031.799	283.746.504.590
Leasing assets	27.036.888.663	28.629.000.000
Total	300.154.920.462	312.375.504.590

5. Prepayment to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
Phuoc Long Port Co., Ltd.	-	6.021.434.386
Other suppliers	70.219.388.151	63.945.727.911
Total	70.219.388.151	69.967.162.297

6. Other receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
Payments on other's behalf to perform agency service	22.651.682.473	29.571.349.439
Receivable from trading securities	3.000.000.000	3.000.000.000
Receivable from subsidiaries, associates and business co-operations	245.313.242.964	318.704.872.075
- Pacific Pearl J.S.C – payment on other's behalf for rubber project	129.058.721.013	213.322.634.679
- Pacific Lotus J.S.C – payment on other's behalf for rubber project	4.772.376.845	4.680.026.659
- Gemadept (S) Pte Ltd - payment on other's behalf	82.009.331.041	71.868.128.456
- Grand Pacific Shipping - payment on other's behalf	1.181.618.854	1.181.618.854
- Truong Tho Tourism and Transportation J.S.C – capital support, payment on other's behalf	14.876.000.000	14.876.000.000
- Gemadept Logistics One Member Co., Ltd. – capital support, payment on other's behalf	137.486.887	5.096.000
- Gemadept Hai Phong One Member Co., Ltd. – payment on other's behalf	56.018.292	60.253.196
- Paruco - payment on other's behalf	1.562.182.347	1.378.568.347
- Minh Dam Tourism J.S.C – capital support	10.000.000.000	10.000.000.000
- Vi Tin Service Computing Co., Ltd.	1.137.745.050	509.200.010
- Golden Globe Trading Co., Ltd.	300.000.000	300.000.000
- Pacific Marine Company Limited (PAMAR)	221.762.635	96.448.874
- V.N.M General Transportation Service Co., Ltd.	-	300.000.000
- "K" Line – Gemadept Logistics Co., Ltd.	-	126.897.000

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
Dividends and profit shared	337.136.084.156	290.752.453.504
Other receivables	13.807.679.459	14.668.532.511
- <i>Saigontourist Gemadept Corporation – payment on other's behalf</i>	6.128.187.500	6.128.187.500
- <i>Receivables for loan interest from employees</i>	2.857.268.808	3.528.948.416
- <i>Receivable for liquidating contract - Transvina</i>	2.000.000.000	2.500.000.000
- <i>Others</i>	2.822.223.151	2.511.396.595
Total	<u>621.908.689.052</u>	<u>656.697.207.529</u>
7. Allowances for doubtful debts		
	<u>Ending balance</u>	<u>Beginning balance</u>
Allowances for over-3-year outstanding debts	(4.040.680.540)	(4.040.680.540)
Allowances for under-1-year doubtful debts	(2.792.724.771)	(2.792.724.771)
Allowances for doubtful debts	-	(11.000.000.000)
Total	<u>(6.833.405.311)</u>	<u>(17.833.405.311)</u>
The fluctuation in allowances for doubtful debts is as follows:		
	<u>Current period</u>	<u>Previous period</u>
Beginning balance	(17.833.405.311)	(11.773.637.000)
Reversal	11.000.000.000	-
Ending balance	<u>(6.833.405.311)</u>	<u>(11.773.637.000)</u>
8. Inventories		
	<u>Ending balance</u>	<u>Beginning balance</u>
Fuel in ships	19.967.335.046	17.713.743.402
Merchandises	7.271.416.069	6.190.798.997
Total	<u>27.238.751.115</u>	<u>23.904.542.399</u>
9. Short-term prepaid expenses		
	<u>Ending balance</u>	<u>Beginning balance</u>
Repair expenses	-	119.511.061
Insurance premiums	909.511.205	725.721.805
Materials, tools	1.796.515.274	1.108.499.660
Other expenses	1.430.108.273	131.576.712
Total	<u>4.136.134.752</u>	<u>2.085.309.238</u>
10. Other current assets		
	<u>Ending balance</u>	<u>Beginning balance</u>
Advances	40.580.655.232	41.553.824.845
Short-term deposits	48.641.891.917	5.117.164.668
Total	<u>89.222.547.149</u>	<u>46.670.989.513</u>

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**11. Other long-term receivables**

The capital contributions according to Business Co-operation Contract include:

	<u>Ending balance</u>	<u>Beginning balance</u>
Hang River Co., Ltd. – Capital contribution to develop the project of Le Chan General Port	19.000.000.000	19.000.000.000
Dong Duong Infrastructure Development and Construction Investment J.S.C – capital contribution to develop the project of Logistics Service Area	18.000.000.000	18.000.000.000
Total	37.000.000.000	37.000.000.000

12. Increases/ (decreases) of tangible fixed assets

	<u>Buildings & structures</u>	<u>Machinery & equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
Historical costs					
Beginning balance	7.281.263.332	106.657.200.593	815.159.997.077	7.205.426.581	936.303.887.583
New purchases	-	4.264.819.940	67.293.656.155	-	71.558.476.095
Complete construction	-	-	20.285.189.915	-	20.285.189.915
Liquidation	-	-	(317.401.000)	-	(317.401.000)
Effect of exchange rate due to the conversion of the Financial Statements	-	-	11.510.100	2.773.890	14.283.990
Ending balance	7.281.263.332	110.922.020.533	902.432.952.247	7.208.200.471	1.027.844.436.583
<i>In which:</i>					
Assets fully depreciated but still in use	960.602.908	106.307.880.493	159.603.214.815	7.119.450.360	273.991.148.576
Depreciation					
Beginning balance	5.835.102.784	106.566.327.141	484.412.616.209	7.190.772.247	604.004.818.381
Depreciation	209.905.392	428.241.841	28.706.673.144	10.515.947	29.355.336.324
Liquidation	-	-	(317.401.000)	-	(317.401.000)
Effect of exchange rate due to the conversion of the Financial Statements	-	-	8.549.958	2.571.479	11.121.437
Ending balance	6.045.008.176	106.994.568.982	512.810.438.311	7.203.859.673	633.053.875.142
Net book values					
Beginning balance	1.446.160.548	90.873.452	330.747.380.868	14.654.334	332.299.069.202
Ending balance	1.236.255.156	3.927.451.551	389.622.513.936	4.340.798	394.790.561.441
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

Buildings and structures include the value of land use right of 02 houses at No. 39 and 40 Quang Trung, Da Nang City which has not been determined.

Some tangible fixed assets, of which the historical costs and net book values are VND 154.815.824.899 and VND 57.003.695.076 respectively, have been mortgaged to secure the short-term loans (see Note V.23).

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**13. Increases/decreases of financial leased assets**

	Equipment and vehicles
Historical costs	
Beginning balance	14.592.547.596
Financial leases during the period	14.412.789.665
Ending balance	29.005.337.261
Depreciation	
Beginning balance	199.817.088
Depreciation during the period	1.948.658.154
Ending balance	2.148.475.242
Net book values	
Beginning balance	14.392.730.508
Ending balance	26.856.862.019

14. Increases/ (decreases) of intangible fixed assets

	Land use right	Computer software	Total
Initial costs			
Beginning balance	1.250.403.410	10.208.082.743	11.458.486.153
Ending balance	1.250.403.410	10.208.082.743	11.458.486.153
<i>In which:</i>			
Fully depreciated assets but still in use	-	701.475.063	701.475.063
Depreciation			
Beginning balance	-	7.003.463.687	7.003.463.687
Depreciation	-	584.114.556	584.114.556
Ending balance	-	7.587.578.243	7.587.578.243
Net book values			
Beginning balance	1.250.403.410	3.204.619.056	4.455.022.466
Ending balance	1.250.403.410	2.620.504.500	3.870.907.910
<i>In which:</i>			
Not yet being used	-	-	-
Waiting for liquidation	-	-	-

The land use right has been mortgaged to secure short-term loans from banks (see Note V.23).

