



INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2020

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INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

9th Floor, Green Power Building, 35 Ton Duc Thang Street, District 1

Ho Chi Minh City, S.R. Vietnam

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of International Gas Product Shipping Joint Stock Company (the "Company") presents this report together with the Company's financial statements for the year ended 31 December 2020.

THE BOARDS OF MANAGEMENT AND DIRECTORS

The members of the Boards of Management and Directors of the Company who held office during the year and to the date of this report are as follows:

Board of Management

Mr. Mai The Toan	Chairman
Ms. Pham Thi Truc	Vice Chairwoman
Mr. Nguyen Duyen Hieu	Member
Mr. Nguyen The Anh	Member
Ms. Vu Thi Phuong Nga	Member

Board of Directors

Mr. Nguyen Duyen Hieu	Director
Mr. Vu Van Duc	Deputy Director
Mr. Doan Duc Trong	Deputy Director
Mr. Nguyen Canh Toan	Deputy Director

THE BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2020, and financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Directors 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 material departures 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 an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Directors 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 that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Directors,



Nguyen Duyen Hieu

Director

15 March 2021

No.: 0340 /VN1A-HC-BC**INDEPENDENT AUDITORS' REPORT**

To: The Shareholders, The Board of Management and The Board of Directors
International Gas Product Shipping Joint Stock Company

We have audited the accompanying financial statements of International Gas Product Shipping Joint Stock Company (the "Company"), prepared on 15 March 2021 as set out from page 3 to page 30, which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors' Responsibility for financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditors' Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

**Nguyễn Thị Thu Sang****Audit Partner**

Audit Practising Registration Certificate

No. 1144-2018-001-1

BRANCH OF DELOITTE VIETNAM COMPANY LIMITED

15 March 2021

Ho Chi Minh City, S.R. Vietnam

**Pham Hoang Khanh Phuong****Auditor**

Audit Practising Registration Certificate

No. 2756-2020-001-1

BALANCE SHEET
As at 31 December 2020

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		394,824,362,506	367,343,996,019
I. Cash and cash equivalents	110	4	78,805,217,023	53,229,188,747
1. Cash	111		28,805,217,023	8,229,188,747
2. Cash equivalents	112		50,000,000,000	45,000,000,000
II. Short-term financial investments	120		177,500,000,000	153,970,000,000
1. Held-to-maturity investments	123	5	177,500,000,000	153,970,000,000
III. Short-term receivables	130		91,761,229,764	98,995,948,631
1. Short-term trade receivables	131	6	86,427,544,822	91,001,841,549
2. Short-term advances to suppliers	132		2,031,419,779	736,037,456
3. Other short-term receivables	136	7	3,302,265,163	7,258,069,626
IV. Inventories	140	8	13,673,610,101	17,158,920,107
1. Inventories	141		13,673,610,101	17,158,920,107
V. Other short-term assets	150		33,084,305,618	43,989,938,534
1. Short-term prepayments	151		2,208,590,836	5,292,230,270
2. Value added tax deductibles	152		30,875,714,782	38,697,708,264
B. NON-CURRENT ASSETS	200		482,422,177,588	535,173,336,649
I. Long-term receivables	210		1,080,044,588	1,070,905,502
1. Other long-term receivables	216	7	1,080,044,588	1,070,905,502
II. Fixed assets	220		481,342,133,000	534,102,431,147
1. Tangible fixed assets	221	9	481,342,133,000	534,102,431,147
- Cost	222		810,148,103,680	809,727,208,952
- Accumulated depreciation	223		(328,805,970,680)	(275,624,777,805)
2. Intangible assets	227		-	-
- Cost	228		435,570,550	435,570,550
- Accumulated amortization	229		(435,570,550)	(435,570,550)
TOTAL ASSETS (270=100+200)	270		877,246,540,094	902,517,332,668

The accompanying notes are an integral part of these financial statements

BALANCE SHEET (Continued)

As at 31 December 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		415,516,051,937	450,320,181,814
I. Current liabilities	310		231,693,666,933	204,044,953,686
1. Short-term trade payables	311	10	98,614,210,208	111,488,392,025
2. Short-term advances from customers	312		289,953,027	323,474,825
3. Taxes and amounts payable to the State budget	313	11	4,281,660,209	4,169,119,964
4. Payables to employees	314		19,584,262,339	15,227,297,063
5. Short-term accrued expenses	315		4,893,875,095	1,883,050,566
6. Short-term unearned revenue	318		798,026,743	-
7. Other current payables	319		10,725,948,974	336,851,033
8. Short-term loans and obligations under finance leases	320	12	57,240,715,000	57,376,620,000
9. Short-term provisions	321	13	33,880,571,262	12,275,999,994
10. Bonus and welfare funds	322		1,384,444,076	964,148,216
II. Long-term liabilities	330		183,822,385,004	246,275,228,128
1. Long-term loans and obligations under finance leases	338	12	179,302,891,250	237,105,225,000
2. Long-term provisions	342	13	4,519,493,754	9,170,003,128
D. EQUITY	400		461,730,488,157	452,197,150,854
I. Owner's equity	410	14	461,730,488,157	452,197,150,854
1. Owner's contributed capital	411		360,000,000,000	360,000,000,000
- Ordinary shares carrying voting rights	411a		360,000,000,000	360,000,000,000
2. Other owner's capital	414		1,709,511,521	1,709,511,521
3. Investment and development fund	418		39,107,556,317	26,005,785,387
4. Retained earnings	421		60,913,420,319	64,481,853,946
- Retained earnings accumulated to the prior year end	421a		911,587,156	12,074,770,225
- Retained earnings of the current year	421b		60,001,833,163	52,407,083,721
TOTAL RESOURCES (440=300+400)	440		877,246,540,094	902,517,332,668


