

PETROVIETNAM OIL CORPORATION
(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM SEPARATE
FINANCIAL STATEMENTS**

FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2019

PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

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PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PetroVietnam Oil Corporation (the "Corporation") presents this report together with the Corporation's interim separate financial statements for the 6-month period ended 30 June 2019.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Corporation who held office during the period and to the date of this interim separate report are as follows:

Board of Directors

Mr. Nguyen Hoang Tuan	Chairman
Mr. Cao Hoai Duong	Member
Mr. Nguyen Viet Thang	Member
Mr. Le Van Nghia	Member
Mr. Hang Anh Minh	Member
Mr. Le Ngoc Quang	Member
Mr. Tran Hoai Nam	Member

Board of Management

Mr. Cao Hoai Duong	General Director
Mr. Le Xuan Trinh	Deputy General Director
Mr. Vo Khanh Hung	Deputy General Director
Mr. Vu Hoai Lam	Deputy General Director
Mr. Nguyen Tuan Tu	Deputy General Director
Mr. Nguyen Anh Toan	Deputy General Director
Mr. Nguyen Dang Trinh	Deputy General Director (appointed on 03 June 2019)
Mr. Pham Thanh Vinh	Deputy General Director (resigned on 01 July 2019)

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the interim separate financial statements, which give a true and fair view of the financial position of the Corporation as at 30 June 2019, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. In preparing these interim separate 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 interim separate financial statements;
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim separate financial statements so as to minimize errors and frauds.



PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

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

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these interim separate financial statements.

For and on behalf of the Board of Management,



Cao Hoài Dương
General Director

10 August 2019

No.: 0203/VN1A-HN-BC

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

**To: The Shareholders
The Boards of Directors and Management
PetroVietnam Oil Corporation**

We have reviewed the accompanying interim separate financial statements of PetroVietnam Oil Corporation (the "Corporation" or "PVOIL"), prepared on 10 August 2019 as set out from page 05 to page 44, which comprise the interim balance sheet as at 30 June 2019, the interim statement of income, interim statement of cash flows for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Separate Financial Statements

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

Auditors' Responsibility

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

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

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

Conclusion

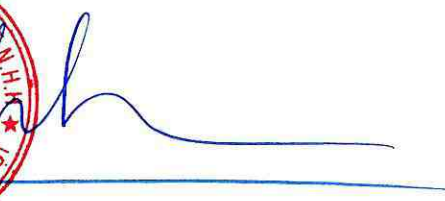
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, the financial position of the Corporation as at 30 June 2019, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

Emphasis of Matters

- As presented in Note 01 of the Notes to the interim separate financial statements, the comparative figures in the interim income statement, the interim cash flow statement and the notes thereto are the reviewed figures for the 6-month period ended 30 June 2018 of PetroVietnam Oil Corporation - One member Limited Company (equitized entity) for provision of reference information to the readers of the financial statements.
- As presented in Note 02 of the Notes to the interim separate financial statements, the accompanying interim separate financial statements do not include adjustments (if any) related to the finalization of equitization due to the fact that the Corporation has not obtained approval of the equitization finalization at the official date of transformation into a joint stock company.
- As presented in Note 10 of the Notes to the interim separate financial statements, during the period, the Board of Management decided to change the allocation time of goodwill to production and business costs from 10 years to 3 years, which resulted in an increase in General and administration expenses and a reduction in profit before tax for 6-month period ended 30 June 2019 by the same amount of VND 22,948,797,359 compared to these incurred if the allocation time remained unchanged.

Our conclusion is not modified in respect of these matters.




Khúc Thị Lan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0036-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

10 August 2019
Hanoi, S.R. Vietnam

INTERIM BALANCE SHEET

As at 30 June 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		15,519,952,456,254	14,891,133,061,273
I. Cash and cash equivalents	110	4	1,954,072,556,311	2,686,480,692,212
1. Cash	111		1,754,072,556,311	1,486,480,692,212
2. Cash equivalents	112		200,000,000,000	1,200,000,000,000
II. Short-term financial investments	120	5	4,793,031,164,697	4,189,531,164,697
1. Held-to-maturity investments	123		4,793,031,164,697	4,189,531,164,697
III. Short-term receivables	130		7,506,021,753,662	6,922,558,781,127
1. Short-term trade receivables	131	6	2,568,912,552,752	1,690,357,569,947
2. Short-term advances to suppliers	132		30,371,419,530	21,824,374,261
3. Other short-term receivables	136	7	4,985,923,703,583	5,283,210,509,402
4. Provision for short-term doubtful debts	137	8	(79,185,922,203)	(72,833,672,483)
IV. Inventories	140	9	1,129,294,496,048	1,025,540,816,580
1. Inventories	141		1,142,328,057,265	1,131,702,179,215
2. Provision for devaluation of inventories	149		(13,033,561,217)	(106,161,362,635)
V. Other short-term assets	150		137,532,485,536	67,021,606,657
1. Short-term prepayments	151	10	23,129,996,708	24,928,059,212
2. Value added tax deductibles	152	11	60,472,095,281	27,035,679,918
3. Taxes and other receivables from the State budget	153	12	53,930,393,547	15,057,867,527

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

INTERIM BALANCE SHEET (Continued)

As at 30 June 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		5,974,964,785,195	6,123,701,529,660
I. Long-term receivables	210		35,816,884,881	40,001,597,836
1. Other long-term receivables	216	7	35,816,884,881	40,001,597,836
II. Fixed assets	220		1,382,638,756,949	1,460,788,061,797
1. Tangible fixed assets	221	13	1,111,191,952,197	1,190,217,683,234
- Cost	222		2,741,615,424,504	2,734,079,818,963
- Accumulated depreciation	223		(1,630,423,472,307)	(1,543,862,135,729)
2. Intangible assets	227	14	271,446,804,752	270,570,378,563
- Cost	228		333,272,619,198	328,422,619,198
- Accumulated amortisation	229		(61,825,814,446)	(57,852,240,635)
III. Long-term assets in progress	240		30,851,014,753	36,597,166,631
1. Construction in progress	242	15	30,851,014,753	36,597,166,631
IV. Long-term financial investments	250		4,149,320,794,330	4,176,654,489,305
1. Investments in subsidiaries	251	16	3,336,774,072,634	3,336,774,072,634
2. Investments in joint-ventures, associates	252	17	1,043,221,022,859	1,043,221,022,859
3. Equity investments in other entities	253	18	44,043,337,390	44,043,337,390
4. Provision for impairment of long-term financial investments	254	5	(274,717,638,553)	(247,383,943,578)
V. Other long-term assets	260		376,337,334,282	409,660,214,091
1. Long-term prepayments	261	10	376,337,334,282	409,660,214,091
TOTAL ASSETS (270=100+200)	270		21,494,917,241,449	21,014,834,590,933

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


INTERIM BALANCE SHEET (Continued)

As at 30 June 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		11,110,721,635,761	10,856,885,214,315
I. Current liabilities	310		11,034,730,358,053	10,760,253,127,234
1. Short-term trade payables	311	19	3,212,427,538,541	2,132,058,529,698
2. Short-term advances from customers	312		31,646,680,837	47,320,573,802
3. Taxes and amounts payables to the State budget	313	12	45,460,139,938	5,094,099,681
4. Payables to employees	314		22,845,656,592	15,887,179,364
5. Short-term accrued expenses	315	20	40,519,518,993	20,689,642,589
6. Other current payables	319	21	5,808,819,214,128	6,636,316,976,908
7. Short-term loans and obligations under finance leases	320	22	2,405,571,633,113	1,865,246,321,582
8. Short-term provisions	321		695,936,346	-
9. Price stabilization fund	323	23	(533,255,960,435)	37,639,803,610
II. Long-term liabilities	330		75,991,277,708	96,632,087,081
1. Long-term unearned revenue	336		1,105,983,438	1,292,458,468
2. Other long-term payables	337	21	60,000,000	60,000,000
3. Long-term loans and obligations under finance leases	338	24	63,600,383,416	86,352,946,917
4. Deferred tax liabilities	341	25	6,224,910,854	8,926,681,696
5. Scientific and technological development fund	343		5,000,000,000	-
D. EQUITY	400		10,384,195,605,688	10,157,949,376,618
I. Owner's equity	410	26	10,384,195,605,688	10,157,949,376,618
1. Owner's contributed capital	411		10,342,295,000,000	10,342,295,000,000
- Ordinary shares carrying voting rights	411a		10,342,295,000,000	10,342,295,000,000
2. Retained earnings/(Accumulated loss)	421		41,900,605,688	(184,345,623,382)
- (Losses) accumulated to the prior period end	421a		(184,345,623,382)	-
- Retained earnings/(losses) of the current period	421b		226,246,229,070	(184,345,623,382)
TOTAL RESOURCES (440=300+400)	440		21,494,917,241,449	21,014,834,590,933


Nguyen Thuy Dung
Preparer


Nguyen Ngoc Ninh
Head of Finance and
Accounting Department




Cao Hoai Duong
General Director

10 August 2019

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


INTERIM INCOME STATEMENT

For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	28	16,216,574,904,917	18,293,777,089,470
2. Net revenue from goods sold and services rendered (10=01)	10		16,216,574,904,917	18,293,777,089,470
3. Cost of sales	11	29	15,572,147,725,338	17,575,416,156,786
4. Gross profit from goods sold and services rendered (20=10-11)	20		644,427,179,579	718,360,932,684
5. Financial income	21	31	177,354,337,357	189,887,413,043
6. Financial expenses	22	32	120,566,765,069	106,401,310,167
- In which: Interest expense	23		60,691,526,980	45,256,347,871
7. Selling expenses	25	33	286,707,133,607	309,581,482,080
8. General and administration expenses	26	33	164,144,351,019	102,802,977,538
9. Operating profit (30=20+(21-22)-(25+26))	30		250,363,267,241	389,462,575,942
10. Other income	31	34	1,462,366,275	9,728,907,929
11. Other expenses	32	34	7,585,134	31,964,306,677
12. Profit from other activities (40=31-32)	40		1,454,781,141	(22,235,398,748)
13. Accounting profit before tax (50=30+40)	50		251,818,048,382	367,227,177,194
14. Current corporate income tax expense	51	35	28,273,590,154	32,774,924,300
15. Deferred corporate tax income	52	25	(2,701,770,842)	(2,701,770,842)
16. Net profit after corporate income tax (60=50-51-52)	60		226,246,229,070	337,154,023,736


