# South Logistics Joint Stock Company

Consolidated financial statements

For the three – month period ended 31 March 2024

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# South Logistics Joint Stock Company

GENERAL INFORMATION

## THE COMPANY

South Logistics Joint Stock Company ("the Company") was originally a State-owned enterprise established in Vietnam in accordance with Decision No. 612TM/TCCB issued by the Ministry of Trade and Business (currently known as the Ministry of Industry and Trade) on 28 May 1993. The Company's original Business Registration Certificate ("BRC") No. 102783 was issued by the Economic Arbitration Board on 16 June 1993 and subsequently amended through BRC No. 4106000166 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 22 May 2006.

On 27 September 2006, the Company was equitized in accordance with Decision No. 1546/QĐ-BTM issued by the Ministry of Trade and Business. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of Enterprise Registration Certificate ("ERC") No. 0300645369 on 29 December 2006, and with its most recent 16th amendment on 19 May 2023.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") in accordance with Decision No. 22/QĐ-SGDHCM issued by the HOSE on 4 February 2010.

The current principal activities of the Company are to provide inland cargo transport services; warehousing, bonded warehousing, ports, factories, offices; cargo handling, international freight forwarding services, sea, air and multimodal transport services; shipping agent, trans-shipment services, logistics services, customs services, courier services, CFS (collection, delivery), ICD (inland port), logistics centre, forwarding services for goods in transit and trans-shipment; and fuel agent services and oil/gasoline and chemical trading (except noxious chemical); and to trade, renew and repair iron or plastic barrels, and to trade in transport equipment.

The head office of the Company is located at 1B Hoang Dieu, Ward 13, District 4, Ho Chi Minh City, Vietnam.

## BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

| | |
|---|---|
| Mr. Tran Tuan Anh | Chairman |
| Mr. Nguyen Quoc Thuc | Deputy Chairman |
| Mr. Dang Vu Thanh | Member |
| Mr. Do Le Hung | Member |
| Mr. Lee Kian Huat | Member |
| Mr. Kelvin Lim Chia Siong | Member |
| Ms. Seow Hwee | Member |

## AUDIT COMMITTEE

Members of the Audit Committee during the year and at the date of this report are:

| | |
|---|---|
| Mr. Do Le Hung | Head |
| Mr. Nguyen Quoc Thuc | Member |

## MANAGEMENT

Members of the management during the year and at the date of this report are:

| | |
|---|---|
| Mr. Dang Vu Thanh | General Director |
| Mr. Kelvin Lim Chia Siong | Deputy General Director |

## LEGAL REPRESENTATIVE

The company's legal representative during the year and at the date of this report is Mr. Dang Vu Thanh.

CONSOLIDATED BALANCE SHEET
as at 31 March 2025

*VND*

| Code | ASSETS | Notes | Ending balance | Beginning balance |
|---|---|---|---|---|
| **100** | **A. CURRENT ASSETS** | | **1,050,902,171,143** | **1,127,107,316,081** |
| **110** | **I. Cash and cash equivalents** | 5 | **394,465,783,097** | **507,906,898,731** |
| 111 | 1. Cash | | 129,115,783,097 | 108,806,898,731 |
| 112 | 2. Cash equivalents | | 265,350,000,000 | 399,100,000,000 |
| **120** | **II. Short-term investments** | 6 | **91,085,928,093** | **86,485,928,093** |
| 121 | 1. Held-for-trading securities | | 683,872,558 | 683,872,558 |
| 122 | 2. Provision for diminution in value of held-for-trading securities | | (117,944,465) | (117,944,465) |
| 123 | 3. Held-to-maturity investments | | 90,520,000,000 | 85,920,000,000 |
| **130** | **III. Current accounts receivable** | 7 | **496,104,681,862** | **478,504,724,498** |
| 131 | 1. Short-term trade receivables | | 417,349,092,234 | 412,094,746,818 |
| 132 | 2. Short-term advances to suppliers | | 38,410,100,825 | 36,084,994,598 |
| 136 | 3. Other short-term receivables | | 139,106,778,796 | 129,686,273,075 |
| 137 | 4. Provision for doubtful debts | | (98,761,289,993) | (99,361,289,993) |
| **140** | **IV. Inventories** | 8 | **41,000,284,811** | **36,288,014,193** |
| 141 | 1. Inventories | | 41,000,284,811 | 36,288,014,193 |
| **150** | **V. Other current assets** | | **28,245,493,280** | **17,921,750,566** |
| 151 | 1. Short-term prepaid expenses | 9 | 7,153,786,117 | 6,416,900,968 |
| 152 | 2. Value-added tax deductible | 18 | 21,077,249,599 | 11,496,849,592 |
| 153 | 3. Tax and other receivables from the State | 18 | 14,457,564 | 8,000,006 |

CONSOLIDATED BALANCE SHEET (continued)
as at 31 March 2025

*VND*

| Code | ASSETS | Notes | Ending balance | Beginning balance |
|---|---|---|---|---|
| **200** | **B. NON-CURRENT ASSETS** | | **2,037,394,506,858** | **1,925,076,024,255** |
| **210** | **I. Non-current receivables** | | **3,664,259,152** | **3,469,969,752** |
| 216 | 1. Other long-term receivables | 10 | 3,664,259,152 | 3,469,969,752 |
| **220** | **II. Fixed assets** | | **1,069,980,424,510** | **1,105,000,074,764** |
| 221 | 1. Tangible fixed assets | 11 | 949,098,782,231 | 981,511,829,319 |
| 222 | Cost | | 2,274,378,086,464 | 2,274,344,251,132 |
| 223 | Accumulated depreciation | | (1,325,279,304,233) | (1,292,832,421,813) |
| 224 | 2. Finance lease | 13 | 72,585,049,687 | 74,445,133,924 |
| 225 | Cost | | 94,544,645,726 | 94,544,645,726 |
| 226 | Accumulated depreciation | | (21,959,596,039) | (20,099,511,802) |
| 227 | 3. Intangible fixed assets | 12 | 48,296,592,592 | 49,043,111,521 |
| 228 | Cost | | 97,269,951,300 | 97,269,951,300 |
| 229 | Accumulated amortisation | | (48,973,358,708) | (48,226,839,779) |
| **240** | **IV. Long term assets in progress** | 14 | **295,950,337,266** | **149,289,926,305** |
| 242 | 1. Long term construction in progress | | 295,950,337,266 | 149,289,926,305 |
| **250** | **V. Long-term investments** | 15 | **613,053,972,994** | **606,195,211,847** |
| 252 | 1. Investments in associates | | 611,424,848,355 | 604,566,087,208 |
| 253 | 2. Investment in other entities | | 1,629,124,639 | 1,629,124,639 |
| **260** | **IV. Other long-term assets** | | **54,745,512,936** | **61,120,841,587** |
| 261 | 1. Long-term prepaid expenses | 9 | 29,521,160,964 | 33,490,320,019 |
| 262 | 2. Deferred tax assets | | 14,350,368,515 | 14,193,896,010 |
| 269 | 3. Goodwill | 4 | 10,873,983,457 | 13,436,625,558 |
| **270** | **TOTAL ASSETS** | | **3,088,296,678,001** | **3,052,183,340,336** |