 Pham Tien Nam
Preparer


 Le Anh Nam
Chief Accountant


 Nguyễn Duyen Hieu
Director
15 March 2021

The accompanying notes are an integral part of these financial statements

INCOME STATEMENT

For the year ended 31 December 2020

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		1,547,234,672,709	1,390,979,827,086
2. Net revenue from goods sold and services rendered (10=01)	10	17	1,547,234,672,709	1,390,979,827,086
3. Cost of sales and services rendered	11	18	1,437,867,767,617	1,282,323,562,164
4. Gross profit from goods sold and services rendered (20=10-11)	20		109,366,905,092	108,656,264,922
5. Financial income	21	20	14,532,098,815	14,799,147,034
6. Financial expenses	22	21	9,565,037,326	9,186,313,191
- In which: Interest expense	23		9,314,400,273	8,005,646,390
7. Selling expenses	25	22	7,510,738,255	9,070,476,251
8. General and administration expenses	26	22	37,504,843,538	40,164,623,975
9. Operating profit (30=20+(21-22)-(25+26))	30		69,318,384,788	65,033,998,539
10. Other income	31		5,859,696,335	868,549,582
11. Other expenses	32		-	219,037,833
12. Profit from other activities (40=31-32)	40		5,859,696,335	649,511,749
13. Accounting profit before tax (50=30+40)	50		75,178,081,123	65,683,510,288
14. Current corporate income tax expense	51	23	15,176,247,960	13,276,426,567
15. Net profit after corporate income tax (60=50-51)	60		60,001,833,163	52,407,083,721
16. Basic earnings per share	70	24	1,550	1,354


Pham Tien Nam
Preparer

Le Anh Nam
Chief Accountant

 Nguyen Duyen Hieu
 Director
 15 March 2021

CASH FLOW STATEMENT*For the year ended 31 December 2020*

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. <i>Profit before tax</i>	01	75,178,081,123	65,683,510,288
2. <i>Adjustments for:</i>			
Depreciation and amortization of fixed assets	02	53,181,192,875	33,964,353,933
Provisions	03	30,214,012,042	15,570,662,251
Foreign exchange gain arising from translating foreign currency items	04	(227,516,698)	(434,688,612)
Gain from investing activities	05	(12,644,558,916)	(13,324,694,908)
Interest expense	06	9,314,400,273	8,005,646,390
3. <i>Operating profit before movements in working capital</i>	08	155,015,610,699	109,464,789,342
Change in receivables	09	11,949,909,280	32,412,336,401
Change in inventories	10	3,485,310,006	7,139,021,666
Change in payables	11	5,334,590,492	22,741,025,930
Change in prepaid expenses	12	3,083,639,434	547,531,020
Interest paid	14	(9,448,020,663)	(7,884,110,124)
Corporate income tax paid	15	(14,966,785,783)	(13,323,425,828)
Other cash outflows	17	(16,517,289,234)	(24,789,591,665)
<i>Net cash generated by operating activities</i>	20	137,936,964,231	126,307,576,742
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition of fixed assets	21	(82,500,000)	(288,759,084,050)
2. Cash outflow for lending, buying debt instruments of other entities	23	(306,500,000,000)	(83,970,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	282,970,000,000	115,000,000,000
4. Interest earned	27	15,751,361,985	13,467,882,099
<i>Net cash used in investing activities</i>	30	(7,861,138,015)	(244,261,201,951)

The accompanying notes are an integral part of these financial statements

CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2020

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	-	177,046,520,000
2. Repayment of borrowings	34	(57,646,576,750)	(30,822,856,513)
3. Dividends and profits paid	36	(46,800,000,000)	-
Net cash (used in)/ generated by financing activities	40	(104,446,576,750)	146,223,663,487
Net increase in cash (50=20+30+40)	50	25,629,249,466	28,270,038,278
Cash and cash equivalents at the beginning of the year	60	53,229,188,747	24,902,199,025
Effect of changes in foreign exchange rates	61	(53,221,190)	56,951,444
Cash and cash equivalents at the end of the year (70=50+60+61)	70	78,805,217,023	53,229,188,747


Pham Tien Nam
Preparer

Le Anh Nam
Chief Accountant

 Nguyen Duyen Hieu
 Director
 15 March 2021

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statements

1. GENERAL INFORMATION**Structure of ownership**

International Gas Product Shipping Joint Stock Company (the "Company") was incorporated in Vietnam under Enterprise Registration Certificate No. 0305390530 issued by Department of Planning and Investment of Ho Chi Minh City and as 8th amendment dated 8 May 2020. This Certificate replaced the Business Registration Certificate No. 4103008857 on 24 December 2007 issued by the Department of Planning and Investment of Ho Chi Minh City.

The Company has been listed on the Ho Chi Minh Stock Exchange (HOSE) with stock code as "GSP".

The number of employees as at 31 December 2020 was 209 (as at 31 December 2019: 193).

Operating industry and principal activities

The principal activities of the Company are other supporting services relating to transportation, shipping agency services, maritime brokerage services, ship supply services, vessel leasing services, shipping business services; freight transport by road; direct support services for water transport; freight inland waterway; professional education; wholesale of solid fuels, liquefied gases and related products; other specialized wholesale.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months.

Characteristics of the business activities in the fiscal year which have impact on the financial statements

The uncertainty situation of Covid-19 pandemic ("Covid-19") around the world is resulting in economic slowdown and impacting the Company's business. The fall of world oil prices has decreased the Company's transportation service prices. However, revenue from transportation services still increased by 40% compared to previous year due to customers' rising demand of transportation. The Board of Directors has assessed the impact of Covid-19 on the business activities, financial position and business management to take appropriate measures to control the situation, maintaining Company's operation.

