



**INTERNATIONAL GAS PRODUCT SHIPPING
JOINT STOCK COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

REVIEWED INTERIM FINANCIAL STATEMENTS

For the 6-month period ended 30 June 2023

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INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

13th Floor, Sofic Tower, 10 Mai Chi Tho Street

Thu Thiem Ward, Thu Duc City

Ho Chi Minh City, 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 interim financial statements for the 6-month period ended 30 June 2023.

THE BOARDS OF MANAGEMENT, SUPERVISORS AND DIRECTORS

The members of the Boards of Management, Supervisors and Directors of the Company during the period and to the date of this report are as follows:

Board of Management

Ms. Vu Thi Phuong Nga	Chairwoman
Ms. Pham Thi Truc	Vice Chairwoman
Mr. Doan Duc Trong	Member
Mr. Nguyen Quang Diep	Member
Mr. Nguyen Dinh Tu	Independent Member (appointed on 18 April 2023)
Mr. Le Truc Lam	Member (resigned on 18 April 2023)

Board of Supervisors

Mr. Nguyen The Dan	Head of Board of Supervisors
Ms. Le Thi Anh Thi	Member
Ms. Hoang Thi Hanh	Member (appointed on 9 January 2023)

Board of Directors

Mr. Doan Duc Trong	Director
Mr. Vu Van Duc	Deputy Director
Mr. Hoang Minh Tuan	Deputy Director
Mr. Nguyen Hai Long	Deputy Director

THE BOARD OF DIRECTORS’ STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the interim financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2023, and its results and cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. In preparing these interim 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 interim financial statements;
- Prepare the interim 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 interim financial statements so as to minimize errors and frauds.

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

13th Floor, Sofic Tower, 10 Mai Chi Tho Street

Thu Thiem Ward, Thu Duc City

Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

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 interim financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim 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 interim financial statements.

For and on behalf of the Board of Directors.



Doan Duc Trong

Director

10 August 2023

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REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim financial statements of International Gas Product Shipping Joint Stock Company (the "Company"), prepared on 10 August 2023 as set out from page 4 to page 30, which comprise the interim balance sheet as at 30 June 2023, the interim income statement and interim cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for Interim Financial Statements

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

Auditors' Responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

Emphasis of Matter

We draw attention to Note 9 to the Notes to the interim financial statements about the impact of changes in the estimated useful lives of fixed assets. Our conclusion is not qualified in respect of this matter.

Nguyen Quang Trung
Audit Partner

Audit Practising Registration Certificate
No. 0733-2023-001-1

BRANCH OF DELOITTE VIETNAM AUDIT
COMPANY LIMITED

10 August 2023

Ho Chi Minh City, S.R. Vietnam

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

13th Floor, Sofic Tower, 10 Mai Chi Tho Street

Thu Thiem Ward, Thu Duc City

Ho Chi Minh City, Vietnam

FORM B 01a-DN

Issued under Circular No. 200/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

INTERIM BALANCE SHEET

As at 30 June 2023

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		491,787,835,411	507,086,690,811
I. Cash and cash equivalents	110	4	87,750,560,576	89,624,756,264
1. Cash	111		37,750,560,576	49,624,756,264
2. Cash equivalents	112		50,000,000,000	40,000,000,000
II. Short-term financial investments	120		189,900,000,000	188,000,000,000
1. Held-to-maturity investments	123	5	189,900,000,000	188,000,000,000
III. Short-term receivables	130		127,093,984,672	142,171,233,454
1. Short-term trade receivables	131	6	116,697,938,178	133,781,731,525
2. Short-term advances to suppliers	132		1,871,059,186	2,088,931,757
3. Other short-term receivables	136	7	8,524,987,308	6,300,570,172
IV. Inventories	140		26,076,761,929	26,752,158,977
1. Inventories	141	8	26,076,761,929	26,752,158,977
V. Other short-term assets	150		60,966,528,234	60,538,542,116
1. Short-term prepayments	151		5,820,255,727	4,400,438,416
2. Value added tax deductibles	152		55,146,272,507	56,138,103,700
B. NON-CURRENT ASSETS	200		926,293,967,507	986,855,867,671
I. Long-term receivables	210		1,450,801,146	1,332,501,146
1. Other long-term receivables	216	7	1,450,801,146	1,332,501,146
II. Fixed assets	220		923,415,027,470	982,921,736,137
1. Tangible fixed assets	221	9	923,415,027,470	982,921,736,137
- Cost	222		1,467,990,305,122	1,467,959,405,122
- Accumulated depreciation	223		(544,575,277,652)	(485,037,668,985)
2. Intangible assets	227		-	-
- Cost	228		435,570,550	435,570,550
- Accumulated amortization	229		(435,570,550)	(435,570,550)
III. Other long-term assets	260		1,428,138,891	2,601,630,388
1. Long-term prepayments	261		1,428,138,891	2,601,630,388
TOTAL ASSETS (270=100+200)	270		1,418,081,802,918	1,493,942,558,482

The accompanying notes are an integral part of these interim financial statements

INTERIM BALANCE SHEET (Continued)