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**15. Construction-in-progress**

Purchases of fixed assets. Details are as follows:

	Beginning balance	Increases	Inclusion in fixed assets	Other decreases	Ending balance
GSS software	630.000.000	-	-	-	630.000.000
ORC software	6.493.714.058	-	-	-	6.493.714.058
Expenses for purchases of crane truck, forklift truck (*)	51.855.132.860	109.846.655	(20.285.189.915)	-	31.679.789.600
Expenses for reforming ship	29.250.000	-	-	-	29.250.000
Other expenses	120.000.000	120.000.000	-	(120.000.000)	120.000.000
Total	59.128.096.918	229.846.655	(20.285.189.915)	(120.000.000)	38.952.753.658

(*) Expenses for purchases of crane truck for an amount of VND 31.679.789.600 have been mortgaged to secure the loan from VietinBank – Ho Chi Minh 1 Branch (see Note V.23).

16. Investment in subsidiaries

Subsidiaries	Capital ownership rate (%)		Ending balance	Beginning balance
	As in the License	Amount actually contributed		
Gemadept Dung Quat International Port J.S.C	81,60	81,60	41.730.000.000	41.730.000.000
V.N.M General Transportation Service Co., Ltd. ⁽ⁱ⁾	100,00	100,00	35.000.000.000	7.500.000.000
Gemadept (Malaysia) Sdn Bhd	100,00	100,00	15.206.200.000	15.206.200.000
Gemadept (S) Pte Ltd	100,00	100,00	15.207.300.000	15.207.300.000
Gemadept Nhon Hoi International Port J.S.C	55,00	3,35	2.343.651.753	2.343.651.753
Phuoc Long Port Co., Ltd.	100,00	100,00	100.000.000.000	100.000.000.000
ISS - Gemadept Co., Ltd.	51,00	51,00	1.637.304.000	1.637.304.000
Gemadept Logistics One Member Co., Ltd. ⁽ⁱ⁾	100,00	50,00	100.000.000.000	80.000.000.000
Gemadept - Vung Tau Corporation	70,00	70,00	67.200.000.000	67.200.000.000
Hoa Sen - Gemadept Logistics and International Port Corporation	51,00	51,00	70.866.282.735	70.866.282.735
Gemadept Infrastructure Development and Investment Construction J.S.C	50,00	50,00	60.000.000.000	60.000.000.000
Gemadept Hai Phong Co., Ltd.	100,00	23,92	23.924.332.310	23.924.332.310
Truong Tho Tourism and Transportation J.S.C ⁽ⁱⁱ⁾	46,00	46,00	27.600.000.000	27.600.000.000
Nam Hai Port J.S.C ⁽ⁱⁱⁱ⁾	99,98	99,98	424.383.000.000	424.383.000.000
Pacific Marine Company Limited (PAMAR)	100,00	35,00	3.500.000.000	3.500.000.000
Bright Ocean Logistics Co., Ltd.	100,00	21,82	2.182.000.000	2.182.000.000
Vi Tin Service Computing Co., Ltd.	100,00	50,00	500.000.000	500.000.000

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

Subsidiaries	Capital ownership rate (%)		Ending balance	Beginning balance
	As in the License	Amount actually contributed		
Pacific Rubber Industry Co., Ltd. ⁽ⁱ⁾	100,00	13,15	78.900.000.000	77.500.000.000
Pacific Pearl Joint Stock Company Limited ⁽ⁱ⁾	100,00	82,35	468.125.628.630	380.765.628.630
Pacific Lotus J.S.C ⁽ⁱ⁾	100,00	63,16	656.164.600.000	569.867.100.000
Nam Hai Dinh Vu Port J.S.C	84,66	84,66	338.625.450.000	338.625.450.000
Pacific Marine Equipment and Service Company Limited ^(iv)	100,00	10,00	1.000.000.000	-
Total			2.534.095.749.428	2.310.538.249.428

- (i) Increases due to the additional contribution of capital.
- (ii) The Corporation is entrusted by some shareholders to reach the voting right of 54% for Gemadept Corporation at the shareholders' meetings.
- (iii) The investment in Nam Hai Port J.S.C is mortgaged to secure long-term loans (see Note V.33).
- (iv) According to the Business Registration Certificate No. 0305673056 amended for the 3rd time on 13 February 2015 granted by the Department of Planning and Investment of Ho Chi Minh City, the Corporation has invested VND 10.000.000.000 equivalent to 100% of the charter capital in Pacific Marine Equipment and Service Company Limited. During the period, the Corporation has additionally invested VND 1.000.000.000, equivalent to 10% of the charter capital. The charter capital to be invested to Pacific Marine Equipment and Service Company Limited is VND 9.000.000.000.

17. Investments in associates and joint ventures

Associates and joint ventures	Rate of capital ownership (%)		Ending balance	Beginning balance
	As in the licenses	Amount actually contributed		
Golden Globe Trading Co., Ltd.	45,00	45,00	42.761.600.000	42.761.600.000
Vung Tau Commercial Port Joint Stock Company (VCP)	26,78	26,78	9.642.000.000	9.642.000.000
Molenbergnatie – Gemadept Vietnam Co., Ltd.	49,00	49,00	5.110.700.000	5.110.700.000
Minh Dam Tourism J.S.C	40,00	11,43	18.754.608.143	18.754.608.144
Power Transportation and Service J.S.C (Potranco)	38,03	38,03	23.236.200.000	23.236.200.000
Saigon Cargo Service Corporation (SCSC Corp.)	29,43	29,43	141.250.000.000	141.250.000.000
United Food J.S.C	26,56	26,56	49.825.280.000	49.825.280.000
Gemadept – Terminal Link Cai Mep Terminal J.S.C ⁽ⁱ⁾	41,67	41,67	351.750.000.000	351.750.000.000
Golden Globe Co., Ltd.	40,00	34,04	83.745.403.136	83.745.403.136
"K" Line – Gemadept Logistics Co., Ltd. ⁽ⁱⁱ⁾	50,00	50,00	6.324.000.000	1.000.000.000
Total			732.399.791.279	727.075.791.280

- (i) Gemadept Corporation has invested in Gemadept - Terminal Link Cai Mep Terminal J.S.C at the rate of 41,67% of charter capital of this Company. However, the Board of Management of the Corporation has agreed to transfer 25% of stocks of this Corporation in the near future. Therefore, the investment in Gemadept - Terminal Link Cai Mep Terminal J.S.C is presented in the items "Investments in associates and joint ventures" and "Short-term investments" at the rates of 16,67% and 25% respectively (see Note V.2).
- (ii) Increases due to the additional contribution of capital.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**18. Other long-term investments**

	<u>Ending balance</u>	<u>Beginning balance</u>
Investments in shares - Maritime Bank ⁽ⁱ⁾	165.581.032.000	165.581.032.000
Other long-term investments	161.291.300.000	161.291.300.000
- <i>CJ Vietnam Co., Ltd.</i>	140.415.300.000	140.415.300.000
- <i>Other companies</i>	20.876.000.000	20.876.000.000
Long-term loans given	29.600.000.000	56.033.000.000
- <i>Loan given to Gemadept Logistics One Member Co., Ltd.</i>	16.600.000.000	36.033.000.000
- <i>Loan given to Gemadept Dung Quat International Port J.S.C</i>	13.000.000.000	20.000.000.000
Total	<u>356.472.332.000</u>	<u>382.905.332.000</u>

- (i) All these shares have been mortgaged to secure loans from Shinhan Bank Vietnam (see Note V.23).