Nguyen Thuy Dung
Preparer


Nguyen Ngoc Ninh
Head of Finance and
Accounting Department




Cao Hoài Dương
General Director

10 August 2019

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

INTERIM CASH FLOW STATEMENT

For the 6-month period ended 30 June 2019

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. <i>Profit before tax</i>	01	251,818,048,382	367,227,177,194
2. <i>Adjustments for:</i>			
Depreciation and amortisation of fixed assets	02	92,684,455,564	70,347,713,296
Provisions	03	(58,745,920,377)	34,002,409,124
Foreign exchange losses arising from translating foreign currency items	04	2,370,567,124	8,409,896,955
(Gain) from investing activities	05	(164,083,871,596)	(186,734,161,457)
Interest expense	06	60,691,526,980	45,256,347,871
Other adjustments (i)	07	(565,393,872,482)	(241,488,315,216)
3. <i>Operating (loss)/profit before movements in working capital</i>	08	(380,659,066,405)	97,021,067,767
(Increase)/decrease in receivables	09	(676,919,436,522)	275,299,198,071
(Increase)/decrease in inventories	10	(10,625,878,050)	541,869,472,352
Increase/(decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	833,105,270,919	(2,386,960,738,410)
Decreases in prepaid expenses	12	35,120,942,313	465,985,159
Interest paid	14	(59,067,634,078)	(42,802,887,888)
Other cash inflows	16	38,005,834	1,085,417,272
Other cash outflows (ii)	17	(552,482,000,000)	-
<i>Net cash used in operating activities</i>	20	(811,489,795,989)	(1,514,022,485,677)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(22,737,571,295)	(67,824,187,160)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	4,896,100,000	-
3. Cash outflow for lending, buying debt instruments of other entities	23	(4,693,031,164,697)	(2,950,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	4,089,531,164,697	2,000,000,000,000
5. Interest earned, dividends and profits received	27	187,445,416,254	174,305,645,579
<i>Net cash used in investing activities</i>	30	(433,896,055,041)	(843,518,541,581)

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

INTERIM CASH FLOW STATEMENT (Continued)

For the 6-month period ended 30 June 2019


Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	4,433,969,617,828	3,867,445,067,710
2. Repayment of borrowings	34	(3,916,396,869,798)	(3,114,970,454,890)
Net cash generated by financing activities	40	517,572,748,030	752,474,612,820
Net decreases in cash (50=20+30+40)	50	(727,813,103,000)	(1,605,066,414,438)
Cash and cash equivalents at the beginning of the period	60	2,686,480,692,212	4,707,635,777,791
Effects of changes in foreign exchange rates	61	(4,595,032,901)	1,045,947,190
Cash and cash equivalents at the end of the period (70=50+60+61)	70	1,954,072,556,311	3,103,615,310,543

- (i) Include the adjustments for appropriation and use the Price Stabilization Fund with the amounts of VND 428,138,736,900 and VND 999,072,506,779 respectively.
- (ii) Represent the amount that the Corporation has transferred in the period to the Enterprise Support and Arrangement Fund related to the payable on equitization, as guided in Decree No. 126/2017/ND-CP dated 16 November 2017 of the Government and Circular No. 41/2018/TT-BTC dated 04 May 2018 of the Ministry of Finance.



Nguyen Thuy Dung
Preparer



Nguyen Ngoc Ninh
Head of Finance and
Accounting Department





Cao Hoai Duong
General Director

10 August 2019

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

PetroVietnam Oil Corporation (the "Corporation"), formerly known as PetroVietnam Oil Corporation - One member Limited Company, is an independent accounting member of Vietnam Oil and Gas Group. As per Decision No. 1250/QĐ-DKVN dated 06 June 2008 issued by Vietnam Oil and Gas Group, PetroVietnam Oil Corporation - One Member Limited Company was established on the basis of consolidation of Petroleum Trading Company Limited (Petechim) and PetroVietnam Oil Processing and Distribution Company Limited (PDC).

PetroVietnam Oil Corporation - One member Limited Company was granted Business Registration Certificate No. 4104005189 dated 26 June 2008 and the 16th amendment dated 16 January 2016. PetroVietnam Oil Corporation - One member Limited Company officially started its operation from 01 July 2008 with the charter capital of VND 7,220,000,000,000. According to the 16th amended Business Registration Certificate dated 16 January 2016, the amended charter capital of PetroVietnam Oil Corporation - One Member Limited Company is VND 10,884,251,000,000.

From 01 August 2018, PetroVietnam Oil Corporation - One member Limited Company officially transformed its operation model to a joint stock company with the name of PetroVietnam Oil Corporation under the 17th amended Business Registration Certificate dated 01 August 2018. The charter capital of the Corporation after equitization is VND 10,342,295,000,000.

The Corporation's shares have been approved for trading on the UPCoM market on 07 March 2018 with the stock code of OIL.

The number of employees of the Corporation as at 30 June 2019 was 697 (as at 31 December 2018: 711).

Operatin industries and principal activities

The principal activities of the Corporation are import/export and trade of crude oil domestically and overseas; import/export and trade of oil products domestically and overseas; import/export of equipment, materials, machinery and commercial services; production of oil products; construction of oil storage tank systems, distribution and trading of oil products; import/export of oil products, products made from oil, chemicals/materials/equipment/facilities supporting processing and trading of oil products; trading of materials/equipment/chemicals for production of oil products; ship brokerage and supply; hotel business and tourism (hotel business is not carried out at the head quarter); supplying tank truck, oil tankers and storage facilities for rent; trading of fertilizers and petrochemical products.

Normal production and business cycle

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

The Corporation's structure

The Corporation operates under the parent - subsidiary model. The dependent accounting members of the Corporation as at 30 June 2019 include:

- PV Oil Mien Dong Terminal
- PV Oil Dinh Vu Terminal
- PV Oil Nha Be Terminal
- PV Oil Project Management Board
- PV Oil - Ha Tinh Branch
- PV Oil - Ba Ria Vung Tau Branch
- PV Oil - Quang Ngai Branch
- PV Oil - Thua Thien Hue Branch
- PV Oil - Nghi Son - Thanh Hoa Branch
- Myanmar Representative Office

As at 30 June 2019, the Corporation has 30 subsidiaries, 08 associates and 03 joint ventures. Details of subsidiaries, associates and joint ventures are presented in Note 16 and Note 17.

Disclosure of information comparability in the interim separate financial statements

Comparative figures of the interim balance sheet and the notes thereto are the audited figures as at 31 December 2018.

Comparative figures of the interim income statement, the interim cash flow statement and the notes thereto are the reviewed figures for the 6-month period ended 30 June 2018 of PetroVietnam Oil Corporation - One Member Limited Company (equitized entity) for provision of reference information to the readers of the financial statements.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying interim separate 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 interim financial reporting.

The accompanying interim financial statements are the interim separate financial statements of the Corporation only, which do not include the interim financial statements of the Corporation's subsidiaries. To provide an overview of the Corporation's financial position as a whole, we recommend that these interim separate financial statements should be read in conjunction with the Corporation's consolidated financial statements, which were prepared and issued separately.

The accompanying interim separate 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.

Equitization finalization

The interim separate financial statements for the 6-month period ended 30 June 2019 do not include adjustments (if any) related to the finalization of equitization due to the fact that the Corporation has not obtained approval of the equitization finalization at the official date of transformation into a joint stock company.

Financial year

The Corporation's financial year begins on 01 January and ends on 31 December.

These interim separate financial statements are prepared for the 6-month period ended 30 June 2019.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of the interim separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of 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.

Financial investments

Held-to-maturity investments

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

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the interim income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less any impairment in accordance with prevailing regulations.

Investments in subsidiaries

A subsidiary is an entity whose majority of shares (51% or above) and correlative control are held by the Corporation. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in joint ventures

A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control, i.e. the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint venture arrangements directly, the Corporation's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Corporation's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Corporation and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Interests in subsidiaries, joint ventures and associates and equity investments in other entities are initially recognised at cost. After that, the value of investments in subsidiaries, associates, joint ventures and equity investments in other entities of the Corporation are revalued for the purpose of valuation of enterprises for equitization. Therefore, investments in subsidiaries, associates, joint ventures, and investments in other entities as at 30 June 2019 are recorded at revaluation value less provision for impairment of such investments (if any).

Provisions for impairment of investments in subsidiaries, joint ventures, associates and equity investments in other entities are made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

The Corporation's share of the net accumulative profit of the investee after acquisition is recognised in the interim income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

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 are accounted for under a perpetual system. 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, details are as follows:

	Years
Buildings and structures	6 - 50
Machinery and equipment	5 - 10
Motor vehicles	5 - 6
Office equipment	3 - 5
Others	3 - 6

Tangible fixed assets of the Corporation were revalued when the equitization was performed. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

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 interim income statement.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rentals payable under operating lease are charged to the interim income statement on a straight-line basis over the term of the relevant lease.

Intangible assets and amortisation

Intangible assets represent land use rights and computer software that are stated at cost less accumulated amortisation.

Indefinite-term land use rights are not amortised. Finite-term land use rights are amortised over the duration specified in the land use right certificate. Computer software is amortised using the straight-line method over 5 years.

Intangible fixed assets of the Corporation were revalued when the equitization was performed. The cost and accumulated amortization were adjusted based on the revaluation value approved by competent authorities as regulated.

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 Corporation'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.

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. 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. Prepayments comprise prepaid land rentals, office rentals and other types of prepayments. In addition, the Corporation also monitors the Brand name value recorded according to the enterprise valuation dated 31 December 2015 of PetroVietnam Oil Corporation - One member Limited Company (equitized entity) approved by competent authorities.