CONSOLIDATED BALANCE SHEET (continued)
as at 31 March 2025

*VND*

| Note | RESOURCES | Notes | Ending balance | Beginning balance |
|---|---|---|---|---|
| **300** | **C. LIABILITIES** | | **631,497,606,264** | **652,348,496,098** |
| **310** | **I. Current liabilities** | | **508,004,379,250** | **526,500,411,542** |
| 311 | 1. Short-term trade payables | 16 | 138,603,115,178 | 127,521,300,017 |
| 312 | 2. Short-term advances from customers | 17 | 4,771,265,702 | 3,448,810,660 |
| 313 | 3. Statutory obligations | 18 | 30,129,722,761 | 26,063,209,516 |
| 314 | 4. Payables to employees | | 26,257,560,695 | 31,972,375,091 |
| 315 | 5. Short-term accrued expenses | | 28,263,167,421 | 25,314,153,944 |
| 318 | 6. Short-term unearned revenues | 19 | 37,848,524,585 | 37,594,234,725 |
| 319 | 7. Other short-term payables | 20 | 126,542,520,442 | 127,660,305,327 |
| 320 | 8. Short-term loan and finance lease | 21 | 107,036,994,241 | 135,964,190,631 |
| 321 | 9. Short-term provision | | - | 1,063,675,238 |
| 322 | 10. Bonus and welfare fund | | 8,551,508,225 | 9,898,156,393 |
| **330** | **II. Non-current liabilities** | | **123,493,227,014** | **125,848,084,556** |
| 337 | 1. Other long-term liabilities | 20 | 40,741,820,000 | 41,772,916,501 |
| 338 | 2. Long-term loans and finance lease obligations | 21 | 77,194,080,616 | 78,515,219,488 |
| 341 | 3. Deferred tax liabilities | 31 | 2,422,892,213 | 2,425,514,382 |
| 342 | 4. Other long-term provisions | 22 | 3,134,434,185 | 3,134,434,185 |
| **400** | **D. OWNERS' EQUITY** | 23 | **2,456,799,071,737** | **2,399,834,844,238** |
| **410** | **I. Capital** | | **2,456,799,071,737** | **2,399,834,844,238** |
| 411 | 1. Contributed charter capital/Share capital | | 982,533,570,000 | 982,533,570,000 |
| 411a | - Shares with voting rights | | 982,533,570,000 | 982,533,570,000 |
| 412 | 2. Share premium | | (2,033,034,900) | (2,033,034,900) |
| 414 | 3. Other owners' capital | | (54,497,407,794) | (54,497,407,794) |
| 414b | - Consolidation reserve | | (54,497,407,794) | (54,497,407,794) |
| 418 | 4. Investment and development fund | | 2,849,526,349 | 2,849,526,349 |
| 421 | 5. Undistributed earnings/ Accumulated losses | | 1,400,719,238,113 | 1,344,221,277,119 |
| 421a | - Undistributed earnings/Accumulated losses up to prior year-end | | 1,344,221,277,118 | 1,151,205,822,308 |
| 421b | - Net profit/loss after tax this period | | 56,497,960,995 | 193,015,454,811 |
| 429 | 6. Non-controlling interests | 24 | 127,227,179,969 | 126,760,913,464 |
| **440** | **TOTAL LIABILITIES AND OWNERS' EQUITY** | | **3,088,296,678,001** | **3,052,183,340,336** |

**Hoang Thi Anh Thu**
Preparer

**Nguyen Mai Khanh Trinh**
Financial Director cum
Chief Accountant

**Dang Vu Thanh**
General Director

24 April 2025

CONSOLIDATED INCOME STATEMENT
for the three – month period ended 31 March 2025

*VND*

| Code | ITEMS | Notes | 1st Quarter | | Accumulated to the end of the period | |
|---|---|---|---|---|---|---|
| | | | Current period | Previous period | Current period | Previous period |
| 1 | 1. Revenue from sale of goods and rendering of services | 25 | 556,920,342,035 | 475,804,815,780 | 556,920,342,035 | 475,804,815,780 |
| 2 | 2. Deductions of sale | 25 | - | - | - | - |
| 10 | 3. Net revenue from sale of goods and rendering of services | 25 | 556,920,342,035 | 475,804,815,780 | 556,920,342,035 | 475,804,815,780 |
| 11 | 4. Cost of goods sold and services rendered | 26 | (455,051,316,452) | (391,482,512,070) | (455,051,316,452) | (391,482,512,070) |
| 20 | 5. Gross profit/(loss) from sale of goods and rendering of services | | 101,869,025,583 | 84,322,303,710 | 101,869,025,583 | 84,322,303,710 |
| 21 | 6. Finance income | 25 | 4,721,820,817 | 3,508,234,133 | 4,721,820,817 | 3,508,234,133 |
| 22 | 7. Finance expenses | 27 | (5,035,306,279) | (2,539,469,111) | (5,035,306,279) | (2,539,469,111) |
| 23 | *- In which: Interest expense* | | *(3,944,695,282)* | *(2,320,529,030)* | *(3,944,695,282)* | *(2,320,529,030)* |
| 24 | 8. Shares of profit/(loss) of associates, joint-ventures | | 21,858,761,147 | 19,123,483,347 | 21,858,761,147 | 19,123,483,347 |
| 25 | 9. Selling expenses | 28 | (23,513,990,142) | (18,306,461,028) | (23,513,990,142) | (18,306,461,028) |
| 26 | 10. General and administrative expenses | 28 | (30,462,266,935) | (31,467,572,762) | (30,462,266,935) | (31,467,572,762) |
| 30 | 11. Operating profit/(loss) | | 69,438,044,191 | 54,640,518,289 | 69,438,044,191 | 54,640,518,289 |
| 31 | 12. Other income | 29 | 1,894,294,033 | 2,117,651,870 | 1,894,294,033 | 2,117,651,870 |
| 32 | 13. Other expenses | 29 | (1,187,308,236) | (70,751,729) | (1,187,308,236) | (70,751,729) |
| 40 | 14. Other profit/ (loss) | | 706,985,797 | 2,046,900,141 | 706,985,797 | 2,046,900,141 |
| 50 | 15. Accounting profit/ (loss) before tax | | 70,145,029,988 | 56,687,418,430 | 70,145,029,988 | 56,687,418,430 |
| 51 | 16. Current corporate income tax expense | 31.1 | (13,140,404,735) | (10,741,598,084) | (13,140,404,735) | (10,741,598,084) |
| 52 | 17. Deferred income tax income/ (expense) | 31.3 | (40,397,754) | (250,527,501) | (40,397,754) | (250,527,501) |
| 60 | 18. Net profit/ (loss) after tax | | 56,964,227,499 | 45,695,292,845 | 56,964,227,499 | 45,695,292,845 |
| 61 | 19. Net profit/ (loss) after tax attributable to shareholders of the parent | | 56,497,960,995 | 43,074,581,861 | 56,497,960,995 | 43,074,581,861 |
| 62 | 20. Net profit/ (loss) after tax attributable to non-controlling interests | 24 | 466,266,504 | 2,620,710,984 | 466,266,504 | 2,620,710,984 |
| 70 | 21. Basic earnings per share | 23.4 | 575 | 438 | 575 | 438 |
| 71 | 22. Diluted earnings per share | 23.4 | 575 | 438 | 575 | 438 |

**Hoang Thi Anh Thu**
Preparer

**Nguyen Mai Khanh Trinh**
Financial Director cum
Chief Accountant

CÔNG TY CỔ PHẦN KHO VẬN MIỀN NAM

**Dang Vu Thanh**
General Director

24 April 2025

CONSOLIDATED CASH FLOW STATEMENT
for the three – month period ended March 2025

*VND*

| *Code* | *ITEMS* | *Notes* | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | | | Current period | Previous period |
| | **I, CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| 1 | **1, Income/(loss) before tax** | | **70,145,029,988** | **56,687,418,430** |
| | 2, Adjustments for: | | | |
| 2 | Depreciation and amortisation | 4,11, 12,13 | 37,616,127,686 | 32,778,228,262 |
| 3 | Provisions | | (1,663,675,238) | (905,262,759) |
| 4 | Foreign exchange (gains)/losses arising from revaluation of monetary accounts denominated in monetary currency | | - | (206,717,070) |
| 5 | (Profits)/losses from investing activity/fixed assets disposal | | (26,104,582,334) | (22,662,019,012) |
| 6 | Interest expenses | 27 | 3,944,695,282 | 2,320,529,030 |
| 8 | **3, Operating income/(loss) before changes in working capital** | | **83,937,595,384** | **68,012,176,881** |
| 9 | (Increase)/decrease in receivables | | 866,692,567 | (46,125,177,000) |
| 10 | (Increase)/decrease in inventories | | (4,712,270,618) | (2,451,352,347) |
| 11 | Increase/(decrease) in payables (excluding interest payable, EIT payables) | | 20,535,584,502 | 17,667,587,892 |
| 12 | (Increase)/decrease in prepaid expenses | | 3,232,273,906 | 6,327,504,262 |
| 13 | (Increase)/decrease in held-for-trading securities | | - | - |
| 14 | Interest paid | | (3,898,260,899) | (1,637,535,040) |
| 15 | Enterprise income tax paid | 18 | (21,912,032,617) | (32,459,793,712) |
| 16 | Other cash inflows from operating activities | | - | - |
| 17 | Other cash outflows from operating activities | | (1,346,648,168) | (974,195,083) |
| 20 | **Net cash from/(used in) operating activities** | | **76,702,934,057** | **8,359,215,853** |
| | **II, CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| 21 | Purchase of fixed assets and other long-term assets | | (160,464,104,742) | (15,423,333,625) |
| 23 | Loans to other entities and payments for purchase of debt instruments of other entities | | (4,600,000,000) | (5,700,000,000) |
| 24 | Collections from borrowers and proceeds from sale of debt instruments of other entities | | - | 7,400,000,000 |
| 27 | Interest and dividends received | | 5,168,390,313 | 3,389,596,087 |
| 28 | Tiền thu từ hoạt động hợp nhất kinh doanh | | - | - |
| 30 | **Net cash from/(used in) investing activities** | | **(159,895,714,429)** | **(10,333,737,538)** |

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the three – month period ended March 2025