19. Provisions for devaluation of long-term financial investments

	<u>Ending balance</u>	<u>Beginning balance</u>
Provisions for long-term investments in securities	(113.572.432.000)	(113.572.432.000)
Provisions for losses of subsidiaries	(61.440.461.843)	(60.336.727.637)
Provisions for losses of associates and joint ventures	(20.706.985.038)	(19.110.708.499)
Provisions for other long-term investments	(4.299.303.511)	(4.303.363.534)
Total	<u>(200.019.182.392)</u>	<u>(197.323.231.670)</u>

Situation of fluctuations in provisions for devaluation of long-term investments is as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	(197.323.231.670)	(151.714.320.602)
Additional appropriation	(2.695.950.722)	(33.399.254.932)
Ending balance	<u>(200.019.182.392)</u>	<u>(185.113.575.534)</u>

20. Long-term prepaid expenses

	<u>Beginning balance</u>	<u>Increases</u>	<u>Allocation</u>	<u>Ending balance</u>
Interior decoration expenses	233.035.687	-	(83.195.085)	149.840.602
Purchases of software	15.193.757	-	(15.193.757)	-
Container financial leasing interest	4.701.317.745	4.795.386.413	(738.458.577)	8.758.245.581
Expenses for materials, components	-	2.871.778.859	(213.053.433)	2.658.725.426
Other expenses	44.925.975	-	(26.339.704)	18.586.271
Total	<u>4.994.473.164</u>	<u>7.667.165.272</u>	<u>(1.076.240.556)</u>	<u>11.585.397.880</u>

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**21. Deferred income tax assets**

This item reflects the deferred income tax assets related to the temporarily deductible differences.
Details are as follows:

	Current period	Previous period
Beginning balance	16.069.763.352	749.631.551
Reversal	(757.391.213)	(749.631.551)
Ending balance	15.312.372.139	-

22. Other non-current assets

	Ending balance	Beginning balance
Deposits for leasing ship	43.590.000.000	42.708.000.000
Deposits for guarantee contracts	871.800.000	854.160.000
Other long-term deposits	6.536.716.000	6.503.972.500
Total	50.998.516.000	50.066.132.500

23. Short-term borrowings

	Ending balance	Beginning balance
Short-term loans from banks	27.058.687.252	42.032.907.834
- VIB Bank - Saigon Branch ⁽ⁱ⁾	16.742.870.970	-
- VietinBank – Ho Chi Minh 1 Branch ⁽ⁱⁱ⁾	1.607.984.234	27.888.511.523
- Shinhan Bank Vietnam ⁽ⁱⁱⁱ⁾	8.707.832.048	14.144.396.311
Short-term loans from other organizations - Gemadept – Terminal Link Cai Mep Terminal J.S.C ^(iv)	234.398.452.640	229.655.634.780
Current portion of long-term loans	6.570.709.959	6.000.000.000
- OCB – Tan Thuan Branch	-	6.000.000.000
- Financial lease from Intermodal Investment Fund IV LLC	6.570.709.959	-
Total	268.027.849.851	277.688.542.614

(i) The loan from VIB Bank - Saigon Branch is to supplement the working capital serving the Corporation's cargo transport, port operation and logistics activities. This loan is secured by mortgaging the following assets:

- Land use right and assets associated with lands at 41 Quang Trung, Hai Chau 1 Ward, Hai Chau District, Da Nang City;
- Land use right and assets associated with lands at 1/1 Pham Hong Thai, Ward 7, Vung Tau City;
- Ships Phuoc Long 28, 30, 32, 34.

(ii) The loan from VietinBank – Ho Chi Minh 1 Branch is to supplement the Corporation's working capital. 80% of this loan is secured by trust receipt and 20% of this loan is secured by mortgaging 04 Liebherr crane trucks.

(iii) The loan from Shinhan Bank Vietnam to supplement the Corporation's working capital. This loan is secured by mortgaging the following assets:

- Land use right at Le Hong Phong Street, Binh Thuy Ward, Can Tho City.
- Mortgage of 13.868.960 shares of Maritime Bank.

(iv) This is the loan from Gemadept – Terminal Link Cai Mep Terminal J.S.C at the fixed interest rate as stipulated in the contract.



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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)*Details of increases/ (decrease) of short-term borrowings are as follows:*

	Beginning balance	Increases	Exchange differences	Transfer from long-term loans	Amount already paid	Ending balance
Short-term loans from banks	42.032.907.834	27.010.851.999	74.170.689	-	(42.059.243.270)	27.058.687.252
Short-term loans from other organizations	229.655.634.780	-	4.742.817.860	-	-	234.398.452.640
Current portion of long-term loans	6.000.000.000	-	-	6.570.709.959	(6.000.000.000)	6.570.709.959
Total	277.688.542.614	27.010.851.999	4.816.988.549	6.570.709.959	(48.059.243.270)	268.027.849.851

24. Trade payables

	Ending balance	Beginning balance
Payable to subsidiaries, associates and business co-operations	27.815.396.719	15.919.656.544
- Gemadept Hai Phong Co., Ltd.	19.493.929.600	14.290.346.068
- Nam Hai Dinh Vu Port J.S.C	252.969.063	54.036.257
- Gemadept Logistics One Member Co., Ltd.	4.741.583.039	1.456.483.427
- Nam Hai Port J.S.C	258.179.017	118.790.792
- Gemadept (S) Pte Ltd	3.068.736.000	-
Other suppliers	74.531.518.688	53.376.212.763
Total	102.346.915.407	69.295.869.307

25. Advances from customers

Advances on logistic activities: transport, shipping agency, etc.

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

	Beginning balance	Amount payable	Amount already paid	Ending balance
VAT on local sales	(3.906.281.223)	3.055.628.776	(5.419.265.140)	(6.269.917.587)
VAT on imports	-	6.325.502.328	(6.325.502.328)	-
Import-export duties	-	277.226.094	(277.226.094)	-
Corporate income tax	16.579.760.548	3.053.192.929	(21.772.677.129)	(2.139.723.652)
Personal income tax	4.193.726.166	1.917.717.933	(6.360.366.435)	(248.922.336)
License duty	(900.000)	6.000.000	(6.000.000)	(900.000)
Other taxes	1.363.243.962	8.860.788.354	(8.908.160.254)	1.315.872.062
- Withholding tax	1.673.208.073	8.734.732.180	(8.782.104.080)	1.625.836.173
- Other taxes	(309.964.111)	126.056.174	(126.056.174)	(309.964.111)
Total	18.229.549.453	23.496.056.414	(49.069.197.380)	(7.343.591.513)

Taxes excessively paid are presented in the item "Taxes and other receivables from the State".

Value added tax (VAT)

The Corporation has paid VAT in line with the deduction method at the rate of 10%.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**Import - export 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 at the rate of 22% on taxable income.

According to Law No. 32/2013/QH13 amending and supplementing a number of articles of Law on corporate income tax passed on 19 June 2013 by the XIIIth National Assembly of the Socialist Republic of Vietnam at its 5th session, common corporate income tax rate decreases from 22% to 20% from 01 January 2016.

Property tax

The land rental is paid according to the notices of the tax department.

