

**PETROVIETNAM LOW PRESSURE GAS
DISTRIBUTION JOINT STOCK COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2019



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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PetroVietnam Low Pressure Gas Distribution Joint Stock Company (the "Company") presents this report together with the Company's financial statements for the year ended 31 December 2019.

THE BOARDS OF DIRECTORS AND MANAGEMENT

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

Board of Directors

Mr. Tran Trung Chinh	Chairman
Mr. Tran Thanh Nam	Member
Mr. Nguyen Quang Huy	Member (resigned on 31 October 2019)
Mr. Le Ba Khanh Anh	Member
Mr. Hideaki Shibata	Member
Ms. Nguyen Thuc Quyen	Member (appointed on 31 October 2019)

Board of Management

Mr. Tran Thanh Nam	Director
Mr. Nguyen Quang Huy	Deputy Director
Mr. Dinh Ngoc Huy	Deputy Director
Mr. Do Pham Hong Minh	Deputy Director
Mr. Le Minh Hai	Deputy Director

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management 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 2019 and of 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. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any 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 minimise errors and frauds.

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY (Continued)

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management 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 Management confirms that the Company has complied with the above requirements in preparing the financial statements.

For and on behalf of the Board of Management,



Trần Thành Nam
Director

10 March 2020
Ho Chi Minh City, S.R. Vietnam

No. 0609 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Boards of Directors and Management
PetroVietnam Low Pressure Gas Distribution Joint Stock Company**

We have audited the accompanying financial statements of PetroVietnam Low Pressure Gas Distribution Joint Stock Company (the "Company"), prepared on 10 March 2020 as set out from page 04 to page 26, which comprise the balance sheet as at 31 December 2019, the statement of income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management 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 management 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 the accompanying 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 management, 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, 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.



Trần Huy Công
Deputy General Director
Audit Practising Registration Certificate
No. 0891-2018-001-1

Vu Manh Hung
Auditor
Audit Practising Registration Certificate
No. 2737-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

10 March 2020
Hanoi, S.R. Vietnam

BALANCE SHEET

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		2,345,668,640,287	1,975,277,682,379
I. Cash and cash equivalents	110	4	1,445,988,903,939	1,151,770,997,375
1. Cash	111		337,857,457,912	324,010,760,908
2. Cash equivalents	112		1,108,131,446,027	827,760,236,467
II. Short-term receivables	130		772,010,287,050	702,510,700,043
1. Short-term trade receivables	131	5	777,188,656,483	708,005,296,551
2. Short-term advances to suppliers	132		2,356,629,316	1,119,862,750
3. Other short-term receivables	136	6	9,697,199,998	9,344,691,844
4. Provision for short-term doubtful debts	137	7	(17,232,198,747)	(15,959,151,102)
III. Inventories	140	8	64,391,889,477	60,380,340,024
1. Inventories	141		64,391,889,477	60,380,340,024
IV. Other short-term assets	150		63,277,559,821	60,615,644,937
1. Short-term prepayments	151	9	2,375,610,201	2,390,203,859
2. Value added tax deductibles	152		60,901,949,620	58,225,441,078
B. NON-CURRENT ASSETS	200		615,467,656,890	669,056,287,476
I. Long-term receivables	210		2,846,929,112	2,733,671,125
1. Other long-term receivables	216	6	2,846,929,112	2,733,671,125
II. Fixed assets	220		502,508,295,397	557,087,001,982
1. Tangible fixed assets	221	10	453,968,025,702	510,367,592,544
- Cost	222		1,206,998,395,913	1,183,627,186,059
- Accumulated depreciation	223		(753,030,370,211)	(673,259,593,515)
2. Intangible assets	227	11	48,540,269,695	46,719,409,438
- Cost	228		55,548,287,004	51,661,647,004
- Accumulated amortisation	229		(7,008,017,309)	(4,942,237,566)
III. Long-term assets in progress	240	12	985,774,334	3,172,093,775
1. Construction in progress	242		985,774,334	3,172,093,775
IV. Other long-term assets	260		109,126,658,047	106,063,520,594
1. Long-term prepayments	261	9	109,126,658,047	106,063,520,594
TOTAL ASSETS (270=100+200)	270		<u>2,961,136,297,177</u>	<u>2,644,333,969,855</u>

The accompanying notes are an integral part of these financial statements

BALANCE SHEET (Continued)

