

**PETROVIETNAM CAMAU FERTILIZER JOINT STOCK
COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**

For the year ended 31 December 2018

PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1
Camau City, Camau Province, S.R. Vietnam

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PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1
Camau City, Camau Province, S.R. Vietnam

STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of PetroVietnam Camau Fertilizer Joint Stock Company (the "Company") presents this report together with the Company's separate financial statements for the year ended 31 December 2018.

THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

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

Board of Directors

Mr. Tran Ngoc Nguyen	Chairman (appointed on 10 January 2019)
Mr. Bui Minh Tien	Chairman (appointed on 12 June 2018) (resigned on 10 January 2019)
	Member (resigned on 12 June 2018)
Mr. Nguyen Duc Thanh	Chairman (resigned on 12 June 2018)
Mr. Van Tien Thanh	Member (appointed on 12 June 2018)
Mr. Tran Chi Nguyen	Member
Mr. Tran My	Member
Ms. Tran Thi Binh	Member (resigned on 18 January 2019)

Executive Board

Mr. Van Tien Thanh	Chief Executive Officer (appointed on 12 June 2018) Executive Officer (resigned on 12 June 2018)
Mr. Bui Minh Tien	Chief Executive Officer (resigned on 12 June 2018)
Mr. Nguyen Duc Hanh	Executive Officer
Mr. Le Ngoc Minh Tri	Executive Officer
Mr. Nguyen Tuan Anh	Executive Officer
Mr. Pham Van Bac	Executive Officer (appointed on 01 October 2018)
Ms. Nguyen Thi Hien	Executive Officer (appointed on 01 January 2019)
Mr. Hoang Trong Dung	Executive Officer (resigned on 18 December 2018)

EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Executive Board 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 separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

STATEMENT OF THE EXECUTIVE BOARD (Continued)

The Executive Board is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Executive Board is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Executive Board,




Le Ngoc Minh Tri
Executive Officer

*(As per Authorization Letter No. 34/UQ-PVCFC
dated 13 March 2019 of the Company's
Chief Executive Officer)*

17 March 2019



No.: 649 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Board of Directors and Executive Board
PetroVietnam Camau Fertilizer Joint Stock Company**

We have audited the accompanying separate financial statements of PetroVietnam Camau Fertilizer Joint Stock Company (the "Company"), prepared on 17 March 2019, as set out from page 05 to page 38, which comprise the balance sheet as at 31 December 2018, the income statement, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Board's Responsibility for the Separate Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matter

As stated in Note 2 of the Notes to the separate financial statements, up to the date of the accompanying separate financial statements, the competent authorities have not approved the final accounts of the Company at the time of its equitization and official transformation into a joint stock company. Our opinion is not modified in respect of this matter.



Dang Chi Dung
Deputy General Director
Audit Practising Registration Certificate
No. 0030-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

17 March 2019
Hanoi, S.R. Vietnam

Do Trung Kien
Auditor
Audit Practising Registration Certificate
No. 1924-2018-001-1

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BALANCE SHEET

As at 31 December 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		4,299,205,893,052	4,814,488,440,420
I. Cash and cash equivalents	110	4	283,034,462,335	1,895,578,592,820
1. Cash	111		163,034,462,335	393,228,592,820
2. Cash equivalents	112		120,000,000,000	1,502,350,000,000
II. Short-term financial investments	120	5	2,502,000,000,000	2,100,000,000,000
1. Held-to-maturity investments	123		2,502,000,000,000	2,100,000,000,000
III. Short-term receivables	130		454,033,875,037	401,994,588,549
1. Short-term trade receivables	131	6	17,599,404,432	1,332,917,340
2. Short-term advances to suppliers	132	7	86,367,565,902	88,332,890,852
3. Other short-term receivables	136	8	350,066,904,703	311,850,214,848
4. Deficits in assets awaiting solution	139		-	478,565,509
IV. Inventories	140	9	966,014,219,866	346,904,666,856
1. Inventories	141		966,014,219,866	346,904,666,856
V. Other short-term assets	150		94,123,335,814	70,010,592,195
1. Short-term prepayments	151	10	57,928,662,587	25,861,128,945
2. Value added tax deductibles	152		35,648,407,632	43,662,950,934
3. Taxes and other receivables from the State budget	153	16	546,265,595	486,512,316
B. NON-CURRENT ASSETS	200		6,662,986,666,166	7,560,000,032,370
I. Fixed assets	220		6,267,392,464,636	7,424,628,566,327
1. Tangible fixed assets	221	11	6,228,761,237,427	7,392,943,134,797
- Cost	222		13,934,193,292,025	13,815,417,854,700
- Accumulated depreciation	223		(7,705,432,054,598)	(6,422,474,719,903)
2. Intangible assets	227	12	38,631,227,209	31,685,431,530
- Cost	228		105,509,604,017	85,394,363,908
- Accumulated amortisation	229		(66,878,376,808)	(53,708,932,378)
II. Long-term assets in progress	240		346,374,351,728	104,446,521,029
1. Construction in progress	242	13	346,374,351,728	104,446,521,029
III. Long-term financial investments	250	5	20,826,250,000	20,826,250,000
1. Investments in subsidiaries	251		20,826,250,000	20,826,250,000
IV. Other long-term assets	260		28,393,599,802	10,098,695,014
1. Long-term prepayments	261	10	27,507,858,979	7,383,888,431
2. Deferred tax assets	262		885,740,823	2,714,806,583
TOTAL ASSETS (270=100+200)	270		10,962,192,559,218	12,374,488,472,790

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

INCOME STATEMENT

For the year ended 31 December 2018

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	25	6,826,442,194,840	5,825,331,233,371
2. Deductions	02	25	138,005,245,929	85,218,359,150
3. Net revenue from goods sold and services rendered (10=01-02)	10		6,688,436,948,911	5,740,112,874,221
4. Cost of sales	11	26	5,281,802,405,304	4,383,956,645,813
5. Gross profit from goods sold and services rendered (20=10-11)	20		1,406,634,543,607	1,356,156,228,408
6. Financial income	21	28	176,146,051,932	171,869,630,084
7. Financial expenses	22	29	256,850,892,352	199,420,343,837
- In which: Interest expense	23		138,785,687,004	179,518,856,969
8. Selling expenses	25	30	331,007,569,478	329,872,265,339
9. General and administration expenses	26	30	307,545,301,591	325,670,278,980
10. Operating profit (30=20+(21-22)-(25+26))	30		687,376,832,118	673,062,970,336
11. Other income	31	31	14,253,913,513	3,182,396,723
12. Other expenses	32	31	4,752,795,164	82,492,494
13. Profit from other activities (40=31-32)	40	31	9,501,118,349	3,099,904,229
14. Accounting profit before tax (50=30+40)	50		696,877,950,467	676,162,874,565
15. Current corporate income tax expense	51	32	44,647,599,359	39,442,544,357
16. Deferred corporate tax expense/(income)	52		1,829,065,760	(2,714,806,583)
17. Net profit after corporate income tax (60=50-51-52)	60		650,401,285,348	639,435,136,791