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

	<u>Beginning balance</u>	<u>Amount payable</u>	<u>Amount already paid</u>	<u>Ending balance</u>
VAT on local sales	-	-	-	-
Corporate income tax	140.608.189	318.516.707	(315.612.885)	143.512.011
Total	140.608.189	318.516.707	(315.612.885)	143.512.011

Value added tax (VAT)

The Cambodia Branch has paid VAT in line with the deduction method at the rate of 10%.

Corporate income tax

The Cambodia branch is responsible for paying corporate income tax at the rate of 20% on taxable income. If the corporate income tax payable is smaller than 01% of the revenues, the branch is responsible for paying corporate income tax to the State of the local country at the amount equivalent to 01% of revenues.

27. Payable to employees

The salary and bonus to be paid to employees.

28. Accrued expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan interest expenses	112.785.580.042	81.533.997.926
Other expenses	17.330.991.607	15.360.363.646
Total	130.116.571.649	96.894.361.572

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**29. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Excessive assets for treatment	1.367.377.781	990.469.925
Dividends payable	232.472.966.350	196.978.350
Receipts of short-term deposits	2.806.716.740	794.719.481
Collection on others' behalf to implement the agency services	14.053.361.943	15.528.556.134
Payable to subsidiaries, associates, business concerns	43.581.071.182	45.728.077.536
- Gemadept Hai Phong Co., Ltd. – collection on others' behalf and other payables	12.177.610.242	21.085.413.395
- Gemadept (S) Pte Ltd – Collection on other's behalf for ship, borrowings	410.212.517	-
- Hoa Sen - Gemadept Logistics and International Port Corporation – capital support	10.293.585.975	10.293.585.975
- Pacific Rubber Industry Co., Ltd. – capital support	8.279.000.000	8.279.000.000
- Gemadept Infrastructure Development and Investment Construction J.S.C – Collection on other's behalf and other payables	1.920.884.393	1.920.884.393
- Bright Ocean Logistics Co., Ltd. – capital support	2.142.000.000	2.142.000.000
- Gemadept (Malaysia) Sdn Bhd - Collection on other's behalf	952.588.944	942.227.649
- Phuoc Long Port Co., Ltd. - Collection on other's behalf and other payables	6.985.073.124	763.558.466
- Gemadept Logistics One Member Co., Ltd. - Collection on other's behalf	420.115.987	301.407.658
Others	1.719.002.813	2.194.063.348
Total	296.000.496.809	65.432.864.774

30. Provision for short-term payables

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

31. Bonus and welfare funds

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	7.720.068.287	(546.902.189)
Increase due to appropriation from profit	12.399.394.088	16.316.149.141
Disbursements	(5.346.481.851)	(5.337.562.237)
Ending balance	14.772.980.524	10.431.684.715

32. Other long-term payables

Receipt of long-term deposits.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**33. Long-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Long-term loan from OCB – Tan Thuan Branch	-	30.000.000.000
Loans converted into shares from VI (Vietnam Investments) Fund II, L.P ⁽ⁱ⁾	871.800.000.000	854.160.000.000
Financial lease from Intermodal Investment Fund IV LLC	30.404.186.065	19.021.681.890
Total	<u>902.204.186.065</u>	<u>903.181.681.890</u>

- (i) Loans from VI (Vietnam Investments) Fund II, L.P. converted into shares according to the Contract dated 18 June 2012 as follows:
- Credit line : USD 40.000.000,00
- Grace period : 05 years, starting from the date when the contract is signed eligibly.
- Payment to principal : At any time after 01 year from the date when this loan contract is signed eligibly; the creditor owns right but not the obligation and at the sole discretion of the creditor, to transfer the whole or a part of the loan (including principal and interest) into ordinary shares of the Corporation.
- Interest rate : Interest rate applied to loans during the loan period of 6%/year.
- Purposes : - 1st disbursement: the project of developing logistics services; investment in the project of Nam Hai - Dinh Vu Port.
- 2nd disbursement: investment in small trucks; implementation of the afforestation project in Cambodia.
- 3rd and 4th disbursement: to be approved by investors as requested.
- Collaterals : Vietcombank - Ho Chi Minh City Branch has been appointed by creditor and debtor to receive collaterals under the Contract of agent for receiving collaterals signed on 17 July 2012, including:
- All of 999.800 shares of the Corporation in Nam Hai Port Corporation, equivalent to 99,98% shares which have been already issued and outstanding;
- All of the land use right and construction works accompanying to land, which are under legal and sole ownership of Nam Hai Port Corporation.

Payment schedule of long-term borrowings

	<u>Total</u>	<u>Under 01 year</u>	<u>Over 01 year to 05 years</u>	<u>Over 05 years</u>
Loans converted into shares	871.800.000.000	-	871.800.000.000	-
Financial leases	36.974.896.024	6.570.709.959	26.228.981.556	4.175.204.509
Total	<u>908.774.896.024</u>	<u>6.570.709.959</u>	<u>898.028.981.556</u>	<u>4.175.204.509</u>

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

	<u>Beginning balance</u>	<u>Increases</u>	<u>Exchange difference</u>	<u>Transfer to short-term loans</u>	<u>Amount already paid</u>	<u>Ending balance</u>
Long-term loans from banks	30.000.000.000	-	-	-	(30.000.000.000)	-
Loans converted into shares	854.160.000.000	-	17.640.000.000	-	-	871.800.000.000
Container financial leases	19.021.681.890	19.208.176.078	660.330.754	(6.570.709.959)	(1.915.292.698)	30.404.186.065
Total	<u>903.181.681.890</u>	<u>19.208.176.078</u>	<u>18.300.330.754</u>	<u>(6.570.709.959)</u>	<u>(31.915.292.698)</u>	<u>902.204.186.065</u>

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

For the first 6 months of the fiscal year ending 31 December 2015

34. Deferred income tax liabilities

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	12.251.562.999	88.478.588.088
Deferred income tax liabilities arising from the temporarily taxable differences	-	1.502.893.752
Reversal of deferred income tax liabilities already recorded in the previous year	<u>(765.542.688)</u>	<u>(75.461.302.402)</u>
Ending balance	<u>11.486.020.311</u>	<u>14.520.179.438</u>

Statement of fluctuations in owner's equity

Information on the fluctuations in owner's equity is presented at the attached Appendix 01.

Dividends
During the period, the Corporation has paid dividends to its shareholders for the amount of VND 0 (the same period of the previous year: VND 10.033.508.803).

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	116.137.994	116.137.994
Number of shares already sold to the public	116.137.994	116.137.994
- Common shares	116.137.994	116.137.994
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	116.137.994	116.137.994
- Common shares	116.137.994	116.137.994
- Preferred shares	-	-

Face value per outstanding share: VND 10.000.

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM INCOME STATEMENT	
1. Income from operations	1,000,000
2. Other income	200,000
3. Other expenses	(100,000)
4. Income before taxes	1,100,000
5. Income taxes	(220,000)
6. Net income	880,000
7. Dividends paid	(100,000)
8. Retained earnings	780,000
9. Total assets	1,000,000
10. Total liabilities and equity	1,000,000

	Accumulated from the beginning of the year	
	Current year	Previous year
Logistics services: providing services of transportation, leasing assets, acting as agency, etc.	422.110.337.029	462.493.693.133
Sales from leasing offices	934.772.850	257.249.216
Total	423.045.109.879	462.750.942.349

Costs of logistics activities, i.e. transport, leasing assets, acting as agency, etc.