*VND*

| *Code* | *ITEMS* | *Notes* | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | | | Current period | Previous period |
| | **III, CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| 33 | Drawdown of borrowings | 21 | 21,130,535,103 | - |
| 34 | Repayment of borrowings | 21 | (47,901,350,365) | (6,357,452,083) |
| 35 | Payment of principal of finance lease liabilities Payment of finance lease liabilities | | (3,477,520,000) | (2,559,820,000) |
| 40 | **Net cash from/(used in) financing activities** | | **(30,248,335,262)** | **(8,917,272,083)** |
| 50 | **Net increase/(decrease) in cash** | | **(113,441,115,634)** | **(10,891,793,768)** |
| 60 | **Cash and cash equivalents at beginning of year/ (period)** | | **507,906,898,731** | **606,879,728,298** |
| 61 | Impact of exchange rate fluctuation | | - | **208,454,918** |
| 70 | **Cash and cash equivalents at end of year/(period)** | 5 | **394,465,783,097** | **596,196,389,448** |

**Hoang Thi Anh Thu**
Preparer

**Nguyen Mai Khanh Trinh**
Financial Director cum
Chief Accountant

**Dang Vu Thanh**
General Director

24 April 2025

## 1. CORPORATE INFORMATION

The Group consists of South Logistics Joint Stock Company ("the Company") and its subsidiaries, jointly-controlled entities and associates as follows:

***The Company***

The Company was originally a State-owned enterprise established in Vietnam in accordance with Decision No. 612TM/TCCB issued by the Ministry of Trade and Business (currently known as the Ministry of Industry and Trade) dated 28 May 1993. The Company's original Business Registration Certificate ("BRC") No. 102783 was issued by the Economic Arbitration Board on 16 June 1993 and subsequently amended through BRC No. 4106000166 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 22 May 2006.

On 27 September 2006, the Company was equitized in accordance with Decision No. 1546/QĐ-BTM issued by the Ministry of Trade and Business. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of Enterprise Registration Certificate ("ERC") No. 0300645369 on 29 December 2006, and with its most recent 16th amendment on 19 May 2023.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") in accordance with the Decision No. 22/QĐ-SGDHCM issued by the HOSE on 4 February 2010.

The current principal activities of the Company are to provide inland cargo transport services; warehousing, bonded warehousing, ports, factories, offices; cargo handling, international freight forwarding services, sea, air and multimodal transport services; shipping agent, trans-shipment services, logistics services, customs services, courier services, CFS (collection, delivery), ICD (inland port), logistics centre, forwarding services for goods in transit and trans-shipment; fuel agent services, oil/gasoline and chemical trading (except noxious chemical); and to trade, renew and repair iron or plastic barrels, and to trade in transport equipment.

The Company's normal course of business cycle is 12 months

The head office of the Company is located at No. 1B Hoang Dieu, Ward 13, District 4, Ho Chi Minh City, Vietnam.

The number of the Group's employees as of 31 March 2025 was 1,168 (31 December 2024: 1,170).

## 1. CORPORATE INFORMATION (continued)

***Corporate structure***

As of 31 March 2025, the Group's corporate structure included eight (9) direct and indirect subsidiaries and six (6) jointly-controlled entities and associates. Details are as follows:

***Subsidiaries***

| *Name* | *Head office* | *Business activity* | *Ending balance* | | *Beginning balance* | |
|---|---|---|---|---|---|---|
| | | | *Percentage of ownership of the Company (%)* | *Voting rights of the Company (%)* | *Percentage of ownership of the Company (%)* | *Voting rights of the Company (%)* |
| (1) Sotrans Infrastructure Investment One Member Company Limited | Ho Chi Minh City | Logistics | 100.00 | 100.00 | 100.00 | 100.00 |
| (2) Vietranstimex Multimodal Transport Holding Company | Ho Chi Minh City | Logistics | 93.17 | 93.17 | 93.17 | 93.17 |
| (3) Sotrans Logistics One Member Company Limited | Ho Chi Minh City | Logistics | 100.00 | 100.00 | 100.00 | 100.00 |
| (4) South Port Joint Stock Company | Ho Chi Minh City | Petroleum Trading | 99.99 | 99.99 | 99.99 | 99.99 |
| (5) Southern Waterborne Transport Corporation | Ho Chi Minh City | Port services | 93.34 | 93.34 | 93.34 | 93.34 |
| (6) Engineering Construction Joint Stock Company | Ho Chi Minh City | Building civil engineering work | 92.43 | 99.02 | 92.43 | 99.02 |
| (7) Can Tho Shipyard Joint Stock Company | Can Tho City | Shipbuilding and float components | 65.34 | 70.00 | 65.34 | 70.00 |
| (8) Southern Waterway Mechanic and Engineering Services Joint Stock Company | Ho Chi Minh City | Building civil engineering work | 47.60 | 51.00 | 47.60 | 51.00 |
| (9) Sowatco Tri Phuong Joint Stock Company | Bac Ninh | Port services | 93.34 | 99.997 | 93.34 | 99.997 |

## 1. CORPORATE INFORMATION (continued)

***Corporate structure*** (continued)

***Jointly controlled-entities and associates***

| *Name* | *Head office* | *Business activity* | *Ending balance* | | *Beginning balance* | |
|---|---|---|---|---|---|---|
| | | | *Percentage of ownership* (%) | *Voting rights* (%) | *Percentage of ownership* (%) | *Voting rights* (%) |
| (1) The Pier Real Estate Development Corporation ("The Pier") | Ho Chi Minh city | Real estate | 50.00 | 50.00 | 50.00 | 50.00 |
| (2) SORECO Real Estate Development Company Limited ("SORECO") | Ho Chi Minh city | Real estate | 50.00 | 50.00 | 50.00 | 50.00 |
| (3) First Logistics Development Joint Venture Company ("VICT") | Ho Chi Minh city | Logistics | 34.54 | 37.00 | 34.54 | 37.00 |
| (4) Southern Waterways General Service Joint Stock Company ("SOWATCOSER") | Ho Chi Minh city | Logistics | 24.52 | 26.27 | 24.52 | 26.27 |
| (5) Dong Nai Port Joint Stock Company ("PDN") | Dong Nai Province | Port services | 18.90 | 20.25 | 18.90 | 20.25 |
| (6) 747 Engineering Construction and Trading Joint Stock Company ("SOWATCO-ECO 747") | Nghe An Province | Railway and highway construction | - | - | - | - |

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

### 2.3 *Fiscal year*

The Group's fiscal year applicable for the preparation of its financial statement starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The Group's consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

A subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group's shareholders and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without loss of control, is recorded in undistributed earnings.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

### 3.2 *Inventories*

Inventories are measured at their historical costs. The costs of inventories comprise cost of purchase and cost of conversion (including raw materials, direct labor cost, other directly related cost and manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost and net realizable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories mainly including raw material, merchandise goods and work-in process, which are valued as follows:

| | |
|---|---|
| Raw materials and merchandise goods | - cost of purchase on a first in first out basis. |
| Work-in process | - cost of direct materials and labour on a first in first out basis, cost of sub-contracts on specific identification basis. |

*Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc.) of merchandise goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.
Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

### 3.3 *Receivables*

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful receivables.

The provision for doubtful receivables represents outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded into the general and administration expense account in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions and improvements are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 3.5 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions and improvements are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.
When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

### 3.6 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Group is the lessee*

Assets held under finance leases are capitalised in the interim consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the interim consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful live of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

*Where the Group is the lessor*

Assets subject to operating leases are included as the Company's fixed assets in the interim consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim consolidated statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

### 3.7 *Intangible assets*

Depreciation and amortisation of fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

| | |
|---|---|
| Buildings and structures | 6 - 40 years |
| Machinery and equipment | 6 - 10 years |
| Means of transportation | 6 - 10 years |
| Office equipment | 3 - 5 years |
| Computer software | 5 years |
| Website | 5 years |
| Land lease advantage | 2 - 38 years |

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

***3.8 Construction in progress***

Construction in progress represents tangible fixed assets under construction and is stated at cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into use.

***3.9 Borrowing costs***

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of loans and are recorded as expense during the year in which they are incurred.

***3.10 Prepaid expenses***

Prepaid expenses are reported either as short-term or long-term prepaid expenses in the consolidated balance sheet and amortised over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

Expenditures on fixed asset overhaul arising with large value are recorded as long-term prepaid expense and amortised to the consolidated income statements over three years.

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contract signed with Department Natural Resources and Environment of Ho Chi Minh City on 31 January 2008 and on 1 July 2008 for a period of 3 years. Such prepaid rental is recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 providing guidance on management, use and depreciation of fixed assets.

***3.11 Investments***

The Group's investment in associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associates.