Disclosure of information comparability in the financial statements

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2019.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**Accounting convention**

The accompanying financial statements, expressed in Vietnam Dong ("VND"), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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

Financial year

The Company's financial year begins on 1 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Directors' best knowledge, actual results may differ from those estimates.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash and cash equivalents, trade and other receivables, financial investments.

Financial liabilities: At the date of initial recognition, financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise borrowings, trade and other payables, and accrued expenses.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits.

Interest income from held-to-maturity investments is recognized in the income statement on accrual basis.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises of purchase price and other relevant costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first in first out method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use. Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Machinery and equipment	3
Office equipment	3 - 5
Motor vehicles	5 - 13

Operating lease

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible assets and amortization

Intangible assets represent computer software that are stated at cost less accumulated amortization. Computer software are amortized using the straight-line method within three years.

Prepayments

Prepayments are including office rentals, insurance fees, and other types of prepayments that have already been paid but relate to results of operations of multiple financial years.

Fixed assets' overhaul expenses

Provision is recorded in the income statement on an accrual basis based on the budget until the expected dry-docking time. If the actual dry-docking expenses is higher than the provision amount according to the budget or vice versa, the difference is recognized in the income statement for that financial year.

Other payable provisions

Other payable provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Revenue recognition

Revenue from the sale is recognized when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognized in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Company for full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each year of service equals to a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the financial statements at the end of each reporting period. The increase or decrease in the accrued amount shall be recorded in the income statement.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognized in the income statement.

Borrowing costs

Borrowing costs are recognized in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs".

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	331,491,810	409,292,381
Cash in bank	28,473,725,213	7,819,896,366
Cash equivalents	50,000,000,000	45,000,000,000
	<u>78,805,217,023</u>	<u>53,229,188,747</u>

Cash equivalents represent bank deposits in Vietnam Dong at commercial banks with an original maturity of three months and earn an interest rate from 3% to 3,55% per annum (as at 31 December 2019 5% per annum).

5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent bank deposits in Vietnam Dong at commercial banks with an original maturity under twelve months, and earn an interest rate from 3.9% to 7% per annum (as at 31 December 2019: from 6 % to 7% per annum).

As at 31 December 2020, the Company has used a number of short-term time deposits at commercial banks with a total amount VND 50,000,000,000 as collateral for the letter of credit guarantee (Note 12) and amount VND 15,000,000,000 to secure for Letter of guarantee to perform economic contract.

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Third-parties		
Totalgaz Vietnam Company Limited	15,554,427,372	6,672,652,828
Others	29,283,045,760	23,457,980,835
b. Related parties (Note 28)	<u>41,590,071,690</u>	<u>60,871,207,886</u>
	<u>86,427,544,822</u>	<u>91,001,841,549</u>

7. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Short-term receivables		
Accrued interest incomes	2,543,041,096	5,649,844,165
Advances to employees	612,603,176	1,573,137,280
Deposits	12,000,000	11,000,000
Others	134,620,891	24,088,181
	<u>3,302,265,163</u>	<u>7,258,069,626</u>
b. Long-term receivables		
Deposits	1,080,044,588	1,070,905,502
	<u>1,080,044,588</u>	<u>1,070,905,502</u>

8. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Goods in transit	-	-	1,101,001,249	-
Raw materials	13,673,610,101	-	16,057,918,858	-
	<u>13,673,610,101</u>	<u>-</u>	<u>17,158,920,107</u>	<u>-</u>

9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Total VND
COST				
Opening balance	5,985,425,449	987,878,935	802,753,904,568	809,727,208,952
Additions	82,500,000	-	338,394,728	420,894,728
Closing balance	<u>6,067,925,449</u>	<u>987,878,935</u>	<u>803,092,299,296</u>	<u>810,148,103,680</u>
ACCUMULATED DEPRECIATION				
Opening balance	(5,894,059,713)	(890,203,406)	(268,840,514,686)	(275,624,777,805)
Charge for the year	(71,958,072)	(28,781,575)	(53,080,453,228)	(53,181,192,875)
Closing balance	<u>(5,966,017,785)</u>	<u>(918,984,981)</u>	<u>(321,920,967,914)</u>	<u>(328,805,970,680)</u>
NET BOOK VALUE				
Closing balance	<u>101,907,664</u>	<u>68,893,954</u>	<u>481,171,331,382</u>	<u>481,342,133,000</u>
Opening balance	<u>91,365,736</u>	<u>97,675,529</u>	<u>533,913,389,882</u>	<u>534,102,431,147</u>

As at 31 December 2020, the Company has pledged some of its transport vehicles with the total cost and net book value as at 31 December 2020 of VND 532,857,614,947 and VND 465,457,171,013 respectively (as at 31 December 2019 VND 532,519,220,219 and VND 506,111,228,571 respectively), to secure loans sponsored by Shinhan Bank Vietnam Limited (Note 12).

The cost of tangible fixed assets as at 31 December 2020 comprises fully depreciated fixed assets which are still in use with an amount of VND 137,841,922,585 (as at 31 December 2019: VND 137,790,086,221).

10. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
a. Third party		
Sao Phuong Nam Transport Trading Company Limited	8,980,245,145	6,733,859,446
OPEC Petrol Transportation Company Limited	6,757,856,188	12,848,521,412
FGas Petrol JSC	6,665,338,219	8,015,139,594
Others	21,898,706,805	29,617,466,817
b. Related parties (Note 28)	<u>54,312,063,851</u>	<u>54,273,404,756</u>
	<u>98,614,210,208</u>	<u>111,488,392,025</u>

The Company is able to pay the short-term trade payables in full as at 31 December 2020 and 31 December 2019.

11. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
Value added tax import goods	-	484,325,337	437,659,337	46,666,000
Corporate income tax	3,859,604,447	15,176,247,960	14,966,785,783	4,069,066,624
Personal income tax	237,363,797	1,417,175,548	1,531,035,396	123,503,949
Import-Export tax	72,151,720	278,022,690	307,750,774	42,423,636
Business license tax	-	3,000,000	3,000,000	-
Others tax	-	215,888,104	215,888,104	-
	4,169,119,964	17,574,659,639	17,462,119,394	4,281,660,209

12. LOANS

	Opening balance	In the year		Closing balance
	VND	VND	VND	VND
	Amount	Decrease	Foreign exchange difference	Amount
Long-term loan	<u>294,481,845,000</u>	<u>(57,646,576,750)</u>	<u>(291,662,000)</u>	<u>236,543,606,250</u>

The Company is able to pay for the long-term loan in full as at 31 December 2020.

Long-term loan represents the loan obtain from Shinhan Bank Vietnam Limited with total credit limit of USD 14,630,000. This is a 5-7 year term loan bearing interest rate of three-month USD LIBOR plus 2.5% per annum.

According to the provisions of the Facility Agreement No. SHBVN/BC/10/2019/HDTD/GSP dated 18 September 2019, the Company must ensure the term deposit account at Shinhan Bank Vietnam Limited with an amount not less than 30% of the outstanding loan balance at any time. As at 31 December 2020, the outstanding loan of this agreement was VND 132,539,351,437 (as at 31 December 2019: VND 168,310,170,000).

These loans are secured by short-term time deposits (Note 5), and transport vehicles as collateral for the loan (Note 9).

Long-term loan is repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	57,240,715,000	57,376,620,000
In the second year	57,240,715,000	57,376,620,000
In the third to fifth year inclusive	122,062,176,250	163,271,430,000
After five years	-	16,457,175,000
	236,543,606,250	294,481,845,000
Deduct: Amount due for settlement within 12 months (shown short-term loans)	57,240,715,000	57,376,620,000
Amount due for settlement after 12 months	179,302,891,250	237,105,225,000

13. PROVISIONS

	Periodic vessel overhaul repairing VND	Severance allowance VND	Total VND
Opening balance	21,203,798,122	242,205,001	21,446,003,122
Addition	30,603,936,891	-	30,603,936,891
Reversal	(380,049,851)	(9,874,998)	(389,924,849)
Used	(13,259,950,148)	-	(13,259,950,148)
Closing balance	<u>38,167,735,014</u>	<u>232,330,002</u>	<u>38,400,065,016</u>
	<u>Closing balance</u>		<u>Opening balance</u>
	VND		VND
Details:			
Short-term provisions	33,880,571,262		12,275,999,994
Long-term provisions	4,519,493,754		9,170,003,128
	<u>38,400,065,016</u>		<u>21,446,003,122</u>

14. OWNER'S EQUITY

	Closing balance		Opening balance	
	Number of shares	VND	Number of shares	VND
Authorized	36,000,000	360,000,000,000	36,000,000	360,000,000,000
Issued and fully contributed	<u>36,000,000</u>	<u>360,000,000,000</u>	<u>36,000,000</u>	<u>360,000,000,000</u>

Shares	Closing balance	Opening balance
Number of shares issued to the public		
Ordinary shares	36,000,000	36,000,000
Number of outstanding shares in circulation		
Ordinary shares	36,000,000	36,000,000

The Company only issued one ordinary share which was not entitled to a fixed dividend with a par value of VND 10,000/share. Shareholders owning ordinary shares are entitled to receive dividends when they are announced and have the right to vote at the rate of one voting right per share held at the shareholders' meetings of the Company. All shares have the same right to inherit the Company's net assets.

List of shareholders hold more than 5% as at balance sheet date as follows:

	Closing balance		Opening balance	
	VND	%	VND	%
PetroVietnam Transportation Corporation	243,850,800,000	67.74	243,850,800,000	67.74
Mr. Nguyen Hong Hiep	<u>30,202,920,000</u>	<u>8.39</u>	<u>30,202,920,000</u>	<u>8.39</u>

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Movement in owner's equity

	Owner's contributed capital	Other owner's capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	300,000,000,000	1,709,511,521	22,794,970,353	79,105,400,293	403,609,882,167
Profit for the year	-	-	-	52,407,083,721	52,407,083,721
Capital contribution	60,000,000,000	-	-	(60,000,000,000)	-
Investment and development fund appropriation	-	-	3,210,815,034	(3,210,815,034)	-
Bonus and welfare funds appropriation	-	-	-	(3,210,815,034)	(3,210,815,034)
Remunerations of Board of Directors	-	-	-	(500,000,000)	(500,000,000)
Remuneration of Board of Management and Board of Supervisors	-	-	-	(109,000,000)	(109,000,000)
Current year's opening balance	360,000,000,000	1,709,511,521	26,005,785,387	64,481,853,946	452,197,150,854
Profit for the year	-	-	-	60,001,833,163	60,001,833,163
Investment and development fund appropriation (2)	-	-	13,101,770,930	(13,101,770,930)	-
Bonus and welfare fund appropriation (2)	-	-	-	(2,620,354,186)	(2,620,354,186)
Remuneration of Board of Directors (2)	-	-	-	(1,048,141,674)	(1,048,141,674)
Dividend paid	-	-	-	(46,800,000,000)	(46,800,000,000)
Current year's closing balance	360,000,000,000	1,709,511,521	39,107,556,317	60,913,420,319	461,730,488,157

(1) According to Resolution No. 02/NQ-VTSPK-DHDCD dated 19 June 2020, the Annual General Meeting of Shareholders has approved for dividends paying of 2019 by cash with the amount VND 46,800,000,000. The dividend was paid all in 2020.