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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**3. Financial income**

	Accumulated from the beginning of the year	
	Current year	Previous year
Demand deposit interest	88.299.897	158.222.497
Term deposit interest	6.167.343.317	374.723.281
Loan interest	8.006.047.871	8.557.505.577
Interest on capital transfer of subsidiary	-	27.327.676.124
Interest on capital transfer of associate	-	3.935.490.000
Dividends and profit shared	176.554.617.715	149.758.324.000
Realized exchange gain	1.411.854.802	1.475.959.669
Others	22.774.020	10.315
Total	192.250.937.622	191.587.911.463

4. Financial expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Loan interest expenses	32.847.539.233	36.416.631.418
Unrealized exchange loss	30.974.409.508	3.152.973.852
Realized exchange loss	25.289.273.426	2.020.501.758
Provisions for devaluation of financial investments	6.086.551.564	42.920.437.885
Capital transfer	-	13.087.620.000
Others	51.585.197	38.457.680
Total	95.249.358.928	97.636.622.593

5. Selling expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
External service rendered	286.353.017	143.822.727
Other expenses	1.631.150.022	1.750.297.389
Total	1.917.503.039	1.894.120.116

6. General and administration expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Expenses for office staff	19.661.762.735	21.636.128.604
Materials and supplies	67.564.500	66.434.160
Stationery	560.212.374	389.180.299
Depreciation/ (amortization) of fixed assets	2.140.313.468	2.458.516.682
Tax, fee and legal fee	131.056.173	76.469.528
Provisions	(11.000.000.000)	-
External service rendered	20.439.238.029	18.414.857.231
Other expenses	3.723.898.743	1.279.553.841
Total	35.724.046.022	44.321.140.345

7. Other income

Proceeds from liquidation of fixed assets and other income.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)**8. Other expenses**

	Accumulated from the beginning of the year	
	Current year	Previous year
Net book values of liquidated fixed assets	-	334.633.874
Other expenses	143.039.090	183.532.076
Total	143.039.090	518.165.950

9. Deferred income tax

	Accumulated from the beginning of the year	
	Current year	Previous year
Deferred income tax arising from temporarily taxable differences	-	1.502.893.752
Deferred corporate income tax arising from reversals of deferred income tax assets	757.391.213	749.631.551
Deferred corporate income tax arising from reversals of deferred income tax liabilities	(765.542.688)	(75.461.302.402)
Total	(8.151.475)	(73.208.777.099)

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	102.451.009.228	147.039.371.988
Labor	41.632.201.409	45.754.755.911
Depreciation/(amortization) of fixed assets	31.888.109.034	32.906.647.025
External service rendered	268.959.212.173	264.697.473.160
Others	257.233.792	6.871.801.371
Total	445.187.765.636	497.270.049.455

VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE INTERIM CASH FLOWS STATEMENT**Non-cash transactions**

During the period, the Corporation has had following non-cash transactions:

	Accumulated from the beginning of the year	
	Current year	Previous year
Sales of fixed assets not yet received the payment	-	540.000.000
Capital transfer expenses not yet paid to Far View Consultant Corporation	-	13.087.620.000
Transferring the advances for Vietnam Petroleum Transport JSC (Vipco) to investments in Hai Dinh Vu Port J.S.C	-	40.000.000.000
Increase in the investment in V.N.M General Transportation Service Co., Ltd. by offsetting the receivables	300.000.000	-
Increase in the investment in V.N.M General Transportation Service Co., Ltd. by offsetting the dividends received	754.000.000	-
Acquisition of fixed assets in form of financial lease	14.412.789.665	-

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

VIII. OTHER DISCLOSURES

1. Transaction with related parties

Transactions with key managers and other related individuals

Key managers and related individuals include: the members of the Board of Management, the Board of Directors, the Chief Accountant and their close family members.

Income of the key managers is as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
Salary	1.505.930.000	1.645.948.000
Other income	-	25.500.000
Total	1.505.930.000	1.671.448.000

Transactions with other related parties

Other related parties of the Corporation include:

Related parties	Relationship
Gemadept Dung Quat International Port J.S.C	Subsidiary
V.N.M General Transportation Service Co., Ltd.	Subsidiary
Gemadept (Malaysia) Sdn Bhd	Subsidiary
Gemadept (S) Pte Ltd	Subsidiary
Gemadept Nhon Hoi International Port J.S.C	Subsidiary
Phuoc Long Port Co., Ltd.	Subsidiary
ISS - Gemadept Co., Ltd.	Subsidiary
Gemadept Logistics One Member Co., Ltd.	Subsidiary
Gemadept - Vung Tau Corporation	Subsidiary
Hoa Sen - Gemadept Logistics and International Port Corporation	Subsidiary
Gemadept Infrastructure Development and Investment Construction J.S.C	Subsidiary
Gemadept Hai Phong Co., Ltd.	Subsidiary
Truong Tho Tourism and Transportation J.S.C	Subsidiary
Nam Hai Port J.S.C	Subsidiary
Pacific Marine Company Limited (PAMAR)	Subsidiary
Bright Ocean Logistics Co., Ltd.	Subsidiary
Vi Tin Service Computing Co., Ltd.	Subsidiary
Pacific Rubber Industry Co., Ltd.	Subsidiary
Pacific Pearl Joint Stock Company Limited	Subsidiary
Pacific Lotus J.S.C	Subsidiary
Nam Hai Dinh Vu Port J.S.C	Subsidiary
Pacific Marine Equipment and Service Company Limited	Subsidiary
Gemadept – Terminal Link Cai Mep Terminal J.S.C	Jointly controlled entity
“K” Line – Gemadept Logistics Co., Ltd.	Jointly controlled entity
Grand Pacific Shipping Ltd.	Subsidiary of Gemadept (S) Pte Ltd
Lien Uoc Transportation Co., Ltd.	Subsidiary of Gemadept Logistics One Member Co., Ltd.
Golden Globe Trading Co., Ltd.	Associate
Vung Tau Commercial Port Joint Stock Company (VCP)	Associate

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

Related parties	Relationship	
Molenbergnatie – Gemadept Vietnam	Associate	
Minh Dam Tourism J.S.C	Associate	
Power Transportation and Service J.S.C (Potranco)	Associate	
Saigon Cargo Service Corporation	Associate	
United Food J.S.C	Associate	
Golden Globe Co., Ltd.	Associate	

During the period, the Corporation has had the following transactions between the Corporation and other related parties:

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Gemadept Dung Quat International Port J.S.C</i>		
Liquidation of fixed assets	-	490.909.901
Dividends received	9.987.284.157	-
Loan interest	781.291.667	-
<i>V.N.M General Transportation Service Co., Ltd.</i>		
Capital contribution	27.500.000.000	-
Profit received	754.000.000	-
<i>Gemadept (Malaysia) Sdn Bhd</i>		
Expenses for agency service	245.665.673	444.450.237
<i>Gemadept (S) Pte Ltd</i>		
Payment on other's behalf	10.141.202.585	8.424.518.525
Service fee	25.634.516.175	9.635.082.500
Collection on other's behalf	410.212.517	-
<i>Phuoc Long Port Co., Ltd.</i>		
Loans given	45.000.000.000	14.600.000.000
Leasing assets	11.852.174.774	10.231.418.389
Loan interest	2.572.150.000	-
Service fee	7.753.353.267	28.459.423.675
Profit received	8.000.000.000	-
Payment on other's behalf	82.080.025	1.373.914.307
<i>Gemadept Logistics One Member Co., Ltd.</i>		
Profit received	40.000.000.000	78.000.000.000
Capital contribution	20.000.000.000	-
Loans given	-	18.973.000.000
Payment on other's behalf	2.013.407.671	1.845.000
Loan interest	1.498.895.650	2.611.364.389
Sales from services	3.158.552.379	5.242.870.861
Service fee	33.146.732.919	24.952.474.978