As at 31 December 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		1,596,339,479,988	1,272,054,696,513
I. Current liabilities	310		1,595,891,539,988	1,271,606,756,513
1. Short-term trade payables	311	13	1,368,658,905,736	871,919,521,413
2. Short-term advances from customers	312	14	149,567,595,276	196,536,767,985
3. Taxes and amounts payable to the State budget	313	15	15,405,863,239	41,859,369,449
4. Payables to employees	314		11,030,056,883	9,397,105,884
5. Short-term accrued expenses	315	16	3,823,258,658	5,216,833,084
6. Short-term unearned revenue	318		-	111,818,182
7. Other current payables	319	17	47,400,805,803	146,559,243,541
8. Bonus and welfare funds	322		5,054,393	6,096,975
II. Long-term liabilities	330		447,940,000	447,940,000
1. Other long-term payables	337	17	447,940,000	447,940,000
D. EQUITY	400		1,364,796,817,189	1,372,279,273,342
I. Owners' equity	410	18	1,364,796,817,189	1,372,279,273,342
1. Owners' contributed capital	411		899,990,250,000	899,990,250,000
- Ordinary shares carrying voting rights	411a		899,990,250,000	899,990,250,000
2. Share premium	412		153,050,000	153,050,000
3. Treasury shares	415		(9,550,000)	(9,550,000)
4. Investment and development fund	418		178,262,403,866	178,262,403,866
5. Other reserves	420		12,450,000,000	12,450,000,000
6. Retained earnings	421		273,950,663,323	281,433,119,476
- Retained earnings accumulated to the prior year end	421a		51,967,944,476	50,011,939,577
- Retained earnings of the current year	421b		221,982,718,847	231,421,179,899
TOTAL RESOURCES (440=300+400)	440		2,961,136,297,177	2,644,333,969,855

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 Nguyen Huu Tung
 Preparer

10 March 2020

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 Dang Quoc Vuong
 Chief Accountant

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 Tran Thanh Nam
 Director



INCOME STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	20	7,982,470,574,163	8,141,740,317,653
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		7,982,470,574,163	8,141,740,317,653
4. Cost of sales	11	21	7,230,973,012,387	7,319,063,940,382
5. Gross profit from goods sold and services rendered (20=10-11)	20		751,497,561,776	822,676,377,271
6. Financial income	21	23	17,988,985,995	14,650,009,661
7. Financial expenses	22		-	-
8. Selling expenses	25	24	381,973,531,502	426,106,299,636
9. General and administration expenses	26	24	92,141,086,882	104,603,262,526
10. Operating profit (30=20+(21-22)-(25+26))	30		295,371,929,387	306,616,824,770
11. Other income	31	25	195,584,916	79,042,613
12. Other expenses	32		48,500,000	5,000,000
13. Profit from other activities(40=31-32)	40		147,084,916	74,042,613
14. Accounting profit before tax (50=30+40)	50		295,519,014,303	306,690,867,383
15. Current corporate income tax expense	51	26	61,786,295,456	63,569,687,484
16. Net profit after corporate income tax (60=50-51)	60		233,732,718,847	243,121,179,899
17. Basic earnings per share	70	27	2,467	2,522

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Nguyen Huu Tung
Preparer

10 March 2020

Dang Quoc Vuong
Chief Accountant



Tran Thanh Nam
Director

The accompanying notes are an integral part of these financial statements

CASH FLOW STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	295,519,014,303	306,690,867,383
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	82,684,354,785	112,096,657,179
Provisions	03	1,273,047,645	962,256,370
Gain from investing activities	05	(18,004,440,540)	(14,650,009,661)
3. Operating profit before movements in working capital	08	361,471,976,193	405,099,771,271
Changes in receivables	09	(73,680,140,611)	(103,630,176,911)
Changes in inventories	10	(4,011,549,453)	(28,816,510,589)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	351,541,276,653	(242,384,586,272)
Changes in prepaid expenses	12	(2,759,774,519)	203,689,004
Corporate income tax paid	15	(88,222,536,865)	(46,747,034,838)
Other cash outflows	17	(15,721,042,582)	(16,932,941,751)
Net cash generated by/(used in) operating activities	20	528,618,208,816	(33,207,790,086)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(27,527,307,222)	(58,766,186,168)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	15,454,545	-
3. Interest earned, dividends and profits received	27	18,106,725,425	14,560,745,981
Net cash used in investing activities	30	(9,405,127,252)	(44,205,440,187)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Dividends and profits paid	36	(224,995,175,000)	(269,994,210,000)
Net cash used in financing activities	40	(224,995,175,000)	(269,994,210,000)
Net increase/(decrease) in cash (50=20+30+40)	50	294,217,906,564	(347,407,440,273)
Cash and cash equivalents at the beginning of the year	60	1,151,770,997,375	1,499,178,437,648
Cash and cash equivalents at the end of the year (70=50+60)	70	1,445,988,903,939	1,151,770,997,375


Nguyen Huu Tung
Preparer


Dang Quoc Vuong
Chief Accountant


Tran Thanh Nam
Director



10 March 2020

The accompanying notes are an integral part of these financial statements

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**

PetroVietnam Low Pressure Gas Distribution Joint Stock Company (the "Company") was incorporated and operates in Vietnam, as a joint stock company, under the first Business Registration Certificate No. 4103006815 dated 23 May 2007 and its amendments. According to the 11th amended Enterprise Registration Certificate dated 31 December 2015, the Company's charter capital is VND 899,990,250,000. The Company has been listed on Ho Chi Minh Stock Exchange with stock code PGD.