(2) Resolution No. 02/NQ-VTSPK-DHDCD dated 19 June 2020 by the Annual General Meeting of Shareholders has approved appropriation for investment and development fund, bonus and welfare fund, remuneration of the Company's Board of Directors from profit after tax of 2019.

15. OFF BALANCE SHEET ITEM

Foreign currency:

	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar ("USD")	<u>7,404</u>	<u>102,955</u>

16. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Company is currently organized into two business divisions- Transportation and Trading. The Company prepared the segment report based on these two business segments. The main operation of these two business is as follows:

Transportation: supplying transportation by motor vessels;

Trading: trading of solid fuels, liquefied gases and related products.

The information on the Company's business activities is as follows:

Balance sheet

Closing balance	Transportation services VND	Trading VND	Total VND
Segment assets	854,289,387,630	22,957,152,464	877,246,540,094
Total assets			877,246,540,094
Segment liabilities	397,375,971,068	18,140,080,869	415,516,051,937
Total liabilities			415,516,051,937
 Opening balance	 Transportation services VND	 Trading VND	 Total VND
Segment assets	879,493,510,696	23,023,821,972	902,517,332,668
Total assets			902,517,332,668
Segment liabilities	422,129,519,640	28,190,662,174	450,320,181,814
Total liabilities			450,320,181,814

Income Statement

Current year	Transportation services VND	Trading VND	Total VND
Revenue			
External sales	1,058,934,239,533	488,300,433,176	1,547,234,672,709
Total revenue	<u>1,058,934,239,533</u>	<u>488,300,433,176</u>	<u>1,547,234,672,709</u>
Cost of sales			
External sales	952,340,624,468	485,527,143,149	1,437,867,767,617
Total cost of sales	<u>952,340,624,468</u>	<u>485,527,143,149</u>	<u>1,437,867,767,617</u>
Income Statement			
Income statement	<u>106,534,663,780</u>	<u>2,832,241,312</u>	<u>109,366,905,092</u>
Not allocated expenses			(45,015,581,793)
Profit from operating activities			64,351,323,299
Financial income			14,532,098,815
Other income			5,859,696,335
Financial expense			(9,565,037,326)
Profit before tax			75,178,081,123
Corporate income tax expense			(15,176,247,960)
Profit for the year			<u>60,001,833,163</u>

Prior year	Transportation services VND	Trading VND	Total VND
Revenue			
Net revenue from goods sold and rendered services	755,993,140,246	634,986,686,840	1,390,979,827,086
Total revenue	<u>755,993,140,246</u>	<u>634,986,686,840</u>	<u>1,390,979,827,086</u>
Cost of sales			
External sales	648,722,393,643	633,601,168,521	1,282,323,562,164
Total cost of sales	<u>648,722,393,643</u>	<u>633,601,168,521</u>	<u>1,282,323,562,164</u>
Income statement			
Income statement	<u>107,270,746,603</u>	<u>1,385,518,319</u>	<u>108,656,264,922</u>
Not allocated expenses			(49,235,100,226)
Profit from operating activities			59,421,164,696
Financial income			14,799,147,034
Other income			649,511,749
Financial expenses			(9,186,313,191)
Profit before tax			65,683,510,288
Corporate income tax expenses			(13,276,426,567)
Profit for the year			<u>52,407,083,721</u>

Report by geographical segment

The main activity of International Gas Product Shipping is transportation and trading. The trading revenue mainly operates within Vietnam. While, revenues of transportation operates both in Vietnam (mainly from Dung Quat Oil Refinery, Thi Vai port warehouse to other domestic provinces), and international (mainly in Southeast Asia and South China).

Details of transportation revenue by geographical area are as follows:

	<u>Current year</u> VND	<u>Prior year</u> VND
Transportation revenue		
Domestic transportation	795,207,204,165	617,282,994,688
International transportation	263,727,035,368	138,710,145,558
	<u>1,058,934,239,533</u>	<u>755,993,140,246</u>
Cost of transportation		
Domestic transportation	724,003,423,286	529,694,359,050
International transportation	228,337,201,182	119,028,034,593
	<u>952,340,624,468</u>	<u>648,722,393,643</u>

Due to the characteristics of transportation by vessels, vessels can both run in domestic and international, so the Company cannot separate assets and liabilities for domestic and international transportation. Accordingly, the Board of Directors assessed and believed that the failure to separate and present assets and liabilities for domestic and international transportation was in accordance with Vietnamese Accounting Standard No. 28 - "Segment Reporting" and the Company's.

17. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u> VND	<u>Prior year</u> VND
Transportation services	1,058,934,239,533	755,993,140,246
Trading	488,300,433,176	634,986,686,840
	<u>1,547,234,672,709</u>	<u>1,390,979,827,086</u>

18. COST OF SALES AND SERVICES RENDERED

	<u>Current year</u> VND	<u>Prior year</u> VND
Transportation services	952,340,624,468	648,722,393,643
Trading	485,527,143,149	633,601,168,521
	<u>1,437,867,767,617</u>	<u>1,282,323,562,164</u>

19. PRODUCTION COST BY NATURE

	<u>Current year</u> VND	<u>Prior year</u> VND
Raw materials	113,571,161,359	126,618,112,893
Labour	81,897,576,499	67,479,864,204
Depreciation and amortization	53,181,192,875	33,964,353,933
Out-sourced services	742,103,568,413	451,828,014,564
Other monetary expenses	6,602,707,115	12,065,267,398
	<u>997,356,206,261</u>	<u>691,955,612,992</u>

20. FINANCIAL INCOME

	Current year VND	Prior year VND
Interest income	12,644,558,916	13,324,694,908
Foreign exchange gain	1,887,539,899	1,474,452,126
	<u>14,532,098,815</u>	<u>14,799,147,034</u>

21. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	9,314,400,273	8,005,646,390
Foreign exchange loss	250,637,053	1,180,666,801
	<u>9,565,037,326</u>	<u>9,186,313,191</u>

22. GENERAL AND ADMINISTRATION EXPENSES AND SELLING EXPENSES

	Current year VND	Prior year VND
General and administration expenses		
- Salary expenses	16,396,244,754	16,401,903,341
- Out-sourced services	19,965,451,868	23,312,559,787
- Other expenses	1,143,146,916	450,160,847
	<u>37,504,843,538</u>	<u>40,164,623,975</u>
Selling expenses		
- Out-sourced services	6,984,400,255	6,891,787,660
- Other expenses	526,338,000	2,178,688,591
	<u>7,510,738,255</u>	<u>9,070,476,251</u>

23. CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expense		
- Corporate income tax based on taxable income in the current year	14,967,733,423	13,023,661,205
- Adjusted the expenses of corporate income tax of the previous years to the current income tax expense	208,514,537	252,765,362
	<u>15,176,247,960</u>	<u>13,276,426,567</u>

The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
Profit before tax	75,178,081,123	65,683,510,288
<i>Less: non-assessable income</i>	-	(56,951,444)
<i>Less: deductible expenses</i>	(759,874,998)	(1,024,965,507)
<i>Add back: non-deductible expenses</i>	420,460,989	516,712,690
Taxable profit	74,838,667,114	65,118,306,027
Tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current year	14,967,733,423	13,023,661,205

The Company is obliged to pay corporate income tax at the rate of 20% (2019: 20%) of its taxable profit.

No other deferred tax assets or liabilities are recognized as there are no significant temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax base used in the computation of taxable profit.

24. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Current year VND	Prior year (Restated) VND
Profit attributable to ordinary shareholders (VND)	60,001,833,163	52,407,083,721
Less: Bonus and welfare fund and remuneration of Board of Directors (VND)	(4,200,128,321)	(3,668,495,860)
Earnings for the purpose of calculating basic earnings per share (VND)	55,801,704,842	48,738,587,861
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	36,000,000	36,000,000
Basic earnings per share (VND)	1,550	1,354

Bonus and welfare fund and remuneration of Board of Directors for the year ended 31 December 2020 are estimated based on the actual percentage of appropriation of 2019 that is 7% of profit after tax. The calculation of basic earnings per share is for comparison purpose because the Company has not planned for appropriation in 2020 yet.

The Company has restated basic earnings per share for prior year due to effective of the amount appropriated from bonus and welfare fund and remuneration of the Board of Directors. Earnings per share in the financial statements for the year ended 31 December 2019 is restated as follows:

	Current year	Change	Prior year (Restated)
Profit attributable to ordinary shareholders (VND)	52,407,083,721	-	52,407,083,721
Less: Bonus and welfare fund and remuneration of Board of Directors (VND)	(3,117,360,610)	(551,135,250)	(3,668,495,860)
Earnings for the purpose of calculating basic earnings per share (VND)	49,289,723,111	(551,135,250)	48,738,587,861
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	36,000,000	-	36,000,000
Basic earnings per share (VND)	1,369	(15)	1,354

25. OPERATING LEASE COMMITMENTS

	Current year VND	Prior year VND
Minimum lease payments under operating leases recognized in the income statement	4,523,056,004	4,680,954,601

At the balance sheet date, the Company had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	3,074,912,003	4,286,316,004
In the second to fifth year inclusive	95,370,000	2,949,474,314
	<u>3,170,282,003</u>	<u>7,235,790,318</u>

Operating lease represents total payment for car rental and office lease on the 9th floor of Green Power Building, 35 Ton Duc Thang Street, District 1, Ho Chi Minh City till 30 September 2021.

26. CAPITAL COMMITMENTS

On 19 June 2020, Resolution of General Meeting of Shareholders has approved the investment plan for financial year 2020, including investment in VLGC liquefied gas vessel with capacity of 75,000 - 85,000 cbm with amount of USD 41.73 million (equivalent to VND 980.655 billion), this project will be carried over to implement in 2021.

27. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 12, offset by cash and cash equivalents) and shareholders' equity (comprising capital, reserves and retained earnings).

Gearing ratio

The gearing ratio of the Company as at the balance sheet date was as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Borrowings	236,543,606,250	294,481,845,000
Less: Cash and cash equivalent	78,805,217,023	53,229,188,747
Net debt	157,738,389,227	241,252,656,253
Equity	461,730,488,157	452,197,150,854
Net debt to equity ratio	<u>0.34</u>	<u>0.53</u>

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability and equity instrument are disclosed in Note 3.