Huynh Thi Ngoc Ha
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Minh Ngoc Tri
Executive Officer

17 March 2019

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

CASH FLOW STATEMENT

For the year ended 31 December 2018

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	696,877,950,467	676,162,874,565
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	1,292,636,538,669	1,299,341,302,383
Provisions	03	-	(1,505,064,148)
Foreign exchange loss/(gain) arising from translating foreign currency items	04	49,838,690,796	(10,232,246,932)
Gain from investing activities	05	(158,470,485,485)	(159,804,185,039)
Interest expense	06	138,785,687,004	179,518,856,969
Other adjustments	07	71,305,673,759	72,825,537,606
3. Operating profit before movements in working capital	08	2,090,974,055,210	2,056,307,075,404
(Increase)/decrease in receivables	09	(48,050,920,822)	102,232,362,105
(Increase)/decrease in inventories	10	(619,109,553,010)	19,480,695,020
Increases in payables (excluding accrued loan interest and corporate income tax payable)	11	429,606,766,320	269,482,443,612
(Increase)/decrease in prepaid expenses	12	(52,191,504,190)	94,040,664,356
Interest paid	14	(170,798,655,519)	(173,846,298,201)
Corporate income tax paid	15	(28,320,220,571)	(25,386,393,016)
Other cash outflows	17	(80,532,488,275)	(91,485,439,476)
Net cash generated by operating activities	20	1,521,577,479,143	2,250,825,109,804
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(338,053,182,449)	(105,903,984,120)
2. Cash outflow for lending, buying debt instruments of other entities	23	(5,572,000,000,000)	(4,800,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	5,170,000,000,000	5,000,000,000,000
4. Interest earned, dividends and profits received	27	162,436,909,842	156,962,323,928
Net cash (used in)/generated by investing activities	30	(577,616,272,607)	251,058,339,808

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

CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2018

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	373,403,689,423	67,992,690,692
2. Repayment of borrowings	34	(2,453,259,823,349)	(1,222,971,391,209)
3. Dividends and profits paid	36	(476,514,891,000)	(264,609,104,000)
Net cash used in financing activities	40	(2,556,371,024,926)	(1,419,587,804,517)
Net (decrease)/increase in cash (50=20+30+40)	50	(1,612,409,818,390)	1,082,295,645,095
Cash and cash equivalents at the beginning of the year	60	1,895,578,592,820	813,252,282,373
Effects of changes in foreign exchange rates	61	(134,312,095)	30,665,352
Cash and cash equivalents at the end of the year (70=50+60+61)	70	283,034,462,335	1,895,578,592,820

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Huynh Thi Ngoc Ha
Preparer

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Dinh Nhu Cuong
Chief Accountant



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Le Minh Ngoc Tri
Executive Officer

17 March 2019

BALANCE SHEET (Continued)

As at 31 December 2018

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		4,731,521,251,609	6,251,937,736,993
I. Current liabilities	310		3,080,481,086,312	2,498,602,341,411
1. Short-term trade payables	311	14	779,809,398,600	436,612,037,922
2. Short-term advances from customers	312	15	139,370,673,801	83,530,106,522
3. Taxes and amounts payable to the State budget	313	16	33,161,294,667	14,910,637,181
4. Payables to employees	314		16,471,703,739	46,823,927,098
5. Short-term accrued expenses	315	17	669,446,314,451	609,977,438,475
6. Other current payables	319	18	230,758,088,841	220,613,015,624
7. Short-term loans and obligations under finance leases	320	19	1,171,064,198,014	1,045,849,764,321
8. Bonus and welfare funds	322		40,399,414,199	40,285,414,268
II. Long-term liabilities	330		1,651,040,165,297	3,753,335,395,582
1. Long-term loans and obligations under finance leases	338	20	1,494,531,689,373	3,649,897,878,291
2. Scientific and technological development fund	343	21	156,508,475,924	103,437,517,291
D. EQUITY	400		6,230,671,307,609	6,122,550,735,797
I. Owner's equity	410	22	6,230,671,307,609	6,122,550,735,797
1. Owner's contributed capital	411		5,294,000,000,000	5,294,000,000,000
- Ordinary shares carrying voting rights	411a		5,294,000,000,000	5,294,000,000,000
2. Investment and development fund	418		314,320,492,607	235,869,469,817
3. Retained earnings	421		622,350,815,002	592,681,265,980
- Retained earnings accumulated to the prior year end	421a		116,077,779,514	97,950,886,496
- Retained earnings of the current year	421b		506,273,035,488	494,730,379,484
TOTAL RESOURCES (440=300+400)	440		10,962,192,559,218	12,374,488,472,790

Huynh Thi Ngoc Ha
Preparer

Dinh Nhu Cuong
Chief Accountant

Le Ngoc Minh Tri
Executive Officer

17 March 2019

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

PetroVietnam Camau Fertilizer Joint Stock Company (the "Company"), formerly known as PetroVietnam Camau Fertilizer Company Limited - a subsidiary of Vietnam Oil and Gas Group, was established in Vietnam under Enterprise Registration Certificate No. 2001012298 issued by Camau Province's Department of Planning and Investment on 24 March 2011.

PetroVietnam Camau Fertilizer Company Limited was officially transformed into a Joint Stock Company with the name of PetroVietnam Camau Fertilizer Joint Stock Company under Enterprise Registration Certificate for Joint Stock Company No. 2001012298 issued by Camau Province's Department of Planning and Investment on 15 January 2015, with the charter capital of VND 5,294,000,000,000. The Company's stocks have been listed on Ho Chi Minh City Stock Exchange since 31 March 2015 under the stock symbol of "DCM".

The parent company of the Company is Vietnam Oil and Gas Group.

The number of employees of the Company's as at 31 December 2018 was 887 (as at 31 December 2017: 892).

Operating industry and principal activities

The operating industry of the Company includes:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals used in industry - agriculture;
- Retail of fertilizers, chemicals used in industry - agriculture;
- Architectural activities and consultancy on techniques relating to use of fertilizers and chemicals;
- Storage, loading and unloading services;
- Research and experiment of development for natural science and engineering, technical testing and analysing.
- Machinery and equipment repair and maintenance.

The principal activities of the Company are fertilizer production and trading.

Normal production and business cycle

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

The Company's structure

The subsidiary of the Company is PetroVietnam Packaging Joint Stock Company. General information about the subsidiary is as follows:

Subsidiary	Location	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
PetroVietnam Packaging Joint Stock Company	Bac Lieu	51,03	51,03	Package and fertilizer manufacturing

The Company has 02 branches that are dependent accounting units, located in plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Ca Mau City, Ca Mau Province, have their own seal for transaction and are allowed to open accounts at banks in accordance with Vietnamese laws. Details of the Company's branches are as follows:

- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company – Project Management Unit was established under Decision No. 1109/QD-PVCFC dated 01 June 2016 of the Board of Directors.
- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company – Research and Development Unit was established under Decision No. 442/QD-PVCFC dated 27 March 2017 of the Board of Directors.

Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the audited separate financial statements for the year ended 31 December 2017.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying 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 financial reporting.

The accompanying 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

According to the Minutes of inspection and verification dated 30 July 2018 on the restructure of state-owned enterprises of PetroVietnam Ca Mau Fertilizer Company Limited, the Government Inspectorate had inspected and verified the enterprise valuation, valuation of charter capital of joint-stock company, and finalization of state-owned capital value, as well as the divestment of shares to out-of-enterprise parties and search for strategic investors. The Company has noted the contents in the Minutes and has been working with Vietnam Oil and Gas Group to prepare the explanation for the above matters. Any necessary adjustments will be made by the Company when the official approval of the competent authorities on the equitization finalization is obtained.

At the date of the separate financial statements, the competent authorities have not approved the final accounts of the Company at the time of its equitization and official transformation into a joint stock company.

Financial year

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of the separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Executive Board to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year.

Although these accounting estimates are based on the Executive Board'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 Company has the positive intent or ability to hold to maturity, including bank term deposits held to maturity to earn periodic interest.

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 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 provision for doubtful debts.

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

Investments in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Investments in subsidiaries are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Dividends and profits used to re-evaluate the cost of the investment in the subsidiary after determination of the value of the parent company for equitization purposes, and other distributions received other than such profit shares are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provision for impairment of investments in subsidiaries is 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.

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.

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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. Issue 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. Inventories are accounted for under a perpetual system.

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 regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

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

	Years
Buildings and structures	5 - 25
Machinery and equipment	5 - 12
Motor vehicles and transmission equipment	5 - 6
Office equipment	3 - 6
Others	3 - 6

The Company's tangible fixed assets were revalued upon equitization of the Company as a former state-owned enterprise. Their cost and accumulated depreciation are adjusted based on the revaluation value approved by competent authorities as regulated. Adjusted depreciation was applied when the Company officially started operating as a joint stock company.

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

Intangible assets and amortisation

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

Land use rights increase because of the revaluation and transfer to another form in which the State assigns land to the enterprise in exchange of land use fee, allowing the Company to record an increase in payables to the State Budget when being transformed into a joint stock company.

Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

	Years
Land use rights	20 - 50
Copyright, patents	3
Computer software	3

The Company's intangible assets were revalued upon equitization of the Company as a former state-owned enterprise. Their cost and accumulated amortisation are adjusted based on the revaluation value approved by competent authorities as regulated. Adjusted amortisation was applied when the Company officially started operating as a joint stock company.

Construction in progress

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

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 expenses for Camau Fertilizer Production Plant's asset insurance, warranty extension, software copyrights, fixed asset repair, catalyst, goodwill and other types of prepayments.

The cost of Camau Fertilizer Production Plant's asset insurance will be allocated to operation expenses based on the insurance period.

Other prepayments including costs of small tools, supplies issued for consumption and other prepayments are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in compliance with applicable regulations.

Science and Technology Development Fund

Science and Technology Development Fund is appropriated at a rate of no more than 10% of taxable profit in order to invest in science and technology activities of the Company. This Fund was formed on the basis of the Company's development and technology innovation demand and fund appropriations are charged to the operation results of the year.

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 income statement.

As guided by Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 issued by Vietnam Oil and Gas Group and Official Letter No. 7526/BTC-TCND dated 18 June 2015 issued by Ministry of Finance on the exchange rate of foreign currencies, the Company applied the buying rate announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate monetary items denominated in foreign currencies as at 31 December 2018. The above mentioned rate differs from that stated in Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance guiding the accounting regime for enterprises.

Revenue recognition

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

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

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

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

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

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

Borrowing costs

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

Taxation

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

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

According to Investment Certificate No. 61101000153 dated 04 December 2012 issued by the People's Committee of Camau province, the Company is entitled to tax incentives with regard to Camau Fertilizer Production Plant project as follows:

- Corporate income tax: The Company is entitled to preferential tax rates, tax exemption and reduction in accordance with provisions of the prevailing law on corporate income tax.
- Land tax: The Company is entitled to exemption/reduction of land use tax, land use fees, land and water surface rentals in accordance with provisions of the prevailing laws on land and taxation.
- Import duty: The Company is exempted from import duty with regard to equipment, materials, motor vehicles and other goods for the implementation of the Project in accordance with the law on import/export duties.

For income from main business activities arising from Camau Fertilizer Production Plant Project, the Company is in the period of corporate income tax incentives. The year 2018 is the third year the Company was entitled to a 50% reduction in tax payable. For other operations than Camau Fertilizer Production Plant Project, the Company is obliged to pay corporate income tax at the prevailing tax rate based on taxable profit.

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

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

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

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

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	926,113,744	267,307,343
Bank demand deposits	162,108,348,591	392,961,285,477
Cash equivalents (*)	120,000,000,000	1,502,350,000,000
	283,034,462,335	1,895,578,592,820

(*) Cash equivalents represent the deposits in VND at commercial banks with original terms of three months or less.

Bank demand deposits and cash equivalents are deposited at commercial banks in Vietnam. The Company regularly evaluates and believes that the above deposits are exposed to no risk of recoverability or liquidation.

5. FINANCIAL INVESTMENTS

Short-term financial investments

	Closing balance		Opening balance	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
Short-term held-to-maturity investments	2,502,000,000,000	2,502,000,000,000	2,100,000,000,000	2,100,000,000,000
- Over 3-month term deposits	2,502,000,000,000	2,502,000,000,000	2,100,000,000,000	2,100,000,000,000

Deposits with term more than 3 months are deposited at commercial banks in Vietnam. The Company regularly evaluates and believes that the above deposits are exposed to no risk of recoverability or liquidation.

As stated in Note 19, the Company has pledged two term deposits at Vietnam Joint Stock Commercial Bank for Foreign - Thu Thiem Branch with the amount of VND 200,000,000,000 as at 31 December 2018 to secure short-term loan at this bank.

Long-term financial investments

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Investments in subsidiaries	20,826,250,000	-	20,826,250,000	-
PetroVietnam Packaging Joint Stock Company	20,826,250,000	-	20,826,250,000	-

The fair value of investments in the subsidiary is measured at the closing price quoted on the stock market at the end of the year.

