



**DANANG AIRPORTS SERVICES  
JOINT STOCK COMPANY**

**REVIEWED FINANCIAL STATEMENTS**  
For the six-month period ended 30 June 2023





## DANANG AIRPORTS SERVICES JOINT STOCK COMPANY

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

### MANAGEMENT'S REPORT

Management of Danang Airports Services Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the reviewed financial statements of the Company for the six-month period ended 30 June 2023

#### MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY COMMITTEE AND MANAGEMENT

Members of the Board of Directors during the period and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Dao Manh Kien	Chairperson (Reappointed on 25 June 2021)
Mr Nguyen Thanh Dong	Member (Reappointed on 25 June 2021)
Mr Tran Thanh Hai	Member (Reappointed on 25 June 2021)
Ms Le Thi Thuy Linh	Member (Reappointed on 25 June 2021)
Ms Nguyen Thi Thuy Linh	Member (Appointed on 25 June 2021)

Members of the Supervisory Committee during the period and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Dinh Hong Son	Head (Reappointed on 25 June 2021)
Mr Nguyen Dung	Member (Reappointed on 25 June 2021)
Mr Le Giang Nam	Member (Appointed on 25 June 2021)

Members of management during the period and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Nguyen Thanh Dong	General Director (Reappointed on 25 June 2021)
Mr Tran Thanh Hai	Vice General Director (Reappointed on 01 November 2021)
Mr Pham Van Ha	Vice General Director (Reappointed on 01 November 2021)
Ms Nguyen Thi Minh Huyen	Chief Accountant (Reappointed on 01 November 2021)

#### AUDITOR

The accompanying financial statements were reviewed by RSM Vietnam Auditing & Consulting Company Limited, a member firm of RSM International.

#### RESPONSIBILITY OF MANAGEMENT

The Company's management is responsible for preparing the financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these financial statements, management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement the internal control system effectively for a fair preparation and presentation of the financial statements so as to mitigate error or fraud.



## DANANG AIRPORTS SERVICES JOINT STOCK COMPANY

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

### MANAGEMENT'S REPORT (CONTINUED)

Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam. Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirms that the Company has complied with the above requirements in preparing these financial statements.

### STATEMENT BY MANAGEMENT

In management's opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2023 and the results of its operations and its cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

For and on behalf of management,



\_\_\_\_\_  
**Nguyen Thanh Dong**  
**General Director**

*Da Nang, 21 August 2023*



**RSM Vietnam**

5th Floor, Sai Gon 3 Building  
140 Nguyen Van Thu Street, Da Kao Ward  
District 1, Ho Chi Minh City, Vietnam

T +8428 3827 5026  
F +8428 3827 5027

[www.rsm.global/vietnam](http://www.rsm.global/vietnam)

No: 24/2023/SX-RSMHCM

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To: **The Board of Directors  
Management  
DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

We have reviewed the accompanying interim financial statements of Danang Airports Services Joint Stock Company prepared on 21 August 2023 as set out from page 05 to page 35, which comprise the statement of financial position as at 30 June 2023 and the income statement, and cash-flow statement for the six-month period then ended, and selected notes to the financial statements.

***Management's Responsibility***

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of interim financial statements and for such internal control as management determines is necessary to enable the preparation and presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with the Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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



## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of Danang Airports Services Joint Stock Company as at 30 June 2023, and of its financial performance and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014 and Circular 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance and relevant legislation as to the preparation and presentation of interim financial statements.

pp GENERAL DIRECTOR



Luc Thi Van

Vice General Director

Audit Practice Registration Certificate:  
0172-2023-026-1

**RSM Vietnam Auditing & Consulting Company Limited**

*Ho Chi Minh City, 21 August 2023*

*As disclosed in Note 2.1 to the interim financial statements, the accompanying financial statements are only intended to present the financial position, financial performance, and cash flows in accordance with accounting principles and practices generally accepted in Vietnam, not under accounting principles and practices in countries and jurisdictions other than Vietnam.*



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Danang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

Form B 01a - DN

**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2023

Expressed in VND

ASSETS	Code	Notes	As at 30 Jun. 2023	As at 01 Jan. 2023
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>26,865,418,607</b>	<b>20,120,375,405</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>5,512,229,731</b>	<b>4,764,980,007</b>
1. Cash	111	4.1	5,512,229,731	4,764,980,007
<b>II. Current account receivables</b>	<b>130</b>		<b>14,073,438,866</b>	<b>9,354,971,638</b>
1. Trade receivables	131	4.2	13,074,242,018	7,373,094,889
2. Advances to suppliers	132		70,079,902	416,165,930
3. Other current receivables	136	4.3	3,484,346,709	4,120,940,582
4. Provision for doubtful debts	137	4.4	(2,555,229,763)	(2,555,229,763)
<b>III. Inventories</b>	<b>140</b>		<b>5,149,421,253</b>	<b>4,882,065,022</b>
1. Inventories	141	4.5	5,149,421,253	4,882,065,022
<b>IV. Other current assets</b>	<b>150</b>		<b>2,130,328,757</b>	<b>1,118,358,738</b>
1. Current prepayments	151	4.6	2,093,450,531	1,083,113,794
2. Tax and other receivables from the state	153	4.11	36,878,226	35,244,944
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>43,490,331,534</b>	<b>47,667,296,074</b>
<b>I. Fixed assets</b>	<b>220</b>		<b>39,748,607,568</b>	<b>44,376,997,070</b>
1. Tangible fixed assets	221	4.7	39,210,213,786	43,813,186,609
Cost	222		160,546,853,833	163,227,924,526
Accumulated depreciation	223		(121,336,640,047)	(119,414,737,917)
2. Intangible fixed assets	227	4.8	538,393,782	563,810,461
Cost	228		883,083,100	883,083,100
Accumulated amortisation	229		(344,689,318)	(319,272,639)
<b>II. Non-current assets in progress</b>	<b>240</b>		<b>8,000,000</b>	-
1. Construction in progress	242		8,000,000	-
<b>III. Other non-current assets</b>	<b>260</b>		<b>3,733,723,966</b>	<b>3,290,299,004</b>
1. Non-current prepayments	261	4.6	3,733,723,966	3,290,299,004
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>70,355,750,141</b>	<b>67,787,671,479</b>

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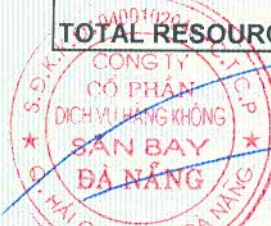


## STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2023

Expressed in VND

RESOURCES	Code	Notes	As at 30 Jun. 2023	As at 01 Jan. 2023
<b>C. LIABILITIES</b>	<b>300</b>		<b>41,508,028,203</b>	<b>40,082,584,070</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>37,868,028,203</b>	<b>36,442,584,070</b>
1. Trade payables	311	4.9	9,672,470,426	9,804,591,980
2. Advances from customers	312	4.10	4,933,641,433	6,429,282,725
3. Taxes and amounts payable to the state budget	313	4.11	614,988,216	451,734,871
4. Payables to employees	314	4.12	1,816,676,578	518,575,611
5. Accrued expenses	315	4.13	787,520,938	128,701,908
6. Current unearned revenue	318	4.14	3,423,665,040	2,972,124,708
7. Other current payables	319	4.15	1,865,623,977	2,358,017,140
8. Current loans and obligations under finance	320	4.16	14,573,966,595	13,222,730,127
9. Bonus and welfare fund	322		179,475,000	556,825,000
<b>II. Non-current liabilities</b>	<b>330</b>		<b>3,640,000,000</b>	<b>3,640,000,000</b>
1. Other non-current payables	337	4.15	3,640,000,000	3,640,000,000
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>28,847,721,938</b>	<b>27,705,087,409</b>
<b>I. Equity</b>	<b>410</b>	4.17.1	<b>28,847,721,938</b>	<b>27,705,087,409</b>
1. Owner's contributed capital	411		42,676,830,000	42,676,830,000
Ordinary shares carrying voting rights	411a		42,676,830,000	42,676,830,000
2. Investment and development fund	418		803,208,113	803,208,113
3. Retained earnings	421		(14,632,316,175)	(15,774,950,704)
Beginning accumulated retained earnings	421a		(15,774,950,704)	(15,829,078,635)
Retained earnings of the current year	421b		1,142,634,529	54,127,931
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>70,355,750,141</b>	<b>67,787,671,479</b>



\_\_\_\_\_  
**Nguyen Thanh Dong**  
 General Director

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**Nguyen Thi Minh Huyen**  
 Chief Accountant

\_\_\_\_\_  
**Pham Thi Thuong**  
 Preparer

Da Nang, 21 August 2023



## INCOME STATEMENT

For the six-month period ended 30 June 2023

Expressed in VND

ITEMS	Code	Notes	Current period	Previous period
1. Revenue	01	4.19	64,920,877,252	42,533,692,149
2. Deductions	02		393,346,733	978,095,000
3. Net revenue	10		64,527,530,519	41,555,597,149
4. Cost of sales	11	4.20	53,712,954,035	35,596,786,415
5. Gross profit	20		10,814,576,484	5,958,810,734
6. Finance income	21		4,723,279	4,047,598
7. Finance expense	22	4.21	1,007,384,076	921,246,583
<i>Of which, interest expense</i>	23		632,208,465	510,775,066
8. Selling expense	25	4.22	3,180,293,217	2,048,992,576
9. General and administrative expense	26	4.23	5,429,306,300	4,256,056,154
10. Operating profit/(loss)	30		1,202,316,170	(1,263,436,981)
11. Other income	31		384,597,121	314,215,761
12. Other expense	32		259,070,770	474,090,872
13. Net other income/(loss)	40		125,526,351	(159,875,111)
14. Accounting profit/(loss) before tax	50		1,327,842,521	(1,423,312,092)
15. Current corporate income tax expense	51	4.25	-	-
16. Net profit/(loss) after tax	60		1,327,842,521	(1,423,312,092)
17. Basic earnings per share	70	4.17.3	268	(706)
18. Diluted earnings per share	71	4.17.4	268	(706)



**Nguyễn Thanh Dong**  
General Director

**Nguyễn Thị Minh Huyền**  
Chief Accountant

**Phạm Thị Thuong**  
Preparer

Da Nang, 21 August 2023



CASH FLOW STATEMENT  
(Indirect method)

For the six-month period ended 30 June 2023

Expressed in VND

ITEMS	Code	Notes	Current period	Previous period
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Net profit /(loss) before taxes	01		1,327,842,521	(1,423,312,092)
2. Adjustment for:				
Depreciation and amortisation	02	4.24	4,605,090,843	5,192,908,027
Foreign exchange gains/losses from revaluation of foreign currency monetary items	04		(2,619,692)	60,471,515
Gains/losses from investment	05		(224,259,451)	(131,320,325)
Interest expense	06		632,208,465	510,775,066
3. Operating profit /(loss) before adjustments to working capital	08		<b>6,338,262,686</b>	<b>4,209,522,191</b>
Increase or decrease in accounts receivable	09		(4,664,280,771)	(3,347,542,461)
Increase or decrease in inventories	10		(267,356,231)	(502,920,757)
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		192,910,214	1,471,538,036
Increase or decrease prepaid expenses	12		(1,453,761,699)	(2,744,723,940)
Interest paid	14		(614,854,268)	(580,487,373)
Other cash outflows from operating activities	17		(377,350,000)	(1,483,592,696)
Net cash from operating activities	20		<b>(846,430,069)</b>	<b>(2,978,207,000)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(8,000,000)	-
2. Proceeds from disposals of fixed assets and other long-term assets	22		245,454,548	127,272,727
3. Interest and dividends received	27		2,103,562	4,047,598
Net cash from investing activities	30		<b>239,558,110</b>	<b>131,320,325</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	4.26	17,312,657,956	12,991,742,297
2. Repayment of borrowings	34	4.27	(15,959,265,888)	(9,231,701,774)
Net cash from financing activities	40		<b>1,353,392,068</b>	<b>3,760,040,523</b>
<b>NET INCREASE/(DECREASE) IN CASH (50 = 20+30+40)</b>	50		<b>746,520,109</b>	<b>913,153,848</b>
Cash and cash equivalents at beginning of year	60		4,764,980,007	8,255,293,320
Impact of exchange rate fluctuation	61		729,615	3,005,305
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50+60+61)</b>	70	4.1	<b>5,512,229,731</b>	<b>9,171,452,473</b>



Nguyễn Thanh Dong  
General Director

Nguyễn Thị Minh Huyền  
Chief Accountant

Phạm Thị Thuong  
Preparer

Da Nang, 21 August 2023



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

Form B 09a - DN

**SELECTED NOTES TO THE FINANCIAL STATEMENTS****1. CORPORATE INFORMATION****1.1. Structure of ownership**

Danang Airports Services Joint Stock Company (hereinafter referred to as "the Company"), formerly known as Danang Airports Services Company, had been a state-owned enterprise. On 23 September 2005 the Company was converted into a joint stock company under Decision No. 3547/QĐ-BGTVT dated 23 September 2005 by the Ministry of Transport. The Company is operating in accordance with the Business Registration Certificate No. 3203000950 dated 05 April 2006 granted by Da Nang City's Department of Planning and Investment and other amended certificates thereafter with the 14<sup>th</sup> version of the amended certificate dated 20 April 2017.

