



SEPARATE FINANCIAL STATEMENTS

SEA & AIR FREIGHT INTERNATIONAL (SAFI)

For the fiscal year ended as at 31/12/2020

(audited)



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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Sea & Air Freight International (SAFI) ("the Company") presents its report and the Company's Separate Financial statements for the fiscal year ended as at 31 December 2020.

THE COMPANY

Sea & Air Freight International (SAFI) was transformed from a state-owned enterprise to a joint stock company in accordance with Decision No.1247/1998/QĐ - BGTVT dated May 25, 1998 by the Ministry of Transport and operated under Business Registration Certificate of joint stock company No. 0301471330 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on August 31, 1998, 35th re-registered on April 23, 2020.

The Company's head office is located at: No. 209, Nguyen Van Thu Street, Da Kao Ward, District 1, Ho Chi Minh City.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of The Board of Management during the fiscal year and to the reporting date are:

Mr. Nguyen Hoang Anh	Chairman	
Mr. Vu Van Truc	Member	
Mr. Ngo Trung Hieu	Member	Resigned on March 6, 2020
Mr. Nguyen Hoang Dung	Member	
Mr. Dang Tran Phuc	Member	
Mr. Nguyen Truong Nam	Member	

The members of The Board of General Directors during the fiscal year and to the reporting date are:

Mr. Nguyen Hoang Anh	General Director
Mr. Nguyen Hoang Dung	Vice General Director

The members of the Board of Supervision are:

Mr. Nhu Dinh Thien	Head of Control Department	
Mrs. Nguyen Thi Huyen Linh	Member	
Mrs. Tran Thi Ngoc Dao	Member	Appointed on June 26, 2020
Mr. Huynh Quang Thanh	Member	Resigned on June 26, 2020

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Separate Financial statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Separate Financial statements of each financial year which give a true and fair view of the financial position of the Company; its operating results and its cash flows for the year. In preparing those Separate Financial statements, The Board of General Directors is required to:

- Establish and maintain an internal control system which is determined necessary by The Board of General Directors and Board of Management to ensure the preparation and presentation of Separate Financial statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Separate Financial statements;
- Prepare the Separate Financial statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Separate Financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at anytime and to ensure that the Separate Financial statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Separate Financial statements give a true and fair view of the financial position at 31 December 2020, its operation results and cash flows in the year 2020 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Separate Financial statements.

Other commitments

The Board of General Directors pledges that the company complies with Decree No. 71/2017/ND-CP dated 06 June 2017 guiding on corporate governance of public companies and the company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

On behalf of The Board of General Directors



Nguyen Hoang Anh
General Director

Ho Chi Minh City, 29 March 2021



No.: 290321.006/BCTC.KT2

INDEPENDENT AUDITOR'S REPORT

**To: Shareholders, The Board of Management and The Board of General Directors
Sea & Air Freight International (SAFI)**

We have audited the Separate Financial statements of 29 March 2021, as set out on pages 06 to 37, including: Separate statement of financial position as at 31/12/2020, Separate statement of income, Separate statement of cash flows and Notes to Separate financial statements for the fiscal year ended as at 31 December 2020.

The Board of General Directors' responsibility

The Board of General Directors is responsible for the preparation of Separate Financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial statements and for such internal control as management determines is necessary to enable the preparation of Separate Financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Separate Financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Separate Financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of Separate Financial statements that give a true and fair view 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 entity'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 Separate Financial statements.

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



Auditor's opinion

In our opinion, the Separate Financial statements give a true and fair view, in all material respects, of the financial position of Sea & Air Freight International (SAFI) as at 31 December 2020, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial statements.

AASC Auditing Firm Company Limited



Vu Xuan Bien

Deputy General Director

Certificate of registration to audit practice

No: 0743-2018-002-1

Hanoi, 29 March 2021

Dang Huy Hoang

Auditor

Certificate of registration to audit practice

No: 4461-2018-002-1

SEPARATE STATEMENT OF FINANCIAL POSITION*As at 31 December 2020*

Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
100	A. SHORT-TERM ASSETS		359,593,551,933	264,213,923,520
110	I. Cash and cash equivalents	3	126,361,538,941	73,632,180,107
111	1. Cash		119,861,538,941	68,485,180,107
112	2. Cash equivalents		6,500,000,000	5,147,000,000
120	II. Short-term investments	4	3,921,608,618	-
121	1. Trading securities		3,921,608,618	-
130	III. Short-term receivables		225,247,462,407	183,114,745,124
131	1. Short-term trade receivables	5	196,181,423,590	155,394,282,440
132	2. Short-term prepayments to suppliers	6	3,972,939,963	2,181,936,297
136	3. Other short-term receivables	7	25,093,098,854	25,538,526,387
140	IV. Inventories	8	274,089,186	6,997,689,864
141	1. Inventories		274,089,186	6,997,689,864
150	V. Other short-term assets		3,788,852,781	469,308,425
151	1. Short-term prepaid expenses	12	1,920,626,200	75,380,000
152	2. Deductible VAT		1,868,226,581	393,928,425
200	B. NON-CURRENT ASSETS		308,004,964,198	250,417,531,548
210	I. Long-term receivables		250,473,600	177,873,000
216	1. Other long-term receivables	7	250,473,600	177,873,000
220	II. Fixed assets		80,127,203,904	82,113,313,688
221	1. Tangible fixed assets	10	74,663,742,443	76,749,356,391
222	- Historical costs		181,387,736,199	165,292,050,925
223	- Accumulated depreciation		(106,723,993,756)	(88,542,694,534)
227	2. Intangible fixed assets	11	5,463,461,461	5,363,957,297
228	- Historical costs		9,001,019,453	8,454,169,453
229	- Accumulated amortization		(3,537,557,992)	(3,090,212,156)
240	IV. Long-term unfinished asset	9	850,000,000	8,127,723,012
242	1. Construction in progress		850,000,000	8,127,723,012
250	V. Long-term investments	4	226,777,286,694	159,998,621,848
251	1. Investment in subsidiaries		61,566,300,000	61,566,300,000
252	2. Investments in joint ventures and associates		7,979,124,000	7,979,124,000
253	3. Equity investments in other entities		159,136,914,846	99,389,783,346
254	4. Provision for devaluation of long-term investments		(1,905,052,152)	(8,936,585,498)
270	TOTAL ASSETS		667,598,516,131	514,631,455,068

SEPARATE STATEMENT OF FINANCIAL POSITION

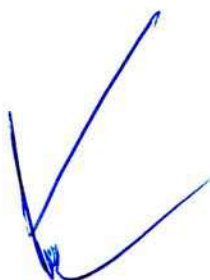
As at 31 December 2020

(continue)