Prepaid land rentals and office rentals represent rentals that have been paid in advance and 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, spare parts issued for consumption, advertising expenditures, and repair expenses which are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayment and are charged to the interim income statement using the straight-line method over the useful life in accordance with the current prevailing accounting regulations.

Brand name value is allocated to operating expenses according to current regulations from the time the Corporation was officially transformed into a joint stock company.

Revenue recognition

Revenue from the sale of goods:

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

- (a) the Corporation has transferred to the buyer the significant risks and rewards of ownership of the goods;

- (b) the Corporation 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 Corporation; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the services rendered:

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 periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (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.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

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

According to Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 and Official Letter No. 3124/DKVN-TCKT dated 13 May 2015 issued by Vietnam Oil and Gas Group, the Corporation applies the buying rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) to convert foreign currency denominated items as at 30 June 2019. This rate is different from the exchange rate specified in Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the accounting regimes for enterprises (hereinafter referred to as "Circular 200"). The Board of Management evaluates that this difference does not materially affect the interim separate financial statements for the 6-month period ended 30 June 2019 of the Corporation.

Borrowing costs

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

their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Other borrowing costs are recognized in the interim statement when incurred.

Payable provisions

Payable provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the balance sheet date.

Petroleum price stabilisation fund

The petroleum price stabilization fund is appropriated and used as per Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 of the Ministry of Finance and the Ministry of Industry and Trade (effective from 01 November 2014) on "determination of basic prices, establishment, management and utilization of price stabilization funds and control of petrol and oil prices under the Government's Decree No. 83/2014/ND-CP on petrol and oil business dated 03 September 2014" and Joint Circular No. 90/2016/TTLT-BCT-BTC dated 24 June 2016 of the Ministry of Finance and the Ministry of Industry and Trade (effective from 15 August 2016) on "Amendments to a number of articles of Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 of the Ministry of Finance and the Ministry of Industry and Trade on determination of basic prices, establishment, management and utilization of price stabilization funds and control of petrol and oil prices under the Government's Decree No. 83/2014/ND-CP on petrol and oil business dated 03 September 2014".

The petroleum price stabilisation fund is appropriated with a specified amount of money, which is fixed in the basic price of each litre of petroleum sold and determined as an expense item in the basic price structure (The appropriation rate is subject to the regulation of the Ministry of Finance from time to time).

The petroleum price stabilisation fund is used in compliance with the written directions released by the Ministry of Industry and Trade from time to time. The utilization of the petroleum price stabilization fund is based on the actual sales volume multiplied by the price per litre of petroleum as regulated by the Ministry of Industry and Trade.

Taxation

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

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

Corporate income tax (CIT) payable is calculated using the rate of 20% of taxable income that has been enacted by the balance sheet date.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim separate 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 period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Corporation 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>
	<u>VND</u>	<u>VND</u>
Cash on hand	596,533,076	560,420,294
Bank demand deposits	1,753,476,023,235	1,485,920,271,918
<i>In which:</i>		
<i>Price Stabilization Fund Balance (i)</i>	-	10,626
Cash equivalents (ii)	200,000,000,000	1,200,000,000,000
	<u>1,954,072,556,311</u>	<u>2,686,480,692,212</u>

(i) The balance of the Price Stabilisation Fund account is recorded separately in a bank account as guided by Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 jointly issued by the Ministry of Finance and the Ministry of Industry and Trade.

(ii) Cash equivalents represent Vietnam Dong term deposits with original terms of 3 months at commercial banks and with interest rates of 5.5% p.a. (as at 31 December 2018: 5.5% p.a.).

Cash and cash equivalents as at 30 June 2019 include demand deposits of VND 1,571,010,575 and USD 3,774,150 at Ocean Commercial Joint Stock Bank (currently known as Ocean Commercial One Member Limited Liability Bank). Such amounts are restricted for payments under Directive No. 600/2015/CT-TGD dated 13 February 2015 issued by Ocean Commercial Joint Stock Bank on suspension of payment services for the economic organizations of Vietnam Oil and Gas Group to review and evaluate the payment records of customers. Ocean Commercial One Member Limited Liability Bank has been transformed into a wholly State-owned bank; accordingly, the Board of Management has assessed and believes that these deposits will be able to be traded in the coming time upon the decision of the State Bank of Vietnam.

5. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
a. Held-to-maturity investments				
Term deposits	4,793,031,164,697	4,793,031,164,697	4,189,531,164,697	4,189,531,164,697
	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
b. Long-term financial investments				
Investments in subsidiaries	3,336,774,072,634	(77,709,227,675)	3,336,774,072,634	(81,449,121,773)
Investments in joint-ventures, associates	1,043,221,022,859	(178,501,345,092)	1,043,221,022,859	(153,465,030,818)
Investments in other entities	44,043,337,390	(18,507,065,786)	44,043,337,390	(12,469,790,987)
	4,424,038,432,883	(274,717,638,553)	4,424,038,432,883	(247,383,943,578)

Held-to-maturity deposits represent Vietnam Dong term deposits with original terms of longer than 3 months and remaining terms of less than 12 months at banks and with interest rates from 5.1% to 7.4% per annum (as at 31 December 2018: from 5.1% p.a. to 6.8% p.a.).

Held-to-maturity deposits as at 30 June 2019 include deposits of VND 243,031,164,697 with original terms of from 6 months to 12 months at Ocean Commercial Joint Stock Bank (currently known as Ocean Commercial One Member Limited Liability Bank). Such amounts are restricted for payments under Directive No. 600/2015/CT-TGD dated 13 February 2015 issued by Ocean Commercial Joint Stock Bank on suspension of payment services for the economic organizations of Vietnam Oil and Gas Group to review and evaluate the payment records of customers. Ocean Commercial One Member Limited Liability Bank has been transformed into a wholly State-owned bank; accordingly, the Board of Management has assessed and believes that these deposits will be traded in the coming time upon the decision of the State Bank of Vietnam.

The Corporation has not determined the fair value of the financial investments at the balance sheet date since current prevailing regulations provide no detailed guidance on such determination.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term trade receivables		
Petec Trading and Investment Corporation - Joint Stock Company	517,190,639,672	536,523,549,004
PV Oil Sai Gon Joint Stock Company	350,675,027,606	175,481,777,684
Binh Son Refining and Petrochemical Joint Stock Company (i)	21,823,000,263	42,455,334,974
Others	1,679,223,885,211	935,896,908,285
	2,568,912,552,752	1,690,357,569,947
b. Trade receivables from related parties (Details are presented in Note 37)	2,512,322,951,114	1,634,039,326,700

- (i) Represents the entrustment fee receivable from Binh Son Refining and Petrochemical Joint Stock Company to conduct purchasing and importing activities which were entrusted by Binh Son Refining and Petrochemical Joint Stock Company.

7. OTHER SHORT-TERM RECEIVABLES

	Closing balance VND	Opening balance VND
a. Other short-term receivables		
Binh Son Refining and Petrochemical Joint Stock Company (i)	2,734,745,489,417	3,977,458,912,957
Oil export from White Tiger Oil field	1,740,869,260,140	918,607,786,703
VietsovPetro Joint Venture	82,473,439,049	71,928,777,221
Special consumption taxes awaiting deduction, and environmental protection tax and special preferential import tariffs awaiting returns (ii)	79,160,548,259	29,720,307,838
Receivable related to equitization (iii)	5,755,479,545	5,755,479,545
Other receivables	342,919,487,173	279,739,245,138
	4,985,923,703,583	5,283,210,509,402
b. Other receivables from related parties (Details are presented in Note 37)	4,704,939,609,399	4,621,038,270,687

- (i) Represents receivables related to the implementation of purchase and import activities entrusted to Binh Son Refining and Petrochemical Joint Stock Company.
- (ii) Represents special consumption taxes on condensate materials awaiting deduction, and environmental protection tax and special preferential import tariffs awaiting returns from the State budget.
- (iii) Represents expenses related to equitization. Such value may be subject to adjustment upon the final approval of competent authorities.

8. BAD DEBTS

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Duong Dong Kien Giang Petroleum Joint Stock Company	43,234,776,646	12,970,432,994	43,834,776,646	21,917,388,323
Cai Lan Shipbuilding Industry Company Limited	19,576,761,700	-	19,576,761,700	-
Orient Biofuels Company Limited	9,813,340,562	-	9,813,340,562	-
Nam Song Hau Petrochemical Trading Joint Stock Company	7,799,179,244	-	8,850,308,852	-
Bac Hai Company	-	-	943,576,001	-
Others	11,732,297,045	-	11,732,297,045	-
	92,156,355,197	12,970,432,994	94,751,060,806	21,917,388,323

Vietnamese Accounting Standards as well as current prevailing regulations provide no detailed guidance on the determination of the recoverable amount of receivables. Accordingly, as at 30 June 2019, the Board of Management prudently assessed and determined the recoverable amount of receivables based on their book value less previously established provision for bad debts.

9. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Cost</u>	<u>Provision</u>	<u>Cost</u>	<u>Provision</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>	<u>VND</u>
Goods in transit	314,143,923,158	-	64,949,947,480	-
Raw materials	315,773,693,848	(6,191,813,956)	265,145,108,767	(8,633,839,066)
Tools and supplies	5,131,231,052	-	4,863,731,052	-
Finished goods	143,715,903,999	(1,074,977,521)	290,497,593,762	(43,494,716,686)
Merchandise	363,563,305,208	(5,766,769,740)	506,245,798,154	(54,032,806,883)
	1,142,328,057,265	(13,033,561,217)	1,131,702,179,215	(106,161,362,635)

During the period, the Board of Management assessed net realizable value and made provision with amount of VND 13,033,561,217 (for the period from 01 August 2018 to 31 December 2018, provision was made with the amount of VND 106,161,362,635) for inventories whose realizable value is lower than cost as at the reporting date.

During the period, the Company reversed the provision for devaluation of inventories with the amount of VND 106,161,362,635 (for the period from 01 August 2018 to 31 December 2018: reversed VND 0).

10. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
a. Current	23,129,996,708	24,928,059,212
Others	23,129,996,708	24,928,059,212
b. Non-current	376,337,334,282	409,660,214,091
Prepayment for office rentals at No. 1 - 5 Le Duan Street, District 1, Ho Chi Minh City	202,636,226,728	205,091,698,008
Tools and supplies	17,712,628,764	18,040,623,735
Goodwill (i)	130,908,327,244	162,326,325,783
Others	25,080,151,546	24,201,566,565
	399,467,330,990	434,588,273,303

- (i) Represents the brand name value and development potential of the Corporation included in the value of equitized enterprise according to the enterprise valuation results for the purpose of equitizing State-owned enterprises.

During the period, the Board of Management decided to change the allocation time of goodwill to production and business costs from 10 years to 3 years. The Board of Management believes that this change is consistent with the actual situation of the Corporation and in accordance with the current regulations. This change resulted in an increase of expense allocated from goodwill and a reduction in profit before tax in the first 6 months of 2019 by VND 22,948,797,359 compared to keeping the allocation time as in the prior period.

11. VALUE ADDED TAX DEDUCTIBLES

Value-added tax (VAT) deductibles of the Corporation as at 30 June 2019 represent the portion of the Input VAT of the Corporation that has not been deducted. The deduction of this tax portion in the subsequent period will be subject to the declaration of the Corporation, the inspection and approval of the local tax authorities.

12. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance VND	Movements in the period		Closing balance VND
		Tax payables VND	Tax paid VND	
Excessive tax payments deductible				
Special consumption tax	(15,042,700,801)	15,042,700,801	53,845,340,121	(53,845,340,121)
Personal income tax	-	-	70,686,700	(70,686,700)
Land tax	(14,366,726)	-	-	(14,366,726)
Value added tax on domestic goods	(800,000)	800,000	-	-
Taxes and amounts payable to the State budget				
Value added tax on domestic goods	184,487,480	27,869,208,414	27,680,395,277	373,300,617
Value added tax on imported goods	-	334,272,333,576	334,272,333,576	-
Special consumption tax	-	162,840,682,945	162,840,682,945	-
Export and import duties	-	217,854,590,939	217,854,590,939	-
Personal income tax	3,496,487,504	4,978,481,626	6,806,951,630	1,668,017,500
Corporate Income Tax	-	28,273,590,154	-	28,273,590,154
Land tax	-	350,980,925	350,980,925	-
Environmental protection tax	685,914,300	86,798,963,600	72,749,067,100	14,735,810,800
Other fees and charges	727,210,397	398,144,151	715,933,681	409,420,867
	(9,963,767,846)	878,680,477,131	877,186,962,894	(8,470,253,609)
In which:				
Taxes and other receivables from the State budget	(15,057,867,527)	15,043,500,801	53,916,026,821	(53,930,393,547)
Taxes and amounts payable to the State budget	5,094,099,681	863,636,976,330	823,270,936,073	45,460,139,938

PETROVIETNAM OIL CORPORATION

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09a-DN

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
COST						
Opening balance	2,000,601,674,010	610,871,336,024	78,082,813,258	37,405,254,439	7,118,741,232	2,734,079,818,963
Additions	320,000,000	2,472,345,455	2,100,586,010	286,000,000	-	5,178,931,465
Transfer from construction in progress	12,662,787,420	1,757,201,050	-	-	-	14,419,988,470
Disposals	-	-	(11,523,416,997)	-	-	(11,523,416,997)
Other increases, decreases	29,000,000	(568,897,397)	-	-	-	(539,897,397)
Closing balance	2,013,613,461,430	614,531,985,132	68,659,982,271	37,691,254,439	7,118,741,232	2,741,615,424,504
ACCUMULATED DEPRECIATION						
Opening balance	1,093,368,450,121	364,109,902,385	49,656,687,488	31,302,926,188	5,424,169,547	1,543,862,135,729
Charge for the period	58,476,148,912	24,892,386,330	3,677,518,300	1,350,644,220	341,838,726	88,738,536,488
Disposals	-	-	(2,149,545,175)	-	-	(2,149,545,175)
Other increases, decreases	-	(27,654,735)	-	-	-	(27,654,735)
Closing balance	1,151,844,599,033	388,974,633,980	51,184,660,613	32,653,570,408	5,766,008,273	1,630,423,472,307
NET BOOK VALUE						
Opening balance	907,233,223,889	246,761,433,639	28,426,125,770	6,102,328,251	1,694,571,685	1,190,217,683,234
Closing balance	861,768,862,397	225,557,351,152	17,475,321,658	5,037,684,031	1,352,732,959	1,111,191,952,197

As stated in Note 24, the Corporation has pledged the works of Cu Lao Tao Port, Phu Tho petroleum depot, Chan May petroleum port expansion project, all assets of the project "Construction of Quang Ngai storage tank and extraction station - Phase 1" and all assets of the project "Construction of Nghi Son petroleum storage" to secure bank facilities granted to the Corporation. As at 30 June 2019, such works and assets had total net book values of VND 177,305,017,358 (as at 31 December 2018: VND 219,591,958,008).

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	<u>Land use rights</u>	<u>Computer</u>	<u>Total</u>
	<u>VND</u>	<u>software</u>	<u>VND</u>
COST			
Opening balance	282,863,263,970	45,559,355,228	328,422,619,198
Additions	-	4,850,000,000	4,850,000,000
Closing balance	<u>282,863,263,970</u>	<u>50,409,355,228</u>	<u>333,272,619,198</u>
ACCUMULATED DEPRECIATION			
Opening balance	15,548,592,974	42,303,647,661	57,852,240,635
Charge for the period	3,149,707,722	823,866,089	3,973,573,811
Closing balance	<u>18,698,300,696</u>	<u>43,127,513,750</u>	<u>61,825,814,446</u>
NET BOOK VALUE			
Opening balance	<u>267,314,670,996</u>	<u>3,255,707,567</u>	<u>270,570,378,563</u>
Closing balance	<u>264,164,963,274</u>	<u>7,281,841,478</u>	<u>271,446,804,752</u>

15. CONSTRUCTION IN PROGRESS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Construction of petrol stations in Thai Nguyen	14,303,396,631	14,303,396,631
Phu My Condensate processing plant improvement and expansion project	7,258,066,196	7,258,066,196
Software to manage export of goods and equipment to print out delivery notes at PVOIL's petroleum depots and Vung Ang warehouse	2,462,676,455	-
Project on sales management software system	2,331,985,000	2,331,985,000
Project on provision of software and services to deploy member customer management system	1,540,000,000	3,880,000,000
Cai Lan Petroleum depot - Phase 2	1,279,151,228	1,279,151,228
Bonded warehouse, national petroleum reserve in Phu Quoc	577,111,395	577,111,395
Project of expanding Nghi Son petroleum depot	420,000,000	-
Project of parking and rotating tank trucks in service of import and export for Nghi Son petrol and oil depot	-	6,244,472,728
Others	678,627,848	722,983,453
	<u>30,851,014,753</u>	<u>36,597,166,631</u>

16. INVESTMENTS IN SUBSIDIARIES

The Corporation's proportion of ownership interest and capital contribution to its direct subsidiaries as at 30 June 2019 are as follows:

Name of subsidiary	Book value Closing balance VND	Proportion of ownership interest %	Proportion of voting power held %	Book value Opening balance VND
Me Kong Petroleum Joint Stock Company	337,059,294,469	89.37%	89.37%	337,059,294,469
Vung Ang Petroleum Joint Stock Company	53,675,000,000	56.50%	56.50%	53,675,000,000
Ninh Binh Petroleum Joint Stock Company (i)	13,542,778,807	20.26%	66.67%	13,542,778,807
PV Oil Lube Joint Stock Company	59,947,983,022	62.67%	62.67%	59,947,983,022
Tra Vinh Petroleum Joint Stock Company	27,841,516,060	96.27%	96.27%	27,841,516,060
Bac Lieu Petroleum Joint Stock Company	39,800,837,516	96.09%	96.09%	39,800,837,516
Binh Thuan Petroleum Joint Stock Company	70,009,916,425	79.68%	79.68%	70,009,916,425
Thanh Hoa Petroleum Joint Stock Company	59,904,348,443	56.86%	56.86%	59,904,348,443
Phu My Petroleum Production and Processing Joint Stock Company	373,997,531,512	67.64%	67.64%	373,997,531,512
Sai Gon Petroleum Joint Stock Company	151,334,458,744	65.18%	66.93%	151,334,458,744
Vung Tau Petroleum Joint Stock Company	114,732,823,809	57.18%	57.18%	114,732,823,809
Hanoi Petroleum Joint Stock Company	188,873,299,116	71.35%	71.35%	188,873,299,116
Thua Thien Hue Petroleum Joint Stock Company	64,306,503,742	74.67%	74.67%	64,306,503,742
PetroVietnam Oil Lao Company Limited (ii)	78,551,423,672	100.00%	100.00%	213,072,082,398
PetroVietnam Oil Lao Petroleum Domestic Trading Sole Company Limited (ii)	134,520,658,726	100.00%	100.00%	-
Thai Binh Petroleum Joint Stock Company	74,999,833,116	68.00%	68.00%	74,999,833,116
Thai Binh Petroleum Services Joint Stock Company	14,280,000,000	51.00%	51.00%	14,280,000,000
Nam Dinh Petroleum Joint Stock Company	41,228,882,773	56.75%	56.75%	41,228,882,773
Tay Ninh Petroleum Joint Stock Company	105,877,995,794	78.62%	78.62%	105,877,995,794
Cai Lan Petroleum Joint Stock Company	70,826,240,317	80.19%	80.19%	70,826,240,317
Phu Yen Petroleum Joint Stock Company	66,151,133,217	67.13%	67.13%	66,151,133,217
Phu Tho Petroleum Joint Stock Company	38,699,084,673	71.68%	71.68%	38,699,084,673
Singapore International Oil Trade Company Limited	35,242,504,910	51.00%	51.00%	35,242,504,910
Central PetroVietnam Oil Joint Stock Company	108,835,411,114	71.43%	71.43%	108,835,411,114
Hai Phong PetroVietnam Oil Joint Stock Company	63,846,506,524	72.00%	72.00%	63,846,506,524
Vietnam Petroleum Oil Transport Joint Stock Company	37,378,804,774	71.00%	71.00%	37,378,804,774
Ha Giang Petroleum Tourism and Trading Joint Stock Company	15,658,836,111	80.37%	80.37%	15,658,836,111
Thu Duc Trading and Import Export Joint Stock Company	79,599,663,922	51.01%	51.01%	79,599,663,922
Petec Trading and Investment Corporation - JSC (PETEC) (iii)	810,364,301,326	94.78%	95.19%	810,364,301,326
Cambodia Petroleum Joint Stock Company	5,686,500,000	51.00%	51.00%	5,686,500,000
	3,336,774,072,634			3,336,774,072,634