The parent company of the Company is PetroVietnam Gas Joint Stock Corporation which holds 50.5% of the charter capital.

The number of employees as at 31 December 2019 is 269 (as at 31 December 2018: 267).

Operating industry and principal activities

The Company's operating industry is trading and transportation of low pressure gas and CNG.

The principal activities of the Company are to trade and transport low pressure gas; to trade industrial gas (outside Ho Chi Minh City area), chemical materials, machinery, equipment and motor vehicles used in oil and gas industry; to build industrial constructions, pipe system, warehouses and extracting stations for oil and gas industry; to provide technology transfer consultancy services, to install, operate, repair and maintain machines, technological equipment, to construct warehouse, extracting and charging stations for liquefied petroleum gas (LPG), natural gas (NG), compressed natural gas (CNG), liquefied natural gas (LNG); to trade and transport petroleum, lubricant and dry gas, LPG, CNG, LNG and other gas or oil-originated products (not purchasing and selling gas at the Company's head office); to provide converting service in motor vehicles (except for mechanical processing, polishing and electroplating and waste recycling at the Company's premises and designing motor vehicles); to trade, install, repair and maintain converted facilities that are used in motor vehicles, machinery, equipment for agro-forestry, fish-breeding industry; to trade construction and interior decoration materials; to trade real estates; to construct industrial zones' and residential zones' infrastructure and exploit minerals; electricity production (solar power, gas thermal power); electricity transmission and distribution (except transmission and dispatch of the national electricity system and construction and operation of multi-objective hydropower and nuclear power); construction of industrial projects, piping systems, warehouses, filling stations for trading of liquefied petroleum gas (LPG), natural gas (NG), compressed natural gas (CNG), liquefied natural gas (LNG); construction of technical infrastructure of industrial parks and residential areas."

Normal production and business cycle

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

The Company's structure

The structure of the Company consists of office and 03 dependent accounting units, including:

- Branch of PetroVietnam Low Pressure Gas Distribution Joint Stock Company Vung Tau Low Pressure Gas Distribution Enterprise;
- Branch of PetroVietnam Low Pressure Gas Distribution Joint Stock Company - Nhon Trach Low Pressure Gas Distribution Enterprise;
- Branch of PetroVietnam Low Pressure Gas Distribution Joint Stock Company - Northern Low Pressure Gas Distribution Enterprise.

Disclosure of information comparability in the financial statements

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2018.

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 01 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 management 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 management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

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

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 direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Inventories shall be accounted for on a perpetual basis. Cost is calculated using the weighted average 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 conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Current year
	Years
Buildings and structures	5 - 25
Machinery and equipment	3 - 20
Office equipment	3 - 6
Motor vehicles and transmission equipment	3 - 6
Others	3 - 5

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

Intangible assets and amortisation

Intangible assets represent land use rights, computer software and other intangible assets that are stated at cost less accumulated amortisation. Land use rights for a definite term are amortised based on the actual duration of the right to use the land, land use rights for an indefinite term are not subject to amortisation. Computer software and others are amortised using the straight-line method over useful lives of 2 to 5 years.

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost, other directly attributable costs in accordance with the Company's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including ground rentals and other types of prepayments.

Ground rentals represent rentals that have been paid in advance. Prepaid ground rentals are charged to the income statement using the straight-line method over the lease term.

Other types of prepayments comprise costs of small tools, supplies and spare parts issued for consumption, boards expenditures, insurance premium, office renovation expenditures and other expenses which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Revenue recognition

Revenue from the sale of goods is recognised 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 recognised 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 recognised 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.

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 recognised 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 recognised for all temporary differences and deferred tax assets are recognised 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	122,776,163	94,781,250
Bank demand deposits	337,734,681,749	323,915,979,658
Cash equivalents	1,108,131,446,027	827,760,236,467
	<u>1,445,988,903,939</u>	<u>1,151,770,997,375</u>

Cash equivalents represent the Company's time deposits denominated in VND with terms from two (02) weeks to three (03) months at commercial banks, and interest rates ranging from 0.8% to 5% per annum.

5. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
PetroVietnam Southern Gas Joint Stock Company	197,571,547,654	205,328,601,814
CNG Vietnam Joint Stock Company	197,404,828,927	163,604,963,043
PetroVietnam Northern Gas Joint Stock Company	15,691,210,935	16,195,466,758
Other customers	366,521,068,967	322,876,264,936
	<u>777,188,656,483</u>	<u>708,005,296,551</u>
Short-term trade receivables from related parties (Details stated in Note 28)	<u>410,667,587,516</u>	<u>385,129,031,615</u>

6. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a. Other short-term receivables		
Receivable from PetroVietnam Construction Joint Stock Company 2	4,870,608,031	4,870,608,031
Receivable from PetroVietnam Gas Joint Stock Corporation	2,229,351,901	-
Receivable from PetroVietnam Trade Union Finance Investment Corporation	1,094,956,610	1,294,956,610
Receivable from CNG Vietnam Joint Stock Company for 50% of general expense of Gas Tower building	743,797,390	862,396,403
Receivable from Phuc Sang Minh Gas Engineering Co.,Ltd	-	854,815,000
Receivable on accrued interest	521,638,379	639,377,809
Retrospective collection of salaries and bonus after settlement	-	503,903,848
Other receivables	236,847,687	318,634,143
	9,697,199,998	9,344,691,844
b. Other long-term receivables		
Deposits	2,846,929,112	2,733,671,125
	2,846,929,112	2,733,671,125

7. BAD DEBTS

As at 31 December 2019, the Company had some bad debts as follows:

	Closing balance			Opening balance		
	Cost	Recoverable amount (*)	Overdue period	Cost	Recoverable amount (*)	Overdue period
PetroVietnam Trade Union Finance Investment Corporation	1,094,956,610	-	Over 3 years	1,294,956,610	-	Over 3 years
My Xuan Ceramic Company Limited	11,296,297,196	-	Over 3 years	11,296,297,196	-	Over 3 years
PetroVietnam Construction Joint Stock Company 2	4,870,608,031	29,663,090	Over 3 years	4,811,281,851	1,443,384,555	Over 3 years
	17,261,861,837	29,663,090		17,402,535,657	1,443,384,555	

(*) Recoverable amount is stated at cost less corresponding provision for short-term doubtful debts.

8. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Raw materials	19,759,553,931	-	21,719,016,743	-
Tools and supplies	43,049,389,979	-	37,975,202,023	-
Merchandise	1,582,945,567	-	686,121,258	-
	64,391,889,477	-	60,380,340,024	-

9. PREPAYMENTS

	Closing balance VND	Opening balance VND
a. Current		
Server maintenance cost	-	709,829,300
Insurance premium cost for assets	2,000,402,699	656,967,525
Tools and dies for short-term allocation	47,207,502	533,407,034
Other short-term prepayments	328,000,000	490,000,000
	2,375,610,201	2,390,203,859
b. Non-current		
Ground rental in industrial zones	62,114,906,876	60,904,259,849
Office renovation cost	16,285,707,636	22,471,740,366
Advertising board	19,598,422,711	10,743,684,063
Tools and dies for long-term allocation	2,376,066,391	2,414,028,163
Others long-term prepayments	8,751,554,433	9,529,808,153
	109,126,658,047	106,063,520,594



PETROVIETNAM LOW PRESSURE GAS DISTRIBUTION JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures		Machinery and equipment		Office equipment		Motor vehicles and transmission equipment		Others		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
COST												
Opening balance	116,243,876,389	1,045,765,165,542	19,327,094,834	1,418,516,000	872,533,294	1,183,627,186,059						
Additions	-	940,781,778	480,466,968	65,408,000	-	1,486,656,746						
Transfer from construction in progress	-	9,152,767,329	-	13,813,476,460	-	22,966,243,789						
Disposals	-	(34,016,667)	(722,669,091)	-	-	(756,685,758)						
Transfer to prepayments	-	(325,004,923)	-	-	-	(325,004,923)						
Closing balance	116,243,876,389	1,055,499,693,059	19,084,892,711	15,297,400,460	872,533,294	1,206,998,395,913						
ACCUMULATED DEPRECIATION												
Opening balance	41,292,505,956	621,098,070,675	9,277,376,411	1,288,776,250	302,864,223	673,259,593,515						
Charge for the year	11,632,382,285	63,345,162,241	4,855,935,746	557,172,310	159,122,460	80,549,775,042						
Disposals	-	(34,016,667)	(722,669,091)	-	-	(756,685,758)						
Transfer to prepayments	-	(22,312,588)	-	-	-	(22,312,588)						
Closing balance	52,924,888,241	684,386,903,661	13,410,643,066	1,845,948,560	461,986,683	753,030,370,211						
NET BOOK VALUE												
Opening balance	74,951,370,433	424,667,094,867	10,049,718,423	129,739,750	569,669,071	510,367,592,544						
Closing balance	63,318,988,148	371,112,789,398	5,674,249,645	13,451,451,900	410,546,611	453,968,025,702						

The cost of the Company's tangible fixed assets as at 31 December 2019 included VND 442,291,906,359 of assets which have been fully depreciated but are still in use (as at 31 December 2018: VND 405,300,757,617).