Code CAPITAL	Note	31/12/2020	01/01/2020
		VND	VND
300 C. LIABILITIES		208,077,813,195	92,171,431,061
310 I. Current liabilities		208,077,813,195	92,171,431,061
311 1. Short-term trade payables	13	190,965,798,938	77,816,643,626
312 2. Short-term prepayments from customers		23,934,977	-
313 3. Taxes and other payables to State budget	14	3,300,533,921	2,205,221,355
314 4. Payables to employees		8,401,318,300	5,924,374,125
315 5. Short-term accrued expenses		-	2,000,000
319 6. Other short-term payments	15	3,051,861,265	3,984,699,229
322 7. Bonus and welfare fund		2,334,365,794	2,238,492,726
400 D. OWNER'S EQUITY		459,520,702,936	422,460,024,007
410 I. Owner's equity	16	459,520,702,936	422,460,024,007
411 1. Contributed capital		150,853,050,000	143,745,770,000
411a Ordinary shares with voting rights		150,853,050,000	143,745,770,000
412 2. Share Premium		26,882,847,992	41,816,120,654
415 3. Treasury shares		(17,300,120,000)	(1,600,120,000)
418 4. Development investment funds		46,369,119,082	42,344,656,047
420 5. Other reserves		152,005,636,236	137,025,747,333
421 6. Retained earnings		100,710,169,626	59,127,849,973
421a Retained earnings accumulated till the end of the previous year		18,758,007,040	18,883,219,625
421b Retained earnings of the current year		81,952,162,586	40,244,630,348
440 TOTAL CAPITAL		667,598,516,131	514,631,455,068



Doan Thu Ha
Preparer



Nguyen Thanh Tuyen
Chief Accountant




Nguyen Hoang Anh
General Director

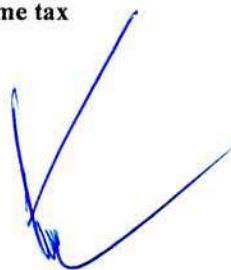
Ho Chi Minh City, 29 March 2021


SEPARATE STATEMENT OF INCOME

Year 2020

Code	ITEM	Note	Year 2020	Year 2019
			VND	VND
01	1. Revenue from sales of goods and rendering of services	18	1,161,315,471,262	790,721,815,681
02	2. Revenue deductions		-	-
10	3. Net revenue from sales of goods and rendering of services		1,161,315,471,262	790,721,815,681
11	4. Cost of goods sold	19	1,000,159,387,502	660,059,491,431
20	5. Gross profit from sales of goods and rendering of services		161,156,083,760	130,662,324,250
21	6. Financial income	20	24,167,749,394	11,396,630,080
22	7. Financial expense	21	(5,345,478,022)	8,292,248,190
23	<i>In which: Interest expenses</i>		38,927	2,553,169
25	8. Selling expenses	22	77,678,429,853	71,413,403,114
26	9. General and administrative expense	23	16,985,878,643	14,692,118,058
30	10. Net profit from operating activities		96,005,002,680	47,661,184,968
31	11. Other income	24	933,525,029	292,981,818
32	12. Other expense	25	45,286,234	-
40	13. Other profit		888,238,795	292,981,818
50	14. Total net profit before tax		96,893,241,475	47,954,166,786
51	15. Current corporate income tax expenses	26	14,941,078,889	7,709,536,438
52	16. Deferred corporate income tax expenses		-	-
60	17. Profit after corporate income tax		<u>81,952,162,586</u>	<u>40,244,630,348</u>


Doan Thu Ha
Preparer


Nguyen Thanh Tuyen
Chief Accountant


Nguyen Hoang Anh
General Director



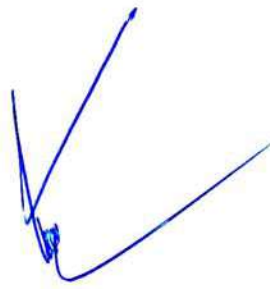
Ho Chi Minh City, 29 March 2021

SEPARATE STATEMENT OF CASH FLOWSYear 2020
(Indirect method)

Code ITEM	Note	Year 2020	Year 2019
		VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax	96,893,241,475	47,954,166,786
	2. Adjustments for		
02	- Depreciation and amortization of fixed assets and investment properties	19,409,480,244	19,564,145,520
03	- Provisions	(7,031,533,346)	7,373,448,452
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currency	499,302,531	764,647,965
05	- Gains/losses from investment	(22,869,403,293)	(10,549,141,834)
06	- Interest expense	38,927	2,553,169
08	3. Operating profit before changes in working capital	86,901,126,538	65,109,820,058
09	- Increase or decrease in receivables	(43,679,616,039)	(8,711,024,525)
10	- Increase or decrease in inventories	6,723,600,678	(6,708,430,535)
11	- Increase or decrease in payables (excluding interest payable/corporate income tax payable)	115,091,051,375	(606,458,848)
12	- Increase or decrease in prepaid expenses	(1,845,246,200)	(10,160,000)
13	- Increase or decrease in trading securities	(3,921,608,618)	-
14	- Interest paid	(38,927)	(2,553,169)
15	- Corporate income tax paid	(12,784,635,095)	(9,115,316,658)
17	- Other payments on operating activities	(1,111,465,842)	(1,205,125,681)
20	Net cash flows from operating activities	145,373,167,870	38,750,750,642
II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets	(12,144,789,005)	(10,025,899,919)
22	2. Proceeds from disposals of fixed assets and other long-term assets	466,363,636	288,181,818
24	3. Collection of loans and resale of debt instrument of other entities	-	4,140,000,000
25	4. Equity investments in other entities	(59,747,131,500)	(16,994,903,503)
27	5. Interest and dividend received	22,829,619,926	10,260,960,016
30	Net cash flows from investing activities	(48,595,936,943)	(12,331,661,588)

SEPARATE STATEMENT OF CASH FLOWSYear 2020
(Indirect method)

Code ITEM	Note	Year 2020	Year 2019
		VND	VND
III CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Proceeds from issuance of shares and receipt of contributed capital	7,107,280,000	-
32	2. Repayment of contributions capital and repurchase of stock issued	(30,633,272,662)	(300,000,000)
33	3. Proceeds from borrowings	52,052,514,483	10,931,285,265
34	4. Repayment of principal	(52,052,514,483)	(10,931,285,265)
36	5. Dividends or profits paid to owners	(20,022,576,900)	(1,077,300)
40	<i>Net cash flows from financing activities</i>	<i>(43,548,569,562)</i>	<i>(301,077,300)</i>
50	Net cash flows in the year	53,228,661,365	26,118,011,754
60	Cash and cash equivalents at beginning of the year	73,632,180,107	48,278,816,318
61	Effect of exchange rate fluctuations	(499,302,531)	(764,647,965)
70	Cash and cash equivalents at end of the year	<u>126,361,538,941</u>	<u>73,632,180,107</u>