PETROVIETNAM OIL CORPORATION**NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN**

- (i) The Corporation's proportion of ownership interest in Ninh Binh Petroleum Joint Stock Company (PVOil Ninh Binh) is 20.26%. However, the Corporation has a majority of the members of the Board of Directors of PVOil Ninh Binh (2 out of 3 members of the Board of Directors are members of the Corporation, corresponding to 66.67% of voting rate) according to Shareholder's General Meeting's Resolution No. 193/NQ-DHCD dated 24 April 2018 of PVOil Ninh Binh.
- (ii) The Board of Directors of the Corporation issued Resolution No. 39/NQ-DVN dated 16 May 2019 approving the plan to reorganize PetroVietnam Oil Lao Company Limited in the form of splitting into 2 separate companies in accordance with the provisions of Decree No. 331/PM dated 27 October 2017 of the Government of Laos on petroleum trading and Circular No. 0521/BCT.TMTN on 02 May 2018 by the Ministry of Industry and Trade of Laos on guiding the enforcement of Decree No. 331/PM dated 27 October 2017. Accordingly, PetroVietnam Oil Lao Company Limited (the separator) transfers a part of its assets, rights and obligations to establish a new limited liability company - PetroVietnam Oil Lao Petroleum Domestic Trading Sole Company Limited (the separatee). The separator will perform the function of import and export of petroleum (import-export company), and is wholly owned by the Corporation. The separatee will perform the function of domestic distribution of petroleum (distribution company), and is wholly owned by the Corporation. PetroVietnam Oil Lao Company Limited has already been splitted into 2 companies in the period following the Decree.
- (iii) As at 30 June 2019, the Corporation's capital portion in PETEC that was recognized and presented by the Corporation exceeded the amount recorded and accounted for by PETEC by VND 111,225,298,544 (compared to the pre-adjusted investment value according to the value of re-evaluation for equitization of VND 2,464,251,000,000). The Corporation's Board of Management believes that such difference amount will be settled when PETEC has completed the finalization of equitization.

17. INVESTMENTS IN JOINT VENTURES, ASSOCIATES

The Corporation's proportion of ownership interest and capital contribution to its direct joint ventures, associates as at 30 June 2019 are as follows:

Name of associates	Book value	Proportion of	Proportion of	Book value
	Closing balance	ownership interest	voting power held	Opening balance
	VND	%	%	VND
PetroVietnam Biofuels Joint Stock Company (i)	285,506,255,661	39.76%	39.76%	285,506,255,661
Petroleum Trading Joint Stock Company (Petechim)	82,003,319,843	29.00%	29.00%	82,003,319,843
Thach Han Trading Joint Stock Company	1,197,459,775	45.00%	45.00%	1,197,459,775
PetroVietnam Central and Biofuel Joint Stock Company	254,057,440,160	34.28%	34.28%	254,057,440,160
Phu Yen Cashew Joint Stock Company (ii)	-	47.79%	47.79%	-
Ca Mau Trading Joint Stock Company	46,976,384,000	24.26%	24.79%	46,976,384,000
Materials - Petroleum Joint Stock Company (Comeco)	333,195,848,000	44.79%	44.94%	333,195,848,000
Duong Dong Kien Giang Petroleum Joint Stock Company	6,264,457,591	33.96%	33.96%	6,264,457,591
Name of joint-ventures				
PetroVietnam Oil Stockpile Company Limited	13,585,359,052	21.94%	0.00%	13,585,359,052
LG-VINA Chemical Company Limited	20,434,498,777	15.00%	0.00%	20,434,498,777
Orient Biofuels Company Limited (ii)	-	30.20%	0.00%	-
	1,043,221,022,859			1,043,221,022,859

- (i) According to Notice No. 385/TB-VPCP dated 02 October 2018 of the Government Office, the dissolution and bankruptcy plan for Phu Tho Biofuel Plant Project was proposed for consideration in accordance with legal regulations. On 24 October 2018, the Board of Directors sent a document to the Vietnam Oil and Gas Group to implement the bankruptcy plan of PetroVietnam Biofuel Joint Stock Company. This matter has been submitted by the Vietnam Oil and Gas Group (PVN) to the Committee for Management of State Capital at Enterprises (CMSC) under Official Letter No. 3540/DKVN-HDTV dated 01 July 2019 on settlement of rearrangement, handling of houses and land and solution for difficulties in equitization of PVOIL. At the date of the interim separate financial statements, the Corporation has not yet received any response from PVN or CMSC on the implementation of the bankruptcy plan for PetroVietnam Biofuel Joint Stock Company.
- (ii) The investment value in these investees is nil in accordance with the State Audit Report on the results of valuation consultancy and handling of financial issues before officially announcing the value of the equitized enterprise in the parent company - PetroVietnam Oil Corporation approved by the Ministry of Industry and Trade under Decision No. 1220/QD-BCT dated 10 April 2017 on the valuation of Vietnam Oil Corporation (directly under Vietnam Oil and Gas Group) for equitization. The costs of the investments in Phu Yen Cashew Joint Stock Company and Orient Biofuels Company Limited as at 31 December 2015 before revaluation for equitization are VND 51,707,577,602 and VND 198,044,907,747 respectively.

18. EQUITY INVESTMENTS IN OTHER ENTITIES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	15,126,357,240	15,126,357,240
Lam Kinh Hotel Joint Stock Company	10,549,395,047	10,549,395,047
Green Indochina Development Joint Stock Company	7,263,016,037	7,263,016,037
Indochina Petroleum Transportation Joint Stock Company	9,753,141,763	9,753,141,763
Mekong Petroleum Transport Joint Stock Company (Mekongtrans)	1,351,427,303	1,351,427,303
	44,043,337,390	44,043,337,390

19. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Amount</u> VND	<u>Amount able to be paid off</u> VND	<u>Amount</u> VND	<u>Amount able to be paid off</u> VND
a. Short-term trade payables				
Binh Son Refining and Petrochemical Joint Stock Company	1,279,100,097,726	1,279,100,097,726	1,038,590,788,501	1,038,590,788,501
Nghi Son Petroleum Product Distribution Branch - Vietnam Oil and Gas Group	1,039,344,729,410	1,039,344,729,410	511,699,279,700	511,699,279,700
Phu My Oil and Gas Production and Processing JSC	379,624,808,574	379,624,808,574	367,009,042,820	367,009,042,820
Ocean Energy Pte. Ltd.	262,227,112,596	262,227,112,596	-	-
Others	252,130,790,235	252,130,790,235	214,759,418,677	214,759,418,677
	3,212,427,538,541	3,212,427,538,541	2,132,058,529,698	2,132,058,529,698
b. Trade payables to related parties (Details are presented in Note 37)	2,856,685,372,283	2,856,685,372,283	2,031,941,140,585	2,031,941,140,585

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
a. Short-term accrued expenses		
Accrued interest expenses	12,202,521,716	10,578,628,814
Accruals for transportation	8,643,762,291	849,978,014
Accruals for purchasing goods	6,442,276,651	-
Accruals for oil products	3,044,108,143	941,750,010
Accruals for administration expense to Vietnam Oil and Gas Group	2,940,531,106	608,245,559
Accruals for construction investments	-	6,975,921,842
Other accruals	7,246,319,086	735,118,350
	40,519,518,993	20,689,642,589
b. Short-term accrued expenses for related parties (Details are presented in Note 37)	18,026,570,048	8,373,454,506

21. OTHER CURRENT PAYABLES

	Closing balance VND	Opening balance VND
a. Other current payables		
Crude oil money received on behalf of other companies	5,179,666,475,414	5,453,819,871,399
Profit after tax payable to Vietnam Oil and Gas Group	540,301,917,104	540,301,917,104
Payable on equitization (i)	71,296,783,557	622,531,331,881
Payable for proceeds from sale of shares (ii)	6,508,956,732	6,508,956,732
Short-term deposits received	149,802,727	149,802,727
Others	10,895,278,594	13,005,097,065
	5,808,819,214,128	6,636,316,976,908
b. Other payables for related parties (Details are presented in Note 37)	3,530,377,616,019	2,646,389,199,111

- (i) Represents payable on equitization after recording the charter capital of the Corporation after equitization of VND 10,342,295,000,000 under Decision No. 1979/QĐ-TTg dated 08 December 2017 of the Prime Minister. This value can be adjusted when there is final approval from the competent authorities. During the period, the Corporation transferred VND 552,482,000,000 to the Enterprise Arrangement and Arrangement Fund under the guidance in Decree No. 126/2017/ND-CP dated 16 November 2017 of the Government and Circular No. 41/2018/TT-BTC dated 04 May 2018 of the Ministry of Finance.
- (ii) Represents the proceeds from initial public offering (IPO) and the payable amount to the owner regarding this IPO. The proceeds from this equitization will be finalized and can be adjusted upon final approval by the competent authorities.

22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Short-term loans	1,812,476,786,433	1,812,476,786,433	4,433,969,617,828	3,886,379,898,150	2,360,066,506,111	2,360,066,506,111
Current portion of long-term loans (see Note 24)	52,769,535,149	52,769,535,149	22,752,563,501	30,016,971,648	45,505,127,002	45,505,127,002
	1,865,246,321,582	1,865,246,321,582	4,456,722,181,329	3,916,396,869,798	2,405,571,633,113	2,405,571,633,113

Short-term loans represent facilities obtained from banks in the form of letters of credit that can be withdrawn in Vietnam Dong or United States Dollar based on each credit limit as contracted with the banks. The balance of short-term loans as at 30 June 2019 is VND 2,360,066,506,112 (as at 31 December 2018: VND 1,812,476,786,433). Such loans are unsecured and bear fixed interest rates that are stated in each loan acknowledgement ranging from 2.9% to 3.0% p.a. for loans in USD and from 5.2% to 5.6% p.a. for loans in VND. (as at 31 December 2018: from 5% to 5.5% p.a. for loans in VND). The loans are used to supplement the Corporation's working capital.