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Others	Total
	VND	VND	VND	VND
COST				
Opening balance	45,545,065,586	6,047,781,418	68,800,000	51,661,647,004
Additions	-	903,600,000	-	903,600,000
Transfer from construction in progress	-	3,051,840,000	-	3,051,840,000
Disposals	-	-	(68,800,000)	(68,800,000)
Closing balance	45,545,065,586	10,003,221,418	-	55,548,287,004
ACCUMULATED AMORTISATION				
Opening balance	-	4,873,437,566	68,800,000	4,942,237,566
Charge for the year	-	2,134,579,743	-	2,134,579,743
Disposals	-	-	(68,800,000)	(68,800,000)
Closing balance	-	7,008,017,309	-	7,008,017,309
NET BOOK VALUE				
Opening balance	45,545,065,586	1,174,343,852	-	46,719,409,438
Closing balance	45,545,065,586	2,995,204,109	-	48,540,269,695

The cost of the Company's intangible assets as at 31 December 2019 included VND 4,813,781,418 of assets which have been fully amortised but are still in use (as 31 December 2018: VND 3,469,619,600).

12. LONG-TERM ASSETS IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Construction in progress		
- Construction	985,774,334	3,172,093,775
<i>In which:</i>		
- Project "Pipeline system supplying gas to customers in Long Thanh - Dong Nai area"	325,225,556	325,225,556
- Low-pressure gas distribution system for Hai Giang Ceramics Joint Stock Company	314,419,912	314,419,912
- Project "Installing Cuu Long gas supply pipeline to Phu My - Ho Chi Minh pipeline at GDC Phu My"	164,420,911	-
- Project "Low-pressure gas distribution system for Austdoor at Nhon trach 1 industrial zone, Nhon Trach District, Dong nai Province"	95,229,773	-
- Project "Installation of a roof to preserve excess project supplies at Northern Enterprise"	86,478,182	-
- Human resources management software	-	2,058,000,000
- Project "Building of fire prevention and control system for LGDS and expanded LGDS stations"	-	474,448,307
	985,774,334	3,172,093,775

13. SHORT-TERM TRADE PAYABLES

	Closing balance	Amount able to be paid off	Opening balance	Amount able to be paid off
PetroVietnam Gas Joint Stock Corporation	1,325,571,440,337	1,325,571,440,337	834,344,228,843	834,344,228,843
Others	43,087,465,399	43,087,465,399	37,575,292,570	37,575,292,570
	<u>1,368,658,905,736</u>	<u>1,368,658,905,736</u>	<u>871,919,521,413</u>	<u>871,919,521,413</u>
Trade payables to related parties (Details stated in Note 28)	<u>1,332,824,445,598</u>		<u>835,979,345,641</u>	

14. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance VND	Opening balance VND
Posco SS Vina Company Limited	26,625,417,651	38,384,582,824
Hyosung Vietnam Company Limited	26,485,863,128	29,944,672,781
NSG Vietnam Glass Industry Company Limited	19,514,995,388	26,663,926,713
Bach Ma Vietnam Ceramic Industry Company Limited	9,408,354,821	19,958,817,784
Posco Vietnam Company Limited	8,723,583,280	9,479,347,907
Hoa Sen Group	8,307,196,687	10,309,549,119
Branch of Thien Hoang Trading Joint Stock Company - Mikado Ceramic Factory	2,089,831,599	2,957,337,467
Other customers	48,412,352,722	58,838,533,390
	<u>149,567,595,276</u>	<u>196,536,767,985</u>

15. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	Opening balance VND	Payable during the year VND	Paid during the year VND	Closing balance VND
Value added tax	966,614,480	38,717,121,781	38,738,714,991	945,021,270
Corporate income tax	39,539,751,091	61,786,295,456	88,222,536,865	13,103,509,682
Personal income tax	940,586,958	8,704,732,236	8,287,986,907	1,357,332,287
Other taxes and payables	412,416,920	418,742,865	831,159,785	-
	<u>41,859,369,449</u>	<u>109,626,892,338</u>	<u>136,080,398,548</u>	<u>15,405,863,239</u>

16. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accrual for the cost of land lease	1,455,586,215	1,455,586,215
Accrual for the cost of leasing the gas receiving and supplying system	-	1,277,991,472
Other accruals	2,367,672,443	2,483,255,397
	<u>3,823,258,658</u>	<u>5,216,833,084</u>