On 09 September 2009, the Company has been officially granted a license to register for securities trading on the UpCom market. The Company was formally licensed to trade securities on Hanoi Stock Exchange under Decision No. 350/QĐ-SGDHN dated 30 June 2014 by Hanoi City Securities Trading Centre, with stock ticker MAS. The Company commenced trading on 15 July 2014.

The charter capital as stipulated in the Business Registration Certificate is VND 42,676,830,000, as follows:

Investors	Nation	As at 30 Jun. 2023		As at 01 Jan. 2023	
		Amount (VND)	Percent (%)	Amount (VND)	Percent (%)
Vietnam Airlines JSC	Vietnam	15,412,650,000	36.11	15,412,650,000	36.11
Other shareholders		27,264,180,000	63.89	27,264,180,000	63.89
<b>Total</b>		<b>42,676,830,000</b>	<b>100.00</b>	<b>42,676,830,000</b>	<b>100.00</b>

The Company's registered head office is at Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam.

The number of employees as at 30 June 2023 was 355 (01 January 2023: 360).

**1.2. Business sector**

- Airline catering production, trading and services;
- Automobile and motorcycle driver training.

**1.3. Operating industry and principal activities**

The Company is principally engaged in:

- Direct support services for air transport operations  
Details: Commercial aviation engineering operation;
- Manufacture of prepared meals and dishes  
Details: Manufacture and serve of catering on flights, industrial catering, packaged and instant food, various types of candies, bottled purified water;
- Other education not classified elsewhere  
Details: Driver training for cars and motorcycles;



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

- Restaurants and mobile food services  
Details: Food service (CP 642) and beverage service (CP 643);
- Other supporting activities related to transport  
Details: Airline ticket agents, freight forwarders by air, water, and rail;
- Advertising  
Details: Advertising service business;
- Retail sale of other new goods in specialized stores  
Details: Retail of non-food goods (CPC 631+632). Implementation of retail distribution rights for duty-free goods, handicrafts, general merchandise, stationery.

**1.4. Important events in the financial period impacting the financial statements**

The Company is principally engaged in Airline catering production, trading and related services at airports. The industry is showing signs of recovery after the Covid-19 pandemic. In 2023, domestic and international flights have rebounded, with both frequency and passenger numbers increasing, leading to a substantial increase in revenue as follows:

- Revenue from commercial trading has increased by 71%;
- Revenue from providing airline catering and other related services has increased by 126%.

In addition, the Company also provides driver training services for cars and motorcycles. However, training service revenue has decreased by 24% due to competitive pressure from vocational training centers in the same region.

The cost of goods sold in the current period has increased in line with the increase in revenue.

**1.5. The Company's structure**

As at 30 June 2023, the Company's dependent units were as follows:

<b>Name</b>	<b>Operating industry</b>	<b>Address</b>
Meal Production and Supply Enterprise	Processing and supplying meals	Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city
Phu Bai Branch of Danang Airports Services Joint Stock Company	Processing and supplying meals; commercial trading and services	Group 18, Phu Bai ward, Huong Thuy town, Thua Thien Hue province
Nha Trang Branch – Danang Airports Services Joint Stock Company	Processing and supplying meals	Cam Ranh Airport, Cam Nghia Ward, Cam Ranh City, Khanh Hoa Province
Commercial and Catering Service Enterprise	Commercial trading and services	Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city
Branch of Danang Airports Services Joint Stock Company – Vocational Training Center for Automotive and Motorcycles Masco (hereinafter referred to as "Danang Driving Center")	Automobile and motorcycle driver training	113 Nui Thanh, Hoa Cuong Bac ward, Hai Chau district, Da Nang city



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>Name</b>	<b>Operating industry</b>	<b>Address</b>
Branch of Danang Airports Services Joint Stock Company – Vocational Training Center for Automotive – Motorcycles Masco Thua Thien Hue (hereinafter referred to as "Hue Driving Center")	Automobile and motorcycle driver training	34 – 36 Nguyen Luong Bang, Hue city, Thua Thien Hue province

**2. BASIS OF PREPARATION****2.1. Accounting standards, accounting system**

The accompanying financial statements, expressed in VND, are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

The accompanying financial statements are only intended to present the financial position, financial performance, and cash flows in accordance with accounting principles and practices generally accepted in Vietnam, not under accounting principles and practices in countries and jurisdictions other than Vietnam.

**2.2. Forms of accounting records**

The form of accounting records applied in the Company is the General Journal.

**2.3. Financial year**

The Company's financial year is from 01 January to 31 December.

**2.4. Reporting and functional currency**

The Company maintains its accounting records in VND.

**3. ACCOUNTING POLICIES**

The accounting policies adopted to prepare the financial statements for the six-month period ended 30 June 2023 are consistent with those applicable to the 2022 financial statements.

**4. SIGNIFICANT EVENTS AND TRANSACTIONS DURING THE INTERIM PERIOD****4.1. Cash**

	<b>As at 30 Jun. 2023 VND</b>	<b>As at 01 Jan. 2023 VND</b>
Cash in hand	1,874,424,215	1,183,097,906
Cash at bank	3,637,805,516	3,581,882,101
<b>Total</b>	<b>5,512,229,731</b>	<b>4,764,980,007</b>



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.2. Current trade receivables**

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Trade receivables from related parties – Refer to Note 4.29	2,117,438,514	803,742,198
Trade receivables:		
STARLUX Airlines Co., Ltd	2,709,589,748	37,037,897
Bamboo Airways Joint Stock Company	1,706,121,561	936,887,589
Vietjet Aviation Joint Stock Company	1,519,956,681	1,134,863,169
Indochina Airlines Joint Stock Company	1,481,124,999	1,481,124,999
Others (*)	3,540,010,515	2,979,439,037
<b>Total</b>	<b>13,074,242,018</b>	<b>7,373,094,889</b>

(\*) As at 30 June 2023, any component of other trade receivables is less than 10% of the total current trade receivables.