Doan Thu Ha
Preparer

Nguyen Thanh Tuyen
Chief AccountantNguyen Hoang Anh
General Director

Ho Chi Minh City, 29 March 2021

NOTES TO SEPARATE FINANCIAL STATEMENTS

Year 2020

1 . GENERAL INFORMATION OF THE COMPANY

Form of ownership

Sea & Air Freight International (SAFI) was transformed from a state-owned enterprise to a joint stock company in accordance with Decision No.1247/1998/QĐ - BGTVT dated May 25, 1998 by the Ministry of Transport and operated under Business Registration Certificate of joint stock company No. 0301471330 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on August 31, 1998, 35th re-registered on April 23, 2020.

The Company's head office is located at: No. 209, Nguyen Van Thu Street, Da Kao Ward, District 1, Ho Chi Minh City.

The registered charter capital of the Company is VND 150,853,050,000; the actual charter capital contributed to December 31, 2020 is VND 150,853,050,000; Equivalent to 15,085,305 shares with the price of VND 10,000 per share.

The total number of employees in the Company as at 31 December 2020 is 375 people (as at 31 December 2019 was 366 people).

Business field

The company operates in the field of transport services business and transport agents.

Business activities

Main business activities of the Company include:

- Support services related to transportation. Details: Transport agency. Authorized agency for container management and freight forwarding. Exploiting, collecting goods and domestic transportation. Shipping agent. Delivery of imported and exported goods. Marine services and supply ships. Plane ticket agency;
- Agency, broker, auction. Detail: Ship broker;
- Warehousing and storage of goods. Detail: warehouse business;
- Goods transport by land. Details: Transit goods to Laos, Cambodia and contrary (only when fully transit goods procedures). Multimodal international transport.

The Company's operation in the year that affects the Separate Financial Statements

In 2020, although the overall market is heavily influenced by the Covid-19 epidemic, with its position as a reputable transport agent and long-term experience in the industry with strong financial potential, the Company still maintains a stable number of customers, and even attracts more customers from smaller agents. In the addition, the restriction on trade leads to the tightness of air routes and sea routes so higher international freight rates. This makes the company's revenue increase sharply compared to the previous year.

Corporate structure**The Company's member entities are as follows:**

- Branch of Sea & Air Freight International (SAFI) in Quang Ninh
- Branch of Sea & Air Freight International (SAFI) in Hai Phong
- Branch of Sea & Air Freight International (SAFI) in Ha Noi
- Branch of Sea & Air Freight International (SAFI) in Da Nang
- Branch of Sea & Air Freight International (SAFI) in Quy Nhon

Address

- No. 10, Le Thanh Tong Street, Ha Long City, Quang Ninh Province, Vietnam
- Commercial Building, No. 22, Ly Tu Trong Street, Hong Bang District, Hai Phong City, Vietnam
- Van Ho Trading Center, No. 51, Le Dai Hanh Street, Hai Ba Trung District, Hanoi City, Vietnam
- Lot 39, Road 02, Da Nang Industrial Park, Son Tra District, Da Nang City, Vietnam
- No. 52-53, Le Duc Tho Street, Quy Nhon City, Binh Dinh Province, Vietnam

Information of Subsidiaries, Associates and Joint ventures of the Company is provided in Note No 4.

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY**2.1 . Accounting period and accounting currency**

Annual accounting period commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in VND.

2.2 . Standards and Applicable Accounting Policies*Applicable Accounting Policies*

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 . Basis for preparation of Separate Financial statements

Separate Financial statements are presented based on historical cost principle.

Separate Financial statements of the Company are prepared based on summarization of transactions incurred, then recorded into accounting books of dependent accounting entities and at the offices of the Company.

In the Separate Financial Statements of the Company, the intra-group balances and transactions related to assets, equity, receivables and payable are eliminated in full.

The Users of this Separate Financial statements should study the Separate Financial Statements combined with the Consolidated Financial Statements of the Company and its subsidiaries ("the Group") for the fiscal year ended as at 31 December 2020 in order to gain enough information regarding the financial position, results of operations and cash flows of the Group.

2.4 . Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on the revaluation of financial instruments after initial recognition.

2.5 . Foreign currency transactions

The foreign currency transactions during the year are translated into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When buying or selling foreign currency, applying the exchange rates specified in the contracts of foreign exchange sale between Company and commercial banks;
- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of the Separate Financial statements is determined on the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting year. In which, Gain from revaluating monetary items denominated in foreign currencies at the end of the year don't use for distribution of profits and dividends.

2.6 . Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 . Financial investments

Trading securities are initially recognized at original cost which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities. Upon the liquidation or transfer, cost of trading securities is determined using weighted average method.

Investments in subsidiaries, joint ventures or associates are initially recognized at original cost. After initial recognition, the value of these investments is measured at original cost less provision for devaluation of investments.

Equity Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as followings:

- With regard to investments in trading securities: the provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date;
- With regard to investments in subsidiaries, joint ventures or associates: the provision for loss investments shall be made based on the Financial Statements of subsidiaries, joint ventures or associates at the provision date;
- With regard to long-term investments (other than trading securities) without significant influence on the investee: If the investment is made in listed shares or the fair value of the investment is determined reliably, the provisions shall be made on the basis of the market value of the shares; if the fair value of the investment is not determined at the reporting date, the provision shall be made based on the Financial Statements at the provision date of the investee.

2.8 . Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.9 . Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual.

Method of determining the value of unfinished products at the end of the year: Costs of unfinished production and business activities are gathered by each uncompleted case or revenue, corresponding to the volume of unfinished work at the end of the year.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.10 . Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	05 - 30 years
- Machine, equipment	05 - 10 years
- Vehicles, Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 05 years
- Land use rights	35 years
- Managerment software	03 years

2.11 . Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.12 . Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria. Prepaid expenses are allocated gradually into operating expenses on the straight-line basis.

2.13 . Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.14 . Borrowing costs

Borrowing costs are recognized into operating costs during the year, except for which directly attributable to construction or production of unfinished asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in VAS No. 16 "Borrowing costs". Beside, regarding loans serving the construction of fixed assets, investment properties, and the interests shall be capitalized even if the construction duration is under 12 months.