As at 30 June 2023

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		643,165,679,181	758,113,396,480
I. Current liabilities	310		294,914,170,260	329,481,834,933
1. Short-term trade payables	311	10	94,802,793,856	133,806,445,229
2. Short-term advances from customers	312		237,896,214	216,882,771
3. Taxes and amounts payable to the State budget	313	11	10,882,259,681	12,271,434,831
4. Payables to employees	314		30,361,637,520	17,191,135,065
5. Short-term accrued expenses	315	12	10,966,778,282	10,848,095,882
6. Short-term unearned revenue	318		7,408,785,618	17,439,546,548
7. Other current payables	319		1,316,437,205	977,251,285
8. Short-term loans	320	13	87,957,642,856	123,975,582,856
9. Short-term provisions	321	14	47,132,049,906	11,529,092,387
10. Bonus and welfare funds	322		3,847,889,122	1,226,368,079
II. Long-term liabilities	330		348,251,508,921	428,631,561,547
1. Long-term loans	338	13	331,158,482,146	410,270,058,574
2. Long-term provisions	342	14	17,093,026,775	18,361,502,973
D. EQUITY	400		774,916,123,737	735,829,162,002
I. Owner's equity	410	15	774,916,123,737	735,829,162,002
1. Owner's contributed capital	411		557,994,450,000	557,994,450,000
- Ordinary shares carrying voting rights	411a		557,994,450,000	557,994,450,000
2. Others owner's capital	414		-	1,709,511,521
3. Investment and development fund	418		113,897,463,654	39,107,556,317
4. Retained earnings	421		103,024,210,083	137,017,644,164
- Retained earnings accumulated to the prior year end	421a		58,253,217,562	55,817,204,368
- Retained earnings of the current period/prior year	421b		44,770,992,521	81,200,439,796
TOTAL RESOURCES (440=300+400)	440		1,418,081,802,918	1,493,942,558,482

Cao Thanh Nga
PreparerLe Anh Nam
Chief AccountantDoan Duc Trong
Director
10 August 2023

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

13th Floor, Sofic Tower, 10 Mai Chi Tho Street

Thu Thiem Ward, Thu Duc City

Ho Chi Minh City, Vietnam

FORM B 02a-DN

Issued under Circular No. 200/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

INTERIM INCOME STATEMENT
For the period ended 30 June 2023

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01		870,517,923,696	930,133,639,134
2. Net revenue from goods sold and services rendered (10=01)	10	18	870,517,923,696	930,133,639,134
3. Cost of sales and services rendered	11	19	782,134,162,592	861,262,721,779
4. Gross profit from goods sold and services rendered (20=10-11)	20		88,383,761,104	68,870,917,355
5. Financial income	21	21	11,866,121,034	8,387,532,148
6. Financial expenses	22	22	21,405,685,663	11,652,362,958
- In which: Interest expense	23		19,885,600,415	8,376,660,040
7. Selling expenses	25	23	1,628,199,258	858,180,326
8. General and administration expenses	26	23	24,503,050,384	22,486,419,051
9. Operating profit (30=20+(21-22)-(25+26))	30		52,712,946,833	42,261,487,168
10. Other income	31		3,314,940,317	1,264,379,441
11. Other expenses	32		8,304,988	467,553,754
12. Profit from other activities (40=31-32)	40		3,306,635,329	796,825,687
13. Accounting profit before tax (50=30+40)	50		56,019,582,162	43,058,312,855
14. Current corporate income tax expense	51	24	11,248,589,641	8,759,603,824
15. Net profit after corporate income tax (60=50-51)	60		44,770,992,521	34,298,709,031
16. Basic earnings per share	70	25	736	564


Cao Thanh Nga
Preparer

Le Anh Nam
Chief AccountantDoan Duc Trong
Director
10 August 2023

The accompanying notes are an integral part of these interim financial statements

INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY

13th Floor, Sofic Tower, 10 Mai Chi Tho Street

Thu Thiem Ward, Thu Duc City

Ho Chi Minh City, Vietnam

FORM B 03a-DN

Issued under Circular No. 200/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

INTERIM CASH FLOW STATEMENT

For the period ended 30 June 2023

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	56,019,582,162	43,058,312,855
2. Adjustments for:			
Depreciation and amortization of fixed assets	02	59,537,608,667	41,151,297,749
Provisions	03	34,686,207,681	13,688,367,748
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(901,525,284)	2,812,694,019
Gain from investing activities	05	(6,934,863,536)	(5,742,919,347)
Interest expense	06	19,885,600,415	8,376,660,040
3. Operating profit before movements in working capital	08	162,292,610,105	103,344,413,064
Change in receivables	09	17,823,397,082	(10,047,193,473)
Change in inventories	10	675,397,048	(20,219,816,046)
Change in payables	11	(34,259,004,143)	65,217,284,660
Change in prepaid expenses	12	(246,325,814)	(2,696,594,264)
Interest paid	14	(20,959,103,741)	(8,439,203,057)
Corporate income tax paid	15	(12,332,401,518)	(2,837,430,097)
Other cash outflows	17	(3,414,236,103)	(20,587,264,256)
Net cash generated from operating activities	20	109,580,332,916	103,734,196,531
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition of fixed assets	21	(30,900,000)	(54,493,092,086)
2. Cash outflow for lending, buying debt instruments of other entities	23	(46,900,000,000)	(55,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	45,000,000,000	100,000,000,000
4. Interest earned	27	5,193,643,537	6,285,722,190
Net cash generated/(used in) by investing activities	30	3,262,743,537	(3,207,369,896)

The accompanying notes are an integral part of these interim financial statements

INTERIM CASH FLOW STATEMENT (Continued)

For the period ended 30 June 2023

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Repayment of borrowings	34	(114,692,524,661)	(44,582,484,436)
2. Dividends and profits paid	36	(29,700,000)	-
Net cash used in financing activities	40	(114,722,224,661)	(44,582,484,436)
Net (decrease)/increase in cash (50=20+30+40)	50	(1,879,148,208)	55,944,342,199
Cash and cash equivalents at the beginning of the period	60	89,624,756,264	139,577,833,160
Effect of changes in foreign exchange rates	61	4,952,520	(21,427,472)
Cash and cash equivalents at the end of the period (70=50+60+61)	70	87,750,560,576	195,500,747,887


Cao Thanh Nga
Preparer

Le Anh Nam
Chief AccountantDoan Duc Trong
Director
10 August 2023

NOTES TO THE INTERIM FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying interim 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 the Department of Planning and Investment of Ho Chi Minh City and as 10th amendment dated 4 January 2022. 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 30 June 2023 was 248 (as at 31 December 2022: 246).