**4.3. Current other receivables**

	As at 30 Jun. 2023 VND		As at 01 Jan. 2023 VND	
	Amount	Provision	Amount	Provision
Advances	1,638,678,315	-	2,121,750,828	-
Deposits	84,000,000	-	292,772,760	-
Allocation of losses to investment cooperation parties	1,578,786,273	-	1,521,621,010	-
Others	182,882,121	-	184,795,984	-
<b>Total</b>	<b>3,484,346,709</b>	<b>-</b>	<b>4,120,940,582</b>	<b>-</b>
In which, other receivables from related parties – Refer to Note 4.29	463,414,733	-	501,471,984	-

(See the next page)



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.4. Doubtful debts**

	As at 30 Jun. 2023		As at 01 Jan. 2023	
	Cost	Recoverable amount VND	Cost	Recoverable amount VND
Overdue trade receivables not yet due but uncollectible	2,555,229,763	-	2,555,229,763	-
Overdue trade receivables are analysed by debtor as follows:				
	As at 30 Jun. 2023		As at 01 Jan. 2023	
	Cost	Recoverable amount VND	Cost	Recoverable amount VND
Indochina Airlines Joint Stock Company	1,481,124,999	-	1,481,124,999	-
Pacific Airlines Aviation Joint Stock Company	575,363,500	-	575,363,500	-
Army cadets at Danang Driving Center	498,741,264	-	498,741,264	-
<b>Total</b>	<b>2,555,229,763</b>	<b>-</b>	<b>2,555,229,763</b>	<b>-</b>

(See the next page)



## SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.5. Inventories

	As at 30 Jun. 2023		As at 01 Jan. 2023	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	2,263,224,966	-	2,138,072,784	-
Tools and supplies	65,077,850	-	39,043,105	-
Finished goods	380,000	-	230,160	-
Merchandise	2,820,738,437	-	2,704,718,973	-
<b>Total</b>	<b>5,149,421,253</b>	<b>-</b>	<b>4,882,065,022</b>	<b>-</b>

## 4.6. Prepayments

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Current:		
Insurance expense	67,130,742	-
Premises, land and assets rental	1,583,283,702	754,186,802
Tools and consumable expenditure	132,751,025	73,111,501
Other	310,285,062	255,815,491
<b>Total</b>	<b>2,093,450,531</b>	<b>1,083,113,794</b>
Non-current:		
Tools and consumable expenditure	1,282,838,651	1,424,289,352
Training expenses for catering certificate	591,773,290	755,002,150
Repair expenses	1,859,112,025	1,111,007,502
<b>Total</b>	<b>3,733,723,966</b>	<b>3,290,299,004</b>

(See the next page)



# **DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

## **SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **4.7. Tangible fixed assets**

	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost:</b>					
As at 01 Jan. 2023	54,909,968,749	31,951,931,422	75,086,753,028	1,279,271,327	163,227,924,526
Disposals	-	-	(2,681,070,693)	-	(2,681,070,693)
<b>As at 30 Jun. 2023</b>	<b>54,909,968,749</b>	<b>31,951,931,422</b>	<b>72,405,682,335</b>	<b>1,279,271,327</b>	<b>160,546,853,833</b>
<b>Accumulated depreciation:</b>					
As at 01 Jan. 2023	29,141,718,371	25,973,974,026	63,088,859,679	1,210,185,841	119,414,737,917
Depreciation	1,363,409,016	1,369,410,783	1,817,389,895	29,464,470	4,579,674,164
Disposals	-	-	(2,657,772,034)	-	(2,657,772,034)
<b>As at 30 Jun. 2023</b>	<b>30,505,127,387</b>	<b>27,343,384,809</b>	<b>62,248,477,540</b>	<b>1,239,650,311</b>	<b>121,336,640,047</b>
<b>Net book value:</b>					
As at 01 Jan. 2023	25,768,250,378	5,977,957,396	11,997,893,349	69,085,486	43,813,186,609
<b>As at 30 Jun. 2023</b>	<b>24,404,841,362</b>	<b>4,608,546,613</b>	<b>10,157,204,795</b>	<b>39,621,016</b>	<b>39,210,213,786</b>

The amount of period-end net book value as at 30 June 2023 of tangible fixed assets pledged/mortgaged as loan security totalled VND 5,208,807,315 – Refer to Note 4.16.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 54,622,403,623.



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.8. Intangible fixed assets**

	Land use rights (*) VND	Software VND	Total VND
Cost:			
As at 01 Jan. 2023	473,227,100	409,856,000	883,083,100
<b>As at 30 Jun. 2023</b>	<b>473,227,100</b>	<b>409,856,000</b>	<b>883,083,100</b>
Accumulated amortisation:			
As at 01 Jan. 2023	-	319,272,639	319,272,639
Amortisation	-	25,416,679	25,416,679
<b>As at 30 Jun. 2023</b>	<b>-</b>	<b>344,689,318</b>	<b>344,689,318</b>
Net book value:			
As at 01 Jan. 2023	473,227,100	90,583,361	563,810,461
<b>As at 30 Jun. 2023</b>	<b>473,227,100</b>	<b>65,166,682</b>	<b>538,393,782</b>

(\*) Representing long-term land use rights at Da Nang International Airport for the Company's office and Da Nang Catering factory. These land use rights are pledged/mortgaged as loan security – Refer to Note 4.16.

The historical cost of intangible fixed assets fully amortised but still in use totalled VND 243,856,000.

**4.9. Current trade payables**

	As at 30 Jun. 2023 VND		As at 01 Jan. 2023 VND	
	Amount	Payable amount	Amount	Payable amount
Trade payables to related parties – Refer to Note 4.29	254,974,135	254,974,135	1,144,534,777	1,144,534,777
Trade payables:				
Le Ngoc Thinh (Do Thi Phuong Thao)	906,152,811	906,152,811	1,170,351,057	1,170,351,057
Danang International Airport	626,517,519	626,517,519	991,077,458	991,077,458
Le Tien Minh	598,130,000	598,130,000	610,530,000	610,530,000
Other suppliers (*)	6,774,896,711	6,774,896,711	5,415,789,938	5,415,789,938
<b>Total</b>	<b>9,672,470,426</b>	<b>9,672,470,426</b>	<b>9,804,591,980</b>	<b>9,804,591,980</b>

(\*) As at 30 June 2023, any component of trade payables to other suppliers was less than 10% of the total current trade payables.



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.10. Current advances from customers**

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Advances from related parties – Refer to Note 4.29	4,325,703,432	6,874,722,725
Advances from learner driver at Danang Driving Center	507,660,000	351,900,000
Advances from learner driver at Hue Driving Center	100,264,000	202,660,000
Other customers	14,001	-
<b>Total</b>	<b>4,933,641,433</b>	<b>6,429,282,725</b>

**4.11. Taxes and amounts receivable from/payable to the state budget**

	As at 30 Jun. 2023 VND		Movements in the period VND		As at 01 Jan. 2023 VND	
	Receivable	Payable	Payable	Deduction	Receivable	Payable
Value added tax	-	610,535,216	4,834,267,634	1,804,913,909	-	410,459,778
Corporate income tax	35,244,944	-	-	-	35,244,944	-
Personal income tax	1,633,282	4,453,000	51,956,784	-	-	41,275,093
Other taxes	-	-	12,000,000	-	-	-
<b>Total</b>	<b>36,878,226</b>	<b>614,988,216</b>	<b>4,898,224,418</b>	<b>1,804,913,909</b>	<b>35,244,944</b>	<b>451,734,871</b>

**4.12. Payables to employees**

Representing the salary fund payables to employees as at 30 June 2023.



## SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.13. Accrued current expenses

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Accrued expenses for related parties – Refer to Note 4.29	375,000,000	-
Accrued interest expense	76,056,105	58,701,908
Accrued other expenses	336,464,833	70,000,000
<b>Total</b>	<b>787,520,938</b>	<b>128,701,908</b>

## 4.14. Current unearned revenue

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Driver training at Danang Driving Center	1,721,743,872	1,328,680,564
Driver training at Hue Driving Center	1,701,921,168	1,625,262,326
Office leasing revenue	-	18,181,818
<b>Total</b>	<b>3,423,665,040</b>	<b>2,972,124,708</b>

## 4.15. Other payables

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Current:		
Profit payables to investment cooperation parties	242,373,254	521,482,835
Trade union dues	233,781,349	241,062,858
Current deposits	437,500,000	532,220,000
Dividend, profit payables for shareholders	49,968,758	49,968,758
Commission fee when referring to learner	273,608,000	242,400,000
Responsibility fee for the taxi driver	219,845,533	222,488,260
Amounts received by the Company on behalf	151,205,802	200,501,802
Other payables	257,341,281	347,892,627
<b>Total</b>	<b>1,865,623,977</b>	<b>2,358,017,140</b>

In which, profit payables to related parties – Refer to Note 4.29

66,652,646 143,407,780

## Non-current:

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Capital contribution under business cooperation contracts to Danang Driving Center	1,640,000,000	1,640,000,000
Capital contribution under business cooperation contracts to Hue Driving Center	2,000,000,000	2,000,000,000
<b>Total</b>	<b>3,640,000,000</b>	<b>3,640,000,000</b>
In which, Capital contributed payable to related parties – Refer to Note 4.29	950,000,000	950,000,000



# **DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

## **SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **4.16. Loans**

	As at 30 Jun. 2023		Movements in the period		As at 01 Jan. 2023	
	Amount	Payable amount	Increase	Decrease	Amount	Payable amount
	VND	VND	VND	VND	VND	VND
Current:						
Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch	13,496,666,595	13,496,666,595	17,312,657,956	15,579,801,088	11,763,809,727	11,763,809,727
Current portion of long-term debt:						
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch	1,077,300,000	1,077,300,000	-	381,620,400	1,458,920,400	1,458,920,400
<b>Total</b>	<b>14,573,966,595</b>	<b>14,573,966,595</b>	<b>17,312,657,956</b>	<b>15,961,421,488</b>	<b>13,222,730,127</b>	<b>13,222,730,127</b>

Details of the loans are as follows:

- Current loans from Vietnam Joint Stock Commercial Bank for Industry and Trade – Da Nang Branch:

Credit line: VND 15,000,000,000

Loan term: 12 months

Interest rate: 7.9 – 8.5% p.a

Purpose: Additional working capital

Mortgage: Long-term land use rights at Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city with totalled VND 473,227,100 as at 30 June 2023 – Refer to Note 4.8.

- Current portion of long-term debt from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Da Nang Branch:

Credit line: USD 306,358.50

Loan term: 60 months

Interest rate: 5% p.a

Purpose: Purchase of 03 catering transport cars for catering supply activities at airports

Mortgage: The Company's motor vehicles with its net book value totalled VND 5,208,807,315 as at 30 June 2023 – Refer to Note 4.7.



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.17. Owner's equity****4.17.1. Changes in owner's equity**

	Owner's contributed capital VND	Items of owner's equity Investment and development fund VND	Retained earnings VND	Total VND
As at 01 Jan. 2022	42,676,830,000	803,208,113	(15,829,078,635)	27,650,959,478
The previous year's first six-months period's losses	-	-	(1,423,312,092)	(1,423,312,092)
Distribution of profits to investment cooperation parties at Danang Driving Center	-	-	(679,910,777)	(679,910,777)
Distribution of profits to investment cooperation parties at Hue Driving Center	-	-	(908,137,929)	(908,137,929)
As at 30 Jun. 2022	42,676,830,000	803,208,113	(18,840,439,433)	24,639,598,680
The previous year's last six-months period's profits	-	-	2,691,458,192	2,691,458,192
Distribution of losses to investment cooperation parties at Danang Driving Center	-	-	163,420,784	163,420,784
Distribution of losses to investment cooperation parties at Hue Driving Center	-	-	282,409,753	282,409,753
Distribution to bonus and welfare fund	-	-	(71,800,000)	(71,800,000)
As at 01 Jan. 2023	42,676,830,000	803,208,113	(15,774,950,704)	27,705,087,409
The current year's first six-months period's profits	-	-	1,327,842,521	1,327,842,521
Distribution of losses to investment cooperation parties at Danang Driving Center	-	-	57,165,263	57,165,263
Distribution of profits to investment cooperation parties at Hue Driving Center	-	-	(242,373,255)	(242,373,255)
As at 30 Jun. 2023	42,676,830,000	803,208,113	(14,632,316,175)	28,847,721,938



## SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 4.17.2. Shares

	As at 30 Jun. 2023	As at 01 Jan. 2023
Number of shares registered for issue	4,267,683	4,267,683
Number of shares sold to public	4,267,683	4,267,683
Number of shares outstanding	4,267,683	4,267,683

Par value per outstanding share: VND 10,000 per share.

## 4.17.3. Basic earnings per share

	Current period VND	Previous period VND
Profit or loss after tax attributable to ordinary shareholders	1,327,842,521	(1,423,312,092)
Adjustments for the increases (decreases) profit or loss after CIT:		
+ <i>Incremental adjustments for profit under business cooperation contracts</i>	57,165,263	-
+ <i>Decremental adjustments for profit under business cooperation contracts</i>	(242,373,255)	(1,588,048,706)
Earnings for the purpose of calculating basic earnings per share	1,142,634,529	(3,011,360,798)
Weighted average number of ordinary shares outstanding during the period	4,267,683	4,267,683
<b>Basic earnings per share</b>	<b>268</b>	<b>(706)</b>

## 4.17.4. Diluted earnings per share

	Current period VND	Previous period VND
Profit or loss after tax attributable to ordinary shareholders	1,327,842,521	(1,423,312,092)
Adjustments for the increases (decreases) profit or loss after CIT:		
+ <i>Incremental adjustments for profit under business cooperation contracts</i>	57,165,263	-
+ <i>Decremental adjustments for profit under business cooperation contracts</i>	(242,373,255)	(1,588,048,706)
Earnings for the purpose of calculating diluted earnings per share	1,142,634,529	(3,011,360,798)
Number of ordinary shares for the purpose of calculating diluted earnings per share	4,267,683	4,267,683
<b>Diluted earnings per share</b>	<b>268</b>	<b>(706)</b>