17. OTHER PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Short-term payables		
Payable to PetroVietnam Gas Joint Stock Corporation	-	105,190,824,282
Short-term deposits received	44,869,229,972	38,766,164,948
Surplus in assets awaiting for solution	-	422,388,495
Dividends payable	726,374,500	726,374,500
Others	1,805,201,331	1,453,491,316
	<u>47,400,805,803</u>	<u>146,559,243,541</u>
b. Long-term payables		
Long-term deposits received	447,940,000	447,940,000
	<u>447,940,000</u>	<u>447,940,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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18. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Treasury shares	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	899,990,250,000	153,050,000	(9,550,000)	178,262,403,866	12,450,000,000	324,450,404,815	1,415,296,558,681
Profit for the year	-	-	-	-	-	243,121,179,899	243,121,179,899
Distribution to Bonus and welfare funds	-	-	-	-	-	(15,644,255,238)	(15,644,255,238)
Distribution to Bonus fund to Executive board	-	-	-	-	-	(500,000,000)	(500,000,000)
Dividends declared	-	-	-	-	-	(269,994,210,000)	(269,994,210,000)
Current year's opening balance	899,990,250,000	153,050,000	(9,550,000)	178,262,403,866	12,450,000,000	281,433,119,476	1,372,279,273,342
Profit for the year	-	-	-	-	-	233,732,718,847	233,732,718,847
Distribution to Bonus and welfare funds	-	-	-	-	-	(15,720,000,000)	(15,720,000,000)
Distribution to Bonus fund to Executive board	-	-	-	-	-	(500,000,000)	(500,000,000)
Dividends declared	-	-	-	-	-	(224,995,175,000)	(224,995,175,000)
Current year's closing balance	899,990,250,000	153,050,000	(9,550,000)	178,262,403,866	12,450,000,000	273,950,663,323	1,364,796,817,189

(i) According to Resolution No.01/NQ-DHDCD/2019 dated 23 April 2019, the Company has distributed to bonus fund to Executive board and additionally distributed to bonus and welfare fund from 2018 profit after tax with the amounts of VND 500,000,000 and VND 3,970,000,000 respectively.

The Company also temporarily distributed to bonus and welfare funds from profit after tax for the year ended 31 December 2019 with the amount of VND 11,750,000,000. The Board of Management of the Company believes that the temporary appropriation to bonus and welfare fund will be approved at the Annual General Meeting of Shareholders in 2020.

Charter capital and owners' contributed capital:

According to the Company's 11th amended Enterprise Registration Certificate dated 31 December 2015, the Company's charter capital is VND 899,990,250,000. As at 31 December 2019, the charter capital contributions by the shareholders had been fully made as follows:

Shareholders	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
PetroVietnam Gas Joint Stock Corporation	454,500,000,000	50.50%	454,500,000,000	50.50%
Tokyo Gas Asia Pte. Ltd	224,097,570,000	24.90%	224,097,570,000	24.90%
Others	221,392,680,000	24.60%	221,392,680,000	24.60%
Total	899,990,250,000	100.00%	899,990,250,000	100.00%

Shares	Closing balance	Opening balance
Number of shares issued to the public	89,999,025	89,999,025
Ordinary shares	89,999,025	89,999,025
Preference shares	-	-
Number of treasury shares	955	955
Ordinary shares	955	955
Preference shares	-	-
Number of outstanding shares in circulation	89,998,070	89,998,070
Ordinary shares	89,998,070	89,998,070
Preference shares	-	-

An ordinary share has par value of VND 10,000.

Dividends:

According to Resolution No. 01/NQ-DHDCD/2019 dated 23 April 2019 of Annual General Meeting of Shareholders, the Company has approved the disbursement of dividends in 2018 from profit after tax with the amount of VND 224,995,175,000. In 2019, the Company has paid all these dividends.

19. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business Segments:

During the year, the major product of the Company is natural gas. Revenue from and cost of other products and services are only around VND 4.1 billion and VND 0.4 billion respectively, accounting for an insignificant proportion of the total revenue from goods sold and services rendered as well as cost of goods sold and services rendered. Therefore, almost all operation activities of the Company in the year are related to the sales of natural gas.

Geographical Segments:

During the year, the Company operates within the territory of Vietnam only. Therefore, the Company has no geographical segments outside the territory of Vietnam.

20. REVENUE

	Current year	Prior year
	VND	VND
Sales of low pressure gas	7,726,797,182,678	7,380,205,913,639
Sales of CNG	251,546,211,375	759,278,548,122
Other sales	4,127,180,110	2,255,855,892
	7,982,470,574,163	8,141,740,317,653
Sales of merchandise and services to related parties (details in Note 28)	2,378,678,300,237	2,352,444,523,537

21. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of low pressure gas sold	7,017,681,224,957	6,663,315,397,426
Cost of CNG sold	212,868,296,988	654,942,512,300
Other costs of sales	423,490,442	806,030,656
	7,230,973,012,387	7,319,063,940,382

22. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Cost of gas purchased	7,230,549,521,945	7,318,257,909,726
Depreciation and amortization of fixed assets	82,684,354,785	112,096,657,179
Labour	97,549,473,945	97,875,942,195
Operating lease	65,774,253,946	74,285,604,360
CNG transporting expenses	23,018,266,959	40,762,442,205
Fuels, tools and consumables	9,260,955,805	20,406,989,507
Out-sourced services	108,638,365,936	124,128,957,681
Other monetary expenses	87,612,437,450	61,958,999,691
	7,705,087,630,771	7,849,773,502,544

23. FINANCIAL INCOME

Financial income represents interest earned from demand deposits and time deposits at commercial banks.