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 the business cycle is carried out for a time period of 12 months.

Disclosure of information comparability in the interim financial statements

The comparative figures of the interim balance sheet are the figures of audited financial statements for the year ended 31 December 2022, the comparative figures of the interim income statement and interim cash flow statement are the figures of the reviewed interim financial statements for the 6-month period ended 30 June 2022.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR/ACCOUNTING PERIOD:**Accounting convention**

The accompanying interim 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 interim 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/Accounting period

The Company's financial year begins on 1 January and ends on 31 December. The interim financial statements are prepared for the period from 1 January to 30 June.

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 interim financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting requires 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 accounting period. 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, cash in transit and short-term, highly liquid investments (not exceeding 3 months) 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.

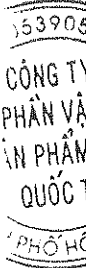
Post-acquisition interest income from held-to-maturity investments is recognized in the interim income statement on accrual basis.

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 cost of purchases and other directly attributable expenses 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:

	Years
Machinery and equipment	3
Office equipment	3 - 5
Motor vehicles	5 - 11

In the first 6 months of 2023, the Company had changed the useful life of two transport vessels, which are Thang Long Gas and Da Nang Gas, changed from 13 years down to 11 years for both of above vessels. Details of the impact of this change are presented in Note 9.

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 interim income statement on a straight-line basis over the term of the relevant lease.

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 accounting periods. These costs are recorded in the form of prepayments and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Fixed assets' overhaul expenses

Provision is recorded in the interim 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 interim income statement for that accounting period.

Other payable provisions

Other payable provisions are recognized when the Company has a present obligation as the 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 periods, revenue is recognized in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. 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.

Unearned revenue

Unearned revenue represents the money received in advance from customers for property leasing but is related to the business results of many accounting periods. Unearned revenue is recognised in the income statement on a straight-line basis over the lease term.

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 of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

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 period. 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 periods (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 period 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.

Bonus and welfare fund

Bonus and welfare fund is deducted from the profit after corporate income tax of the Company to be used for rewarding and encouraging physical benefits, serving the needs of the public, improving and enhancing the mental and physical life of employees. The appropriation and use of the bonus and welfare fund must comply with current prevailing accounting and financial regulations.

Investment and development fund

The investment and development fund is deducted from profits after corporate income tax of the Company to be used to invest in expanding the scale of production, bussiness or in-depth investment of the enterprise. The appropriation and use of the investment and development fund must comply with current prevailing accounting and financial regulations.

Profit distribution

The Company's after-tax profits are appropriated including dividends to shareholders and funds in accordance with the Company's Annual General Meeting. Dividends are recognized as a payable in the financial statements based on the closing date of the list of shareholders according to the Resolution of the Board of Directors.

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	24,706,238	193,068,124
Cash in bank	37,725,854,338	49,431,688,140
Cash equivalents	50,000,000,000	40,000,000,000
	87,750,560,576	89,624,756,264

Cash equivalents represent time deposits in Vietnam Dong at commercial banks with an original maturity term of one month and earn an interest rate from 4.75% to 5% per annum (as at 31 December 2022: 6% per annum).

5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent time deposits in Vietnam Dong at commercial banks with a remaining maturity term under twelve months, and earn an interest rate from 4.3% to 8.1% per annum (as at 31 December 2022: from 4.3% to 9.5% per annum).

As of 30 June 2023, the Company has used a number of short-term time deposits at commercial banks with a total amount of VND 58,000,000,000 as collateral for long-term loans (Note 13) (as at 31 December 2022: VND 83,000,000,000).

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Third parties		
SeaStar Maritime Co.,Ltd	18,290,494,455	1,397,248,966
Others	51,265,189,339	65,512,521,766
b. Related parties (Note 29)	47,142,254,384	66,871,960,793
	116,697,938,178	133,781,731,525

7. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term receivables		
Accrued interest incomes	5,847,672,054	4,106,452,055
Advances to employees	2,038,681,532	1,518,990,675
Deposits and mortgages	13,800,000	13,800,000
Others	624,833,722	661,327,442
	8,524,987,308	6,300,570,172
b. Long-term receivables		
Deposits and mortgages	1,450,801,146	1,332,501,146

8. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Good in transits	-	-	944,925,083	-
Raw materials	26,076,761,929	-	25,807,233,894	-
	26,076,761,929	-	26,752,158,977	-

9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Machinery and equipment VND	Office equipment VND	Transport vehicles VND	Total VND
COST				
Opening balance	16,269,374,422	1,036,942,571	1,450,653,088,129	1,467,959,405,122
Additions	-	30,900,000	-	30,900,000
Closing balance	<u>16,269,374,422</u>	<u>1,067,842,571</u>	<u>1,450,653,088,129</u>	<u>1,467,990,305,122</u>
ACCUMULATED DEPRECIATION				
Opening balance	(8,401,783,075)	(947,557,650)	(475,688,328,260)	(485,037,668,985)
Charge for the period	(1,040,268,660)	(19,940,501)	(58,477,399,506)	(59,537,608,667)
Closing balance	<u>(9,442,051,735)</u>	<u>(967,498,151)</u>	<u>(534,165,727,766)</u>	<u>(544,575,277,652)</u>
NET BOOK VALUE				
Opening balance	<u>7,867,591,347</u>	<u>89,384,921</u>	<u>974,964,759,869</u>	<u>982,921,736,137</u>
Closing balance	<u>6,827,322,687</u>	<u>100,344,420</u>	<u>916,487,360,363</u>	<u>923,415,027,470</u>