Details of short-term loans by currency are as follows:

	Closing balance	Opening balance
	VND	VND
United States Dollar	1,881,441,890,799	1,812,476,786,433
Vietnam Dong	478,624,615,312	-
	2,360,066,506,111	1,812,476,786,433

23. PRICE STABILISATION FUND

	Current period	Prior period
	VND	VND
Opening balance	37,639,803,610	203,643,301,652
Appropriation to the fund	428,138,736,900	271,298,208,600
Interest incurred	38,005,834	299,682,932
Utilization in the year	(999,008,980,525)	(437,601,389,574)
Interest on negative balance of Price Stabilization Fund	(63,526,254)	-
Closing balance	(533,255,960,435)	37,639,803,610

In which:

Transferred to the bank deposits	-	10,626
Not yet transferred	(533,255,960,435)	37,639,792,984

Appropriation and utilization of the Price Stabilization Fund comply with the regulations of the Ministry of Finance from time to time (as presented in Note 3 - Summary of Significant Accounting Policies, "Price Stabilization Fund" item). In the period, the Corporation appropriated to and utilized the fund in accordance with prevailing current regulations. Any difference between the appropriation and utilization of the fund will comply with the guidance of the Ministry of Finance in the coming time.

As at 30 June 2019, the Corporation did not transfer the balance of the Price Stabilization Fund to the bank deposit account due to negative fund balance (Note 4).

24. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Current portion of long-term loans (see Note No 22)	52,769,535,149	52,769,535,149	22,752,563,501	30,016,971,648	45,505,127,002	45,505,127,002
Amount due for settlement after 12 months	86,352,946,917	86,352,946,917	-	22,752,563,501	63,600,383,416	63,600,383,416
	139,122,482,066	139,122,482,066	22,752,563,501	52,769,535,149	109,105,510,418	109,105,510,418

Long-term loans represent the credit facilities obtained from the commercial banks with the total credit limit of VND 604,064,098,225 (as at 31 December 2018: VND 604,064,098,225). These loans are secured by Cu Lao Tao Port, Phu Tho petroleum depot, Chan May petroleum port expansion project, all the assets of the project "Construction of Quang Ngai storage tank and extraction station - Phase 1" and all the assets of the project "Construction of Nghi Son Petroleum Storage" (See Note 13) and bear annual interest rates at the average 12-month savings rate plus margin interest rates ranging from 1.5% p.a. to 3% p.a. These loans are to finance projects including Cu Lao Tao Port Construction and Expansion Project, Quang Ngai, Chan May, Information technology upgrading project, Phu Tho storage construction project and Nghi Son petroleum storage project.

Details of long-term loans by currency are as follows:

	Closing balance	Opening balance
	VND	VND
Vietnam Dong	109,105,510,418	139,122,482,066
	109,105,510,418	139,122,482,066

Details of long-term loans by type of guarantee are as follows:

	Closing balance	Opening balance
	VND	VND
Unsecured loans	23,915,000,000	40,745,408,147
Secured loans	85,190,510,418	98,377,073,919
	109,105,510,418	139,122,482,066

The Corporation's long-term loans are contracted with floating interest rates. Details of short-term loans by type of interest rate are as follows:

	31/12/2018	01/7/2018
	VND	VND
Floating rate	109,105,510,418	139,122,482,066
	109,105,510,418	139,122,482,066

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Long-term loans are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	45,505,127,002	52,769,535,149
In the second year	19,457,225,228	36,988,127,002
In the third to fifth year inclusive	28,671,381,009	29,114,479,232
After five years	15,471,777,179	20,250,340,683
	109,105,510,418	139,122,482,066
Less: Amount due for settlement within 12 months (shown under current liabilities)	45,505,127,002	52,769,535,149
Amount due for settlement after 12 months	63,600,383,416	86,352,946,917

25. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised by the Corporation, and their movements during the period.

	<u>Revaluation of assets</u>
	VND
For the 6-month period ended 30 June 2019	
Opening balance	8,926,681,696
Transfer to profit for the period	(2,701,770,842)
Closing balance	6,224,910,854
For the 6-month period ended 30 June 2018	
Opening balance	14,330,223,379
Transfer to profit for the period	(2,701,770,841)
Closing balance	11,628,452,538

26. OWNER'S EQUITY

Movement in owner's equity for the period from 01 January 2019 to 30 June 2019

	Owner's contributed capital VND	Retained earnings VND	Total VND
<i>For the 6-month period ended 30 June 2018</i>			
Balance as at 01 January 2018	10,884,251,000,000	(1,181,197,710,611)	9,703,053,289,389
Profit for the period	-	337,154,023,736	337,154,023,736
Balance as at 30 June 2018	10,884,251,000,000	(844,043,686,875)	10,040,207,313,125
<i>For the 6-month period ended 30 June 2019</i>			
Balance as at 01 January 2019	10,342,295,000,000	(184,345,623,382)	10,157,949,376,618
Profit for the period	-	226,246,229,070	226,246,229,070
Balance as at 30 June 2019	10,342,295,000,000	41,900,605,688	10,384,195,605,688

Shares	Closing balance	Opening balance
Number of shares issued to the public	200,445,036	200,445,036
Ordinary shares	200,445,036	200,445,036
Preference shares	-	-
Number of outstanding shares in circulation	1,034,229,500	1,034,229,500
Ordinary shares	1,034,229,500	1,034,229,500
Preference shares	-	-

Ordinary shares have par value of VND 10,000/share.

On 24 December 2018, the Corporation submitted the Registration Application No. 3788/DVN-KH to the Hanoi Stock Exchange on the registration of additional transactions of 980,900 shares sold to employees of the equitized entity. The official trading date is 02 January 2019. The number of additionally registered shares is restricted for transfer from 03 to 10 years from 01 August 2018.

Charter capital

According to the 17th business registration certificate dated 01 August 2018, the charter capital of the Corporation after transformation into a joint stock company is VND 10,342,295,000,000. As at 30 June 2019, the charter capital was fully contributed by shareholders as follows:

	Quantity Share	Rate %	Amount VND
Vietnam Oil and Gas Group	832,803,564	80.52%	8,328,035,640,000
Other shareholders	201,425,936	19.48%	2,014,259,360,000
	1,034,229,500	100.00%	10,342,295,000,000

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27. OFF INTERIM BALANCE SHEET ITEMS

		<u>Closing balance</u>	<u>Opening balance</u>
1. Petroleum (M95, M92, D0, Condensate Shariah, E5, Jet A1)	Lit 15	104,193,665	118,788,759
2. Petroleum (FO)	Kg	37,822	37,828
3. Foreign currencies (USD)	USD	27,385,410.26	11,863,033.22

28. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Gross revenue		
- Sales of finished goods/merchandise	16,061,415,186,447	18,135,150,239,827
- Sales of services	155,159,718,470	158,626,849,643
	16,216,574,904,917	18,293,777,089,470
<i>In which:</i>		
Sales to related parties (Details are presented in Note 37)	16,028,136,144,936	17,870,184,603,602

29. COST OF SALES

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Cost of petroleum sold	15,539,028,030,710	17,550,069,666,042
Cost of services rendered	33,119,694,628	25,346,490,744
	15,572,147,725,338	17,575,416,156,786

30. PRODUCTION COST BY NATURE

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Raw materials and consumables	2,889,469,115,220	3,447,940,608,387
Labour	110,069,185,871	94,288,089,794
Depreciation and amortisation	92,684,455,564	70,347,713,296
Out-sourced services	115,831,460,968	154,524,146,761
Other monetary expenses	132,854,221,677	91,376,777,897
	3,340,908,439,300	3,858,477,336,135

31. FINANCIAL INCOME

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Bank and loan interest	158,290,350,436	121,837,065,420
Foreign exchange gain	4,888,595,863	3,142,173,618
Dividends received	12,719,407,000	58,302,057,590
Other financial income	1,455,984,058	6,368,116,415
	177,354,337,357	189,887,413,043

32. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense	60,691,526,980	45,256,347,871
Foreign exchange loss	12,503,732,452	17,110,199,422
Provision for impairment of financial investments	27,333,694,975	26,783,379,012
Other financial expenses	20,037,810,662	17,251,383,862
	120,566,765,069	106,401,310,167

33. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current period	Prior period
	VND	VND
Selling expenses	286,707,133,607	309,581,482,080
Sales staffs	73,929,674,196	66,547,796,106
Office appliances, furniture and materials	8,958,819,665	10,042,119,823
Transportation	21,580,270,875	59,209,430,257
Out-sourced services	52,811,508,306	58,544,375,607
Provision	695,936,346	6,520,914,068
Depreciation and amortisation	77,364,158,315	59,495,777,829
Others	51,366,765,904	49,221,068,390
General and administration expenses	164,144,351,019	102,802,977,538
Management staff	36,139,511,675	27,740,293,688
Office appliances, furniture and materials	17,548,927,109	6,179,625,196
Depreciation and amortisation	7,684,271,729	5,480,637,225
Provision	6,352,249,720	698,116,044
Out-sourced services	14,931,935,013	20,548,595,878
Others	81,487,455,773	42,155,709,507
	450,851,484,626	412,384,459,618

34. PROFIT FROM OTHER ACTIVITIES

	Current period	Prior period
	VND	VND
Other income	1,462,366,275	9,728,907,929
Sale, disposal of fixed assets	1,055,528,178	-
Compensation claim	-	7,543,343,487
Proceeds from breach of contracts	-	2,093,827,539
Others	406,838,097	91,736,903
Other expenses	7,585,134	31,964,306,677
Penalties	7,585,134	31,963,851,075
Others	-	455,602
Profit/(Loss) from other activities	1,454,781,141	(22,235,398,748)

35. CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current period	28,273,590,154	32,774,924,300
Adjustments for corporate income tax expense in previous years to the current period	-	-
Total current corporate income tax expense	28,273,590,154	32,774,924,300

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

	Current period VND	Prior period VND
Profit before tax	251,818,048,382	367,227,177,194
Adjustments for taxable profit		
Less:	(12,719,407,000)	(44,542,566,050)
<i>Income from subsidiaries, associates</i>	<i>(12,719,407,000)</i>	<i>(44,542,566,050)</i>
Add back:	25,850,649,588	31,520,949,572
<i>Capital contribution by assets in 2010 and 2011</i>	<i>13,508,854,205</i>	<i>13,508,854,205</i>
<i>Other non-deductible expenses</i>	<i>12,341,795,383</i>	<i>18,012,095,367</i>
Losses carried forward	(123,581,340,200)	(192,817,594,313)
Taxable profit	141,367,950,770	161,387,966,403
Taxable profit at normal tax rate of 20%	141,367,950,770	161,387,966,403
Corporate income tax expense based on taxable profit in the current period	28,273,590,154	32,277,593,281
Corporate income tax paid in addition to income from overseas investments	-	497,331,019
Corporate income tax expense based on taxable profit in the current period	28,273,590,154	32,774,924,300

The Corporation is obliged to pay corporate income tax at the rate of 20% of taxable profit.