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
General and administration expenses		
Administrative staff expenses	13,188,983,876	12,691,222,999
Office rentals	6,103,199,375	6,282,412,500
Insurance premium cost	6,255,500,000	7,707,106,157
Depreciation and amortization of fixed assets	5,651,263,743	2,960,090,538
Tools and consumables	1,481,045,308	1,526,514,255
Provision for bad debts	1,273,047,645	962,256,370
Out-sourced services	13,045,698,765	20,358,292,446
Other general and administration expenses	45,142,348,170	52,115,367,261
	92,141,086,882	104,603,262,526
Selling expenses		
Depreciation and amortization of fixed assets	77,033,091,042	109,136,566,641
Selling staff expenses	84,360,490,069	85,184,719,196
Fixed asset rentals	65,246,324,989	68,003,191,860
CNG transporting expenses	23,018,266,959	40,762,442,205
Fuel cost	5,465,438,326	9,750,896,696
Tools and consumables	8,307,839,454	9,129,578,556
Out-sourced services	63,496,017,766	68,518,120,433
Other selling expenses	55,046,062,897	35,620,784,049
	381,973,531,502	426,106,299,636

25. OTHER INCOME

	Current year	Prior year
	VND	VND
Income from fine for contract violations	-	74,222,751
Profit from sales, disposal of fixed assets	101,490,000	-
Other income	94,094,916	4,819,862
	195,584,916	79,042,613

26. CORPORATE INCOME TAX EXPENSES

	Current year	Prior year
	VND	VND
Profit before tax	295,519,014,303	306,690,867,383
Taxable profit from business activities	295,519,014,303	306,690,867,383
Adjustments for taxable profit		
<i>Add back: non-deductible expenses</i>	<i>2,092,106,249</i>	<i>20,959,305,114</i>
- Remuneration for Boards of Directors and Supervision	60,000,000	71,000,000
- Excessive payments of insurance premium	327,500,000	1,107,500,000
- Other expenses	1,704,606,249	19,780,805,114
Taxable profit	297,611,120,552	327,650,172,497
Taxable profit at normal current tax rate of 20%	297,611,120,552	327,650,172,497
Corporate income tax expense based on taxable profit in the current year	59,522,224,110	65,530,034,499
Adjustments for corporate income tax expenses in previous years to the current year (*)	2,264,071,346	(1,960,347,015)
Total current corporate income tax expense	61,786,295,456	63,569,687,484

(*) Taken into account the effects of adjusting depreciation expenses of tangible fixed assets of the Project "Low Pressure Gas distribution system at Tien Hai Industrial Zone - Thai Binh" in the previous years and additional corporate income tax expenses in 2018 after settlement.

27. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	Current year	Prior year (Restated)
	VND	VND
Profit after corporate income tax (VND)	233,732,718,847	243,121,179,899
- Distribution to Bonus and welfare funds and Bonus fund to Executive board (VND) (*)	(11,750,000,000)	(16,170,000,000)
Earnings for the purpose of calculating basic earnings per share (VND)	221,982,718,847	226,951,179,899
Average ordinary shares in circulation for the year (shares)	89,998,070	89,998,070
Basic earnings per share (VND/share)	2,467	2,522

The Company temporarily distributed to bonus and welfare fund from profit after tax for the year 2019 with the amount of VND 11,750,000,000. The Board of Management of the Company believes that the temporary appropriation to bonus and welfare fund will be approved at the Annual General Meeting of Shareholders in 2020.

Simultaneously, the Company restated the distribution to Bonus and Welfare Fund, Bonus Fund for Executive Board in 2018 based on the actual appropriation approved by the Annual General Meeting of Shareholders in Resolution No.01/NQ-DHDCD/2019 dated 23 April 2019. Accordingly, basic earnings per share in the previous year is restated at VND 2,522 VND/share (the previously stated amount is 2,571 VND/share).

28. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

<u>Related parties</u>	<u>Relationship</u>
PetroVietnam Gas Joint Stock Corporation	Parent Company
Tokyo Gas Asia Pte. Ltd.	Major shareholder
Members of Vietnam Oil and Gas Group	Affiliate

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

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales	2,378,678,300,237	2,352,444,523,537
CNG Vietnam Joint Stock Company	1,209,424,478,428	1,034,605,702,745
PetroVietnam Southern Gas Joint Stock Company	1,092,516,574,547	987,364,958,169
PetroVietnam Northern Gas Joint Stock Company	76,737,247,262	330,473,862,623
Purchases	7,283,874,480,309	7,408,509,215,424
PetroVietnam Gas Joint Stock Corporation	7,264,890,903,495	7,385,182,619,501
- Gas purchase	7,198,343,024,163	7,318,361,422,950
- Leasing of "Low pressure gas distribution system - Phase 2"	60,010,850,004	60,010,850,004
- Office rental and management	6,103,199,375	6,282,412,500
- Electricity and other expenses	433,829,953	527,934,047
Branch of Indochina Petroleum Transportation Joint Stock Company in Ho Chi Minh City	11,936,573,000	8,487,250,000
PetroVietnam Engineering Joint Stock Company.	438,915,660	6,462,089,222
Vietnam Petroleum Institute	220,913,420	2,510,140,912
Petro Vietnam Technical Safety Registration Company Limited	1,191,410,000	2,062,748,215
Vietnam Oil And Gas Group	3,066,908,674	1,973,466,406
PetroVietnam Southern Gas Joint Stock Company	2,051,583,333	1,388,301,168
PetroVietnam Maintenance and Repair Corporation	77,272,727	442,600,000