## 4.18. Off statement of financial position items

	As at 30 Jun. 2023	As at 01 Jan. 2023
Foreign currencies:		
USD	6,403.24	6,418.36



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.19. Revenue from selling goods and rendering services**

	<b>Current period VND</b>	<b>Previous period VND</b>
Revenue from sale of merchandise	5,384,605,944	3,140,018,090
Revenue from rendering training services	14,660,741,850	19,271,609,223
Revenue from rendering leasing services	509,823,370	511,710,927
Revenue from rendering catering services and related other services	44,365,706,088	19,610,353,909
<b>Total</b>	<b>64,920,877,252</b>	<b>42,533,692,149</b>
Of which revenue from selling goods and rendering services to related parties – Refer to Note 4.29	27,721,684,638	15,377,724,245

Reasons for increase in revenue from sales of goods and rendering of services this period are disclosed in Note 1.4

**4.20. Cost of sales**

	<b>Current period VND</b>	<b>Previous period VND</b>
Cost of merchandise sold	3,517,608,125	1,653,335,308
Cost of training services rendered	12,114,442,216	12,861,993,864
Cost of catering services and other services rendered	38,080,903,694	21,081,457,243
<b>Total</b>	<b>53,712,954,035</b>	<b>35,596,786,415</b>

Reasons for increase in the cost of sales this period are disclosed in Note 1.4.

**4.21. Finance expense**

	<b>Current period VND</b>	<b>Previous period VND</b>
Payment discount for related parties – Refer to Note 4.29	375,000,000	350,000,002
Interest expense	632,208,465	510,775,066
Realized exchange differences loss	175,611	-
Unrealized exchange differences loss	-	60,471,515
<b>Total</b>	<b>1,007,384,076</b>	<b>921,246,583</b>

(See the next page)



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.25. Current corporate income tax expense**

CIT expense calculated on the taxable income of the current period is determined as follows:

	Current period VND	Previous period VND
Accounting profit before taxation for the period	1,327,842,521	(1,423,312,092)
Add: Incremental adjustments	244,488,637	450,598,549
<i>Non-deduction expenses under CIT law</i>	236,240,013	450,598,549
<i>Unrealized exchange differences gain of cash and receivables at the end of the previous year</i>	8,248,624	-
Less: Decremental adjustments	(615,908)	(13,837,294)
<i>Unrealized exchange differences gain of cash and receivables at the end of the current period</i>	(615,908)	(6,322,985)
<i>Unrealized exchange differences loss of cash and receivables at the end of the previous year</i>	-	(7,514,309)
Taxable income	1,571,715,250	(986,550,837)
Less: Loss carryforwards	(1,571,715,250)	-
Total taxable income in the current period	-	-
Current CIT expense	-	-
<b>Total current CIT expense in the period</b>	<b>-</b>	<b>-</b>

The adjustments for the increases (decreases) in the taxable income represent mainly non – tax – deductible items as regulated by CIT law.

**4.26. Cash receipts from loans in the period**

	Current period VND	Previous period VND
Cash receipts from loans under normal contracts	17,312,657,956	12,991,742,297

**4.27. Cash repayments of principal amounts borrowed**

	Current period VND	Previous period VND
Cash repayment of principal amounts under normal contracts	(15,959,265,888)	(9,231,701,774)

(See the next page)



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4.28. Segment reporting**

For management purposes, the Company divided its activities on the basis of the following geographical major segments:

- Da Nang City;
- Khanh Hoa province;
- Thua Thien Hue province.

**For the six-month period ended 30 Jun. 2023:**

	Expressed in Thousand Dong									
	Da Nang		Khanh Hoa		Thua Thien Hue		Eliminations		Total	
	Current period VND	Previous period VND	Current period VND	Previous period VND	Current period VND	Previous period VND	Current period VND	Previous period VND	Current period VND	Previous period VND
<b>Revenue</b>										
External sales	42,202,380	24,389,244	10,672,357	5,479,805	12,046,140	12,664,643	-	-	64,920,877	42,533,692
Inter-segment sales	526,719	-	-	-	-	-	(526,719)	-	-	-
<b>Total</b>	<b>42,729,099</b>	<b>24,389,244</b>	<b>10,672,357</b>	<b>5,479,805</b>	<b>12,046,140</b>	<b>12,664,643</b>	<b>(526,719)</b>	<b>(526,719)</b>	<b>64,920,877</b>	<b>42,533,692</b>
<b>Result</b>										
Segment result	10,811,710	5,301,584	(2,072,366)	(2,674,268)	2,075,232	3,331,495	-	-	10,814,576	5,958,811
Selling expense	(2,609,221)	(1,665,101)	-	-	(571,072)	(383,892)	-	-	(3,180,293)	(2,048,993)
G&A expense	(4,196,067)	(3,366,753)	-	-	(1,233,239)	(889,303)	-	-	(5,429,306)	(4,256,056)
Net profit before tax, and financial profit	4,006,422	269,730	(2,072,366)	(2,674,268)	270,921	2,058,300	-	-	2,204,977	(346,238)
Finance income	14,584	15,454	147	82	134,758	95,965	(144,766)	(107,453)	4,723	4,048
Finance expense	(492,453)	(304,639)	(594,871)	(663,126)	(64,826)	(60,935)	144,766	107,453	(1,007,384)	(921,247)
Financial profit	(477,869)	(289,185)	(594,724)	(663,044)	69,932	35,030	-	-	(1,002,661)	(917,199)
Net other income	17,377	(406,002)	(1,169)	(344)	109,319	246,471	-	-	125,527	(159,875)
Profit before tax	3,545,930	(425,457)	(2,668,259)	(3,337,656)	450,172	2,339,801	-	-	1,327,843	(1,423,312)
Income tax expense	-	-	-	-	-	-	-	-	-	-
<b>Profit after tax</b>									<b>1,327,843</b>	<b>(1,423,312)</b>



## Other information

[illegible]

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**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

In addition to the information of the business activities of the segments which are based on the operational structure of the Company, the figures below present information for the manufacturing secondary sector as follows:

- Aviation related activities (supply catering; trading; delivery services; cleaning service at the airport;...);
- Training related activities (driving license training for cars and motorbikes; car rental; practice ground rental;...).