The share of post-acquisition profit (loss) of the associate is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend or profit sharing received or receivable from associate reduce the carrying amount of the investment.

The financial statements of the associate are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

*Investment in jointly-controlled entities*

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint venture changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

3. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)*

The share of profit (loss) of the jointly controlled entity is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from jointly controlled entities reduces the carrying amount of the investment.

The financial statements of the jointly-controlled entity is prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

*Held-for-trading securities and investment in other entities*

Held-for-trading securities and investment in other entities are stated at their acquisition costs.

### 3.12 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

### 3.13 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at Group/Corporation. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting year following the average monthly salary of the last 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

### 3.14 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual exchange rates at transaction dates, determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet date, determined as follows:

- Monetary assets are translated at the buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement:

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 3.15 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnamese regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit after tax as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

*Investment and development fund*

This fund is set aside for use in the Group's expansion or upgrading of its operation or in-depth investments.

*Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability in the consolidated balance sheet.

*Dividends*

Dividends are recognised as a liability in the consolidated balance sheet upon approval by the shareholders at the Annual General Meeting and subsequent declaration by the Group's Board of Directors.

### 3.16 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

### 3.17 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

*Sale of goods*

Revenue is recognised when the significant risks and rewards of owhership of the goods have passed to the buyer, usually upon the delivery of the goods.

*Rendering of services*

Revenue is recognised when the services had been performed and completed.

*Interest*

Revenue is recognised as the interest accrues unless collectability is in doubt.

*Rental income*

Rental income arising from operating leases is accounted in the consolidated income statement on a straight-line basis over the lease term.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Dividends*

Income is recognised when the Group's entitlement as an investor to receive the dividend is established

***3.18 Taxation***

*Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

*Deferred tax*

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences and carried forward unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### *3.19 Business combination and goodwill*

Business combinations are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of acquisition, irrespective of the extent of any non-controlling shareholders.

Goodwill is initially measured at cost being the excess of the cost of the business combination over the Group's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

After initial recognition, goodwill is measured at cost less accumulated amortisation. Amortisation of goodwill is calculated on a straight-line basis over ten (10) years during which the source embodying economic benefits are recovered by the Group. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

### *3.20 Related parties*

Parties are considered to be related parties of the Group if one party has the ability, direct or indirect to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

## 4. GOODWILL

Goodwill is amortised on a straight-line basis over ten years from the acquisition date, as follows:

| | *Sowatco* | *Vietranstimex* | *VND Total* |
|---|---|---|---|
| **Cost** | | | |
| Beginning balance | 77,569,081,610 | 24,936,602,386 | 102,505,683,996 |
| Ending balance | 77,569,081,610 | 24,936,602,386 | 102,505,683,996 |
| **Accumulated amortisation** | | | |
| Beginning balance | (67,872,946,408) | (21,196,112,030) | (89,069,058,438) |
| Amortisation for the year | (1,939,227,040) | (623,415,060) | (2,562,642,100) |
| Ending balance | (69,812,173,448) | (21,819,527,090) | (91,631,700,538) |
| **Net carrying amount** | | | |
| Beginning balance | 9,696,135,202 | 3,740,490,356 | 13,436,625,558 |
| Ending balance | 7,756,908,162 | 3,117,075,296 | 10,873,983,457 |

## 5. CASH AND CASH EQUIVALENTS

| | *Ending balance* | *VND Beginning balance* |
|---|---|---|
| Cash on hand | 4,164,714,293 | 3,443,862,055 |
| Cash in banks | 124,951,068,804 | 105,363,036,676 |
| Cash equivalents | 265,350,000,000 | 399,100,000,000 |
| **TOTAL** | **394,465,783,097** | **507,906,898,731** |

## 6. SHORT-TERM INVESTMENTS

### 6.1 *Held-for-trading securities*

*VND*

| | *Ending balance* | | | *Beginning balance* | | |
|---|---|---|---|---|---|---|
| | *Cost* | *Provision* | *Fair value* | *Cost* | *Provision* | *Fair value* |
| *Simco Song Da Joint Stock Company* | *126,752,447* | *(117,469,247)* | *9,283,200* | *126,752,447* | *(117,469,247)* | *12,764,400* |
| *Other shares* | *1,120,111* | *(475,218)* | *644,893* | *1,120,111* | *(475,218)* | *1,141,250* |
| *Phong Phu Corporation* | 556,000,000 | - | 688,521,739 | *556,000,000* | - | *688,521,739* |
| **TOTAL** | **683,872,558** | **(117,944,465)** | **698,449,832** | **683,872,558** | **(117,944,465)** | **698,449,832** |

## 6. SHORT-TERM INVESTMENTS (continued)

### 6.2 *Held-to-maturity investment*

This comprises bank deposits at Vietnam Joint Stock Commercial Bank For Industry and Trade – Ho Chi Minh Branch with twelve (12) months maturity and interest at rates ranging from 2.3% to 5.3% per annum. A term deposit amounting to VND 50,000,000,000 was placed as collateral for the Group's long-term bank loans.

## 7. SHORT-TERM ACCOUNTS RECEIVABLE

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| **Short-term trade receivables** | | |
| Due from related parties | 13,457,337,424 | 30,719,773,938 |
| Due from customers | 403,891,754,810 | 381,374,972,880 |
| | 417,349,092,234 | 412,094,746,818 |
| **Short-term advances to suppliers** | | |
| Cam Anh Trading Construction One Member Company Limited | 8,773,817,614 | 8,773,817,614 |
| Due from others customers | 29,636,283,211 | 27,311,176,984 |
| | 38,410,100,825 | 36,084,994,598 |
| **Other short-term receivables** | | |
| Staff advance | 8,979,358,060 | 8,841,137,396 |
| Deposits | 10,134,427,868 | 15,535,118,202 |
| Receivables from agencies for payroll and social insurance of crew members | 1,438,140,774 | 1,438,140,774 |
| Interest receivable from bank term deposits | 1,445,205,478 | 1,674,821,917 |
| Due from related parties | 15,144,000,000 | 23,722,880,676 |
| Others | 101,965,646,616 | 77,889,078,730 |
| | 139,106,778,796 | 129,101,177,695 |
| Provision for doubtful short-term accounts rece | (98,761,289,993) | (98,776,194,613) |
| **NET** | **496,104,681,862** | **478,504,724,498** |

Movements of provision for doubtful short-term receivables were as follows:

*VND*

| | *Current period* | *Previous period* |
|---|---|---|
| Beginning balance | 99,361,289,993 | 71,870,969,662 |
| Provision created during the year | - | 30,412,053,831 |
| Utilisation and reversal of provision during the year | (600,000,000) | (2,921,733,500) |
| Ending balance | 98,761,289,993 | 99,361,289,993 |

## 8. INVENTORIES

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| Work in process | 22,039,713,537 | 17,976,741,167 |
| Raw materials | 17,689,190,412 | 16,268,936,432 |
| Goods in transit | 636,909,091 | 964,454,546 |
| Merchandise goods | 380,020,045 | 936,625,409 |
| Tools and supplies | 254,451,726 | 141,256,639 |
| **TOTAL** | **41,000,284,811** | **36,288,014,193** |
| Provision for obsolete inventories | - | - |
| **TOTAL** | **41,000,284,811** | **36,288,014,193** |

## 9. PREPAID EXPENSES

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| **Short-term** | | |
| Land and office rental | 895,358,527 | 144,385,714 |
| Insurance fee | 2,155,245,893 | 1,281,215,700 |
| Tools and equipment | 2,215,032,327 | 2,314,756,494 |
| Others | 1,888,149,370 | 2,676,543,060 |
| | **7,153,786,117** | **6,416,900,968** |
| **Long-term** | | |
| Land and warehouse rental | 10,200,148,203 | 12,698,973,832 |
| Office renovation | 5,575,232,105 | 9,128,603,196 |
| Business restructuring services | - | - |
| Tools and equipment | 11,435,096,961 | 11,134,503,389 |
| Others | 2,310,683,695 | 528,239,602 |
| | **29,521,160,964** | **33,490,320,019** |
| **TỔNG CỘNG** | **36,674,947,081** | **39,907,220,987** |

## 10. OTHER LONG-TERM RECEIVABLE

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| Long-term deposits | 3,664,259,152 | 3,469,969,752 |
| **TOTAL** | **3,664,259,152** | **3,469,969,752** |