2.15 . Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Treasury shares are shares issued and bought-back by the issuing company itself. Treasury shares are uncanceled and shall be re-issued within the period as regulated by the law on securities. Treasury shares shall be recorded at the actual buyback price and presented on the Statement of Financial position as a decrease in owner's equity. Cost of Treasury shares when being re-issued or used to pay dividend, bonus, etc. shall be calculated using the weighted average method.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. The distribution of net profits is made when the net profit of the company does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

The Company's retained earnings is distributed to other funds according to recommendation of the Board of Management and approval of shareholders at annual General Meeting of Shareholders:

- Development and investment funds: The fund is reserved for the purpose of business expansion or in depth investment;
- Bonus and welfare fund and bonus for Executive Board: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Separate Statement of Financial Position.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.16 . Revenues

Sale of goods

Revenue from sale of goods shall be recognized when all the following conditions have been satisfied:

- Significant risks and rewards associated with the ownership of the goods have been transferred to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from rendering of services shall be recognised when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

Financial income

Revenue arising from the used by the others of entity assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.17 . Cost of goods sold

Cost of goods sold is recognized in accordance with revenue arising and ensure compliance with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned,... are recognized fully and promptly into cost of goods sold in the year.

2.18 . Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.19 . Corporate income tax

a) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

b) Current corporate income tax rate

The Company applies the corporate income tax rate of 20% for the production and business activities which has taxable income for the fiscal year ended as at 31 December 2020.

2.20 . Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3 . CASH AND CASH EQUIVALENTS

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
Cash on hand	1,645,116,743	3,162,145,686
Demand deposits	118,216,422,198	65,323,034,421
Cash equivalents (*)	6,500,000,000	5,147,000,000
	<u>126,361,538,941</u>	<u>73,632,180,107</u>

(*) As at 31/12/2020, the cash equivalents are deposits with term of 3 months with the amount of VND 6,500,000,000 at Commercial Banks at the interest rate of 3.80%/year to 5.00%/year.

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4 . FINANCIAL INVESTMENTS

a) Trading securities

	31/12/2020			01/01/2020		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
<i>Dinh Vu Petroleum Services Port Joint Stock Company (660,000 PSP)</i>	3,921,608,618	4,884,000,000	-	-	-	-
	3,921,608,618	4,884,000,000	-	-	-	-

The fair value of trading securities are closing price listed on UPCOM on 31/12/2020.

b) Equity investments in other entities

	31/12/2020			01/01/2020		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
Investments in subsidiaries	61,566,300,000	-	-	61,566,300,000	-	-
- Cosfi Transport Agent Joint Stock Company ⁽¹⁾	1,566,300,000	-	-	1,566,300,000	-	-
- Safi Infrastructure Investment Company Limited ⁽²⁾	60,000,000,000	-	-	60,000,000,000	-	-
Investments in joint ventures, associates	7,979,124,000	3,375,727,848	(975,052,152)	7,979,124,000	3,375,727,848	(975,052,152)
- SITC Vietnam Company Limited ⁽³⁾	3,628,344,000	-	-	3,628,344,000	-	-
- Yusen Logistics International (Vietnam) Company Limited ⁽⁴⁾	4,350,780,000	3,375,727,848	(975,052,152)	4,350,780,000	3,375,727,848	(975,052,152)

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b) Equity investments in other entities (Continued)

	31/12/2020			01/01/2020		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
Investments in other entities	159,136,914,846	292,049,000,000	(930,000,000)	99,389,783,346	90,841,250,000	(7,961,533,346)
- Stocks of Vinalines Logistic - Vietnam., JSC (VLG) (*)	1,500,000,000	570,000,000	(930,000,000)	1,500,000,000	780,000,000	(720,000,000)
- Stocks of Vietnam Container Shipping Corporation., JSC (VSC) (*)	157,049,914,846	291,479,000,000	-	97,302,783,346	90,061,250,000	(7,241,533,346)
- New SITC Containers Vietnam Company Limited (5)	467,000,000	-	-	467,000,000	-	-
- SITC Bondex Vietnam Logistics Company Limited (6)	120,000,000	-	-	120,000,000	-	-
	228,682,338,846	295,424,727,848	(1,905,052,152)	168,935,207,346	94,216,977,848	(8,936,585,498)

(*) The fair value of long-term investments in Vinalines Logistic - Vietnam Joint Stock Company (VLG) and Vietnam Container Shipping Corporation Joint Stock Company (VSC) are determined by the closing prices of This securities is listed on UPCOM and HOSE on December 31, 2019 and December 31, 2020.

In this year, the Company purchased another 1,985,000 shares of Vietnam Container Group Joint Stock Company to increase the number of shares owned by VSC to 5,290,000 shares. Accordingly, the Company will hold more than 10% of the shares of VSC in order to become a major shareholder of VSC, thereby achieving orders and increasing business efficiency with VSC.

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

b) **Investments in equity of other entities (Continue)****Investments in subsidiaries**

Detail information on the Company's subsidiaries as at 31/12/2020 as follows:

<u>Name of subsidiaries</u>	<u>Place of establishment and operation</u>	<u>Rate of interest</u>	<u>Rate of voting rights</u>	<u>Principle activities</u>
Cosfi Transport Agent Joint Stock Company ⁽¹⁾	Ho Chi Minh City	69.00%	69.00%	Forwarding and shipping agents
Safi Infrastructure Investment Company Limited ⁽²⁾	Ho Chi Minh City	100.00%	100.00%	Real estate business, office for rent

(1) Sea & Air Freight International (SAFI) contributed VND 1,566,300,000, accounting for 69% of the charter capital, Qingdaofest Logistics Co., Ltd. contributed VND 681,000,000, accounting for 30% of the charter capital, Mr. Nguyen Hoang Dung contributed VND 22,700,000, accounting for 1% of charter capital.

(2) According to the Business Registration Certificate No. 0312971945, the charter capital of SAFI Infrastructure Investment Company Limited is VND 60 billion, which is wholly contributed by Sea & Air Freight International (SAFI). The actual contributed capital of the Company as of December 31, 2020 was VND 60 billion.

Investments in joint ventures, associates

Detail information on the Company's joint ventures, associates as at 31/12/2020 as follows:

<u>Name of associates</u>	<u>Place of establishment and operation</u>	<u>Rate of interest</u>	<u>Rate of voting rights</u>	<u>Principle activities</u>
SITC Vietnam Company Limited ⁽³⁾	Hai Phong City	51.00%	50.00%	Forwarding and shipping agents
Yusen Logistics International (Vietnam) Company Limited ⁽⁴⁾	Ho Chi Minh City	45.00%	45.00%	International forwarding service

(3) SITC Vietnam Co., Ltd. (SITC Vietnam) has expired the joint venture and has extended procedures. However, after the extension, the Company ceased to control the business activities of SITC Vietnam, so the Company recorded an investment in SITC Vietnam as an investment in a joint venture or associate.