The operating status of the subsidiary and significant transactions between the Company and its subsidiary during the year are as follows:

	Current year			Prior year		
	Revenue	Expenses	Profit after tax	Revenue	Expenses	Profit after tax
	VND	VND	VND	VND	VND	VND
Operating status of subsidiary during the year	236,609,803,502	226,953,465,900	9,656,337,602	186,943,954,616	179,801,581,965	7,142,372,651
	Sales	Goods purchases	Dividends and profits received	Sales	Goods purchases	Dividends and profits received
	VND	VND	VND	VND	VND	VND
The significant transactions between the Company and its subsidiary during the year	14,812,670,000	220,898,582,120	2,499,150,000	8,680,095,000	170,699,377,375	3,123,937,500

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
PetroVietnam Packaging Joint Stock Company	3,698,943,200	1,314,156,000
Tuong Dung An Giang One Member Limited Company	8,033,321,750	-
Phu My Chemical and Construction Co., Ltd.	5,867,139,482	-
Other customers	-	18,761,340
	17,599,404,432	1,332,917,340
<i>In which:</i>		
Receivables from related parties (Details stated in Note 35)	3,698,943,200	1,314,156,000

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Chemical Industry Engineering Joint Stock Company	39,435,760,601	47,759,883,484
Tri Viet Trading Engineering Company Limited	10,382,581,768	576,254,255
Joint Venture of Petroleum Pipeline and Tank Construction JSC - Hanoi Water Project Construction Joint Stock Company	5,529,148,568	-
Traco Joint Stock Company No. 1	3,440,023,800	-
Viet Engineering Joint Stock Company	2,468,181,818	-
Atlas Copco (Thailand) Limited	1,943,054,198	-
Energy Technical Joint Stock Company	1,499,236,960	-
Hai Anh Trading and Technologies Joint Stock Company	1,461,752,454	-
Yokogawa Vietnam Company Limited	336,645,870	5,573,649,360
Vimico Equipment and Accessories Co., Ltd.	17,494,617	895,294,617
PVD Trading and Technical Services Joint Stock Company	-	15,120,373,378
VMARK Communication Corporation	-	2,763,700,000
Other suppliers	19,853,685,248	15,643,735,758
	86,367,565,902	88,332,890,852
<i>In which:</i>		
Advances to related parties (Details stated in Note 35)	1,089,288,913	17,919,325,565

8. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Receivable from Vietnam Oil and Gas Group	276,761,701,091	276,761,701,091
- Receivable related to the equitization phase (i)	276,761,701,091	276,761,701,091
Withholding tax on payments of foreign loan interest receivable from foreign banks (ii)	37,443,340,008	-
Accrued interest receivable from term deposits	23,079,153,422	27,045,577,779
Discounts on goods purchased in 2018 receivable from Dead Sea Works Co., Ltd.	7,636,315,200	-
Advances to employees	3,415,569,792	6,147,410,887
Deposits	335,000,000	325,000,000
Others	1,395,825,190	1,570,525,091
	350,066,904,703	311,850,214,848
<i>In which:</i>		
Other short-term receivables from related parties (Details stated in Note 35)	278,271,021,827	278,271,021,827

- (i) Represent profit of the period from 01 January 2014 to 14 January 2015 which had been excessively transferred to Vietnam Oil and Gas Group due to effects of gas price unit adjustments relating to gas volume purchased by the Company from Vietnam Oil and Gas Group during the above-mentioned period. This receivable will be recovered upon the finalization of the Company's State-owned capital portion with Vietnam Oil and Gas Group.
- (ii) Represent the foreign contractor withholding tax amounts paid by the Company accumulated the end of 2018 which are receivable from foreign contractors relating to the loan interest under the ECA Loan Agreement between the lending group of BNP Paribas, Export-Import Bank of China and Credit Agricole Bank and Vietnam Oil and Gas Group. The Company has paid this withholding tax to the State Budget pursuant to the Minutes dated 26 April 2018 between Ministry of Finance Inspector, Tax Department of Ca Mau Province and the Company (details presented in the Note 33).

9. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	255,589,338,273	-	199,157,194,684	-
Tools and supplies	12,459,568,506	-	4,833,713,407	-
Work in progress	44,262,588,883	-	29,628,137,978	-
Finished goods	376,025,045,801	-	102,585,233,980	-
Merchandise	277,677,678,403	-	10,700,386,807	-
	966,014,219,866	-	346,904,666,856	-

10. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Assets insurance for Camau Fertilizer Production Plant	32,653,645,574	16,751,612,330
Tools and supplies	8,903,485,779	1,134,714,745
Transportation and product handling expenses	8,235,680,996	-
Warranty extension and software copyrights	8,029,236,645	4,760,218,148
Advertisement panel	-	1,240,979,132
Other short-term prepaid expenses	106,613,593	1,973,604,590
	57,928,662,587	25,861,128,945
b. Non-current		
Asset repair expense	21,898,681,185	1,195,148,843
Tools and supplies	4,655,569,170	4,333,842,837
Catalyst chemicals	-	1,556,423,768
Other long-term prepaid expenses	953,608,624	298,472,983
	27,507,858,979	7,383,888,431

INCREASES, INCREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles and transmission equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	3,341,005,734,994	10,300,412,922,810	60,536,289,124	54,704,316,528	58,758,591,244	13,815,417,854,700
Additions	-	66,848,728,977	9,782,345,966	5,654,920,194	51,375,500	82,337,370,637
Transfer from construction in progress	7,435,923,883	26,082,969,084	2,359,166,650	-	560,007,071	36,438,066,688
Closing balance	3,348,441,658,877	10,393,344,620,871	72,677,801,740	60,359,236,722	59,369,973,815	13,934,193,292,025
ACCUMULATED DEPRECIATION						
Opening balance	1,636,717,505,633	4,687,535,223,443	40,122,448,236	41,164,075,663	16,935,466,928	6,422,474,719,903
Charge for the year	297,898,189,434	973,030,624,376	6,342,646,426	5,047,372,408	638,502,051	1,282,957,334,695
Closing balance	1,934,615,695,067	5,660,565,847,819	46,465,094,662	46,211,448,071	17,573,968,979	7,705,432,054,598
NET BOOK VALUE						
Opening balance	1,704,288,229,361	5,612,877,699,367	20,413,840,888	13,540,240,865	41,823,124,316	7,392,943,134,797
Closing balance	1,413,825,963,810	4,732,778,773,052	26,212,707,078	14,147,788,651	41,796,004,836	6,228,761,237,427

The Company has pledged the entire fixed assets formed from Camau Fertilizer Production Plant Project which have the carrying value of VND 5,914,066,351,565 as at 31 December 2018 (as at 31 December 2017: VND 7,127,915,909,028) to secure bank loans.

The cost of the Company's tangible fixed assets as at 31 December 2018 includes VND 172,117,115,354 (as at 31 December 2017: VND 121,522,296,313) of fixed assets which have been fully depreciated but are still in use.