## 11. TANGIBLE FIXED ASSETS

VND

| | *Buildings and structures* | *Machinery and equipment* | *Means of transportation* | *Office equipment* | *Total* |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| Beginning balance | 870,427,105,767 | 208,471,859,912 | 1,188,703,964,906 | 6,741,320,547 | 2,274,344,251,132 |
| Consolidated | 33,835,332 | - | - | - | 33,835,332 |
| Ending balance | 870,460,941,099 | 208,471,859,912 | 1,188,703,964,906 | 6,741,320,547 | 2,274,378,086,464 |
| *In which:* | | | | | |
| *Fully depreciated* | 59,572,036,535 | 45,975,459,946 | 403,012,492,242 | 3,198,974,745 | *511,758,963,468* |
| **Accumulated depreciation** | | | | | |
| Beginning balance | (329,249,094,075) | (137,149,305,108) | (820,293,228,951) | (6,140,793,679) | (1,292,832,421,813) |
| Depreciation for the period | (10,505,658,569) | (5,134,837,875) | (16,748,327,393) | (58,058,583) | (32,446,882,420) |
| Ending balance | (339,754,752,644) | (142,284,142,983) | (837,041,556,344) | (6,198,852,262) | (1,325,279,304,233) |
| **Net carrying amount** | | | | | |
| Beginning balance | 541,178,011,692 | 71,322,554,804 | 368,410,735,955 | 600,526,868 | 981,511,829,319 |
| Ending balance | 530,706,188,455 | 66,187,716,929 | 351,662,408,562 | 542,468,285 | 949,098,782,231 |

## 12. INTANGIBLE ASSETS

| | *Land use rights* | *Computer softwares* | *Land lease advantage* | *VND Total* |
|---|---|---|---|---|
| **Cost** | | | | |
| Beginning balance | 37,648,585,981 | 21,530,532,475 | 38,090,832,844 | 97,269,951,300 |
| Ending balance | 37,648,585,981 | 21,530,532,475 | 38,090,832,844 | 97,269,951,300 |
| **Accumulated depreciation** | | | | |
| Beginning balance | (2,397,359,065) | (9,118,729,300) | (36,710,751,414) | (48,226,839,779) |
| Depreciation for the period | (130,464,798) | (602,943,285) | (13,110,846) | (746,518,929) |
| Ending balance | (2,527,823,863) | (9,721,672,585) | (36,723,862,260) | (48,973,358,708) |
| **Net carrying amount** | | | | |
| Beginning balance | 35,251,226,916 | 12,411,803,175 | 1,380,081,430 | 49,043,111,521 |
| Ending balance | 35,120,762,118 | 11,808,859,890 | 1,366,970,584 | 48,296,592,592 |

## 13. FINANCE LEASES

VND

| | *Means of transportation* | *Total* |
|---|---|---|
| **Cost** | | |
| Beginning balance | 94,544,645,726 | 94,544,645,726 |
| New purchases | - | - |
| Ending balance | 94,544,645,726 | 94,544,645,726 |
| **Accumulated depreciation** | | |
| | (20,099,511,802) | (20,099,511,802) |
| Depreciation for the period | (1,860,084,237) | (1,860,084,237) |
| Ending balance | (21,959,596,039) | (21,959,596,039) |
| **Net carrying amount** | | |
| Beginning balance | 74,445,133,924 | 74,445,133,924 |
| Ending balance | 72,585,049,687 | 72,585,049,687 |

## 14. CONSTRUCTION IN PROGRESS

VND

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| ICD Port's upgrade | 9,201,808,247 | 9,201,808,247 |
| New ship buildng and conversion | 45,498,278,343 | 41,617,241,537 |
| Factory construction | 240,893,680,372 | 98,382,024,621 |
| Others | 356,570,304 | 88,851,900 |
| **TOTAL** | **295,950,337,266** | **149,289,926,305** |

## 15. LONG-TERM INVESTMENTS

### *15.1 Investment in jointly-controlled entities and associates*

| | *Carrying value* | | | |
|---|---|---|---|---|
| | *Ending balance VND* | *Interest %* | *Beginning balance VND* | *Interest %* |
| SORECO | 9,920,837,041 | 50.00 | 9,920,837,041 | 50.00 |
| THE PIER | 9,935,541,268 | 50.00 | 9,935,541,268 | 50.00 |
| VICT | 128,911,059,735 | 34.54 | 127,129,860,909 | 34.54 |
| SOWATCOSER | 2,940,307,568 | 24.49 | 2,940,307,568 | 24.49 |
| PDN | 459,717,102,743 | 18.90 | 454,639,540,422 | 18.90 |
| **TOTAL** | **611,424,848,355** | | **604,566,087,208** | |

## 15. ĐẦU TƯ TÀI CHÍNH DÀI HẠN (tiếp theo)

### 15.1 *Investment in jointly-controlled entities and associates* (continued)

The carrying values of the Group's respective investment in jointly controlled entities and associates were as follows:

*VND*

| | *SORECO* | *The Pier* | *SOWATCOSER* | *VICT* | *Dong Nai Port* | *Tổng cộng* |
|---|---|---|---|---|---|---|
| **Cost of investment** | | | | | | |
| Beginning balance | 10,000,000,000 | 10,000,000,000 | 3,039,240,000 | 155,730,813,876 | 293,737,601,250 | 472,507,655,126 |
| Ending balance | 10,000,000,000 | 10,000,000,000 | 3,039,240,000 | 155,730,813,876 | 293,737,601,250 | 472,507,655,126 |
| **Accumulated share in profit (loss) of jointly controlled entities and associates** | | | | | | |
| Beginning balance | (79,162,959) | (64,458,732) | (98,932,432) | (28,600,952,967) | 160,901,939,172 | 132,058,432,082 |
| Share in (loss) profit during the year | | | | 1,781,198,826 | 20,077,562,321 | 21,858,761,147 |
| Dividends received | | | | | (15,000,000,000) | (15,000,000,000) |
| Ending balance | (79,162,959) | (64,458,732) | (98,932,432) | (26,819,754,141) | 165,979,501,493 | 138,917,193,229 |
| **Carrying amount** | | | | | | |
| Beginning balance | 9,920,837,041 | 9,935,541,268 | 2,940,307,568 | 127,129,860,909 | 454,639,540,422 | 604,566,087,208 |
| Ending balance | 9,920,837,041 | 9,935,541,268 | 2,940,307,568 | 128,911,059,735 | 459,717,102,743 | 611,424,848,355 |

## 15. LONG-TERM INVESTMENTS (continued)

### 15.2 *Investment in other entities*

| | *Carrying value* | | | |
|---|---|---|---|---|
| | *Ending balance VND* | *Interest %* | *Beginning balance VND* | *Interest %* |
| Sai Gon - Hiep Phuoc JSC | 440,000,000 | 0.18% | 440,000,000 | 0.18% |
| BNX Vietranstimex Co., Ltd. | 816,000,000 | 12.50% | 816,000,000 | 12.50% |
| Southern Waterways Transportation and Labour Export JSC | 373,124,639 | 0.00% | 373,124,639 | 0.00% |
| **TOTAL** | **1,629,124,639** | | **1,629,124,639** | |

## 16. SHORT-TERM TRADE PAYABLES

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| Due to related parties | 316,935,034 | 3,003,044,356 |
| Due to others | 138,286,180,144 | 124,518,255,661 |
| **TOTAL** | **138,603,115,178** | **127,521,300,017** |

## 17. SHORT-TERM ADVANCES FROM CUSTOMERS

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| Due to related parties | - | 310,249,623 |
| Due to others | 4,771,265,702 | 3,138,561,037 |
| **TOTAL** | **4,771,265,702** | **3,448,810,660** |

## 18. STATUTORY OBLIGATIONS

*VND*

| | *Beginning balance* | *Increase* | *Decrease* | *Ending balance* |
|---|---|---|---|---|
| **Receivables** | | | | |
| Deductible value-added tax | 11,496,849,592 | 16,764,967,717 | (7,184,567,710) | 21,077,249,599 |
| Others | 8,000,006 | 30,665,168 | (24,207,610) | 14,457,564 |
| **TOTAL** | **11,504,849,598** | **16,795,632,885** | **(7,208,775,320)** | **21,091,707,163** |
| | 21,091,707,163 | | | |
| **Payables** | | | | |
| Personal income tax | 1,973,693,265 | 3,695,432,694 | (4,500,176,367) | 1,168,949,592 |
| Corporate income tax | 16,422,018,518 | 13,140,404,735 | (21,912,032,617) | 7,650,390,636 |
| Value-added tax | 7,759,592,253 | 28,664,748,137 | (28,786,912,359) | 7,637,428,031 |
| Others | (92,094,520) | 15,920,327,211 | (2,155,278,189) | 13,672,954,502 |
| **TOTAL** | **26,063,209,516** | **61,420,912,777** | **(57,354,399,532)** | **30,129,722,761** |

## 19. SHORT-TERM UNEARNED REVENUES

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| Income from reallocation support *(*)* | 36,050,598,364 | 36,050,598,364 |
| Others | 1,797,926,221 | 1,543,636,361 |
| **TOTAL** | **37,848,524,585** | **37,594,234,725** |

*(*)* This comprises income received in accordance with the relocation support agreements for the clearance and handover of the land located at Km9, Hanoi Highway, Truong Tho Ward, Thu Duc City, Ho Chi Minh City and 1B Hoang Dieu and 117A Nguyen Tat Thanh, Ward 13, District 4, Ho Chi Minh City.