Significant related party balance as at Balance Sheet date were as follows:

	Closing balance	Opening balance
	VND	VND
Short-term trade receivables	410,667,587,516	385,129,031,615
PetroVietnam Southern Gas Joint Stock Company	197,571,547,654	205,328,601,814
CNG Vietnam Joint Stock Company	197,404,828,927	163,604,963,043
PetroVietnam Northern Gas Joint Stock Company	15,691,210,935	16,195,466,758
Other short-term receivables	8,938,713,932	7,027,961,044
PetroVietnam Construction 2 Joint Stock Company	4,870,608,031	4,870,608,031
PetroVietnam Gas Joint Stock Corporation	2,229,351,901	-
PetroVietnam Trade Union Finance Investment Corporation	1,094,956,610	1,294,956,610
CNG Vietnam Joint Stock Company	743,797,390	862,396,403
Short-term advances to suppliers	22,239,800	255,852,750
Petro Vietnam Technical Safety Registration Company Limited	22,239,800	255,852,750
Other long-term receivables	1,661,785,125	1,570,603,125
PetroVietnam Gas Joint Stock Corporation	1,661,785,125	1,570,603,125
Short-term trade payables	1,332,824,445,598	835,979,345,641
PetroVietnam Gas Joint Stock Corporation	1,325,571,440,337	834,344,228,843
PetroVietnam Southern Joint Stock Company	6,254,744,261	-
Branch of Indochina Petroleum Transportation Joint Stock Company in Ho Chi Minh City	998,261,000	816,360,600
PetroVietnam Engineering Joint Stock Company	-	498,876,198
Petro Vietnam Technical Safety Registration Company Limited	-	319,880,000
Other current payables	-	105,190,824,282
PetroVietnam Gas Joint Stock Corporation	-	105,190,824,282

29. COMMITMENTS

Operating lease commitments

On 18 August 2009, the Company signed Contract No. 120/2009/PV GAS-TC-PV GAS D/D4 with PetroVietnam Gas Corporation - One Member Limited Company (currently known as PetroVietnam Gas Joint Stock Corporation) for leasing the low pressure gas system - Phase 2. The monthly rental charge is VND 5,000,904,167 from 14 August 2008.

On 31 August 2017, the Company signed Contract No. 07/2015/HDDVTTS/XNMB-NHATMINH THANH with Nhat Minh Thanh Technology Service Trading Company Limited for leasing gas delivery system connecting to the low pressure gas distribution in Tien Hai Industrial Zone - Thai Binh province for Pha Le Viet Tiep Thai Binh Co., Ltd, Dong Lam Porcelain Co., Ltd, Branch of Thien Hoang Trading Joint Stock Company - Mikado Ceramic Factory, Long Hau Ceramic Joint Stock Company customers for 5 years. The annual rental fee for the system is VND 8,542,828,800 from 01 January 2018.

The Company signed Contract No. 326/2017/PVGAS/DAD-PVG.D/D4 dated 29 November 2017 with PetroVietnam Gas Joint Stock Corporation on leasing office at PV Gas Tower for 2 years with monthly rental charge of VND 398,125 per m². During the year, the Company signed Appendix 03 dated 19 July 2019 to extend the lease period of 2 years from 01 December 2019 to the end of 30 November 2021, over the office lease area of 1,235m².



30. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Supplemental non-cash disclosures :

Acquisition and construction of fixed assets and construction in progress during the year include VND 4,754,264,288, which is the amount payable for purchase of fixed assets and construction in progress in the previous year but not yet paid, and VND 719,730,943 which is the amount advanced to supplier for the purchase of fixed assets and construction in progress in the next year. Therefore, increase/decrease in accounts payable and increase/decrease in accounts receivable have been adjusted by the same amounts.

31. SUBSEQUENT EVENT

On 10 January 2020, Saibu Gas Co., Ltd made a purchase of 18,899,796 PGD shares, equivalent to 21% of the total outstanding voting shares of the Company and became the third largest shareholder of the Company after PetroVietnam Gas Corporation and Tokyo Gas Asia Pte. Ltd.



Nguyen Huu Tung
Preparer

10 March 2020



Dang Quoc Vuong
Chief Accountant



Tran Thanh Nam
Director