During the period, the Corporation used all tax loss as at 31 December 2018 with the amount of VND 123,581,340,200 to offset the taxable profit of the 6-month period ended 30 June 2019. As at 30 June 2019, the Corporation had no any tax loss available for offset against future taxable profits (as at 31 December 2018: VND 123,581,340,200).

Corporate income tax for the 6-month period ended 30 June 2019 is temporary. The final amount of corporate income tax to be paid will depend on the outcome of the tax settlement by the tax authorities.

36. CAPITAL COMMITMENTS

According to the Corporation's 2019 business plan approved on 26 April 2019, the Shareholders General Meeting approved an amount of VND 155.5 billion for the Corporation's construction and assets acquisition in 2019. In the first 6 months of 2019, the Corporation paid for construction and fixed assets purchase with a total value of VND 22.7 billion.

37. RELATED PARTY TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam Oil and Gas Group (PVN)	Owner
Entities in PVN	Having same owner
Subsidiaries of the Corporation	Subsidiary
Associates of the Corporation	Associate
Joint Ventures of the Corporation	Joint Venture
Other long-term investees of the Corporation	Other long-term investee

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

	Current period	Prior period
	VND	VND
Dividends received	12,719,407,000	58,302,057,590
Thu Duc Trading and Import - Export Joint Stock Company	5,693,157,000	4,428,011,000
Vung Ang Petroleum Joint Stock Company	4,520,000,000	2,825,000,000
Thua Thien Hue Petroleum Joint Stock Company	1,792,050,000	-
PetroVietnam Transportation Joint Stock Company	500,000,000	-
Thai Binh Petroleum Joint Stock Company	214,200,000	281,316,000
Singapore International Oil Trade Pte. Ltd.	-	13,759,491,540
Comeco Petroleum Material Joint Stock Company	-	12,650,032,000
Thanh Hoa Petroleum Joint Stock Company	-	6,079,496,500
Phu Yen Petroleum Joint Stock Company	-	4,978,224,000
Central PetroVietnam Oil Joint Stock Company	-	4,500,000,000
Binh Thuan Petroleum Joint Stock Company	-	3,860,457,750
Vung Tau Petroleum Joint Stock Company	-	2,401,665,000
Nam Dinh Petroleum Joint Stock Company	-	1,134,999,900
Ninh Binh Petroleum Joint Stock Company	-	851,090,400
Bac Lieu Trade Joint Stock Company	-	310,630,500
Thuan An Universal Trade Joint Stock Company	-	241,643,000

PETROVIETNAM OIL CORPORATION
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	Current period	Prior period
	VND	VND
Major sales	16,028,136,144,936	17,870,184,603,602
Petec Trading and Investment Corporation - JSC	1,775,271,810,739	1,933,314,668,288
Hanoi Petroleum Joint Stock Company	1,713,025,254,462	1,842,076,992,285
Saigon Petroleum Joint Stock Company	1,349,850,954,908	1,508,663,283,720
Central PetroVietnam Oil Joint Stock Company	1,237,146,221,447	1,327,345,317,810
Mekong Petroleum Joint Stock Company	1,226,669,497,413	1,258,596,060,693
Vung Tau Petroleum Joint Stock Company	1,114,681,756,060	1,269,189,427,906
Phu Yen Petroleum Joint Stock Company	983,496,226,090	1,011,246,187,020
Ninh Binh Petroleum Joint Stock Company	894,048,132,503	1,350,204,948,065
Thanh Hoa Petroleum Joint Stock Company	804,498,873,140	854,057,489,579
Vung Ang Petroleum Joint Stock Company	798,364,093,544	871,945,188,770
Hai Phong PetroVietnam Oil Joint Stock Company	685,878,745,829	849,845,690,043
Nam Dinh Petroleum Joint Stock Company	608,466,789,825	620,376,210,949
Binh Thuan Petroleum Joint Stock Company	530,198,897,246	559,178,868,795
Phu Tho Petroleum Joint Stock Company	474,669,261,961	474,630,809,147
Tay Ninh Petroleum Joint Stock Company	422,948,199,604	480,595,151,849
Thua Thien Hue Petroleum Joint Stock Company	408,136,144,231	396,303,381,791
Cai Lan Petroleum Joint Stock Company	297,950,028,490	303,749,504,714
Thai Binh Petroleum Joint Stock Company	273,652,605,454	359,190,628,641
Bac Lieu Petroleum Joint Stock Company	133,443,285,373	174,185,938,648
Tra Vinh Petroleum Joint Stock Company	107,186,638,078	124,705,679,102
Ha Giang Petroleum Tourism and Trading Joint Stock Company	71,517,201,542	72,058,040,076
PV Oil Lube Joint Stock Company	41,697,341,859	39,900,158,278
Binh Son Refining and Petrochemical Joint Stock Company	41,328,756,898	44,905,961,051
PetroVietnam Exploration Production Corporation	16,856,313,083	19,266,183,257
Singapore International Oil Trade Company Limited	14,536,905,422	4,639,330,125
Bien Dong Petroleum Operating Company	1,925,158,666	2,572,624,320
Phu My Petroleum Processing and Production Joint Stock Company	400,150,500	1,151,938,954
PetroVietnam Gas Joint Stock Corporation (PVGas)	290,900,569	-
VietsovPetro Joint Venture	-	51,945,142,218
PetroVietNam Ca Mau Power Company	-	61,239,065,160
Petroleum Trading Joint Stock Company	-	1,128,772,727
Cuu Long Joint Operating Company	-	1,944,442,592
Orient Oil & Gas Joint Stock Company	-	31,517,029

PETROVIETNAM OIL CORPORATION

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Major purchases	13,135,095,173,746	11,130,781,551,383
Binh Son Refining and Petrochemical Joint Stock Company	7,045,897,929,273	9,469,468,638,411
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	5,485,384,367,857	-
PetroVietnam Gas Joint Stock Corporation (PVGass)	243,103,924,028	242,765,574,548
PetroVietnam Transportation Corporation	204,755,329,861	138,736,251,897
Vietnam Oil and Gas Group	53,054,936,465	184,240,755,339
Vietnam Petroleum Oil Transport Joint Stock Company	22,991,819,346	75,817,505,658
Phu My Production and Processing Joint Stock Company	14,906,795,274	115,992,961,893
Thai Binh Petroleum Joint Stock Company	9,168,339,841	2,672,219,479
Vung Ang Petroleum Joint Stock Company	8,135,515,973	9,068,278,701
PetroVietnam Exploration Production Corporation	7,870,470,910	25,036,665,712
Mekong Petroleum Joint Stock Company	7,113,897,407	6,841,623,602
Vietnam Energy Inspection Corporation	6,936,737,453	6,796,221,068
Vung Tau Petroleum Joint Stock Company	3,852,502,270	3,682,122,509
Cai Lan Petroleum Joint Stock Company	3,579,041,536	4,121,222,034
VietsovPetro Joint Venture	4,153,616,595	505,673,550,151
Phu Tho Petroleum Joint Stock Company	2,590,924,357	6,901,645,377
Phu Yen Petroleum Joint Stock Corporation	2,086,585,149	1,872,721,204
PetroVietnam Central Biofuels Joint Stock Company	2,011,756,400	25,516,190
Central Petroleum Joint Stock Company	1,754,031,285	2,533,048,830
Petec Trading and Investment Corporation	1,720,873,508	3,111,917,325
Thua Thien Hue Petroleum Joint Stock Company	1,678,892,432	1,279,866,004
PetroVietnam Technical Services Corporation	1,020,000,000	680,000,000
Ha Noi Petroleum Joint Stock Company	503,817,377	759,929,184
PV Oil Lube Joint Stock Company	339,238,270	259,613,855
Saigon Petroleum Joint Stock Company	189,364,617	2,394,600,158
Thai Binh Petroleum Services Joint Stock Company	156,200,000	-
Hai Phong PetroVietnam Oil Joint Stock Company	137,628,080	70,885,817
Thanh Hoa Petroleum Joint Stock Company	638,182	193,823,973
Singapore International Oil Trading Company Limited	-	250,401,765,035
Cuu Long JOC	-	68,498,368,818
Tay Ninh Petroleum Joint Stock Company	-	235,879,818
Nam Dinh Petroleum Joint Stock Company	-	229,257,028
Petroleum Material Joint Stock Company (Comeco)	-	167,037,591
PetroVietnam Securities Incorporated	-	155,543,551
Thu Duc Trading and Import Export Joint Stock Company	-	66,737,091
Petroleum Trading Joint Stock Company (Petechim)	-	18,747,350
Binh Thuan Petroleum Joint Stock Company	-	7,090,909
Tra Vinh Petroleum Joint Stock Company	-	3,058,909
Bac Lieu Petroleum Joint Stock Company	-	906,364