12. INCREASES, INCREASES IN INTANGIBLE ASSETS

	Land use rights	Copy rights, patent	Computer software	Total
	VND	VND	VND	VND
COST				
Opening balance	22,194,885,567	32,483,466,173	30,716,012,168	85,394,363,908
Additions	-	-	3,033,645,500	3,033,645,500
Transfer from construction in progress	-	-	17,081,594,609	17,081,594,609
Closing balance	22,194,885,567	32,483,466,173	50,831,252,277	105,509,604,017
ACCUMULATED DEPRECIATION				
Opening balance	3,713,945,734	24,577,542,495	25,417,444,149	53,708,932,378
Charge for the year	1,286,648,162	1,331,534,671	10,551,261,597	13,169,444,430
Closing balance	5,000,593,896	25,909,077,166	35,968,705,746	66,878,376,808
NET BOOK VALUE				
Opening balance	18,480,939,833	7,905,923,678	5,298,568,019	31,685,431,530
Closing balance	17,194,291,671	6,574,389,007	14,862,546,531	38,631,227,209

The cost of the Company's intangible assets as at 31 December 2018 includes VND 53,984,723,741 (as at 31 December 2017: VND 16,268,335,312) of intangible assets which have been fully amortised but are still in use.

13. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Composite Fertilizer Production from melted Urea with the capacity of 300,000 ton/year	282,477,152,203	59,991,150,644
Material import port with the capacity of 500,000 ton/year of Ca Mau Fertilizer Production Plant	38,257,800,411	574,218,787
ERP Project phase 2	11,364,926,500	-
Repair of factory office	7,136,721,254	-
Permeate Gas Project	2,696,390,654	-
Public housing area clearance cost	-	19,217,326,485
Improvement for sieving of grain size	-	9,466,711,521
Repair and renovation of houses - Phase 3	-	5,832,841,102
CCTV system - Phase 2	-	4,295,997,851
Other projects	4,441,360,706	5,068,274,639
	346,374,351,728	104,446,521,029

The Company has pledged the entire value of construction in progress of the Projects "Composite Fertilizer Production from melted Urea with the capacity of 300,000 ton/year" and "Material import port with the capacity of 500,000 ton/year of Ca Mau Fertilizer Plant" with the total amount of VND 320,734,952,614 as at 31 December 2018 (31 December 2017: VND 60,565,369,431) to secure bank loans.

PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

14. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid off	Amount	VND Amount able to be paid off
Vietnam Oil and Gas Group (*)	341,388,689,557	341,388,689,557	198,267,385,610	198,267,385,610
PetroVietnam Power Corporation	41,414,975,677	41,414,975,677	33,178,356,253	33,178,356,253
PetroVietnam Packaging Joint Stock Company	38,545,117,166	38,545,117,166	14,372,160,367	14,372,160,367
F.A Joint Stock Company	37,790,086,364	37,790,086,364	16,751,956,855	16,751,956,855
Sun Life Vietnam Insurance Company Limited	17,118,366,591	17,118,366,591	12,224,099,267	12,224,099,267
Yokogawa Vietnam Company Limited	15,405,131,340	15,405,131,340	2,604,336,966	2,604,336,966
Vivablast Vietnam Company Limited	12,644,235,195	12,644,235,195	-	-
Tri Viet Trading Engineering Company Limited	4,286,950,407	4,286,950,407	17,521,782,922	17,521,782,922
Other suppliers	271,215,846,303	271,215,846,303	141,691,959,682	141,691,959,682
	779,809,398,600	779,809,398,600	436,612,037,922	436,612,037,922
<i>In which:</i>				
Trade payables to related parties (Details stated in Note 35)	451,989,137,845	451,989,137,845	264,769,690,551	264,769,690,551

(*) Payable to Vietnam Oil and Gas Group mainly represents the amount payable by the Company for the purchased volume of natural gas from Block PM3 CAA and Block 46-Cai Nuoc under Contract Annex No. 04 dated 17 November 2014 amending Gas Purchases & Sales Contract No. 3918/HD-DKVN dated 23 May 2012 between the Company and its parent - Vietnam Oil and Gas Group.

15. SHORT-TERM ADVANCES FROM CUSTOMERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Tuong Nguyen Import & Export Trading and Services Co., Ltd.	12,499,380,300	14,503,050,000
Yetak Group Co., Ltd	12,241,530,986	-
Hung Thanh Agricultural Materials Company Limited	9,725,990,573	5,477,842,360
Nguyen Khoa Trading., Ltd.	8,742,767,479	7,352,499,999
Viet Nga Private Enterprise	7,115,516,950	46,576,750
Ut Nu Company Limited	6,073,202,550	2,006,850,000
The Man Single Member Limited Liability	5,447,757,700	3,404,358,900
Huu Thanh I Company Limited	5,209,370,200	537,150,000
Minh Trung Company Limited	5,173,558,320	384,613,000
Dang Lan Service Trade Company Limited	3,334,385,200	8,810,500,000
Huu Nghi Company Limited	3,308,714,320	6,261,232,500
Thai Son Trading and Services Company Limited	2,719,364,465	330,000,000
Tuong Dung Private Enterprise	1,130,400,000	5,273,000,000
Five Star International Fertilizer Cambodia Co., Ltd.	545,051,102	5,857,720,000
Hung Thanh Private Enterprise	16,493,060	432,286,240
Other customers	56,087,190,596	22,852,426,773
	<u>139,370,673,801</u>	<u>83,530,106,522</u>

16. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	<u>Opening balance</u> VND	<u>Payable during the year</u> VND	<u>Paid during the year</u> VND	<u>Closing balance</u> VND
a. Receivables				
Value added tax	89,165,711	-	59,753,279	148,918,990
Land rental fee	397,346,605	-	-	397,346,605
	<u>486,512,316</u>	<u>-</u>	<u>59,753,279</u>	<u>546,265,595</u>
b. Payables				
Value added tax	-	5,364,621,412	5,364,621,412	-
Import duty	-	15,616,511,788	15,616,511,788	-
Corporate income tax	11,269,741,784	44,647,599,359	28,320,220,571	27,597,120,572
Natural resources tax	133,396,460	2,740,660,320	2,671,711,650	202,345,130
Land rental fee	-	77,400,525	77,400,525	-
Personal income tax	3,393,246,267	23,140,466,744	21,466,324,613	5,067,388,398
Other taxes	114,252,670	52,931,875,381	52,751,687,484	294,440,567
	<u>14,910,637,181</u>	<u>144,519,135,529</u>	<u>126,268,478,043</u>	<u>33,161,294,667</u>

17. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Estimated and adjusted gas fee payable (i)	575,040,481,001	479,181,172,915
Goods and services received but not billed	41,704,922,770	8,087,279,283
Interest expense payable	32,197,880,312	64,210,848,827
Trade discount	15,180,288,515	45,183,361,668
Guarantee fees	1,585,937,056	4,370,452,035
Other accruals	3,736,804,797	8,944,323,747
	669,446,314,451	609,977,438,475

In which:

Advances from related parties
(details presented in Note 35)

575,040,481,001	479,181,172,915
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- (i) Estimated gas fee payable to Vietnam Oil and Gas Group for the year ended 31 December 2018 was determined and adjusted by the Company at the price temporarily settled in 2018 of USD 4.049/million BTU, equivalent to USD 3.838/GJ (10% VAT inclusive), converted to VND using the selling rate of Commercial Joint Stock Bank for Foreign Trade of Vietnam – Headquarter as at 31 December 2018 of 23,245 VND/USD according to Decision No. 1294/QĐ-DKVN dated 11 March 2019 of the Chief Executive Officer of Vietnam Oil and Gas Group.

18. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Camau Gas - Power - Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
- Input VAT for gas purchased in the construction period before official commercial operations	49,897,065,571	49,897,065,571
- Other payables	5,954,347,858	5,954,347,858
Vietnam Oil and Gas Group	152,884,237,958	152,890,357,958
- Receiving completed "Camau Fertilizer Production Plant" Project (i)	78,515,027,920	78,515,027,920
- Profit payable (ii)	40,732,029,647	40,732,029,647
- 2014 corporate income tax overpayment	32,375,616,667	32,381,736,667
- Corporate income tax payable in the period from 01/01/2015 to 14/01/2015	1,176,849,040	1,176,849,040
- Payable for equitization	247,500,000	247,500,000
- Other payables	(162,785,316)	(162,785,316)
Safety reward fund (iii)	3,110,068,346	2,155,892,699
Trade union fee	1,227,426,420	1,004,320,525
Short-term deposits received	1,377,313,800	571,366,000
Other short-term payables	16,307,628,888	8,139,665,013
	230,758,088,841	220,613,015,624

Other short-term payable to related parties
(details presented in Note 35)

208,735,651,387	208,741,771,387
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- (i) According to Decision No. 1989/QĐ-DKVN dated 25 March 2014 issued by the Board of Directors of Vietnam Oil and Gas Group on approval of final accounts of the completed Camau Fertilizer Production Plant project, the Company took over fixed assets and current assets of Camau Fertilizer Production Plant according to the finalized value. The Company temporarily recognized the difference between the value of assets received and the total of charter capital and received loans as a payable to Vietnam Oil and Gas Group. This payable amount will be adjusted upon the finalization of the Company's state-owned capital portion with the Group.
- (ii) Represent carried-forward adjustments to the amount of profit payable to Vietnam Oil and Gas Group due to adjustments to the financial statements for the period from 01 January 2014 to 14 January 2015 following recommendations of the State Audit Office. Such profit payable amount will be adjusted upon the finalization of the Company's state-owned capital portion with Vietnam Oil and Gas Group.
- (iii) The Company made appropriation to safety reward fund under Official Letter No. 3514/LĐTBXH-LĐTL dated 16 September 2013 issued by the Ministry of Labour, Invalids and Social Affairs regarding safety reward in order to pay beneficiaries who are workers and staff of Camau Fertilizer Production Plant.

19. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	Decreases	Amount	VND Amount able to be paid off
Short-term loans (*)	-	-	295,309,773,640	149,823,412,235	145,486,361,405	145,486,361,405
Current portion of long-term loans (see Note 20)	1,045,849,764,321	1,045,849,764,321	1,025,577,836,609	1,045,849,764,321	1,025,577,836,609	1,025,577,836,609
	1,045,849,764,321	1,045,849,764,321	1,320,887,610,249	1,195,673,176,556	1,171,064,198,014	1,171,064,198,014

(*) Represent the short-term loans in USD from Vietnam Joint Stock Commercial Bank for Foreign Trade - Thu Thiem Branch with a term of 2 months to supplement working capital. The loan interest rate is 2.9% p.a. As at 31 December 2018, the outstanding principal balance is USD 6,283,151, equivalent to VND 145,486,361,405. The loan is secured by 02 (two) term deposits at Vietnam Joint Stock Commercial Bank for Foreign Trade - Thu Thiem Branch with the amount of VND 200,000,000,000.

	In the year	Closing balance
1. Opening balance		
2. Additions		
3. Disposals		
4. Closing balance		

In which:		
- Amount due for settlement within 12 months	1,045,849,764,321	1,025,577,836,609
- Amount due for settlement after 12 months	3,649,897,878,291	1,494,531,689,373

Long-term loans of the Company are disbursed in USD and VND for the purpose of the investment in fixed assets and construction of the Company. The loans are secured by assets formed from the loans. The applicable interest rate is floating and in accordance with the lenders' regulations. During the year, the interest rate ranged from 2.5% pa to 5.13% pa for loans in USD and from 7.5% pa to 8.95% pa for loans in VND.

Loans are categorized according to the disbursement currency as follows:

	<u>Closing balance</u> <u>VND</u>	<u>Opening balance</u> <u>VND</u>
Loans in USD	2,374,022,919,507	4,557,986,851,105
Loans in VND	146,086,606,475	137,760,791,507
	<u>2,520,109,525,982</u>	<u>4,695,747,642,612</u>

Long-term loans are repayable as follows:

	<u>Closing balance</u> <u>VND</u>	<u>Opening balance</u> <u>VND</u>
On demand or within one year	1,025,577,836,609	1,045,849,764,321
In the second year	1,045,083,217,778	998,952,169,069
In the third to fifth year inclusive	449,448,471,595	2,118,778,855,137
After five years	-	532,166,854,085
	<u>2,520,109,525,982</u>	<u>4,695,747,642,612</u>
Less: Amount due for settlement within 12 months (shown under short-term loans and obligations under financial leases)	1,025,577,836,609	1,045,849,764,321
Amount due for settlement after 12 months	<u>1,494,531,689,373</u>	<u>3,649,897,878,291</u>

21. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	<u>Current year</u> <u>VND</u>	<u>Prior year</u> <u>VND</u>
Opening balance	103,437,517,291	41,572,332,229
- Appropriation in the year (*)	71,305,673,759	72,825,537,606
- Utilization in the year	(18,234,715,126)	(10,960,352,544)
Closing balance	<u>156,508,475,924</u>	<u>103,437,517,291</u>

- (*) The science and technology development fund appropriation in the year is with an amount not over 10% of the Company's taxable profit in accordance with Resolution No. 1196/NQ-PVCFC dated 12 June 2018 passed at the Company's Shareholders' General Meeting.

PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

22. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Prior year's opening balance	5,294,000,000,000	159,137,253,402	363,020,245,619	5,816,157,499,021
Profit for the year	-	-	639,435,136,791	639,435,136,791
Appropriation to investment and development fund from 2017 profit (i)	-	76,732,216,415	(76,732,216,415)	-
Appropriation to bonus and welfare funds from 2017 profit (i)	-	-	(67,972,540,892)	(67,972,540,892)
Additional appropriation to management bonus fund from 2016 profit after tax	-	-	(369,359,123)	(369,359,123)
Dividends declared for 2016	-	-	(264,700,000,000)	(264,700,000,000)
Current year's opening balance	5,294,000,000,000	235,869,469,817	592,681,265,980	6,122,550,735,797
Profit for the year	-	-	650,401,285,348	650,401,285,348
Appropriation to investment and development fund from 2018 profit (ii)	-	78,451,022,790	(78,451,022,790)	-
Appropriation to bonus and welfare funds from 2018 profit (ii)	-	-	(65,677,227,070)	(65,677,227,070)
Additional appropriation to bonus and welfare funds from 2017 profit (iii)	-	-	(143,486,466)	(143,486,466)
Dividends declared for 2017 (i)	-	-	(476,460,000,000)	(476,460,000,000)
Current year's closing balance	5,294,000,000,000	314,320,492,607	622,350,815,002	6,230,671,307,609

(i) According to the Resolution No. 1196/NQ-PVCFC dated 12 June 2018, the General Meeting of Shareholders decided to appropriate for the investment and development fund, bonus and welfare funds and to pay dividends with the amounts of approximately VND 76.73 billion, approximately VND 67.97 billion and VND 476.46 billion from 2017 profits, respectively.