## 20. OTHER PAYABLES

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| **Short-term** | | |
| Advances received for relocation support (i) | 40,000,000,000 | 40,000,000,000 |
| Advances received for disposalof investment (ii) | 39,940,000,000 | 39,940,000,000 |
| Deposits received | 6,143,782,547 | 4,302,507,386 |
| Receipts on behalf | - | - |
| Payable to crew members | 6,159,413,938 | - |
| Others | 34,299,323,957 | 43,417,797,941 |
| | **126,542,520,442** | **127,660,305,327** |
| **Long-term** | | |
| Deposit received from Vietnam Electrical Equipment Joint Stock Corporation ("VEE") (iii) | 30,000,000,000 | 30,000,000,000 |
| Other deposits received | 10,741,820,000 | 11,772,916,501 |
| Others | - | - |
| | **40,741,820,000** | **41,772,916,501** |

*(i)* These are advances received from SORECO in accordance with the Relocation Support Agreements for the clearance and handover of the land located at Km9, Hanoi Highway, Truong Tho Ward, Thu Duc City, Ho Chi Minh City.

*(ii)* These are advances received from R.C Real Estate Development and Finance Corporation in accordance with Investment Cooperation Agreement No. 01/2016/HDHT/REFICO&SOTRANS for the transfer of shares of The Pier that belongs to the Group.

*(iii)* Deposit was received from VEE under the Deposit Contract dated 10 September 2020 to jointly implement all related works and procedures as well as maintain the right and benefits to property rights at 1B Hoang Dieu, Ward 13, District 4, Ho Chi Minh City, 117A Nguyen Tat Thanh, Ward 13, District 4, Ho Chi Minh City, Km9, Hanoi Highway, Truong Tho Ward, Thu Duc City, Ho Chi Minh City, and No. 2B, Street 13, Long Binh Ward, District 9, Thu Duc City, Ho Chi Minh City.

## 21. LOANS

*VND*

| | *Ending balance* | *Beginning balance* |
|---|---|---|
| **Short-term loans** | **107,036,994,241** | **135,964,190,631** |
| Bank loan | 84,494,462,788 | 63,363,927,685 |
| Personal loan | 1,400,000,000 | 1,400,000,000 |
| Buying subsidiaries | - | 43,803,961,996 |
| Current portion of long-term loans | 21,142,531,453 | 27,396,300,950 |
| **Long-term loans** | **77,194,080,616** | **78,515,219,488** |
| Bank loans | 77,194,080,616 | 78,515,219,488 |
| **TOTAL** | **184,231,074,857** | **214,479,410,119** |

## 21. LOANS (continued)

Movements of loans were as follows:

| | *Short-term loans* | *Long-term loans* | *VND* *Total* |
|---|---|---|---|
| **Beginning balance** | **135,964,190,631** | **78,515,219,488** | **214,479,410,119** |
| Drawdowns from banks | 21,130,535,103 | - | 21,130,535,103 |
| Current portion of long-term loans | 1,321,138,872 | (1,321,138,872) | - |
| Repayment of borrowings | (7,574,908,369) | - | (7,574,908,369) |
| Repayment of subsidiaries | (43,803,961,996) | - | (43,803,961,996) |
| Ending balance | 107,036,994,241 | 77,194,080,616 | 184,231,074,857 |

### *21.1 Short-term bank loan*

The Group obtained bank loan to finance its working capital requirements, with details as follows:

| *Bank* | *Ending balance* *VND* |
|---|---|
| SHB | *17,004,696,450* |
| Vietcombank | *67,489,766,338* |
| Personal loan | *1,400,000,000* |
| | **84,494,462,788** |

### *21.2 Long-term bank loans*

The Group obtained long-term loans from banks to finance its working capital and long-term loans under the framework financing agreements (Loan Agreement No. 2613-VIE and No. 2614-VIE) between the Vietnamese Government and Asian Development Bank ("ADB") to finance the projects under the State-owned Enterprise Reform and Corporate Governance Facilitation Program, with details as follows.

**21. LOANS** (tiếp theo)

***21.2 Long-term bank loans*** (continued)

| *Bank* | *Ending balance* | | *Maturity date* | *Interest rate* | *Description of collateral* |
|---|---|---|---|---|---|
| | *VND* | *USD* | | *% p.a* | |
| **Vietnam Development Bank – Headquarters II** | | | | | |
| Ordinary Operations Loan Agreement ("OCR Loan") *(i)* | 41,654,631,486 | 1,715,804 | 15 November 2034 | 1.5 | Means of transportation with carrying amount of VND 2,647,804,739 and term bank deposit valued at VND 50,000,000,000 |
| Special Operation Loan Agreement ("ADF Loan") *(ii)* | 5,081,623,768 | 209,318 | 15 November 2041 | 1.0 | |
| **Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch** | | | | | |
| Loan 1 | 3,672,553,732 | - | 29 October 2025 | 9.0 | Means of transportation with carrying amount of VND 23,840,000,048 |
| Loan 2 | 19,819,714,667 | - | 31 January 2030 | 9.0 | Means of transportation with carrying amount of VND 46,994,809,994 |
| **HSBC Bank Vietnam Limited** | | | | | |
| Loan 1 | 9,947,368,416 | - | From 26 April 2024 to 28 December 2026 | 6.1 | Means of transportation |
| **Joint Stock Commercial Bank for Foreign Trade of Vietnam Financial Leasing Company Limited** | | | | | |
| Loan 1 | 2,559,820,000 | | From 26 April 2024 to 25 December 2026 | 7.3 | |
| **Asia Commercial Bank Leasing Company Limited** | | | | | |
| Loan 1 | 15,600,900,000 | | From 26 April 2024 to 25 December 2026 | 7.5 | |

| | |
|---|---|
| **TOTAL** | **98,336,612,069** |
| *In which:* | |
| *Long-term portion* | *77,194,080,616* |
| *Current portion of long-term loans* | *21,142,531,453* |

According to the Subordination Loan Agreement dated 8 October 2010 between the Ministry of Finance of Vietnam ("MOF") and the Group, the MOF will make available to the Group the proceeds of the loans provided for herein upon terms and conditions satisfactory to ADB, with details as follows:

*(i)* OCR Loan under Loan Agreement No. 2613-VIE was used to finance the Group's financial and corporate restructuring projects. This loan will be repaid after 25 years with a LIBOR interest rate plus the difference at each time announced by ADB. The principal and interest are payable on a semi-annual basis falling on 15 May and 15 November starting from 15 May 2015 to 15 November 2034.

*(ii)* ADF Loan is under Loan Agreement No. 2614-VIE was used to finance the Group's operational restructuring and strengthening projects. This loan will be repaid after 32 years with an interest rate at 1% per annum for the first 8 years and 1.5% per annum for subsequent years. The principal and interest are payable on a semi-annual basis falling on 15 May and 15 November starting from 15 May 2018 to 15 November 2041.

## 22. PROVISIONS

Short-term provision represents the accrual for project warranty provision for warranty period of not more than 12 months.
Long-term provision represents accrual for severance pay to employees.

## 23. OWNERS' EQUITY

### 23.1 *Movements in owners' equity*

*VND*

| | *Issued share capital* | *Share premium* | *Investment and development fund* | *Other owners' capital* | *Undistributed earnings* | *Total* |
|---|---|---|---|---|---|---|
| **Previous year** | | | | | | |
| Beginning balance | 982,533,570,000 | (2,033,034,900) | 2,849,526,349 | - | 1,155,002,843,216 | 2,138,352,904,665 |
| Net profit for the year | - | - | - | - | 192,558,114,651 | 192,558,114,651 |
| Transferred to fund | - | - | - | - | (1,439,673,347) | (1,439,673,347) |
| Allowance for the Board of Directors | - | - | - | - | (2,357,347,562) | (2,357,347,562) |
| Buy in from NCI | - | - | - | | 457,340,161 | 457,340,161 |
| **Ending balance** | **982,533,570,000** | **(2,033,034,900)** | **2,849,526,349** | **-** | **1,344,221,277,119** | **2,327,571,338,568** |
| **Current year** | | | | | | |
| Beginning balance | 982,533,570,000 | (2,033,034,900) | 2,849,526,349 | (54,497,407,794) | 1,344,221,277,118 | 2,273,073,930,773 |
| Net profit for the year | - | - | - | - | 56,497,960,995 | 56,497,960,995 |
| **Ending balance** | **982,533,570,000** | **(2,033,034,900)** | **2,849,526,349** | **(54,497,407,794)** | **1,400,719,238,113** | **2,329,571,891,768** |

## 23. OWNERS' EQUITY (continued)

### 23.2 *Cổ phiếu*

| | *Shares* | |
|---|---|---|
| | *Ending balance* | *Beginning balance* |
| Ordinary shares authorized to be issued | 98,253,357 | 98,253,357 |
| Ordinary shares issued and fully paid | 98,253,357 | 98,253,357 |

The par value of each outstanding share: VND 10,000. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Group. Each ordinary share carries one vote per share without restriction.