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Gemadept Hai Phong Co., Ltd.</i>		
Collection on other's behalf	-	66.877.313
Borrowings	-	8.800.000.000
Sales from services	26.478.386.192	37.255.153.815
Service fee	29.676.762.326	34.129.619.702
Payment on other's behalf	16.533.000	3.046.000
Profit received	4.000.000.000	-
<i>Truong Tho Tourism and Transportation J.S.C</i>		
Income from leases	2.160.000.000	2.160.000.000
Dividends received	9.025.200.000	-
<i>Nam Hai Port J.S.C</i>		
Dividends received	96.570.599.058	70.000.000.000
Loan interest	-	588.272.222
Sales from services	2.746.349.798	3.060.021.436
Service fee	660.933.715	319.620.979
<i>Nam Hai Dinh Vu Port J.S.C</i>		
Capital contribution	-	120.000.000.000
Loans given	-	48.000.000.000
Loan interest	3.092.599.443	4.751.404.319
Service fee	552.733.445	665.303.779
Sales from services	2.454.545.455	-
<i>Pacific Marine Company Limited (PAMAR)</i>		
Payment on other's behalf	125.313.761	78.424.100
<i>Pacific Rubber Industry Co., Ltd.</i>		
Payment on other's behalf	183.614.000	202.402.000
Capital contribution	1.400.000.000	2.100.000.000
<i>Vi Tin Service Computing Co., Ltd.</i>		
Payment on other's behalf	628.545.040	346.557.645
<i>Bright Ocean Logistics Co., Ltd.</i>		
Receipt of capital support	-	2.142.000.000
<i>Pacific Pearl Joint Stock Company Limited</i>		
Payment on other's behalf	61.331.130	778.876.647
Capital contribution	87.360.000.000	-
<i>Pacific Lotus J.S.C</i>		
Capital contribution	86.297.500.000	126.189.800.000

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Pacific Marine Equipment and Service Company Limited</i>		
Capital contribution	1.000.000.000	-
<i>ISS - Gemadept Co., Ltd.</i>		
Sales from services	59.143.226	-
<i>Saigon Cargo Service Corporation</i>		
Service fee	196.691.012	198.111.069
Dividends received	5.650.000.000	-
<i>Gemadept - Terminal Link Cai Mep Terminal J.S.C</i>		
Income from leasing office	151.350.000	62.920.000
<i>"K" Line - Gemadept Logistics Co., Ltd.</i>		
Sales from services	153.344.750	-
Collection on other's behalf	75.000.000	-
Capital contribution	5.324.000.000	-
<i>Vung Tau Commercial Port Joint Stock Company (VCP)</i>		
Dividends received	1.253.460.000	-
<i>Molenbergnatie - Gemadept Vietnam Co., Ltd.</i>		
Sales from services	275.459.000	-
<i>Golden Globe Co., Ltd.</i>		
Capital contribution	-	760.140.000
<i>United Food J.S.C</i>		
Dividends received	209.126.000	159.289.000
<i>Power Transportation and Service J.S.C</i>		
Dividends received	-	893.700.000

The prices of goods and services provided to other related parties are the prices agreed among the parties. The purchases of goods and services from the related parties are also done at the prices agreed among parties.

In addition, the related parties have mortgaged their assets to secure the long-term loans of the Corporation from VI Fund II, L.P (see Note V.33).

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

As at the balance sheet date, the receivables from and payables to other related parties are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Gemadept Dung Quat International Port J.S.C</i>		
Loan interest receivable	781.291.667	478.361.111
Loans given	13.000.000.000	20.000.000.000
Dividends received	9.987.284.157	-
<i>V.N.M General Transportation Service Co., Ltd.</i>		
Capital support receivable	-	300.000.000
<i>Gemadept (Malaysia) Sdn Bhd</i>		
Service fee receivable	13.798.213.473	16.302.999.421
<i>Gemadept (S) Pte Ltd</i>		
Service fee receivable	134.039.175.803	133.350.263.078
Payments on other's behalf	82.009.331.041	71.868.128.456
Deposits for leasing ship	43.590.000.000	42.708.000.000
<i>Grand Pacific Shipping</i>		
Payments on other's behalf	1.181.618.854	1.181.618.854
<i>Phuoc Long Port Co., Ltd.</i>		
Service fee receivable	25.264.371.469	22.154.158.334
Advances on service	-	6.021.434.386
Profit received	8.000.000.000	-
Loans given	79.700.000.000	49.200.000.000
<i>Gemadept Logistics One Member Co., Ltd.</i>		
Service fee receivable	1.619.370.624	3.366.000.000
Profit received	203.650.000.000	170.650.000.000
Loans given	16.600.000.000	36.033.000.000
Other payments on other's behalf	137.486.887	5.096.000
<i>Gemadept Hai Phong Co., Ltd.</i>		
Service fee receivable	676.296.879	5.320.270.576
Payments on other's behalf	56.018.292	60.253.196
<i>Truong Tho Tourism and Transportation J.S.C</i>		
Service fee receivable	7.128.000.000	4.752.000.000
Dividends received	14.848.800.000	5.823.600.000
Capital support receivable	14.876.000.000	14.876.000.000
<i>Nam Hai Port J.S.C</i>		
Service fee receivable	1.700.984.778	-
Dividends received	94.999.999.999	113.385.153.504
<i>Pacific Marine Company Limited (PAMAR)</i>		
Receivable for payment on other's behalf	221.762.635	96.448.874
<i>Vi Tin Service Computing Co., Ltd.</i>		
Receivable for payment on other's behalf	1.137.745.050	509.200.010

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Pacific Rubber Industry Co., Ltd.</i> Receivable for payment on other's behalf	1.562.182.347	1.378.568.347
<i>Pacific Pearl Joint Stock Company Limited</i> Payment on other's behalf for rubber project	129.058.721.013	213.322.634.679
<i>Pacific Lotus J.S.C</i> Payment on other's behalf for rubber project	4.772.376.845	4.680.026.659
<i>Nam Hai Dinh Vu Port J.S.C</i> Service fee receivable	1.500.000.000	998.572.778
Loans given	-	110.802.000.000
<i>ISS - Gemadept Co., Ltd.</i> Service fee receivable	65.057.549	-
<i>Golden Globe Trading Co., Ltd.</i> Capital support receivable	300.000.000	300.000.000
<i>Saigon Cargo Service Corporation</i> Dividends received	5.650.000.000	-
<i>Power Transportation and Service J.S.C (Potranco)</i> Dividends received	-	893.700.000
<i>Minh Dam Tourism Joint Stock Company</i> Capital support receivable	10.000.000.000	10.000.000.000
<i>"K" Line – Gemadept Logistics Co., Ltd.</i> Receivable for payments on other's behalf and service fee	2.105.950	126.897.000
<i>Molengrnatie – Gemadept Vietnam Co., Ltd.</i> Service fee receivable	303.004.900	-
Total receivables	922.217.200.212	1.060.944.385.263
<i>Gemadept (Malaysia) Sdn Bhd</i> Payable for collection on other's behalf	952.588.944	942.227.649
<i>Gemadept (S) Pte Ltd</i> Collection on other's behalf, borrowings	3.068.736.000	-
Other payables	410.212.517	-
<i>Gemadept Logistics One Member Co., Ltd.</i> Service fee payable	4.741.583.039	1.456.483.427
Collection on other's behalf and other payables	420.115.987	301.407.658
<i>Phuoc Long Port Co., Ltd.</i> Collection on other's behalf and other payables	6.985.073.124	763.558.466