(ii) In the year, the Company made temporary appropriation to the investment and development fund and bonus and welfare funds from 2018 profit under Resolution No. 1196/NQ-PVCFC dated 12 June 2018 passed at the Meeting of the Company's Shareholders' General.

(iii) Represents the additional appropriation to bonus and welfare funds from 2017 profit according to the Minutes dated 04 April 2018 between Vietnam Oil and Gas Group and the Company on determination of the Company's realized salary payroll for 2017.

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares issued to the public	529,400,000	529,400,000
<i>Ordinary shares</i>	<i>529,400,000</i>	<i>529,400,000</i>
Number of outstanding shares in circulation	529,400,000	529,400,000
<i>Ordinary shares</i>	<i>529,400,000</i>	<i>529,400,000</i>

Charter capital

The charter capital of the Company is VND 5,294,000,000,000. As at 31 December 2018, the charter capital has been fully contributed by shareholders, as follows:

	<u>Per Investment Certificate</u>		<u>Contributed capital</u>	
	<u>VND</u>	<u>%</u>	<u>Closing balance</u> <u>VND equivalent</u>	<u>Opening balance</u> <u>VND equivalent</u>
Vietnam Oil and Gas Group	4,000,230,570,000	75.56%	4,000,230,570,000	4,000,230,570,000
Other shareholders	1,293,769,430,000	24.44%	1,293,769,430,000	1,293,769,430,000
	5,294,000,000,000	100%	5,294,000,000,000	5,294,000,000,000

Dividends

According to Resolution No. 1196/NQ-PVCFC dated 12 June 2018, the Company's General Shareholders declared 2017 dividends at the rate of 9% of charter capital, equivalent to the amount of VND 476,460,000,000. The dividend was paid in the quarter III of the year 2018.

23. OFF-BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
USD	810,189	1,756,520
EUR	1,280	1,280

24. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segment

The Company's principal activities are manufacturing and trading fertilizers used in agriculture. Accordingly, the financial information presented in the balance sheet as at 31 December 2018 and all revenue and expenses presented in the income statement for the year ended 31 December 2018 only relate to manufacturing and trading fertilizers. Therefore, no business segment report has been prepared. Revenue and cost of sales per each goods item and business activity are presented in Note 25 and Note 26.

Geographical segment

The Company carries out the distribution of fertilizer products primarily in the Southwest, Southeast and Central Highlands markets. During the year, the Company exported Camau fertilizer products to Cambodia with revenue of about VND 746 billion (export turnover in the year 2017 was about VND 610 billion) - accounting for about 10% of gross revenue from goods sold and services rendered of the Company. Thus, almost the entire production and business activities of the Company are carried out in the territory of Vietnam. Therefore, no geographical segment report has been prepared.

25. REVENUE

	Current year VND	Prior year VND
Sales of goods and services rendered		
Sales of ure	5,274,779,860,212	4,999,047,570,773
- Domestic sales	4,569,274,049,900	4,388,871,445,500
- Export	705,505,810,312	610,176,125,273
Sales of Amoniac	21,246,057,354	110,293,496,898
Sales of fertilizers	1,317,283,816,206	606,769,874,100
- Domestic sales	1,277,110,933,504	606,769,874,100
- Export	40,172,882,702	-
Sales of commercial waste and other fertilizers	211,915,460,750	107,844,049,000
Revenue from services rendered	1,217,000,318	1,376,242,600
	6,826,442,194,840	5,825,331,233,371
Deductions		
Sales discount	137,789,605,929	81,433,529,150
Sales return	215,640,000	3,784,830,000
	138,005,245,929	85,218,359,150
Sales in the year to related parties (details presented in Note 35)	68,213,697,500	8,680,095,000

26. COST OF SALES

	Current year VND	Prior year VND
Cost of Ure sold	3,924,703,064,148	3,728,052,146,680
Cost of Amoniac sold	11,002,092,945	64,396,640,284
Cost of fertilizers sold	1,244,292,429,062	570,979,309,288
(Reversal) of provision for devaluation of inventories	-	(1,505,064,148)
Cost of other fertilizers	101,804,819,149	22,033,613,709
	5,281,802,405,304	4,383,956,645,813

27. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	2,576,851,777,835	2,082,192,396,276
Labour	369,255,477,803	348,803,354,414
Depreciation and amortisation	1,292,636,538,669	1,299,341,302,383
Out-sourced services	406,259,278,219	395,831,887,785
Other monetary expenses	408,357,188,969	318,403,470,268
	5,053,360,261,495	4,444,572,411,126

28. FINANCIAL INCOME

	Current year VND	Prior year VND
Bank interest	158,470,485,485	156,680,247,539
Dividends and profits received	-	3,123,937,500
Foreign exchange gain	17,675,566,447	12,065,445,045
	176,146,051,932	171,869,630,084

29. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	138,785,687,004	179,518,856,969
Settlement discount	4,329,797,100	-
Guarantee fee	8,781,530,194	12,413,685,633
Foreign exchange loss	104,823,322,915	7,373,976,235
Other financial expenses	130,555,139	113,825,000
	256,850,892,352	199,420,343,837

30. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses for the year		
Selling staff expenses	24,765,956,074	23,775,485,379
Transport, loading and storage expenses	106,909,543,684	157,177,036,813
Advertising and communication expenses	91,569,125,102	76,718,217,151
Social welfare security expenses	17,140,538,322	30,950,546,500
Selling expenses of merchandise	39,118,263,410	18,749,158,685
Depreciation and amortization expenses	694,954,967	463,588,739
Other selling expenses	50,809,187,919	22,038,232,072
	331,007,569,478	329,872,265,339
General and administration expenses for the year		
Administrative staff expenses	76,271,842,386	76,364,448,793
Management fee payable to Vietnam Oil and Gas Group	29,363,474,409	28,435,849,993
Depreciation and amortization expenses	21,241,531,819	27,203,955,723
Appropriation for science and technology development fund	71,305,673,759	72,825,537,606
Goodwill	1,749,518,176	46,513,175,754
Outsourced services	43,754,964,385	29,084,974,230
Other general and administration expenses	63,858,296,657	45,242,336,881
	307,545,301,591	325,670,278,980