### 23.4 *Earnings per share*

Basic and diluted earnings per share are calculated as follows:

| | *Current year* | *Previous year* |
|---|---|---|
| Net profit after tax attributable to the shareholders of parent (VND) | 56,497,960,995 | 43,074,581,861 |
| Net profit after tax attributable to ordinary shares (VND) | 56,497,960,995 | 43,074,581,861 |
| Weighted average number of ordinary shares | 98,253,357 | 98,253,357 |
| Earnings per share (VND) | | |
| *'- Basic* | 575 | 438 |
| *'- Diluted* | 575 | 438 |

here are no potential dilutive ordinary shares during the year and up to the date of these consolidated financial statements.

## 24. NON-CONTROLLING INTERESTS

| | | *VND* |
|---|---|---|
| | *Current period* | *Previous period* |
| Beginning balance | 126,760,913,464 | 116,292,189,226 |
| Net profit for the year | 466,266,505 | 11,271,127,272 |
| Shares acquisition of non-controlling interests | - | (535,800,442) |
| Others | - | (266,602,592) |
| **Ending balance** | **127,227,179,969** | **126,760,913,464** |

## 25. REVENUES

### 25.1 *Net revenue from sale of goods and rendering of services*

*VND*

| | *1st Quarter* | | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | *Current period* | *Previous period* | *Current period* | *Previous period* |
| **Revenues** | **556,920,342,035** | **475,804,815,780** | **556,920,342,035** | ***475,804,815,780*** |
| *In which:* | | | | |
| *Sale of goods* | 35,653,987,798 | 42,559,317,103 | 35,653,987,798 | 42,559,317,103 |
| *Rendering of services* | 521,266,354,237 | 433,245,498,677 | 521,266,354,237 | 433,245,498,677 |
| Deduction | - | - | - | - |
| **Net revenues** | ***556,920,342,035*** | ***475,804,815,780*** | ***556,920,342,035*** | ***475,804,815,780*** |
| *In which:* | | | | |
| *Sale of goods* | 35,653,987,798 | 42,559,317,103 | 35,653,987,798 | 42,559,317,103 |
| *Rendering of services* | 521,266,354,237 | 433,245,498,677 | 521,266,354,237 | 433,245,498,677 |

### 25.2 *Finance income*

*VND*

| | *1st Quarter* | | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | *Current period* | *Previous period* | *Current period* | *Previous period* |
| Dividend income | - | 40,000,000 | - | 40,000,000 |
| Interest income | 4,245,821,187 | 3,498,535,665 | 4,245,821,187 | 3,498,535,665 |
| Foreign exchange gains | 475,999,630 | (30,301,532) | 475,999,630 | (30,301,532) |
| **TOTAL** | **4,721,820,817** | **3,508,234,133** | **4,721,820,817** | **3,508,234,133** |

## 26. COST OF GOODS SOLD AND SERVICES RENDERED

*VND*

| | *1st Quarter* | | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | *Current period* | *Previous period* | *Current period* | *Previous period* |
| Cost of merchandise sold | 33,506,501,459 | 40,013,937,558 | 33,506,501,459 | 40,013,937,558 |
| Cost of services rendered | 421,544,814,993 | 351,468,574,512 | 421,544,814,993 | 351,468,574,512 |
| **TOTAL** | **455,051,316,452** | **391,482,512,070** | **455,051,316,452** | **391,482,512,070** |

## 27. FINANCE EXPENSES

*VND*

| | *1st Quarter* | | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | *Current period* | *Previous period* | *Current year* | *Previous year* |
| Interest expense | 3,944,695,282 | 2,320,529,030 | 3,944,695,282 | 2,320,529,030 |
| Foreign exchange losses | 1,090,610,997 | 218,940,081 | 1,090,610,997 | 218,940,081 |
| **TOTAL** | **5,035,306,279** | **2,539,469,111** | **5,035,306,279** | **2,539,469,111** |

## 28. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

*VND*

| | *1st Quarter* | | *Accumulated to the end of the period* | |
|---|---|---|---|---|
| | *Current period* | *Previous period* | *Current period* | *Previous period* |
| **Selling expenses** | **23,513,990,142** | **18,306,461,028** | **23,513,990,142** | **18,306,461,028** |
| Labour costs | 16,350,749,248 | 12,548,450,632 | 16,350,749,248 | 12,548,450,632 |
| External services | 4,905,324,729 | 3,917,736,406 | 4,905,324,729 | 3,917,736,406 |
| Depreciation and amortisation | 34,111,452 | 56,321,637 | 34,111,452 | 56,321,637 |
| Others | 2,223,804,713 | 1,783,952,353 | 2,223,804,713 | 1,783,952,353 |
| **General and administrative expenses** | **30,462,266,935** | **31,467,572,762** | **30,462,266,935** | **31,467,572,762** |
| Labour costs | 20,475,130,132 | 19,111,824,684 | 20,475,130,132 | 19,111,824,684 |
| Tax expense | 16,500,000 | 10,000,000 | 16,500,000 | 10,000,000 |
| External services | 4,905,271,678 | 4,761,952,102 | 4,905,271,678 | 4,761,952,102 |
| Amortization of goodwill | 3,042,686,074 | 3,132,594,208 | 3,042,686,074 | 3,132,594,208 |
| Provision for doubtful short-term receivables | - | | | |
| | (600,000,000) | -577,388,710 | (600,000,000) | (577,388,710) |
| Others | 2,622,679,051 | 5,028,590,478 | 2,622,679,051 | 5,028,590,478 |
| TOTAL | **53,976,257,077** | **49,774,033,790** | **53,976,257,077** | **49,774,033,790** |

## 29. OTHER INCOME AND OTHER EXPENSES

VND

| | 1st Quarter | | Accumulated to the end of the period | |
|---|---|---|---|---|
| | Current period | Previous period | Current period | Previous period |
| Income from reallocation support | - | 1,436,601,490 | - | 1,436,601,490 |
| Others | 1,894,294,033 | 681,050,380 | 1,894,294,033 | 681,050,380 |
| **TOTAL** | **1,894,294,033** | **2,117,651,870** | **1,894,294,033** | **2,117,651,870** |

VND

| | 1st Quarter | | Accumulated to the end of the period | |
|---|---|---|---|---|
| | Current period | Previous period | Current period | Previous period |
| Others | 1,187,308,236 | 70,751,729 | 1,187,308,236 | 70,751,729 |
| **TOTAL** | **1,187,308,236** | **70,751,729** | **1,187,308,236** | **70,751,729** |

## 30. OPERATING COSTS

VND

| | 1st Quarter | | Accumulated to the end of the period | |
|---|---|---|---|---|
| | Current period | Previous period | Current period | Previous period |
| Merchandise and raw materials | 51,535,359,321 | 57,240,241,903 | 51,535,359,321 | 57,240,241,903 |
| External services | 128,378,747,172 | 251,528,643,600 | 128,378,747,172 | 251,528,643,600 |
| Depreciation and amortisation | 37,616,127,686 | 32,778,228,262 | 37,616,127,686 | 32,778,228,262 |
| Labour costs | 67,026,147,498 | 66,814,293,008 | 67,026,147,498 | 66,814,293,008 |
| Others | 223,924,166,317 | 30,449,711,992 | 223,924,166,317 | 30,449,711,992 |
| **TOTAL** | **508,480,547,994** | **438,811,118,765** | **508,480,547,994** | **438,811,118,765** |

## 31. CORPORATE INCOME TAX

The Group has the obligation to pay corporate income tax ("CIT") at 20% of taxable income.