As at 30 June 2023, the Company mortgaged a number of its transport vehicles at commercial banks to secure loans financed by banks (Note 13). Details are as follows:

- At Shinhan Bank Vietnam Limited, there are mortgages with original cost and residual value of VND 243,851,936,169 and VND 151,973,250,816 respectively (as at 31 December 2022: VND 532,857,614,947 and VND 383,478,918,653);
- At Woori Bank Viet Nam Limited, there is collateral with the original cost and residual value of VND 193,918,388,610 and VND 0 respectively (as at 31 December 2022: VND 193,918,388,610 and VND 0);
- At Tien Phong Commercial Joint Stock Bank, there is collateral with the original cost and residual value of VND 320,931,355,839 and VND 290,908,745,135 respectively (as at 31 December 2022: VND 320,931,355,839 and VND 306,955,312,925).

The original cost of tangible fixed assets as at 30 June 2023 comprises fully depreciated fixed assets which are still in use with an amount of VND 277,643,559,283 (as at 31 December 2022: VND 277,207,988,733).

In the first 6 months of 2023, the Company had changed the useful life of its transport vehicles namely Thang Long Gas and Da Nang Gas, changed from 13 years down to 11 years to align with the exploitation plan of these vessels. The Board of Directors assessed and believed that the change in useful life is in line with the technical situation and the actual current usage. If the useful life continued to be used as previously, the cost of goods sold and services rendered would decrease and profit before tax would increase in the first 6 months of 2023 by the amount of Thang Long Gas and Da Nang Gas VND 2,778,939,444 and VND 2,825,896,968 respectively.



10. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
a. Third parties		
OPEC Petrol Transportation Company Limited	18,560,240,066	12,902,934,224
Viet My Petrol Transportation Company Limited	3,122,529,861	25,858,995,053
Tuong Vy Transport Trading Company Limited	-	17,531,042,072
Others	29,885,511,076	57,031,983,524
b. Related parties (Note 29)	43,234,512,853	20,481,490,356
	94,802,793,856	133,806,445,229

The Company is able to pay the short-term trade payables in full as at 30 June 2023 and 31 December 2022.

11. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Opening balance VND	Payable during the period VND	Paid during the period VND	Closing balance VND
Value added tax	-	151,888,208	151,888,208	-
Corporate income tax	11,925,468,362	11,248,589,641	12,332,401,518	10,841,656,485
Personal income tax	345,966,469	828,577,418	1,133,940,691	40,603,196
Import-Export tax	-	63,692,665	63,692,665	-
Business license tax	-	3,000,000	3,000,000	-
Other taxes	-	468,829,685	468,829,685	-
	12,271,434,831	12,764,577,617	14,153,752,767	10,882,259,681

12. SHORT-TERM ACCRUED EXPENSE

	Closing balance VND	Opening balance VND
Interest expense	3,576,143,928	4,687,603,881
Corporation brand fee	1,964,319,035	1,454,891,475
Others	5,426,315,319	4,705,600,526
	10,966,778,282	10,848,095,882

13. LOANS

	Opening balance Amount VND	In the period Repaid VND	Exchange rate difference VND	Closing balance Amount VND
Shinhan Bank Vietnam Limited	124,565,070,000	(73,735,953,233)	(436,991,767)	50,392,125,000
Woori Bank Vietnam Limited - Ho Chi Minh City Branch	188,928,571,430	(16,428,571,428)	-	172,500,000,002
Tien Phong Commercial Joint Stock Bank	220,752,000,000	(24,528,000,000)	-	196,224,000,000
	534,245,641,430	(114,692,524,661)	(436,991,767)	419,116,125,002

Long-term loans financed by Shinhan Bank Vietnam Limited have total credit limit of USD 15,645,000. These loans have payment terms from 5-7 years, and bear an annual interest rate of three-month USD LIBOR plus 2.5% per annum, through two credit contracts as follows:

- Credit contract No. SHBVN/BC-GSP/HDTD/092018 dated 24 September 2018. As at 30 June 2023, the outstanding loan balance of this contract is USD 2,126,250 (As at 31 December 2022: USD 2,598,750). The loan is secured by the Company's Thang Long Gas vessel (Note 9).
- Credit contract No. SHBVN/BC/10/2019/HDTD/GSP dated 18 September 2019. According to this credit contract, the Company has to guarantee by time deposit accounts at Shinhan Bank Vietnam Limited with an amount of not less than 30% of the outstanding loan balance at any point of time. As at 30 June 2023, the Company has fully paid off the balance of the borrowing and this loan contract has been terminated in June 2023 (as at 31 December 2022: USD 2,670,500). Collateral for this loan includes the Company's Da Nang Gas vessel which have been cleared by Shinhan Bank Vietnam Limited on 18 July 2023.

Long-term loan financed by Woori Bank Vietnam Limited - Ho Chi Minh City Branch has total credit limit of VND 230,000,000,000, through the credit contract No. VN121008197 dated 6 September 2021. This loan has a term of 7 years and bears an annual interest rate equal to the average interest rate of three-month time deposit for individuals of domestic commercial banks (specified according to the agreed credit contract) plus 2% per annum. According to this credit contract, the Company has to guarantee by time deposit accounts at Woori Bank Vietnam Limited - Ho Chi Minh City Branch with an amount not less than 10% of the total credit limit during the loan term and additionally 5% of the outstanding loan balance at the beginning of the second and third year from the date of first drawdown. The loan is secured by the Company's short-term time deposits (Note 5), and transport vehicles (Note 9). The outstanding loan balance of this contract is VND 172,500,000,002 (as at 31 December 2022: VND 188,928,571,430).