(4) Under a joint venture contract between Sea & Air Freight International (SAFI), Investment Consultancy and Technology Transfer Co., Ltd. and Yusen Air & Sea Service Co., Ltd., charter capital of Yusen Logistics International (Vietnam) Co., Ltd (formerly known as Yusen International Transportation and Logistics (Vietnam) Co., Ltd) is USD 600,000, in which the capital contribution of the parties is as follows: Sea & Air Freight International (SAFI) contributes USD 270,000 accounting for 45% of charter capital; Investment Consultancy and Technology Transfer Co., Ltd contributed USD 36,000 accounting for 6% of charter capital and Yusen Air & Sea Service Co., Ltd contributed USD 294,000, accounting for 49% of the charter capital.

Under the joint venture contract, Yusen Logistics International (Vietnam) Co., Ltd has expired its business operation on September 5, 2014. Up to the present time, Yusen Logistics International (Vietnam) Co., Ltd is carrying out procedures for dissolution. The liquidation of the investment will be made upon completion of the dissolution procedure, so the recording of the original cost of the investment and the costs related to the liquidation as well as distributed assets (if any) will be recorded at that time.

Investments in equity of other entities

Name of entities received capital	Place of establishment and operation	Number of shares hold/ Rate of interest	Principle activities
Stocks of Vinalines Logistic - Vietnam., JSC (VLG) ^(*)	Ha Noi	150,000 shares	Transport service
Stocks of Vietnam Container Shipping Corporation., JSC (VSC) ^(*)	Hai Phong	5,290,000 shares	Maritime service
New SITC Containers Vietnam Company Limited ⁽⁵⁾	Hai Phong	20.00%	Freight agency services
SITC Bondex Vietnam Logistics Company Limited ⁽⁶⁾	Hai Phong	1.00%	Forwarding and shipping agents

(5), (6): According to the Board of Management' Resolution No. 08-2019/NQ-HDQT dated September 16, 2019, the Company decided to contribute capital to establish companies including: New SITC Containers Vietnam Co., Ltd and SITC Bondex Vietnam Logistics Co., Ltd with the charter capital of VND 2,335,000,000 and VND 12,000,000,000 respectively. For New SITC Containers Vietnam Co., Ltd., although the interest rate is 20%, but the Company is not involved in the operation, this investment is classified as other long-term investments.

5 . TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by type of service				
- Receivables from customers of shipping lines	29,828,455,273	-	25,367,025,446	-
- Receivables from customers of forwarding	74,992,737,278	-	65,047,138,297	-
- Receivables from customers of sea and air freight	91,349,418,039	-	47,802,958,697	-
- Others	10,813,000	-	17,177,160,000	-
	196,181,423,590	-	155,394,282,440	-

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	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
b) Trade receivables detailed by customers with large account balances				
- Shanghai Donghong logistics Co.,Ltd.	24,132,860,322	-	10,995,333,117	-
- Cosco Shipping Lines (Vietnam) Co., Ltd	22,675,769,508	-	26,209,494,103	-
- On Time Worldwide logistics (Vietnam) Company Limited	7,186,240,614	-	271,972,968	-
- Accord International Co.,Ltd	7,547,846,087	-	-	-
- Unique Logistics International (Vietnam) Co., Ltd	11,928,678,804	-	1,429,625,771	-
- New Sitic Container Lines Viet Nam Company Limited	9,756,038,168	-	2,987,036,837	-
- Long-term trade receivables	112,953,990,087	-	113,500,819,644	-
	196,181,423,590	-	155,394,282,440	-

6 . SHORT - TERM PREPAYMENTS TO SUPPLIERS

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Prepayments to shipping lines	3,660,773,911	-	2,006,932,025	-
- Others	312,166,052	-	175,004,272	-
	3,972,939,963	-	2,181,936,297	-

7 . OTHER RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Receivables from social insurance	100,281,300	-	104,489,300	-
Advances	16,339,972,300	-	15,651,410,000	-
Deposits	2,250,546,837	-	4,164,809,823	-
Others	6,402,298,417	-	5,617,817,264	-
	25,093,098,854	-	25,538,526,387	-
b) Long-term				
Deposits	250,473,600	-	177,873,000	-
	250,473,600	-	177,873,000	-

8 . INVENTORIES

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw material	74,421,746	-	86,676,816	-
Work in process	199,667,440	-	6,911,013,048	-
	274,089,186	-	6,997,689,864	-

9 . CONSTRUCTION IN PROGRESS

	31/12/2020	01/01/2020
	VND	VND
Procurement of fixed assets	-	4,196,850,000
- Sealink Villa in Mui Ne, Phan Thiet	-	4,050,000,000
- Others	-	146,850,000
Major repairs of fixed assets	850,000,000	3,930,873,012
- Repair Ho Chi Minh office	-	3,930,873,012
- Repair office	850,000,000	-
	850,000,000	8,127,723,012

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10 . TANGIBLE FIXED ASSETS

	Buildings, structures		Machinery, equipment		Transportation equipment		Management equipment		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Historical cost										
Beginning balance	48,781,854,855	559,090,534	114,769,769,004	1,181,336,532	165,292,050,925					
- Purchase in the year	3,729,318,182	-	11,221,554,543	843,916,280	15,794,789,005					
- Receiving gifts	-	-	1,508,311,724	-	1,508,311,724					
- Reclassify assets	-	52,000,000	(52,000,000)	-	-					
- Liquidation, disposal	-	-	(1,207,415,455)	-	(1,207,415,455)					
Ending balance of the year	52,511,173,037	611,090,534	126,240,219,816	2,025,252,812	181,387,736,199					
Accumulated depreciation										
Beginning balance	20,555,746,585	355,758,125	66,518,119,964	1,113,069,860	88,542,694,534					
- Depreciation for the year	2,010,244,855	131,955,318	16,618,667,655	201,266,580	18,962,134,408					
- Liquidation, disposal	-	-	(780,835,186)	-	(780,835,186)					
Ending balance of the year	22,565,991,440	487,713,443	82,355,952,433	1,314,336,440	106,723,993,756					
Net carrying amount										
Beginning balance	28,226,108,270	203,332,409	48,251,649,040	68,266,672	76,749,356,391					
Ending balance	29,945,181,597	123,377,091	43,884,267,383	710,916,372	74,663,742,443					

In which:

- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 25,650,641,492.