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Hoa Sen - Gemadept Logistics and International Port Corporation</i>		
Capital support payable	10.293.585.975	10.293.585.975
<i>Gemadept Infrastructure Development and Investment Construction J.S.C</i>		
Collection on other's behalf and other payables	1.920.884.393	1.920.884.393
<i>Gemadept Hai Phong Co., Ltd.</i>		
Service fee payable	19.493.929.638	14.290.346.068
Collection on other's behalf and other payables	12.177.610.242	21.085.413.395
<i>Nam Hai Port J.S.C</i>		
Service fee payable	258.179.017	118.790.792
<i>Nam Hai Dinh Vu Port J.S.C</i>		
Service fee payable	252.969.063	54.036.257
<i>Pacific Rubber Industry Co., Ltd.</i>		
Capital support payable	8.279.000.000	8.279.000.000
<i>Bright Ocean Logistics Co., Ltd.</i>		
Capital support payable	2.142.000.000	2.142.000.000
<i>Gemadept - Terminal Link Cai Mep Terminal J.S.C</i>		
Short-term loan	234.398.452.751	229.655.634.780
<i>Saigon Cargo Service Corporation</i>		
Service fee payable	2.937.264	-
Total payables	305.797.857.954	291.303.368.860

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

2. Segment information

In 2014, the Corporation transferred 85% of the capital contributed to MARTOW. From that time onwards, the major business segments of the Corporation are logistic activities, including transport service, vehicles for lease, agency service, etc. (making up 99,78% of the total sales).

Details of net external sales in various geographical areas on the basis of the customers' locations are as follows:

	<u>Accumulated from the beginning of the year</u>	
	<u>Current year</u>	<u>Previous year</u>
In local areas	306.718.262.626	304.727.416.418
In overseas areas	116.326.847.253	158.023.525.931
Total	423.045.109.879	462.750.942.349

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

Details of the increases/(decreases) on expenses to purchase fixed assets and other non-current assets in various geographical areas on the basis of the locations of assets is as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
In local areas	91.658.616.894	6.784.221.072
In overseas areas	2.209.660.793	-
Total	93.868.277.687	6.784.221.072

Details of the segment assets in various geographical areas on the basis of the locations of assets is as follows:

	Ending balance	Beginning balance
In local areas	2.108.834.612.531	1.980.488.968.936
In overseas areas	113.170.765.475	183.531.096.531
Total	2.222.005.378.006	2.164.020.065.467

3. Financial risk management

Overview

The Corporation's activities are exposed to the following financial risks: credit risk, liquidity risk and market risk. The Board of Directors is responsible for establishing policies and controls to minimize the financial risk as well as monitor the implementation of applied policies and controls. The risk management is carried out mainly by the Risk Management Department, Accounting and Finance Department in line with the policies and procedures approved by the Board of Directors.

Credit risk

Credit risk is the risk that one contractual party will cause a financial loss for the Corporation by its failure to pay for its obligations.

The Corporation is exposed to credit risks mainly from trade receivables, cash in bank, loans given and other receivables.

Trade receivables

The Corporation reduces its credit risks by entering into transactions only with the entities which are assessed to have good financial position. Besides, the Corporation's accountants always follow up the trade receivables and speed up for the recoveries.

Trade receivable of the Corporation are related to various entities operating in different fields of business and geographical areas, and therefore the credit risk exposed from receivables from customers is low.

Cash in bank

The Corporation's term deposits and demand deposits are in the local banks and securities companies. The Board of Directors has not realized any material credit risk from these deposits.

Loans given

The Corporation has given loans to related companies. These companies have good reputations and goods payment abilities, so the credit risk level from loans given is low.

Other receivables

Other receivables are mainly the amounts paid on other's behalf for related companies, dividends receivable or profit shared. Since these entities are prestigious and have good payment ability, the credit risk on these receivables is low.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

The maximum credit risk level on financial assets is their carrying values. Carrying values of financial assets are as follows:

	Ending balance		Beginning balance	
	Original cost	Provision	Original cost	Provision
Cash and cash equivalents	536.232.965.601	-	568.365.071.697	-
Held-to-maturity investments	-	-	61.024.320.000	-
Trade receivables	300.154.920.462	(6.833.405.311)	312.375.504.590	(17.833.405.311)
Loans given	109.300.000.000	-	226.035.000.000	-
Other receivables	757.865.490.500	-	748.093.509.613	-
Available-for-sale financial assets	954.144.531.042	(233.925.241.605)	954.146.894.680	(247.120.633.145)
Total	2.657.697.907.605	(240.758.646.916)	2.870.040.300.580	(264.954.038.456)

Analysis of outstanding age and devaluation of financial assets is as follows:

	Not yet overdue or devaluated	Not yet overdue but devaluated	Already overdue and/or devaluated	Total
Ending balance				
Cash and cash equivalents	536.232.965.601	-	-	536.232.965.601
Trade receivables	292.120.409.530	-	8.034.510.932	300.154.920.462
Loans given	109.300.000.000	-	-	109.300.000.000
Other receivables	757.865.490.500	-	-	757.865.490.500
Available-for-sale financial assets	156.291.300.000	-	797.853.231.042	954.144.531.042
Total	1.851.810.165.631	-	805.887.741.974	2.657.697.907.605
Beginning balance				
Cash and cash equivalents	568.365.071.697	-	-	568.365.071.697
Held-to-maturity investments	61.024.320.000	-	-	61.024.320.000
Trade receivables	294.542.099.279	11.000.000.000	6.833.405.311	312.375.504.590
Loans given	226.035.000.000	-	-	226.035.000.000
Other receivables	748.093.509.613	-	-	748.093.509.613
Available-for-sale financial assets	156.291.300.000	-	797.855.594.680	954.146.894.680
Total	2.054.351.300.589	11.000.000.000	804.688.999.991	2.870.040.300.580

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities.

The Corporation's liquidity risks mainly arise from the differences in maturity dates of financial assets and financial liabilities.

The Corporation's approach to control this risk: regularly following up the current payment requests as well as estimated payment requests in the futures to maintain the appropriate cash and loans, supervising the cash flows actually arisen in comparison with estimation to minimize the effects of the changes in cash flows to the Corporation.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

The terms of payments to non-derivative financial liabilities (excluding interest payable) are based on the undiscounted payments supposed to make according to the contracts as follows:

	Under 01 year	From 01 year to 05 years	Over 05 years	Total
Ending balance				
Borrowings	268.027.849.851	898.028.981.556	4.175.204.509	1.170.232.035.916
Trade payables	102.346.915.407	-	-	102.346.915.407
Other payables	424.749.690.677	717.317.183	-	425.467.007.860
Total	795.124.455.935	898.746.298.739	4.175.204.509	1.698.045.959.183
Beginning balance				
Borrowings	277.688.542.614	900.491.412.934	2.690.268.956	1.180.870.224.504
Trade payables	69.295.869.307	-	-	69.295.869.307
Other payables	161.336.756.421	857.354.183	-	162.194.110.604
Total	508.321.168.342	901.348.767.117	2.690.268.956	1.412.360.204.415

The Board of Directors believes that the risk level associated with payments to financial liabilities is low. The Corporation has sufficient capacity to settle all financial obligations when they are due from its operating cash flows and from the receivables from mature financial assets. The Corporation is able to approach capital sources and loans falling due within 12 months, which can be extended with the current creditors.