Long-term loan financed by Tien Phong Commercial Joint Stock Bank with a total credit limit of USD 11,025,000 through credit contract No. 22/2021/HDTD/TTKHNDL MB2/01 dated 5 April 2022. This loan has a term of 7 years and bears an annual interest rate equal to three-month LIBOR plus 4.2% per annum. According to this credit contract, the Company has to guarantee by time deposit accounts at Tien Phong Commercial Joint Stock Bank with an amount not less than 10% of the total credit limit during the loan term and transfer 100% of revenue from the exploitation of the vessel is formed from the loan to the Company's account opened at Tien Phong Commercial Joint Stock Bank. The loan is secured by the Company's short-term time deposits (Note 5), and transport vehicles (Note 9). The outstanding loan balance of this contract is VND 196,224,000,000 (as at 31 December 2022: VND 220,752,000,000).

The Company is able to pay the short-term outstanding loan balance in full as at 30 June 2023 and 31 December 2022.

Long-term loan is repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
On demand or within one period	87,957,642,856	123,975,582,856
In the second period	87,957,642,856	114,956,922,856
In the third to fifth period inclusive	194,106,553,570	213,438,278,568
After five years	49,094,285,720	81,874,857,150
	419,116,125,002	534,245,641,430
Deduct: Amount due for settlement within 12 months (shown in short-term loans)	87,957,642,856	123,975,582,856
Amount due for settlement after 12 months	331,158,482,146	410,270,058,574

14. PROVISIONS

	Periodic vessel overhaul repairing VND
Opening balance	29,890,595,360
Addition	34,691,435,552
Reversal	(5,227,871)
Used	(351,726,360)
Closing balance	<u>64,225,076,681</u>

	Closing balance VND	Opening balance VND
Short-term provisions	47,132,049,906	11,529,092,387
Long-term provisions	17,093,026,775	18,361,502,973
	<u>64,225,076,681</u>	<u>29,890,595,360</u>

15. OWNER'S EQUITY

	Closing balance		Opening balance	
	Number of shares	VND	Number of shares	VND
Authorized	56,000,000	560,000,000,000	56,000,000	560,000,000,000
Issued and fully contributed	<u>55,799,445</u>	<u>557,994,450,000</u>	<u>55,799,445</u>	<u>557,994,450,000</u>

Shares	Closing balance	Opening balance
Number of shares issued to the public		
Ordinary shares	55,799,445	55,799,445
Number of outstanding shares in circulation		
Ordinary shares	<u>55,799,445</u>	<u>55,799,445</u>

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	%
Petro Vietnam Transportation Corporation	<u>379,323,470,000</u>	<u>67.98</u>	<u>379,323,470,000</u>	<u>67.98</u>

Movement in owner's equity

	Owner's contributed capital VND	Other owner's capital VND	Investment and development fund VND	Retained earnings VND	Total VND
For the 6-month period ended 30 June 2022					
Prior period's opening balance	557,994,450,000	1,709,511,521	39,107,556,317	58,759,034,050	657,570,551,888
Profit for the period	-	-	-	34,298,709,031	34,298,709,031
Distributed to bonus and welfare fund	-	-	-	(2,241,829,682)	(2,241,829,682)
Distributed to remuneration fund of the boards of executive management	-	-	-	(700,000,000)	(700,000,000)
Prior period's closing balance	557,994,450,000	1,709,511,521	39,107,556,317	90,115,913,399	688,927,431,237
For the 6-month period ended 30 June 2023					
Current period's opening balance	557,994,450,000	1,709,511,521	39,107,556,317	137,017,644,164	735,829,162,002
Profit for the period	-	-	-	44,770,992,521	44,770,992,521
Investment and development fund appropriation (1)	-	(1,709,511,521)	1,709,511,521	-	-
Investment and development fund appropriation (2)	-	-	73,080,395,816	(73,080,395,816)	-
Bonus and welfare funds (2)	-	-	-	(4,060,021,990)	(4,060,021,990)
Remunerations of boards of executive management (2)	-	-	-	(1,624,008,796)	(1,624,008,796)
Current period's closing balance	557,994,450,000	-	113,897,463,654	103,024,210,083	774,916,123,737

(1) This is the balance of other funds under Equity as of December 31, 2022, which has been approved to be transferred in full to be added to the development investment fund in accordance with the Resolution of the Annual General Meeting of Shareholders No. 04/NQ-VTSPK-DHĐCD dated 18 April 2023.

(2) The distribution for development investment fund, bonus and welfare fund and remuneration fund of the boards of executive management is from profit after tax of the financial year 2022 in accordance to Resolution No. 04/NQ-VTSPK-DHĐCD dated 18 April 2023 of the General Meeting of Shareholders.

According to the Resolution of the General Meeting of Shareholders No. 04/NQ-VTSPK-DHĐCD dated 18 April 2023, the Company has approved to pay dividends to shareholders in cash from profit after tax of financial year 2022 with the amount is VND 55,799,445,000 but as of 30 June 2023, the Company has not made an approved decision or notification to pay dividends.

16. OFF BALANCE SHEET ITEM

Foreign currency:

	Closing balance	Opening balance
United States Dollar ("USD")	785,353	1,274,716

17. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Company is currently organized into two business divisions: Transportation services and Trading services. These divisions are the basis on which the Company reports its primary segment information. The principal activities of these divisions are as follows:

Transportation services division: supplying transportation by vessels and tank trucks;

Trading services division: trading of goods are solid fuels, liquefied gases and related products.