Categories of financial instruments

	Carrying amounts	
	Closing balance	Opening balance
	VND	VND
Financial assets		
Cash and cash equivalents	78,805,217,023	53,229,188,747
Trade and other receivables	90,062,630,506	97,733,591,216
Financial investments	177,500,000,000	153,970,000,000
	346,367,847,529	304,932,779,963
Financial liabilities		
Borrowings	236,543,606,250	294,481,845,000
Trade and other payables	109,239,767,337	111,737,125,675
Accrued expenses	4,893,875,095	1,883,050,566
	350,677,248,682	408,102,021,241

The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the balance sheet date are as follows:

	Assets		Liabilities	
	Closing	Opening	Closing	Opening balance
	balance	balance	balance	
	VND	VND	VND	VND
United States Dollar ("USD")	1,414,376,536	6,416,403,853	236,805,792,585	308,242,502,821
Japanese Yen ("JYP")	-	-	65,808,890	1,870,412,933
Euro ("EUR")	-	-	-	14,922,291
Singapore Dollar ("SGD")	1,307,572	-	115,836,227	-

Foreign currency sensitivity analysis

The Company is mainly exposed to United States Dollar.

The Company's sensitivity to a 3% increase and decrease in Vietnam Dong against United States Dollar. 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents Board of Directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 3% change in foreign currency rates. For a 3% increase/decrease in the USD against Vietnam Dong, the profit before tax in the year would decrease/increase by the following amount VND7,061,742,481 (2019: VND 9,054,782,969).

Interest rate risk management

The Company has interest rate risks arising from interest bearing loan which is arranged. The risk is managed by the Company by maintaining an appropriate level of borrowing and analysing market competition to enjoy favourable interest rates from appropriate lender.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. As at the balance sheet date, the Board of Directors assessed that the Company does not have any significant credit risk exposure to any counterparty.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Company believes can generate within that year. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment years. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

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Closing balance	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
Cash and cash equivalents	78,805,217,023	-	-	78,805,217,023
Trade and other receivables	88,982,585,918	1,080,044,588	-	90,062,630,506
Financial investments	177,500,000,000	-	-	177,500,000,000
	345,287,802,941	1,080,044,588	-	346,367,847,529
Borrowings	57,240,715,000	179,302,891,250	-	236,543,606,250
Trade and other payables	109,239,767,337	-	-	109,239,767,337
Accrued expenses	4,893,875,095	-	-	4,893,875,095
	171,374,357,432	179,302,891,250	-	350,677,248,682
Net liquidity gap	173,913,445,509	(178,222,846,662)	-	(4,309,401,153)
Opening balance	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
Cash and cash equivalents	53,229,188,747	-	-	53,229,188,747
Trade and other receivables	96,662,685,714	1,070,905,502	-	97,733,591,216
Financial investments	153,970,000,000	-	-	153,970,000,000
	303,861,874,461	1,070,905,502	-	304,932,779,963
Borrowings	57,376,620,000	220,648,050,000	16,457,175,000	294,481,845,000
Trade and other payables	111,737,125,675	-	-	111,737,125,675
Accrued expenses	1,883,050,566	-	-	1,883,050,566
	170,996,796,241	220,648,050,000	16,457,175,000	408,102,021,241
Net liquidity gap	132,865,078,220	(219,577,144,498)	(16,457,175,000)	(103,169,241,278)

The Board of Directors assessed the liquidity risk at low level and believed that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

28. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties

<u>Related parties</u>	<u>Relationship</u>
PetroVietnam Transportation Corporation	Holding Company
Nhat Viet Transportation Corporation	Same holding company (PetroVietnam Transportation Corporation)
PetroVietnam Transportation Ha Noi JSC	Same holding company (PetroVietnam Transportation Corporation)
PetroVietnam Transportation Vung Tau JSC	Same holding company (PetroVietnam Transportation Corporation)
Quang Ngai Petro Transportation JSC	Same holding company (PetroVietnam Transportation Corporation)
Indochina Petroleum Transportation JSC	Same holding company (PetroVietnam Transportation Corporation)
Binh Son Refining and Petrochemical JSC	Subsidiary of PetroVietnam Transportation Corporation
Gas Trading Company- Branch of PetroVietnam Gas JSC - Corporation	Member of PetroVietnam Oil and Gas Group
PetroVietnam Northern Gas JSC	Member of PetroVietnam Oil and Gas Group
PetroVietnam Southern Gas JSC	Member of PetroVietnam Oil and Gas Group
VT Gas - Viet Nam Liquefied Gas Company Limited	Member of PetroVietnam Oil and Gas Group
Petro Vietnam LPG JSC	Member of PetroVietnam Oil and Gas Group
PVI Insurance South	Member of PetroVietnam Oil and Gas Group
PVI Insurance Hanoi	Member of PetroVietnam Oil and Gas Group
PVI Insurance Ben Thanh	Member of PetroVietnam Oil and Gas Group
PVI Insurance Saigon	Member of PetroVietnam Oil and Gas Group
PetroVietnam Paint JSC	Member of PetroVietnam Oil and Gas Group
PetroVietnam Oil Hai Phong JSC	Member of PetroVietnam Oil and Gas Group
PV Gas City	Member of PetroVietnam Oil and Gas Group
PetroVietnam Securities	Member of PetroVietnam Oil and Gas Group
PetroVietnam Oil Saigon JSC	Member of PetroVietnam Oil and Gas Group
PetroVietnam Maintenance and Repair Corporation	Member of PetroVietnam Oil and Gas Group
Branch of PetroVietnam Gas JSC – Corporation – Vung Tau Processing Company	Member of PetroVietnam Oil and Gas Group
PetroVietnam Technical Safety Registration Company Limited	Member of PetroVietnam Oil and Gas Group
Vietnam Public Joint Stock Commercial Bank	Member of PetroVietnam Oil and Gas Group

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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During the year, the Company entered into the following significant transactions with its related parties:

	Current year	Prior year
	VND	VND
Provide ship rental and transportation		
Gas Trading Company - Branch of PetroVietnam Gas JSC - Corporation	738,484,404,528	447,059,759,134
Nhat Viet Transportation Corporation	86,091,653,859	131,814,254,459
PetroVietnam Transportation Corporation	44,326,070,248	43,628,523,398
PetroVietnam Northern Gas JSC	3,724,561,864	3,968,081,248
VT Gas - Viet Nam Liquefied Gas Company Limited	2,203,587,282	-
PetroVietnam Southern Gas JSC	1,046,637,855	5,050,035,371
Binh Son Refining and Petrochemical JSC	-	44,051,611,837
Sales of fuel		
VT Gas - Viet Nam Liquefied Gas Company Limited	164,215,957,027	-
Branch of PV Gas City	-	34,060,235,356
Financial income (bank interest)		
Vietnam Public Joint Stock Commercial Bank	2,340,411,119	29,481
Ship rental		
Nhat Viet Transportation Corporation	243,208,529,828	120,278,294,994
PetroVietnam Southern Gas JSC	1,977,379,721	133,928,827
Gas Trading Company- Branch of PetroVietnam Gas JSC - Corporation	1,475,205	1,489,071,727
Purchase products and services		
Gas Trading Company - Branch of PetroVietnam Gas JSC - Corporation	209,948,757,797	172,142,549,443
PetroVietnam Southern Gas JSC	209,128,665,884	55,437,262,701
Petro Vietnam LPG JSC	60,613,507,210	-
PetroVietnam Transportation Hanoi JSC	17,997,926,529	7,220,229,084
PetroVietnam Oil Hai Phong JSC	17,519,253,591	59,783,440,346
PetroVietnam Transportation Vung Tau JSC	5,950,607,364	7,716,566,762
Quang Ngai Petro Transportation JSC	3,340,093,337	4,945,799,684
PetroVietnam Maintenance and Repair Corporation	296,413,545	550,955,845
PetroVietnam Technical Safety Registration Company Limited	216,900,000	226,550,000
Branch of PetroVietnam Gas JSC – Corporation – Vung Tau Processing Company	140,433,221	134,642,569
VT Gas- Viet Nam Liquefied Gas Company Limited	91,043,767	-
PetroVietnam Securities	2,230,410	20,000,000
Binh Son Refining and Petrochemical JSC	909,091	-
Petrovietnam Oil and Gas Group	-	801,686,612
PetroVietnam Oil Saigon JSC	-	680,588,827
Demurrage Fee		
Nhat Viet Transportation Corporation	10,345,757,500	-
Car rental		
Indochina Petroleum Transportation JSC	1,149,830,525	1,357,045,650

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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	Current year VND	Prior year VND
Insurance purchase		
PVI Insurance Corporation	10,841,219,688	11,225,019,886
Paint purchase		
PetroVietnam Paint JSC	1,785,607,729	2,574,938,636
Dividend declared and paid		
PetroVietnam Transportation Corporation	31,700,604,000	40,641,800,000

Remuneration paid to the Company's Boards of Management and Directors during the year was as follows:

	Current year VND	Prior year VND
Mai The Toan	36,000,000	2,045,455
Nguyen The Anh	24,000,000	24,000,000
Vu Thi Phuong Nga	24,000,000	24,000,000
Salaries, Bonus and other welfares	4,366,327,516	4,557,030,748
	4,450,327,516	4,607,076,203

Significant related party balances as at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
Trade receivables		
Gas Trading Company - Branch of PetroVietnam Gas JSC - Corporation	29,392,288,046	40,467,209,720
Nhat Viet Transportation Corporation	6,261,293,032	11,599,948,636
PetroVietnam Transportation Corporation	5,600,895,372	4,405,405,274
VT Gas- Viet Nam Liquefied Gas Company Limited	335,595,240	-
Branch of PV Gas City	-	3,812,299,717
PetroVietnam Southern Gas JSC	-	586,344,539
	41,590,071,690	60,871,207,886
Trade payables		
Nhat Viet Transportation Corporation	33,116,786,493	15,597,876,553
Petro Vietnam LPG JSC	7,802,262,540	-
Gas Trading Company - Branch of PetroVietnam Gas JSC - Corporation	5,314,571,046	25,120,344,249
PetroVietnam Southern Gas JSC	3,950,040,904	1,507,666,657
PetroVietnam Oil Hai Phong JSC	1,621,004,840	7,556,567,980
PetroVietnam Transportation Ha Noi JSC	1,450,895,448	1,635,080,618
PetroVietnam Transportation Vung Tau JSC	485,478,439	1,823,684,036
Quang Ngai Petro Transportation JSC	347,309,541	706,900,553
Indochina Petroleum Transportation JSC	102,850,000	63,051,010
PetroVietnam Paint JSC	65,436,500	127,432,500
VT Gas- Viet Nam Liquefied Gas Company Limited	33,997,900	-
Branch of PetroVietnam Gas JSC – Corporation – Vung Tau Processing Company	12,520,200	-
PetroVietnam Technical Safety Registration Company Limited	8,910,000	-
PetroVietnam Maintenance and Repair Corporation	-	134,800,600
	54,312,063,851	54,273,404,756

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Other receivables (accrued interest)		
Vietnam Public Joint Stock Commercial Bank	883,726,028	-
	<u>883,726,028</u>	<u>-</u>
Other payables		
Nhat Viet Transportation Corporation	10,345,757,500	-
	<u>10,345,757,500</u>	<u>-</u>

29. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest earned during the year excludes an amount of VND 2,543,041,096 (2019: VND 5,649,844,165), representing interest income incurred during the year that has not yet been received. Consequently, changes in accounts receivable have been adjusted by the same amount.



Pham Tien Nam
Preparer



Le Anh Nam
Chief Accountant




Nguyen Duyen Hieu
Director
15 March 2021