11 . INTANGIBLE FIXED ASSETS

	<u>Land use rights</u>	<u>Computer software</u>	<u>Total</u>
	VND	VND	VND
Historical cost			
Beginning balance	6,362,324,453	2,091,845,000	8,454,169,453
- Purchase in the year	<u>400,000,000</u>	<u>146,850,000</u>	<u>546,850,000</u>
Ending balance of the year	<u>6,762,324,453</u>	<u>2,238,695,000</u>	<u>9,001,019,453</u>
Accumulated depreciation			
Beginning balance	1,395,056,045	1,695,156,111	3,090,212,156
- Depreciation for the year	<u>132,862,488</u>	<u>314,483,348</u>	<u>447,345,836</u>
Ending balance of the year	<u>1,527,918,533</u>	<u>2,009,639,459</u>	<u>3,537,557,992</u>
Net carrying amount			
Beginning balance	<u>4,967,268,408</u>	<u>396,688,889</u>	<u>5,363,957,297</u>
Ending balance	<u>5,234,405,920</u>	<u>229,055,541</u>	<u>5,463,461,461</u>

In which:

- Cost of fully depreciated intangible fixed assets but still in use at the end of the year: VND 1,338,745,000.

As at 31/12/2020, the Company's land use rights include: land lot No. 52 - 53 Le Duc Tho, Tran Hung Dao Ward, Quy Nhon with the value of VND 1.845 billion, which is land use rights with indefinite term; Lot No. 39, Street 2, Da Nang Industrial Park, An Hai Bac Ward, Son Tra District, Da Nang City has the original cost of VND 4.5 billion, which is the definite term and land use rights of the villa Sealink, Mui Ne are the original cost of VND 400 million.

12 . SHORT - TERM PREPAID EXPENSES

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
Repair office	805,850,000	-
Dispatched tools and supplies	1,099,416,200	-
Others	15,360,000	75,380,000
	<u>1,920,626,200</u>	<u>75,380,000</u>

13 . SHORT - TERM TRADE PAYABLES

	31/12/2020		01/01/2020	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
a) Trade payables detailed by type of service				
Payables to air service companies	66,766,149,095	66,766,149,095	19,321,778,306	19,321,778,306
Payables to sea service companies	79,382,497,088	79,382,497,088	22,721,310,432	22,721,310,432
Payables to logistic service companies	41,313,964,304	41,313,964,304	31,304,239,666	31,304,239,666
Payables for ship agency service	1,770,218,119	1,770,218,119	3,503,521,214	3,503,521,214
Others	1,732,970,332	1,866,536,332	965,794,008	965,794,008
	<u>190,965,798,938</u>	<u>191,099,364,938</u>	<u>77,816,643,626</u>	<u>77,816,643,626</u>
b) Trade payables detailed by suppliers with large account balances				
Cosco Shipping Lines (Vietnam) Co., Ltd	71,892,055,622	71,892,055,622	10,714,861,594	10,714,861,594
Sky Cargo Services Company Limited	30,417,029,193	30,417,029,193	2,296,192,365	2,296,192,365
Tan Minh Toan Transport Business Co., Ltd	8,713,726,000	8,713,726,000	596,950,000	596,950,000
Harvest Global Forwarding (Vietnam) Co.,ltd	6,825,065,051	6,825,065,051	3,284,722	3,284,722
Japan Airlines Air Ticket Office Co., Ltd	7,127,074,007	7,127,074,007	3,726,406,045	3,726,406,045
Long - term trade payables	65,990,849,065	66,124,415,065	60,478,948,900	60,478,948,900
	<u>190,965,798,938</u>	<u>191,099,364,938</u>	<u>77,816,643,626</u>	<u>77,816,643,626</u>

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	Receivable at the	Payable at the	Payable arise in the	Amount paid in the	Receivable at the	Payable at the closing
	opening year	opening year	year	year	closing year	year
	VND	VND	VND	VND	VND	VND
Value added tax	-	1,772,412,411	6,739,879,907	7,926,162,644	-	586,129,674
Corporate income tax	-	15,555,704	15,042,673,360	12,784,635,095	-	2,273,593,969
Personal income tax	-	417,253,240	4,486,569,444	4,463,012,406	-	440,810,278
Land tax and land rental	-	-	310,422,700	310,422,700	-	-
Fees and other obligations	-	-	57,786,234	57,786,234	-	-
	-	2,205,221,355	26,637,331,645	25,542,019,079	-	3,300,533,921

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Separate Financial Statements could be changed at a later date upon final determination by the tax authorities.

15 . OTHER SHORT - TERM PAYABLES

	31/12/2020	01/01/2020
	VND	VND
- Trade union fund	218,106,385	198,674,750
- Short-term deposits, collateral received	430,012,841	468,512,841
- Dividend, profit payables	165,550,405	155,187,805
- Advance prepayments of fare	112,417,770	161,395,690
- Others	2,125,773,864	3,000,928,143
	3,051,861,265	3,984,699,229

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16 . OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share capital surplus	Treasury stocks	Investment and development funds	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	125,201,610,000	41,816,120,654	(1,300,120,000)	37,421,413,596	112,973,779,512	67,879,517,632	383,992,321,394
Profit for previous year	-	-	-	-	-	40,244,630,348	40,244,630,348
Profit distribution	18,544,160,000	-	-	4,923,242,451	24,051,967,821	(48,996,298,007)	(1,476,927,735)
Buying treasury stock	-	-	(300,000,000)	-	-	-	(300,000,000)
Ending balance of previous year	143,745,770,000	41,816,120,654	(1,600,120,000)	42,344,656,047	137,025,747,333	59,127,849,973	422,460,024,007
Beginning balance of current year	143,745,770,000	41,816,120,654	(1,600,120,000)	42,344,656,047	137,025,747,333	59,127,849,973	422,460,024,007
Increase capital in current year (*)	7,107,280,000	-	-	-	-	-	7,107,280,000
Profit for current year	-	-	-	-	-	81,952,162,586	81,952,162,586
Profit distribution	-	-	-	4,024,463,035	14,979,888,903	(40,244,630,348)	(21,240,278,410)
Buying treasury stock	-	(14,933,272,662)	(15,700,000,000)	-	-	-	(30,633,272,662)
Decrease taxes arrears	-	-	-	-	-	(125,212,585)	(125,212,585)
Ending balance of this year	150,853,050,000	26,882,847,992	(17,300,120,000)	46,369,119,082	152,005,636,236	100,710,169,626	459,520,702,936

(*) According to the report on the results of stock issuance under the employee selection program in the Company dated February 12, 2020:

- Purpose of issue: Recognize and reward the employees in the Company for their outstanding performance, encourage the attachment and enhance the interests and responsibility of employees to the Company;

- Release date: February 12, 2020; Expected transaction date: February 14, 2022; Issuing price: 10,000 VND / share;

- Total of shares distributed: 710,728 shares; Total of employees to be distributed: 11 people;

- Total of shares at the date of issue: 15,085,305 shares, in which the total of outstanding shares is 14,925,293 shares, total of treasury shares is 160,012 shares.