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

Interim balance sheet

<u>Closing balance</u>	<u>Transportation services</u>	<u>Trading</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Segment assets	1,380,096,610,640	37,985,192,278	1,418,081,802,918
Total assets			1,418,081,802,918
Segment liabilities	624,494,545,421	18,671,133,760	643,165,679,181
Total liabilities			643,165,679,181
<u>Opening balance</u>	<u>Transportation services</u>	<u>Trading</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Segment assets	1,451,889,159,495	42,053,398,987	1,493,942,558,482
Total assets			1,493,942,558,482
Segment liabilities	754,286,561,340	3,826,835,140	758,113,396,480
Total liabilities			758,113,396,480

Interim income statement

<u>Current period</u>	<u>Transportation services</u>	<u>Trading</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Revenue			
External sales from goods sold and services rendered	665,521,652,707	204,996,270,989	870,517,923,696
Cost of sales			
Cost of external sales and services rendered	577,698,475,508	204,435,687,084	782,134,162,592
Operating result			
Operating result	87,823,177,199	560,583,905	88,383,761,104
Not allocated expenses			(26,131,249,642)
Profit from operating activities			62,252,511,462
Financial income			11,866,121,034
Profit from other activities			3,306,635,329
Financial expense			(21,405,685,663)
Profit before tax			56,019,582,162
Corporate income tax expense			(11,248,589,641)
Profit for the period			44,770,992,521

19. COST OF SALES AND SERVICES RENDERED

	Current period	Prior period
	VND	VND
Transportation services	577,698,475,508	461,735,583,109
Trading	204,435,687,084	399,527,138,670
	782,134,162,592	861,262,721,779

20. PRODUCTION COST BY NATURE

	Current period	Prior period
	VND	VND
Raw materials	87,846,930,684	47,400,837,642
Labor costs	73,099,344,901	58,221,359,114
Depreciation and amortization	59,537,608,667	41,151,297,749
Out-sourced services	376,221,722,315	335,125,177,516
Other expenses	7,124,118,583	3,181,510,465
	603,829,725,150	485,080,182,486

21. FINANCIAL INCOME

	Current period	Prior period
	VND	VND
Interest income	6,934,863,536	5,742,919,347
Foreign exchange gain	4,931,257,498	2,644,612,801
	11,866,121,034	8,387,532,148

22. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense	19,885,600,415	8,376,660,040
Foreign exchange loss	1,520,085,248	3,275,702,918
	21,405,685,663	11,652,362,958

23. GENERAL AND ADMINISTRATION EXPENSES AND SELLING EXPENSES

	Current period	Prior period
	VND	VND
General and administration expenses		
- Salary expenses	9,117,074,845	8,566,733,924
- Out-sourced services	15,178,935,038	13,753,452,633
- Other expenses	207,040,501	166,232,494
	24,503,050,384	22,486,419,051
Selling expenses		
- Out-sourced services	1,628,199,258	858,180,326

24. CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
- Corporate income tax based on taxable income in the current period	10,841,656,485	7,938,043,659
- Adjusted the expenses of corporate income tax of the previous periods to the current income tax expense	406,933,156	821,560,165
	11,248,589,641	8,759,603,824

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

	Current period VND	Prior period VND
Profit before tax	56,019,582,162	43,058,312,855
Less: Non-assessable income	(510,839,971)	(68,892,719)
Less: Deductible temporary difference	(2,000,000,000)	(4,107,800,826)
Add back: Non-deductible expenses	699,540,235	808,598,986
Taxable profit	54,208,282,426	39,690,218,296
Tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current period	10,841,656,485	7,938,043,659

The Company is obliged to pay corporate income tax at the rate of 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 interim balance sheet and the corresponding tax base used in the computation of taxable profit.

25. 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 period VND	Prior period VND
Profit attributable to ordinary shareholders (VND)	44,770,992,521	34,298,709,031
Less: Bonus and welfare fund and remuneration fund of the boards of executive management (VND)	(3,709,756,241)	(2,842,015,393)
Earnings for the purpose of calculating basic earnings per share (VND)	41,061,236,280	31,456,693,638
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	55,799,445	55,799,445
Basic earnings per share (VND)	736	564

Bonus and welfare fund and remuneration fund of the boards of executive management for the 6-month period ended 30 June 2023 are estimated based on the actual distribution percentage of 5% and 2% of profit after tax of 2022. The calculation of basic earnings per share is for comparison purpose between two periods because the Company has not planned for distribution of Bonus and welfare fund and remuneration fund of the boards of executive management in 2023 yet.

In addition, the basic earnings per share of prior period has been also restated under the impact of the actual amount distribution to bonus and welfare fund and remuneration fund of the boards of executive management. The basic earnings per share for the 6-month period ended 30 June 2022 has been restated as follows:

	Amount represented VND	Changed VND	Restated VND
Profit attributable to ordinary shareholders (VND)	34,298,709,031	-	34,298,709,031
Less: Bonus and welfare fund and remuneration fund of the boards of executive management (VND)	(1,663,031,404)	(1,178,983,989)	(2,842,015,393)
Earnings for the purpose of calculating basic earnings per share (VND)	32,635,677,627	(1,178,983,989)	31,456,693,638
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	55,799,445	-	55,799,445
Basic earnings per share (VND)	<u>585</u>	<u>(21)</u>	<u>564</u>

26. OPERATING LEASE COMMITMENTS

	Current period VND	Prior period VND
Minimum lease payments under operating leases recognized in the interim income statement	<u>3,021,801,120</u>	<u>2,739,720,904</u>

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

	Closing balance VND	Opening balance VND
Within one year	5,687,600,920	5,102,160,800
In the second to fifth year inclusive	<u>10,755,335,250</u>	<u>14,923,345,800</u>
	<u>16,442,936,170</u>	<u>20,025,506,600</u>

Operating lease commitments represents total rental amount which the Company has to pay for car rental, document warehouse storage and office lease for period from one to five years.