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

### *31.1 CIT expense*

*VND*

| | *Current period* | *Previous period* |
|---|---|---|
| Current CIT expense | (13,140,404,735) | (59,613,173,425) |
| Deferred tax income/ expense | (40,397,754) | (6,923,057,756) |
| **TOTAL** | **(13,180,802,489)** | **(66,536,231,181)** |

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

*VND*

| | *Current year* | *Previous year* |
|---|---|---|
| **Accounting profit before tax** | **70,145,029,988** | **56,687,418,430** |
| At CIT rate of 20% | 14,029,005,998 | 11,337,483,686 |
| *Adjustments:* | | |
| Non-deductible expenses | 184,082,003 | 123,650,445 |
| Tax losses carried forward | - | |
| Amortization of goodwill | 512,528,420 | 512,528,420 |
| Other adjustments | 2,826,938,297 | |
| Share in profit from associates | (1,371,752,229) | 2,851,538,980 |
| Divident | (3,000,000,000) | |
| CIT after adjustments | 13,180,802,489 | 10,992,125,585 |
| Điều chỉnh thuế TNDN trích thiếu trong các năm trước | - | - |
| **Chi phí thuế TNDN** | **13,180,802,489** | **10,992,125,585** |

### *31.2 Current CIT*

The current tax payable is based on taxable income for the current year. Taxable income differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

## 31. CORPORATE INCOME TAX (continued)

### *31.3 Deferred tax*

The deferred tax assets and liabilities recognised by the Group and their movements are as follows:

| | *Balance sheet* | | *Income statement* | |
|---|---|---|---|---|
| | *Ending balance* | *Beginning balance* | *Current year* | *Previous year* |
| Consolitdated | | 253,823,501 | | |
| Unrealised profit | 14,881,962,680 | 14,479,542,138 | 402,420,542 | (817,098,571) |
| Provision for diminution in value | (56,848,360) | (27,382,028) | (29,466,332) | (979,752) |
| Provision for severance allowance | 555,845,184 | 626,886,837 | (71,041,653) | (32,517,250) |
| Depreciation | (1,030,590,989) | (1,067,932,785) | 37,341,796 | 597,445,911 |
| Accrual exxpense | - | - | - | - |
| Provision for doubtful short-term receivables | - | (71,041,653) | 71,041,653 | - |
| Gain from revalued assets | (2,422,892,213) | (2,425,514,382) | 2,622,169 | 2,622,161 |
| Interest expense under Cir No 132/2020/ND-CP | - | 253,823,501 | (453,315,929) | - |
| **TOTAL** | **11,927,476,302** | **11,768,381,628** | **(40,397,754)** | **(250,527,501)** |

## 32. RELATED PARTY DISCLOSURES

Significant transactions with related parties were as follows:

*VND*

| *Related party* | *Relationship* | *Transaction* | *Current period* | *Previous period* |
|---|---|---|---|---|
| First Logistics Development Joint Venture Company ("VICT") | Jointly controlled entity | Rendering of services | 10,660,769,118 | 10,001,377,715 |
| | | Sale of merchandise | 3,408,353,585 | 3,550,254,540 |
| | | Purchase of services | 62,698,295 | 96,230,359 |
| The Pier Real Estate Development Corporation | Jointly controlled entity | Rendering of services | 2,055,874,620 | 3,464,321 |
| Dong Nai Port Joint Stock Company | Jointly controlled entity | Rendering of services | 73,916,670 | |
| | | Dividends received | 15,000,000,000 | |
| ITL Corporation | Parent | Rendering of services | - | 4,250,000 |
| | | Repayment of borrowings | 43,803,961,996 | - |

| *Related party* | *Relationship* | *Transaction* | *Current year* | *VND*<br>*Previous year* |
|---|---|---|---|---|
| ITL Logistics Joint Stock Company | Affiliate | Rendering of services | 3,255,946,682 | 7,917,213,092 |
| | | Buying of services | 432,000,000 | - |
| ITL Freight Management Joint Stock Company | Affiliate | Rendering of services | 160,300,000 | - |
| ITL Logistics Joint Stock Company Branch in the North | Affiliate | Rendering of services | - | 19,169,270,248 |
| ITL Logistics Joint Stock Company Branch in Central Region | Affiliate | Rendering of services | 325,702,778 | 14,470,718 |
| | | Purchase of services | - | 298,823,037 |
| SOWATCO Tri Phuong Joint Stock Company | Affiliate | Purchase of services | - | 6,600,000,000 |
| Bac Ky Investment Joint Stock Company | Affiliate | Purchase of services | 19,054,160,158 | - |
| ITL VSIP Company Limited | Affiliate | Rendering of services | 12,384,899,799 | - |
| Dash Logistics Company Limited | Affiliate | Purchase of services | 3,558,365 | 18,896,053 |
| PSA Cargo Solutions Viet Nam | Shareholder | Buying of car | 60,000,000 | 60,000,000 |

## 32. RELATED PARTY DISCLOSURES (continued)

Amounts due to and due from related parties were as follows:

| *Related party* | *Relationship* | *Ending balance* | *VND*<br>*Begining balance* |
|---|---|---|---|
| ***Short-term trade receivables*** | | | |
| First Logistics Development Joint Venture Company ("VICT") | Jointly controlled entity | 9,142,003,828 | 9,239,427,478 |
| The Pier Real Estate Development Corporation | Jointly controlled entity | 4,142,209,596 | 1,502,894,996 |
| ITL Logistics Joint Stock Company | Affiliate | - | 2,780,137,918 |
| ITL Logistics Joint Stock Company Branch in Central Region | Affiliate | 173,124,000 | - |
| Bac Ky Investment Joint Stock Company | Affiliate | - | 16,378,564,599 |
| ITL Freight Management Joint Stock Company | Affiliate | - | 52,280,000 |
| Southern General Services Joint Stock Company | Jointly controlled entity | - | 766,468,947 |
| | | **13,457,337,424** | **30,719,773,938** |
| ***Other short-term receivables*** | | | |
| Dong Nai Port Joint Stock Company | Jointly controlled entity | 15,000,000,000 | - |
| First Logistics Development Joint Venture Company ("VICT") | Jointly controlled entity | - | 15,910,000,000 |
| ITL Logistics Joint Stock Company - North Branch | Affiliate | - | 7,607,045,342 |
| ITL Binh Duong Co.,Ltd | Affiliate | | 7,234,000 |
| ITL VSIP Company Limited | Affiliate | | 5,163,000 |
| ITL Corporation | Parent company | | 43,527,534 |
| ITL Freight Management | Affiliate | 144,000,000 | 5,910,800 |
| ITL Logistics Joint Stock Company | Affiliate | | 144,000,000 |
| | | **15,144,000,000** | **23,722,880,676** |

VND

| *Related party* | *Relationship* | *Ending balance* | *Begining balance* |
|---|---|---|---|
| ***Short term trade payables*** | | | |
| ITL Corporation | Parent | - | 116,218,154 |
| PSA Cargo Solutions Viet Nam | Shareholder | 44,212,145 | 140,000,000 |
| Bac Ky Investment Joint Stock Company | Affiliate | - | 40,560,000 |
| ITL Logistics Joint Stock Company | Affiliate | 311,040,000 | 2,703,998,202 |
| Dash Logistics Company Limited | Affiliate | 5,895,034 | 2,268,000 |
| | | **361,147,179** | **3,003,044,356** |
| ***Short-term advances from customers*** | | | |
| ITL Corporation | Parent | - | 18,142,649 |
| ITL VSIP Company Limited | Affiliate | - | 292,106,974 |
| | | **-** | **310,249,623** |
| ***Other short-term payables*** | | | |
| Soreco Real Estate Development Company Limited | Jointly controlled entity | 40,000,000,000 | 40,000,000,000 |
| BNX - Vietranstimex Joint Venture Company Limited | Related paties | 816,000,000 | 816,000,000 |
| ITL Logistics Joint Stock Company | Affiliate | 7,605,100,000 | 7,605,100,000 |
| | | **48,421,100,000** | **48,421,100,000** |

## 32. RELATED PARTY DISCLOSURES (continued)

Details of remuneration of members of Board of Directors, Audit Committee and management are as follows:

*VND*

| | *Current period* | *Previous period* |
|---|---|---|
| Mr. Dang Vu Thanh | 448,120,000 | 418,160,000 |
| Mr. Tran Tuan Anh | 45,000,000 | 45,000,000 |
| Mr. Do Le Hung | 126,000,000 | 126,000,000 |
| Mr. Nguyen Quoc Thuc | 30,000,000 | 30,000,000 |
| Mr. Kelvin Lim Chia Siong | 345,520,000 | - |
| Mr. Lee Kian Huat | 30,000,000 | 30,000,000 |
| Mr Phay Wenfu, Daniel | - | 345,560,000 |
| Ms Seow Hwee | - | - |
| **TOTAL** | **1,024,640,000** | **994,720,000** |

## 33. EVENTS AFTER THE BALANCE SHEET DATE

There are no other significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

**Hoang Thi Anh Thu**
Preparer

**Nguyen Mai Khanh Trinh**
Financial Director
Chief Accountant

**Dang Vu Thanh**
General Director

24 April 2025

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