Salary, allowance and remuneration of the Board of Directors (prior period: Board of Member) including the General Director; salary of the Board of Supervisors, Deputy General Directors and the Chief Accountant during the period was as follows:

	<u>Current period</u>	<u>Prior period</u> <u>(Restated)</u>
	VND	VND
Salary, allowance and remuneration of the Board of Directors/ Board of Members (including the General Director)	2,963,049,879	1,280,950,440
Salary of the Board of Supervisors	1,211,521,033	970,327,354
Salary of the Deputy General Directors and Chief Accountant	3,115,814,511	2,212,819,699

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

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Advances to suppliers	8,274,691,561	9,747,495,965
Orient Biofuels Company Limited	7,653,015,602	7,653,015,602
Petechim Joint Stock Company (Petechim)	621,675,959	2,094,480,363

PETROVIETNAM OIL CORPORATION
NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Trade payables	2,856,685,372,283	2,031,941,140,585
Binh Son Refining and Petrochemical Joint Stock Company	1,279,100,097,726	1,038,590,788,501
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	1,039,344,729,410	511,699,279,700
Phu My Petroleum Production and Processing Joint Stock Company	379,624,808,574	367,009,042,820
PetroVietnam Transportation Corporation	94,034,376,182	54,349,197,010
PetroVietnam Gas Corporation	43,431,675,929	21,892,319,931
Petroleum Equipment Assembly and Metal Structure Joint Stock Company	5,955,483,985	6,050,948,957
Petroland Joint Stock Company	5,414,895,656	4,991,026,528
Vietnam Petroleum Oil Transport Joint Stock Company	4,950,347,385	6,491,647,395
Dung Quat Oil Refinery Project Management Board	1,954,237,323	1,954,237,323
Vung Tau Petroleum Joint Stock Company	709,290,726	-
Saigon Petroleum Joint Stock Company	546,753,001	258,273,380
Vietnam Energy Inspection Corporation	362,045,423	2,600,653,046
Petrovietnam Securities Joint Stock Company	249,500,000	290,600,000
Phu Tho Petroleum Joint Stock Company	215,012,149	215,012,149
PetroVietnam Technical Services Corporation	187,000,000	-
Materials - Petroleum Joint Stock Company	165,375,000	-
Petec Trading and Investment Corporation	142,318,600	-
Thai Binh Petroleum Joint Stock Company	124,890,842	9,828,239,455
PV Oil Lube Joint Stock Company	65,470,400	-
PetroVietnam Engineering Consultancy Joint Stock Company	56,115,138	-
Hai Phong PetroVietnam Oil Joint Stock Company	48,871,610	50,449,860
Hanoi Petroleum Joint Stock Company	2,077,224	2,014,953
Vietnam Oil and Gas Group (PVN)	-	3,619,694,631
Petechim Joint Stock Company (Petechim)	-	961,605,976
VietsovPetro Joint Venture	-	731,065,930
Thai Binh Petroleum Services Joint Stock Company	-	355,043,040
Advances from customers	31,028,900,552	46,688,934,301
Thua Thien Hue Petroleum Joint Stock Company	31,028,900,552	44,361,463,741
Tay Ninh Petroleum Joint Stock Company	-	2,327,470,560

PETROVIETNAM OIL CORPORATION

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Trade receivables	2,512,322,951,114	1,634,039,326,700
Petec Trading and Investment Corporation	517,190,639,672	536,523,549,004
Saigon Petroleum Joint Stock Company	350,675,027,606	175,481,777,684
Hai Phong PetroVietnam Oil Joint Stock Company	182,819,087,091	106,371,488,480
Vung Tau Petroleum Joint Stock Company	170,512,106,992	2,346,358,745
Ninh Binh Petroleum Joint Stock Company	148,542,557,322	51,204,236,346
Hanoi Petroleum Joint Stock Company	136,519,981,678	92,858,196,293
Phu Tho Petroleum Joint Stock Company	133,732,998,327	131,334,681,283
Mekong Petroleum Joint Stock Company	117,537,050,634	121,278,390,652
Thanh Hoa Petroleum Joint Stock Company	111,894,941,167	99,245,700,699
Nam Dinh Petroleum Joint Stock Company	102,919,056,450	33,957,307,727
Central PetroVietnam Oil Joint Stock Company	76,928,103,862	29,845,694,927
Vung Ang Petroleum Joint Stock Company	75,185,419,048	13,043,936,699
Cai Lan Petroleum Joint Stock Company	69,253,738,634	17,445,741,192
Phu Yen General Materials Joint Stock Company	58,813,993,764	36,068,422,930
Binh Thuan Petroleum Materials Joint Stock Company	48,521,639,438	21,003,713,147
Duong Dong Kien Giang Petroleum Joint Stock Company	43,234,776,646	43,834,776,646
VietsovPetro Joint Venture	28,734,965,481	17,992,179,731
Tay Ninh Petroleum Joint Stock Company	24,658,434,362	492,715,314
Binh Son Refining and Petrochemical Joint Stock Company	21,823,000,263	42,455,334,974
Bac Lieu Petroleum Joint Stock Company	20,188,143,130	8,171,660,918
Singapore International Oil Trading Pte. Ltd.	16,147,173,000	2,725,343,500
Tra Vinh Petroleum Joint Stock Company	14,935,087,552	8,481,679,392
Ha Giang Petroleum Tourism and Trading Joint Stock Company	13,488,852,050	8,352,454,679
Thai Binh Petroleum Joint Stock Company	8,957,467,603	8,137,418,833
PV Oil Lube Joint Stock Company	8,752,747,115	15,998,111,753
PetroVietnam Exploration Production Corporation	5,734,649,429	4,480,867,795
Orient Biofuels Company Limited	2,181,721,344	2,160,324,960
Dung Quat Oil Refinery Project Management Board	1,362,230,984	1,362,230,984
Bien Dong Petroleum Operating Company	1,077,360,470	1,102,663,413
Phu My Petroleum Production and Processing Joint Stock Company	-	282,368,000

PETROVIETNAM OIL CORPORATION

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Other short-term receivables	4,704,939,609,399	4,621,038,270,687
Binh Son Refining and Petrochemical Joint Stock Company	2,734,745,489,417	3,977,458,912,957
Singapore International Oil Trading Pte. Ltd.	1,740,869,260,140	414,974,873,993
VietsovPetro Joint Venture	82,473,439,049	71,928,777,221
Vietnam Oil and Gas Group	47,016,184,142	47,016,184,142
Petechim Joint Stock Company	35,931,477,481	41,852,158,789
PetroVietnam Exploration Production Corporation	28,613,853,678	7,121,381
Phu Tho Petroleum Joint Stock Corporation	9,806,276,213	10,122,742,585
Vietnam Petroleum Oil Transportation Joint Stock Company	7,832,583,484	8,126,893,061
Vung Ang Petroleum Joint Stock Company	7,808,120,000	42,322,500
Hai Phong PetroVietnam Oil Joint Stock Company	2,528,518,051	68,316,014
Vung Tau Petroleum Joint Stock Company	1,954,547,703	727,022,181
Sai Gon Petroleum Joint Stock Company	1,799,474,821	1,799,474,821
PetroVietnam Chemicals and Biofuels Joint Stock Company	1,747,671,157	1,747,671,157
PetroVietnam Transportation Corporation	770,971,661	667,500,000
PetroVietnam Oil Stockpile Company Limited	512,515,240	512,515,240
PetroVietnam Transportation Corporation	500,000,000	-
Cuu Long Joint Operating Company	29,227,162	-
Comeco Petroleum Material Joint Stock Company	-	25,300,064,000
Central PetroVietnam Oil Joint Stock Company	-	9,218,636,230
LG-VINA Chemical Company	-	5,299,860,000
Thanh Hoa Petroleum Joint Stock Company	-	965,000,000
Cai Lan Petroleum Joint Stock Company	-	910,619,994
Tay Ninh Petroleum Joint Stock Company	-	440,000,000
PetroVietNam Gas Corporation	-	400,000,000
Ha Noi Petroleum Joint Stock Company	-	380,296,334
Phu Yen Petroleum Joint Stock Company	-	302,013,151
Binh Thuan Petroleum Material Joint Stock Company	-	277,692,503
Tra Vinh Petroleum Joint Stock Company	-	257,895,905
Bac Lieu Petroleum Joint Stock Company	-	174,363,750
Ca Mau Commercial Joint Stock Company	-	-
PV Oil Lube Joint Stock Company	-	39,749,028
Thai Binh Petroleum Joint Stock Company	-	11,756,250
Nam Dinh Petroleum Joint Stock Company	-	7,837,500

PETROVIETNAM OIL CORPORATION
NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Short-term accrued expenses	18,026,570,048	8,373,454,506
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	6,442,276,651	-
PetroVietnam Transportation Corporation	4,433,519,971	-
Vietnam Petroleum Oil Transport Joint Stock Company	4,210,242,320	789,287,105
Vietnam Oil and Gas Group (PVN)	2,940,531,106	608,245,559
Petechim Joint Stock Company (Petechim)	-	6,975,921,842
Other payables	3,530,377,616,019	2,646,389,199,111
VietsovPetro Joint Venture	2,678,692,843,695	1,847,147,395,900
Vietnam Oil and Gas Group	540,325,981,105	610,658,999,800
Petrovietnam Gas Corporation	185,484,859,103	-
PetroVietnam Exploration Production Corporation	125,873,932,116	176,944,763,756
Binh Son Refining and Petrochemical Joint Stock Company	-	11,638,039,655


38. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and other long-term assets during the period include an amount of VND 1,439,182,084, representing an addition in fixed assets arising in the prior period that has been paid in current period.

Proceeds from investments during the period exclude an amount of VND 91,414,800,043 (for the period from 01 August 2018 to 31 December 2018: VND 71,955,392,064), representing interest on investment during the period that has not yet been received. Consequently, changes in receivables have been adjusted by the same amount.

Nguyen Thuy Dung
Preparer


Nguyen Ngoc Ninh
Head of Finance and
Accounting Department


Cao Hoài Dương
General Director

10 August 2019