27. CAPITAL COMMITMENTS

On 18 April 2023, the Resolution of the Annual General Meeting of Shareholders of 2023 has approved the investment plan for oil/chemical vessel with a tonnage of 10,000 to 25,000 DWT in 2023 with an amount not exceeding more than USD 20 million (equivalent to VND 470 billion). As at 30 June 2023, the Company has not yet made a decision by the Board of Management nor has any transaction related to this new investment.

28. 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 13, 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 interim balance sheet date was as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Borrowings	419,116,125,002	534,245,641,430
Less: Cash and cash equivalent	87,750,560,576	89,624,756,264
Net debt	331,365,564,426	444,620,885,166
Equity	774,916,123,737	735,829,162,002
Net debt to equity ratio	0.43	0.60

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 are disclosed in Note 3.

Categories of financial instruments

	<u>Carrying amounts</u>	
	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Financial assets		
Cash and cash equivalents	87,750,560,576	89,624,756,264
Trade and other receivables	124,010,211,378	139,234,484,726
Financial investments	189,900,000,000	188,000,000,000
	401,660,771,954	416,859,240,990
Financial liabilities		
Borrowings	419,116,125,002	534,245,641,430
Trade and other payables	95,605,272,753	134,500,433,605
Accrued expenses	10,966,778,282	10,848,095,882
	525,688,176,037	679,594,170,917

The Company has not assessed fair value of its financial assets and liabilities as at the interim balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 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 interim balance sheet date are as follows:

	Assets		Liabilities	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
United States Dollar ("USD")	46,124,705,696	40,802,786,787	56,587,944,663	150,196,342,830
Japanese Yen "JYP")	-	-	-	1,424,239,204
Singapore Dollar ("SGD")	-	-	-	459,748,391

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 period 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 period would decrease/increase by the following amount VND 313,897,169 (prior period: VND 4,651,434,747).

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 interim 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 period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowing 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 periods. 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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INTERNATIONAL GAS PRODUCT SHIPPING JOINT STOCK COMPANY
NOTES TO THE INTERIM FINANCIAL STATEMENTS (Continued)

FORM B 09a-DN

Closing balance	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
Cash and cash equivalents	87.750.560.576	-	-	87.750.560.576
Trade and other receivables	122.559.410.232	1.450.801.146	-	124.010.211.378
Financial investments	189.900.000.000	-	-	189.900.000.000
	400.209.970.808	1.450.801.146	-	401.660.771.954
Borrowings	87.957.642.856	282.064.196.426	49.094.285.720	419.116.125.002
Trade and other payables	95.605.272.753	-	-	95.605.272.753
Accrued expenses	10.966.778.282	-	-	10.966.778.282
	194.529.693.891	282.064.196.426	49.094.285.720	525.688.176.037
Net liquidity gap	205.680.276.917	(280.613.395.280)	(49.094.285.720)	(124.027.404.083)
Opening balance	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
Cash and cash equivalents	89,624,756,264	-	-	89,624,756,264
Trade and other receivables	137,901,983,580	1,332,501,146	-	139,234,484,726
Financial investments	188,000,000,000	-	-	188,000,000,000
	415,526,739,844	1,332,501,146	-	416,859,240,990
Borrowings	123,975,582,856	328,395,201,424	81,874,857,150	534,245,641,430
Trade and other payables	134,500,433,605	-	-	134,500,433,605
Accrued expenses	10,848,095,882	-	-	10,848,095,882
	269,324,112,343	328,395,201,424	81,874,857,150	679,594,170,917
Net liquidity gap	146,202,627,501	(327,062,700,278)	(81,874,857,150)	(262,734,929,927)

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.

29. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties

Related parties	Relationship
PetroVietnam Transportation Corporation	Holding Company
Nhat Viet Transportation Corporation	Same holding company (PVT)
PetroVietnam Transportation Ha Noi JSC	Same holding company (PVT)
Thang Long Maritime Joint Stock Company (formerly known as "PetroVietnam Transportation Vung Tau JSC")	Same holding company (PVT)
Quang Ngai Petro Transportation JSC	Same holding company (PVT)
Indochina Petroleum Transportation JSC	Same holding company (PVT)
Binh Son Refining and Petrochemical JSC	Subsidiary of Vietnam National Oil and Gas Group ("PVN")
Gas Trading Company - Branch of PetroVietnam Gas JSC - Corporation	Member of PVN
Branch of PetroVietnam Gas JSC – Corporation – Vung Tau Processing Company	Member of PVN
PetroVietnam Northern Gas JSC	Member of PVN
PetroVietnam Southern Gas JSC	Member of PVN
VT Gas - Viet Nam Liquefied Gas Company Limited	Member of PVN
Petro Vietnam LPG JSC	Member of PVN
PetroVietnam Paint JSC	Member of PVN
PetroVietnam Oil Hai Phong JSC	Member of PVN
PV Gas City	Member of PVN

<u>Related parties</u>	<u>Relationship</u>
PetroVietnam Securities	Member of PVN
PetroVietnam Oil Saigon JSC	Member of PVN
PetroVietnam Maintenance and Repair Corporation	Member of PVN
PetroVietnam Technical Safety Registration Company Limited	Member of PVN
Vietnam Public Joint Stock Commercial Bank	Member of PVN
Petro Vietnam Technical Services Corporation	Member of PVN
Dinh Vu Petroleum services port Joint Stock Company	Member of PVN
PetroVietnam Oil Vung Tau JSC	Member of PVN
PVI Insurance Corporation and the subsidiaries	Member of PVN