Market risk

Market risk is the risk that the fair value or cash flows in the future of a financial instrument will fluctuate due to changes in market prices.

The activities of the Corporation are exposed to the market risks of foreign currency risk, interest rate risk, share price risk and fuel price risk.

The sensitivity analyses and evaluations below, which are related to financial position of the Corporation as of 30 June 2015 and 31 December 2014, have been done on the basis of the net debt value. Changes of exchange rates, interest rates, share price used in analyzing the sensitivity are assumed on the basis of the judgments of what can be happen in the next 01 year in the observable conditions of the current market.

Foreign currency risk

Foreign currency risk is the risk that the fair value or cash flows in the future of a financial instrument will fluctuate due to changes in exchange rates.

The Corporation provides and purchases services mainly in the currency unit of USD, EUR, SGD, MYR, JPY and HKD; therefore, it has been influenced by the fluctuation in foreign exchange rates.

The Corporation controls the risk relating to the fluctuations in foreign exchange rate by optimizing the payment terms of debts, forecasting foreign exchange rates, reasonably maintaining the structure of loans and debts between foreign currency and VND, choosing the time of purchase and payment in foreign currencies when the foreign exchange rates are low, optimally using the available money to balance the foreign exchange risk and liquidity risk.

Net assets/ (liabilities) in foreign currencies of the Corporation are presented in attached Appendix 02.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

As of 30 June 2015, on the assumption that other variables are unchanged, if the exchange rates between VND and USD increase/decrease by 2%, the Corporation's accounting profit before tax in the current period will decrease/ increase by VND 21.416.106.163 (the same period of the previous year: decrease/ increase by VND 15.333.224.291).

Risks of the fluctuations of exchange rates between VND and EUR, SGD, MYR, JPY, HKD on the Corporation's profit after tax and owner's equity are not significant.

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of in the future a financial instrument will fluctuate due to changes in market interest rates.

The Corporation's interest rate risk is mainly related to loans at floating interest rates.

The Corporation controls the interest rate risk by analyzing the market situation in order to give appropriate decision on choosing the time for getting loans, choosing appropriate loan terms to get the most favorable interest rates as well as maintaining loan structure with appropriate floating interest rate and fixed interest rate.

The Corporation's financial instruments at floating interest rates are as follows:

	Ending balance		Beginning balance	
	VND	USD	VND	USD
Borrowings	10.315.816.282	162.153,40	30.000.000.000	834.695,48

The effects of the fluctuations of interest rates of the loans in VND and USD at the floating interest rates on the Corporation's accounting profit before tax are not significant.

Securities price risk

The securities held by the Corporation may be affected by the risks in values in the future of these securities. The Corporation manages the share price risk by setting an investment limits and diversifying its investment portfolio.

The Board of Directors thinks that the effects of the fluctuations in securities prices on the Corporation's profit after tax and owner's equity are not significant.

Fuel price risk

The Corporation is exposed to the risk related to fluctuations of fuel prices. The Corporation manages the fuel price risk by following up the market information and related situations to control the time for purchasing fuel and to implement properly hedging transaction against changes in oil price.

Collaterals

Collaterals given to other entities

The Corporation has had available-for-sale financial assets given to other entities of which the book value as of 30 June 2015 and 31 December 2014 is VND 52.008.600.000.

The Corporation's collaterals will be released when financial obligations are fulfilled. There are no special terms and conditions in respect of the uses of these collaterals.

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 6 months of the fiscal year ending 31 December 2015

Notes to the Interim Financial Statements (cont.)

Collaterals received from other entities

The Corporation has not received any collateral from other entities as of 30 June 2015 and 31 December 2014.

Ho Chi Minh City, 06 August 2015

Trương Nhu Nguyễn
Preparer

Nguyễn Minh Nguyệt
Chief Accountant



Đo Văn Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

Appendix 01: Statement on fluctuation in owner's equity

	Capital	Share premiums	Other capital	Investment and development fund	Other funds	Retained earnings	Total
Beginning of the previous year	1,144,216,690,000	2,471,474,474,400	69,388,382,902	34,616,898,799	31,502,833,892	852,558,849,135	4,603,758,129,128
Capital increases in the previous period	17,163,250,000	-	-	-	-	-	17,163,250,000
Profit in the previous period	-	-	-	-	-	71,398,186,297	71,398,186,297
Dividends shared in the previous period	-	-	-	-	-	(139,365,592,800)	(139,365,592,800)
Appropriation for funds	-	-	-	10,197,593,213	10,197,593,213	(36,711,335,567)	(16,316,149,141)
Ending balance of the previous period	1,161,379,940,000	2,471,474,474,400	69,388,382,902	44,814,492,012	41,700,427,105	747,880,107,065	4,536,637,823,484
Beginning balance of the current year	1,161,379,940,000	2,471,474,474,400	69,388,382,902	44,814,492,012	41,700,427,105	831,474,346,858	4,620,232,063,277
Profit in the current period	-	-	-	-	-	72,732,228,113	72,732,228,113
Dividends shared in the current period	-	-	-	-	-	(232,275,988,000)	(232,275,988,000)
Appropriation for funds	-	-	-	7,749,621,305	7,749,621,305	(27,898,636,698)	(12,399,394,088)
Ending balance of the current period	1,161,379,940,000	2,471,474,474,400	69,388,382,902	52,564,113,317	49,450,048,410	644,031,950,273	4,448,288,909,302

Unit: VND

Truong Nhu Nguyen

Truong Nhu Nguyen
Preparer

Nguyen Minh Nguyet

Nguyen Minh Nguyet
Chief Accountant

Ho Chi Minh City, 06 August 2015



Do Van Minh
General Director

GEMADEPT CORPORATION

Address: No. 6 Le Thanh Ton, 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 2015

Appendix 02: Net assets/(liabilities) in foreign currencies

Net assets/(liabilities) in foreign currencies of the Corporation are as follows:

	USD	EUR	SGD	MYR	JPY	HKD
Ending balance						
Cash and cash equivalents	2.697.315,55	111,18	-	-	-	-
Trade receivables	3.048.942,11	-	8.563.548,97	2.378.182,26	-	2.595.108,73
Other receivables	9.425.820,26	-	-	-	-	100.000,00
Borrowings	(52.613.327,92)	-	-	-	-	-
Trade payables	(2.557.814,33)	-	(46.389,19)	-	(5.647.607,96)	-
Other payables	(9.131.713,75)	-	-	-	-	(158.413,00)
Net assets/(liabilities) in foreign currencies	(49.130.778,08)	111,18	8.517.159,78	2.378.182,26	(5.647.607,96)	2.536.695,73
Beginning balance						
Cash and cash equivalents	428.733,51	1.182.201,01	-	-	-	-
Trade receivables	2.194.791,20	-	8.608.848,82	2.705.892,02	-	1.763.841,22
Other receivables	13.906.736,63	-	-	-	-	100.000,00
Borrowings	(52.480.163,15)	-	-	-	-	-
Trade payables	(1.542.471,37)	-	(140,40)	-	-	-
Other payables	(4.103.295,73)	-	-	-	-	(18.656,00)
Net assets/(liabilities) in foreign currencies	(41.595.668,91)	1.182.201,01	8.608.708,42	2.705.892,02	-	1.845.185,22

Ho Chi Minh City, 06 August 2015



Nguyen Minh Nguyet
Chief Accountant

Do Van Minh
General Director



Truong Nhu Nguyen
Preparer