**For the six-month period ended 30 Jun. 2023:**

Expressed in Thousand Dong

	<u>Aviation</u>		<u>Training</u>		<u>Eliminations</u>		<u>Total</u>	
	Current period VND	Previous period VND	Current period VND	Previous period VND	Current period VND	Previous period VND	Current period VND	Previous period VND
<b>Revenue</b>								
External sales	50,180,135	23,161,770	14,740,742	19,371,922	-	-	64,920,877	42,533,692
Inter-segment sales	526,719	-	-	-	(526,719)	-	-	-
<b>Total</b>	<b>50,706,854</b>	<b>23,161,770</b>	<b>14,740,742</b>	<b>19,371,922</b>	<b>(526,719)</b>	<b>-</b>	<b>64,920,877</b>	<b>42,533,692</b>
Depreciation expense	(4,042,710)	(4,193,352)	(562,381)	(999,556)	-	-	(4,605,091)	(5,192,908)
Cost of purchasing assets	(8,000)	-	-	-	-	-	(8,000)	-

(See the next page)



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.29. Related Parties****List of related parties****Relationship**

1. Vietnam Airlines JSC	Significant influence shareholder
2. Pacific Airlines Aviation Joint Stock Company	The same significant influence shareholder
3. Vietnam Airport Ground Services Company Limited	The same significant influence shareholder
4. Noi Bai Catering Services Joint Stock Company	The same significant influence shareholder
5. Phu Bai Branch – Noi Bai Aviation Service Joint Stock Company	The same significant influence shareholder
6. Branch of Vietnam Airlines Engineering Company Limited at Da Nang City	The same significant influence shareholder
7. Board of Directors and management	Key management personnel

At the end of the reporting period, the balances with related parties are as follows:

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Trade receivables:		
Vietnam Airport Ground Services Company Limited	1,316,025,150	-
Pacific Airlines Aviation Joint Stock Company	526,661,264	498,741,264
Phu Bai Branch – Noi Bai Aviation Service Joint Stock Company	141,416,550	-
Vietnam Airlines JSC	129,012,000	14,060,000
Branch of Vietnam Airlines Engineering Company Limited at Da Nang City	4,323,550	-
Noi Bai Catering Services Joint Stock Company	-	290,940,934
<b>Total – Refer to Note 4.2</b>	<b><u>2,117,438,514</u></b>	<b><u>803,742,198</u></b>
Other receivables:		
Advances to employees:		
Mr Pham Van Ha – Vice General Director	69,095,937	121,095,937
Distribution of losses to investment cooperation parties		
Mr Nguyen Thanh Dong – General Director	163,276,902	157,699,803
Mr Pham Van Ha – Vice General Director	115,520,947	111,338,123
Ms Le Thi Thuy Linh – Member of the Board of Directors	115,520,947	111,338,121
<b>Total – Refer to Note 4.3</b>	<b><u>463,414,733</u></b>	<b><u>501,471,984</u></b>
Trade payables:		
Noi Bai Catering Services Joint Stock Company	254,974,135	533,784,777
Vietnam Airport Ground Services Company Limited	-	610,750,000
<b>Total – Refer to Note 4.9</b>	<b><u>254,974,135</u></b>	<b><u>1,144,534,777</u></b>
Advances from customers – Refer to Note 4.10:		
Vietnam Airlines JSC	4,325,703,432	5,874,722,725



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Accrued payment discount expenses – Refer to Note 4.13:		
Vietnam Airlines JSC	375,000,000	-
Current other payables:		
Profit payables to investment cooperation parties:		
Mr Nguyen Thanh Dong – General Director	36,355,989	78,222,424
Ms Le Thi Thuy Linh – Member of the Board of Directors	30,296,657	65,185,356
<b>Total – Refer to Note 4.15</b>	<b>66,652,646</b>	<b>143,407,780</b>
Non-current other payables:		
Capital contribution under business cooperation contracts:		
Mr Nguyen Thanh Dong – General Director	460,000,000	460,000,000
Ms Le Thi Thuy Linh – Member of the Board of Directors	370,000,000	370,000,000
Mr Pham Van Ha – Vice General Director	120,000,000	120,000,000
<b>Total – Refer to Note 4.15</b>	<b>950,000,000</b>	<b>950,000,000</b>
During the reporting period, the Company has had related party transactions as follows:		
	Current period VND	Previous period VND
Sale of goods and rendering services:		
Vietnam Airlines JSC	25,644,379,435	15,302,248,795
Vietnam Airport Ground Services Company Limited	1,441,859,500	-
Phu Bai Branch – Noi Bai Aviation Service Joint Stock Company	315,935,000	-
Noi Bai Catering Services Joint Stock Company	219,335,473	-
Branch of Vietnam Airlines Engineering Company Limited at Da Nang City	72,247,957	67,696,450
Pacific Airlines Aviation Joint Stock Company	27,927,273	7,779,000
<b>Total – Refer to Note 4.19</b>	<b>27,721,684,638</b>	<b>15,377,724,245</b>
Purchase of goods:		
Noi Bai Catering Services Joint Stock Company	230,363,008	25,863,326
Payment discount – Refer to Note 4.21:		
Vietnam Airlines JSC	375,000,000	350,000,002



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	Current period VND	Previous period VND
Rendering of services:		
Vietnam Airlines JSC		
+ <i>Flight tickets fee</i>	1,597,272	3,427,779
+ <i>Cargo transportation fee</i>	72,954,200	62,031,200
<b>Total</b>	<b>74,551,472</b>	<b>65,458,979</b>

(See the next page)



**DANANG AIRPORTS SERVICES JOINT STOCK COMPANY**

Address: Da Nang International Airport, Hoa Thuan Tay ward, Hai Chau district, Da Nang city, Vietnam

**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Remunerations of the Board of Directors, management and the chief accountant are as follows:

Name	Position	Current period VND		Previous period VND	
		Remuneration	Income	Remuneration	Income
Mr Dao Manh Kien	Chairperson	9,750,000	-	9,750,000	-
Ms Le Thi Thuy Linh	Member	5,460,000	74,160,168	5,460,000	73,608,988
Ms Nguyen Thi Thuy Linh	Member	5,460,000	-	5,460,000	-
Mr Nguyen Thanh Dong	Member / General Director	5,460,000	232,482,869	5,460,000	139,776,000
Mr Tran Thanh Hai	Member/ Vice General Director	5,460,000	163,549,396	5,460,000	113,195,000
Mr Pham Van Ha	Vice General Director	-	163,549,396	-	113,195,000
Ms Nguyen Thi Minh Huyen	Chief accountant	-	137,238,339	-	110,100,811
<b>Total</b>		<b>31,590,000</b>	<b>770,980,168</b>	<b>31,590,000</b>	<b>549,875,799</b>

**4.30. Remunerations of the Supervisory Committee**

Name	Position	Current period VND		Previous period VND	
		Remuneration	Income	Remuneration	Income
Mr Dinh Hong Son	Head of Supervisory Committee	-	46,800,000	-	46,800,000
Mr Nguyen Dung	Member of Supervisory Committee	3,900,000	51,515,833	3,900,000	39,618,848
Mr Le Giang Nam	Member of Supervisory Committee	3,900,000	88,593,114	3,900,000	63,852,225
<b>Total</b>		<b>7,800,000</b>	<b>186,908,947</b>	<b>7,800,000</b>	<b>150,271,073</b>

158,071,073



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.31. Financial instruments**

In performing its operating, investing, and financing activities, the Company is exposed to the following financial risks:

- Credit risk: The possibility that a debtor will not repay all or a portion of a loan or will not repay in a timely manner and therefore will cause a loss to the Company.
- Liquidity risk: The risk that the Company may not have, or may not be able to raise, cash funds when needed and therefore encounter difficulty in meeting obligations associated with financial liabilities.
- Market risk: The risk that the value of a financial instrument will fluctuate in terms of fair value or future cash flows as a result of a fluctuation in market prices. Basically, the Company is exposed to two market risk components:
  - + Interest rate risk;
  - + Currency risk.