According to the Resolution No. 01/NQ - DHDCCD/SAFI - 2020 dated June 26, 2020 issued by General Meeting of Shareholders, the Company announced its profit distribution in 2019 as follows:

	Rate	Amount
	%	VND
Net Profit after corporate income tax	100.00%	40,244,630,348
Investment and development funds	10.00%	4,024,463,035
Other funds belonging to owner's equity	31.59%	12,714,888,903
Bonus and welfare fund	3.00%	1,207,338,910
Paid dividends	55.41%	22,297,939,500

Because this year the Company repurchased treasury stocks before profit distribution, so the dividend payment was lower than the profit distribution according to the Resolution, the remaining profit not to pay dividends is distributed to other funds belonging to owner's equity.

b) Details of owner's invested capital

	Rate	31/12/2020	Rate	01/01/2020
	(%)	VND	(%)	VND
Mr. Nguyen Hoang Anh	6.63%	10,000,000,000	20.17%	29,000,000,000
Mrs. Le Dung Nhi	4.78%	7,213,400,000	6.72%	9,661,400,000
America LLC	0.00%	-	11.85%	17,036,790,000
Samarang Ucits	5.93%	8,950,100,000	6.23%	8,950,100,000
NMVT Investment Joint Stock Company	40.01%	60,350,080,000	9.98%	14,340,800,000
Other shareholders	31.18%	47,039,350,000	43.94%	63,156,560,000
Treasury stock	11.48%	17,300,120,000	1.12%	1,600,120,000
	100%	150,853,050,000	100%	143,745,770,000

c) Capital transactions with owners and distribution of dividends and profits

	Year 2020	Year 2019
	VND	VND
Owner's contributed capital		
- At the beginning of year	143,745,770,000	125,201,610,000
- Increase in the year	7,107,280,000	18,544,160,000
- At the ending of year	<u>150,853,050,000</u>	<u>143,745,770,000</u>
Distributed dividends and profit:		
- Dividend payable at the beginning of the year	155,187,805	156,265,105
- Dividend payable in the year:	20,032,939,500	18,544,160,000
+ Dividend payable from last year's profit	20,032,939,500	18,544,160,000
- Dividend paid in cash during the year	(20,022,576,900)	(1,077,300)
+ Dividend paid from last year's profit	(20,022,576,900)	(1,077,300)
- Dividend paid in shares during the year	-	(18,544,160,000)
+ Dividend paid from last year's profit	-	(18,544,160,000)
- Dividend payable at the end of the year	<u>165,550,405</u>	<u>155,187,805</u>

d) Stock

	31/12/2020	01/01/2020
Quantity of Authorized issuing stocks	15,085,305	14,374,577
Quantity of issued shares and full capital contribution	15,085,305	14,374,577
- Common stocks	15,085,305	14,374,577
Quantity of shares repurchased (Treasury stock)	1,730,012	160,012
- Common stocks	1,730,012	160,012
Quantity of outstanding shares in circulation	13,355,293	14,214,565
- Common stocks	13,355,293	14,214,565
Par value per stock (VND)	10,000	10,000

SEA & AIR FREIGHT INTERNATIONAL (SAFI)

No. 209, Nguyen Van Thu Street, Da Kao Ward,
District 1, Ho Chi Minh City

Separate Financial statements
For the fiscal year ended as at 31/12/2020

e) Company's funds

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
Investment and development fund	46,369,119,082	42,344,656,047
Other funds belonging to owners' equity	152,005,636,236	137,025,747,333
	<u>198,374,755,318</u>	<u>179,370,403,380</u>

17 . OFF STATEMENT OF FINANCIAL POSITION ITEMS

Foreign currencies

	<u>31/12/2020</u>	<u>01/01/2020</u>
- USD	3,214,035.30	1,472,961.20
- EUR	444.60	455.52

18 . TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Revenue from sale of goods	-	24,645,600,000
Revenue from rendering of services	1,161,315,471,262	766,076,215,681
	<u>1,161,315,471,262</u>	<u>790,721,815,681</u>

19 . COSTS OF GOODS SOLD

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Costs of goods sold	-	24,600,000,000
Costs of services rendered	1,000,159,387,502	635,459,491,431
	<u>1,000,159,387,502</u>	<u>660,059,491,431</u>

20 . FINANCIAL INCOME

	<u>Year 2020</u>	<u>Year 2019</u>
	VND	VND
Interest income, interest from loans	96,616,981	89,827,456
Dividends, profits earned	22,733,002,945	10,171,132,560
Realized gain from foreign exchange difference	1,271,459,235	1,135,670,064
Income from selling securities	66,670,233	-
	<u>24,167,749,394</u>	<u>11,396,630,080</u>

21 . FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	38,927	2,553,169
Realized loss from foreign exchange difference	1,174,278,866	140,469,881
Unrealized loss from foreign exchange difference	499,302,531	764,647,965
Provisions for devaluation of trading securities and investments	(7,031,533,346)	7,373,448,452
Others	12,435,000	11,128,723
	<u>(5,345,478,022)</u>	<u>8,292,248,190</u>

22 . SELLING EXPENSES

	Year 2020	Year 2019
	VND	VND
Labor	60,224,753,359	52,069,401,925
Depreciation and amortisation	2,751,094,919	2,890,013,058
Expenses from external services	11,793,621,920	12,322,487,763
Other expenses by cash	2,908,959,655	4,131,500,368
	<u>77,678,429,853</u>	<u>71,413,403,114</u>

23 . GENERAL ADMINISTRATIVE EXPENSES

	Year 2020	Year 2019
	VND	VND
Labor	6,858,187,150	6,211,228,935
Depreciation and amortisation	2,375,656,474	2,355,708,177
Expenses from external services	7,008,745,967	5,053,621,918
Other expenses by cash	743,289,052	1,071,559,028
	<u>16,985,878,643</u>	<u>14,692,118,058</u>

24 . OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Gain from liquidation, disposal of fixed assets	39,783,367	-
Others	893,741,662	292,981,818
	<u>933,525,029</u>	<u>292,981,818</u>