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

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Provide ship rental and transportation		
Branch of PetroVietnam Gas JSC - Corporation - Gas Trading Company	218,874,199,285	226,041,095,169
Nhat Viet Transportation Corporation	57,226,434,885	98,826,141,485
PetroVietnam Transportation Corporation	9,330,172,279	13,633,478,630
Sales of fuel		
Viet Nam Liquefied Gas Company Limited - VT Gas	-	176,272,681,238
Financial income (bank interest)		
Vietnam Public Joint Stock Commercial Bank	2,116,594,968	3,699,142,907
Vessel rental and fuel purchases		
Nhat Viet Transportation Corporation	36,449,107,394	22,234,519,410
Purchase shipping agent services and products		
Branch of PetroVietnam Gas JSC - Corporation - Gas Trading Company	204,883,498,690	223,721,491,013
PetroVietnam Southern Gas JSC	-	176,233,610,246
PetroVietnam Oil Hai Phong JSC	1,301,818,182	11,884,269,072
PetroVietnam Transportation Ha Noi JSC	2,944,018,285	5,289,719,383
Thang Long Maritime JSC	679,757,924	1,887,176,263
PetroVietnam Oil Vung Tau JSC	1,460,908,273	-
Quang Ngai Petro Transportation JSC	1,442,970,075	2,012,936,218
PetroVietnam Maintenance and Repair Corporation	413,769,633	307,095,435
PetroVietnam Technical Safety Registration Company Limited - PV EIC	48,300,000	62,850,000
Dinh Vu Petroleum services port Joint Stock Company	3,506,105,696	2,837,281,822
Branch of PetroVietnam Gas JSC – Corporation – Vung Tau Processing Company	90,410,500	48,459,000
Car rental		
Indochina Petroleum Transportation JSC	817,847,450	505,395,000
Insurance purchase		
PVI Insurance Corporation and the subsidiaries	10,675,718,227	7,493,014,494
Paint purchase		
PetroVietnam Paint JSC	254,110,000	61,300,000

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

	Current period VND	Prior period VND
Board of Management		
Ms. Vu Thi Phuong Nga	36,000,000	36,000,000
Ms. Pham Thi Truc	357,816,000	393,057,570
Mr. Doan Duc Trong	425,851,000	449,969,130
Mr. Nguyen Quang Diep	30,000,000	12,000,000
Mr. Nguyen Dinh Tu	24,000,000	-
Board of Supervisors		
Mr. Nguyen The Dan	24,000,000	9,600,000
Ms. Le Thi Anh Thi	15,000,000	6,000,000
Ms. Hoang Thi Hanh	14,350,000	-
Board of Directors		
Mr. Vu Van Duc	357,720,000	377,829,600
Mr. Hoang Minh Tuan	277,682,667	-
Mr. Nguyen Hai Long	297,440,170	-
Others	48,575,000	459,089,000
	1,908,434,836	1,743,545,300

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

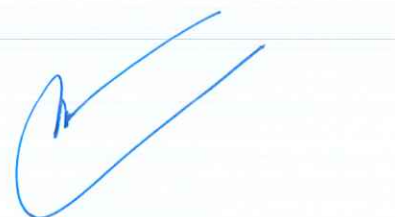
	Closing balance VND	Opening balance VND
Short-term trade receivables		
Branch of PetroVietnam Gas JSC - Corporation - Gas Trading Company	20,837,078,326	40,452,644,211
Nhat Viet Transportation Corporation	26,305,176,058	19,199,655,033
PetroVietnam Transportation Corporation	-	7,219,661,549
	47,142,254,384	66,871,960,793
Short-term trade payables		
Branch of PetroVietnam Gas JSC - Corporation - Gas Trading Company	18,832,492,381	2,790,051,505
Nhat Viet Transportation Corporation	22,230,945,674	8,571,146,173
PetroVietnam Oil Hai Phong JSC	-	1,508,500,000
Thang Long Maritime JSC	-	429,539,192
PetroVietnam Transportation Ha Noi JSC	221,211,954	1,285,743,779
Quang Ngai Petro Transportation JSC	143,207,513	590,500,986
PetroVietnam Paint JSC	154,627,000	422,926,810
PetroVietnam Transportation Corporation	-	40,900,000
Indochina Petroleum Transportation JSC	156,112,000	175,633,920
PetroVietnam Technical Safety Registration Company Limited	-	47,466,000
PetroVietnam Oil Vung Tau JSC	-	2,931,068,400
Branch of PetroVietnam Gas JSC - Corporation - Vung Tau Processing Company	63,859,950	20,143,200
Dinh Vu Petroleum services port Joint Stock Company	1,432,056,381	1,667,870,391
	43,234,512,853	20,481,490,356
Other short-term receivables		
Vietnam Public Joint Stock Commercial Bank	679,863,014	358,698,630

30. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest earned during the period excludes an amount of VND 5,847,672,054 (prior period: VND 2,417,627,395), representing interest income incurred during the period that has not yet been received. Consequently, changes in accounts receivable have been adjusted by the same amount.

Interest paid during the period excludes an amount of VND 3,576,143,928 (prior period: VND 570,908,367), representing amount of interest expense incurred during the period that has not yet been paid. Consequently, changes in accounts payable have been adjusted by the same amount.


Cao Thanh Nga
Preparer


Le Anh Nam
Chief Accountant


Doan Duc Trong
Director
10 August 2023