In order to effectively manage those risks, the Board of Directors has approved specific strategies for the management of financial risks, which are in line with corporate objectives. These strategies set up guidelines for the short- and long-term objectives and actions to be taken in order to manage the financial risks that the Company faces. The major guidelines are the following:

- Minimise interest rate, currency, and price risks for all kinds of transactions
- All financial risk management activities are carried out and monitored at central level;
- All financial risk management activities are carried out on a prudent and consistent basis and following the best market practices.

The following table summarises the carrying amount of financial assets and financial liabilities recorded by category:

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Financial assets:		
Cash	5,512,229,731	4,764,980,007
Trade and other receivables	14,003,358,964	8,938,805,708
<b>Total</b>	<b>19,515,588,695</b>	<b>13,703,785,715</b>
Financial liabilities:		
Loans	14,573,966,595	13,222,730,127
Trade and other payables	14,944,313,054	15,561,546,262
Accruals	787,520,938	128,701,908
<b>Total</b>	<b>30,305,800,587</b>	<b>28,912,978,297</b>



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***Credit risk***

The Company's major customers are airline companies. Therefore, the Company manages credit risk by maintaining a contract deposit policy and requiring payment of debts within 30 days. There are no significant concentrations of credit risk. The maximum credit risk to which the Company is exposed is summarised in the following table:

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Cash	5,512,229,731	4,764,980,007
Trade and other receivables	14,003,358,964	8,938,805,708
<b>Total</b>	<b>19,515,588,695</b>	<b>13,703,785,715</b>

The Company does not hold collateral for any of its receivables. All the receivables that are past due at reporting date are impaired as appropriate. Note 4.4 provides an analysis of the allowance for doubtful receivables.

***Liquidity risk***

The Company manages liquidity risk on the basis of expected maturity dates.

The following tables analyse financial liabilities by remaining contractual maturity:

	Loans VND	Other liabilities VND	Total VND
Less than 1 year	14,573,966,595	12,091,833,992	26,665,800,587
Over 5 years	-	3,640,000,000	3,640,000,000
<b>As at 30 Jun. 2023</b>	<b>14,573,966,595</b>	<b>15,597,508,992</b>	<b>30,305,800,587</b>
	Loans VND	Other liabilities VND	Total VND
Less than 1 year	13,222,730,127	12,050,248,170	25,272,978,297
Over 5 years	-	3,640,000,000	3,640,000,000
<b>As at 01 Jan. 2023</b>	<b>13,222,730,127</b>	<b>15,690,248,170</b>	<b>28,912,978,297</b>

The Company expects to pay all liabilities at their contractual maturity. In order to meet such cash commitments, the Company expects the operating activity to generate sufficient cash inflows. In addition, the Company holds financial assets for which there is a liquid market and that are readily available to meet liquidity needs.



**SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Interest rate risk**

The Company's exposure to interest rate risk mainly concerns floating-rate loans from banks. The following table analyses the breakdown of liabilities by type of interest rate:

	As at 30 Jun. 2023 VND	As at 01 Jan. 2023 VND
Financial Liabilities:		
Floating rate	14,573,966,595	13,222,730,127

In order to manage the interest rate risk, The Company has estimated the impact of interest expense on its operating results for each period, as well as analyzed and forecast to choose the appropriate times to pay liabilities. Management believes that the Company's risk of unexpected interest rate fluctuations is low.

**Foreign currency risk**

The Company has operations internationally so it is exposed to foreign currency risk as part of its normal business. The Company is exposed to USD risk due to its loans by foreign currency and catering transactions with international airlines such as STARLUX Airlines, Qatar Airways, Eznis Airways, etc...

In order to manage the foreign currency risk, the Company has implemented measures such as optimizing debt payment terms, selecting appropriate times to buy and pay foreign exchange, forecasting future foreign exchange rates, and optimizing existing cash resources to balance foreign exchange risk and liquidity risk.

Financial assets are analysed by currency as follows:

	Other receivable VND	Trade receivable VND	Cash VND	Total VND
<b>As at 30 Jun. 2023</b>				
VND	3,484,346,709	7,796,937,954	5,362,457,167	16,643,741,830
USD	-	2,722,074,301	149,772,564	2,871,846,865
<b>Total</b>	<b><u>3,484,346,709</u></b>	<b><u>10,519,012,255</u></b>	<b><u>5,512,229,731</u></b>	<b><u>19,515,588,695</u></b>
<b>As at 01 Jan. 2023</b>				
VND	4,120,940,582	4,567,363,144	4,614,853,483	13,303,157,209
USD	-	250,501,982	150,126,524	400,628,506
<b>Total</b>	<b><u>4,120,940,582</u></b>	<b><u>4,817,865,126</u></b>	<b><u>4,764,980,007</u></b>	<b><u>13,703,785,715</u></b>



## SELECTED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The following table analyses the breakdown of liabilities by currency:

	Loans VND	Trade and other payables VND	Accruals VND	Total VND
<b>As at 30 Jun. 2023</b>				
VND	13,496,666,595	14,706,813,054	787,520,938	28,991,000,587
USD	1,077,300,000	237,500,000	-	1,314,800,000
<b>Total</b>	<b>14,573,966,595</b>	<b>14,944,313,054</b>	<b>787,520,938</b>	<b>30,305,800,587</b>
<b>As at 01 Jan. 2023</b>				
VND	11,763,809,727	15,229,326,262	128,701,908	27,121,837,897
USD	1,458,920,400	332,220,000	-	1,791,140,400
<b>Total</b>	<b>13,222,730,127</b>	<b>15,561,546,262</b>	<b>128,701,908</b>	<b>28,912,978,297</b>

## 4.32. Events after the end of the reporting period

There were no significant events arising after the end of the reporting period to the date of the financial statements.



Nguyen Thanh Dong  
General Director

Nguyen Thi Minh Huyen  
Chief Accountant

Pham Thi Thuong  
Preparer

Da Nang, 21 August 2023