25 . OTHER EXPENSE

	Year 2020	Year 2019
	VND	VND
Fines	45,286,234	-
	<u>45,286,234</u>	<u>-</u>

26 . CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020	Year 2019
	VND	VND
Total profit before tax	96,893,241,475	47,954,166,786
Increase adjustment	545,155,916	764,647,965
- <i>Ineligible expenses</i>	45,853,385	-
- <i>Loss from foreign exchange difference</i>	499,302,531	764,647,965
Decrease adjustment	(22,733,002,945)	(10,171,132,560)
- <i>Dividend payment</i>	(22,733,002,945)	(10,171,132,560)
Taxable income	74,705,394,446	38,547,682,191
Current corporate income tax expense (Tax rate 20%)	14,941,078,889	7,709,536,438
Adjustment of tax expenses in previous years and tax expenses in the current year	101,594,471	-
Tax payable at the beginning of year	15,555,704	1,421,335,924
Tax paid in the year	(12,784,635,095)	(9,115,316,658)
Closing year income tax payable of main business activities	2,273,593,969	15,555,704

27 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020	Year 2019
	VND	VND
Raw materials	21,945,586,878	25,541,254,589
Labour expenses	73,361,627,737	65,764,710,700
Depreciation and amortisation	19,409,480,244	19,564,145,520
Expenses from external services	924,168,312,273	609,967,300,544
Other expenses by cash	49,227,343,258	7,421,298,249
	1,088,112,350,390	728,258,709,602

28 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Company include:

	Carrying amount			
	31/12/2020		01/01/2020	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	126,361,538,941	-	73,632,180,107	-
Trade and other receivables	221,524,996,044	-	181,110,681,827	-
Short term investments	3,921,608,618	-	-	-
Long term investments	158,549,914,846	(930,000,000)	98,802,783,346	(7,961,533,346)
	510,358,058,449	(930,000,000)	353,545,645,280	(7,961,533,346)

	Carrying amount	
	31/12/2020	01/01/2020
	VND	VND
Financial Liabilities		
Trade payables, other payables	194,017,660,203	81,801,342,855
Accrued expenses	-	2,000,000
	194,017,660,203	81,803,342,855

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks including market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of General Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes on prices, exchange rates and interest rates.

Price Risk

The Company bears price risk of equity instruments from short-term and long-term investments in securities due to the uncertainty of future prices of the securities. As regards, long-term securities held for long-term strategies, at the end of the fiscal year, the Company has no plan to sell these investments.

	Up to 1 year	In 1 to 5 years	In more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Short term investments	3,921,608,618	-	-	3,921,608,618
Long term investments	-	157,619,914,846	-	157,619,914,846
	3,921,608,618	157,619,914,846	-	161,541,523,464
As at 01/01/2020				
Long term investments	-	90,841,250,000	-	90,841,250,000
	-	90,841,250,000	-	90,841,250,000

Exchange rate risk

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Under 1 year VND	From 1 to 5 VND	From more VND	Total VND
As at 31/12/2020				
Cash and cash equivalents	126,361,538,941	-	-	126,361,538,941
Trade receivables, other receivables	221,274,522,444	250,473,600	-	221,524,996,044
	<u>347,636,061,385</u>	<u>250,473,600</u>	<u>-</u>	<u>347,886,534,985</u>
As at 01/01/2020				
Cash and cash equivalents	73,632,180,107	-	-	73,632,180,107
Trade receivables, other receivables	180,932,808,827	177,873,000	-	181,110,681,827
	<u>254,564,988,934</u>	<u>177,873,000</u>	<u>-</u>	<u>254,742,861,934</u>

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	<u>Under 1 year</u> VND	<u>From 1 to 5</u> VND	<u>From more</u> VND	<u>Total</u> VND
As at 31/12/2020				
Trade payables, other payables	194,017,660,203	-	-	194,017,660,203
	<u>194,017,660,203</u>	<u>-</u>	<u>-</u>	<u>194,017,660,203</u>
As at 01/01/2020				
Trade payables, other payables	81,801,342,855	-	-	81,801,342,855
Accrued expenses	2,000,000	-	-	2,000,000
	<u>81,803,342,855</u>	<u>-</u>	<u>-</u>	<u>81,803,342,855</u>

The Company believes that risk level of loan repayment is low. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

29 . EVENTS AFTER BALANCE SHEET DATE

On March 11, 2021, the Company announced Resolution No. 02/NQ - HDQT - 2021 of the Board of Management of Sea & Air Freight International on the implementation of the plan to issue shares of ESOP in 2020 of Company, accordingly:

- Purpose of issue: Recognize and reward the employees in the Company for their outstanding performance, encourage the attachment and enhance the interests and responsibility of employees to the Company;
- Expected implementation time: After the State Securities Commission approves the issuance and announcement of information according to regulations, expected in March and April 2021;
- Type of stock: Common stock (transfer restriction);
- Number of ESOP shares issued: 667,764 shares;
- Issuing price: 10,000 VND/share;
- Total number of shares at the date of issue: 15,085,305 shares, of which the number of outstanding shares is 13,355,293 shares, the number of treasury shares is 1,730,012 shares.

Except this events, there have been no significant events occurring after the reporting year, which would require adjustments or disclosures to be made in the Separate financial statements.

30 . SEGMENT REPORTING**Under business fields**

	Logistic activities	Forwarding activities	Shipping agent services and other activities	Grant total
	VND	VND	VND	VND
Net revenue from sales to external customers	383,076,246,144	768,940,377,879	9,298,847,239	1,161,315,471,262
Direct segment expenses	290,745,178,758	707,462,996,793	1,951,211,951	1,000,159,387,502
Profit from business activities	92,331,067,386	61,477,381,086	7,347,635,288	68,825,016,374
Total cost of purchasing fixed assets	-	-	12,144,789,005	12,144,789,005
Direct segment assets	145,411,084,216	291,880,415,898	3,529,729,323	440,821,229,437
Unallocated assets	-	-	-	226,777,286,694
Total assets	145,411,084,216	291,880,415,898	3,529,729,323	667,598,516,131
Segment liabilities	67,867,370,624	136,228,654,578	1,647,422,199	205,743,447,401
Unallocated liabilities	-	-	-	2,334,365,794
Total liabilities	67,867,370,624	136,228,654,578	1,647,422,199	208,077,813,195

Under geographical areas

All activities of the Company take place in the territory of Vietnam, so the Company doesn't prepare and present segment reports by geographical area.

31 . COMPARATIVE FIGURES

The corresponding figures are those taken from the accounts for the fiscal year ended as at December 31, 2019, which was audited by AASC Auditing Firm Company Limited.

		
Doan Thu Ha Preparer	Nguyen Thanh Tuyen Chief Accountant	Nguyen Hoang Anh General Director



Ho Chi Minh City, 29 March 2021