31. OTHER INCOME AND OTHER EXPENSES

	Current year VND	Prior year VND
Other income		
Disposal of obsolete tools and supplies	4,120,554,545	-
Receipts under insurance policy due to termination of labour contracts	2,048,929,397	-
Penalty for breach of contract	1,530,731,702	1,183,948,236
Compensations and premiums received	5,000,561,384	542,344,208
Other income	1,553,136,485	1,456,104,279
	14,253,913,513	3,182,396,723
Other expenses		
Tax penalties	3,237,509,195	-
Product handling expenses	1,329,222,398	-
Other expenses	186,063,571	82,492,494
	4,752,795,164	82,492,494
Profit from other activities	9,501,118,349	3,099,904,229

32. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	40,235,658,862	39,442,544,357
Adjustments for corporate income tax expense in previous years to the current year	4,411,940,497	-
Total current corporate income tax expense	44,647,599,359	39,442,544,357

Corporate income tax expense based on taxable profit in the current year is calculated as follows:

	Current year VND	Prior year VND
Profit before tax	696,877,950,467	676,162,874,565
Adjustments for taxable profit		
Less: non-taxable income (dividends received from subsidiary)	-	(3,123,937,500)
Less: Prior year's sale discount billed in the current year	(45,183,361,802)	-
Added back: non-deductible expenses	48,386,165,646	10,033,077,322
Added back: Sale discount not billed in the year	11,970,466,567	45,183,361,668
Taxable profit	712,051,220,878	728,255,376,055
Taxable profit at normal tax rate of 20%	30,887,318,788	20,198,503,694
Taxable profit at incentive tax rate of 5%	681,163,902,090	708,056,872,361
Corporate income tax expense based on taxable profit in the current year	40,235,658,862	39,442,544,357

According to Official Letter No. 4641/TCT-CS issued by the General Department of Taxation on 02 December 2008 in response to Vietnam Oil and Gas Group on tax incentives for Ca Mau Fertilizer Plant Project, the Company is entitled to tax incentives for corporate income tax rate of 10% for 15 years since the beginning of production and business activities, corporate income tax exemption for 4 years from the year having taxable profit and 50% reduction in tax payable for the nine following years. 2018 is the third year the Company is entitled to 50% reduction in tax payable regarding profit generated by the main operating activities of Ca Mau Fertilizer Production Plant Project.

For operations other than Ca Mau Fertilizer Production Plant Project, the Company is obliged to pay corporate income tax at the normal tax rate for taxable profit from other activities.

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.

33. CONTINGENT LIABILITIES

According to the Minutes dated 26 April 2018 between the Ministry of Finance Inspector, Tax Department of Ca Mau Province and the Company, the interest amounts payable to the lending group of BNP Paribas, China Export Import Bank and Credit Agricole Bank under the ECA Loan Agreement is not subject to value added tax but subject to corporate income tax for foreign contractors. The Company has paid on behalf of these banks the corporate income tax for the foreign contractors with the amount of VND 37,443,340,008 relating to the interest amounts that the Company paid to the banks accumulated to 31 December 2018. The tax amount was paid in 2018 and recorded as other receivables from the banks as mentioned above.

However, the Company and Vietnam Oil and Gas Group are still in the process of working with the General Department of Taxation, Ministry of Finance and the above lending group to determine the obligations of the parties relating to this tax for foreign contractors. Therefore, the Company has not completed relevant procedures or recorded any penalties for late tax payment which may incur in the separate financial statements until there is final decision from competent authorities.

34. OTHER COMMITMENTS

- According to Gas Sales Agreement No. 3918/HD-DKVN dated 23 May 2012 between Vietnam Oil and Gas Group and PetroVietnam Ca Mau Fertilizer Company Limited (currently known as PetroVietnam Ca Mau Fertilizer Joint Stock Company), the Company will purchase natural gas of Block PM3 CAA and Block 46 - Cai Nuoc from the Group within 20 years from the official operation date with the output of 457.38 million m³ of standard gas per year.
- According to Contract Annex No. 04 dated 27 November 2014 of Gas Sales Agreement No. 3918/HD-DKVN dated 23 May 2012, gas price in the contract is the price set to ensure the profitability of producing fertilizers with the return on equity ratio of 12% per year (excluding VAT and other indirect taxes). The gas price temporarily calculated for billing and monthly payment in the year is the price stated in a document approving the annual business plan released by Vietnam Oil and Gas Group.
- According to Resolution No. 8305/NQ-DKVN dated 27 December 2017 of Board of Directors of Vietnam Oil and Gas Group ("the Group") on approving the Company's business plan for the year 2018, estimated gas price that the Company has to pay to the Group for the year 2018 is USD 1.34/GJ (VAT exclusive). As stated in Note 17, the Company has adjusted the gas fee payable to Vietnam Oil and Gas Group for the year ended 31 December 2018 at the unit price estimated at USD 4.049/million BTU, equivalent to USD 3.838/GJ (10% of VAT inclusive) to ensure the profitability of fertilizer production with the return on equity ratio of 12% per year and reflected it in the separate financial statements.

- According to Decision No. 615/QD-PVCFC dated 24 March 2016, the Board of Directors approved the Feasibility Study Report of the "Project for Composite Fertilizer Production from melted Urea" with the capacity of 300,000 ton/year with total investment costs including value added tax of VND 879,588,574,880. The expected implementation period of the project is 33 months with the structure of investment capital comprising 70% of the loan and 30% of the equity of the Company. As of 31 December 2018, the completed value of the project was about VND 282 billion.
- According to Decision No. 1718/QD-PVCFC dated 09 September 2016 of the Board of Directors on the approval of the Feasibility Study Report of the "Material import port with the capacity of 500,000 ton/year of Ca Mau Fertilizer Production Plant" and Decision No. 2376/QD-PVCFC dated 20 December 2017 of the Chief Executive Officer on the approval of construction design – construction budget of "Material import port with the capacity of 500,000 ton/year of Ca Mau Fertilizer Production Plant", total investment costs including value added tax is VND 117,944,069,265. The expected implementation period is from 2016 to 2019 with the structure of investment capital comprising 70% of the loan and 30% of the equity of the Company. As of 31 December 2018, the completed value of the project was about VND 38 billion.

35. RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam Oil and Gas Group	Parent Company
Subsidiaries, joint ventures and associates of Vietnam Oil and Gas Group	Affiliates
PetroVietnam Packaging Joint Stock Company	Subsidiary

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

	Current year VND	Prior year VND
Sales		
Petroleum Pipeline and Tank Construction Joint Stock Company	53,400,000,000	-
PetroVietnam Packaging Joint Stock Company	14,812,670,000	8,680,095,000
PetroVietnam Transportation Vung Tau Joint Stock Company	1,027,500	-
	68,213,697,500	8,680,095,000

	Current year	Prior year
	VND	VND
Purchases		
Vietnam Oil and Gas Group	1,731,941,052,372	1,332,877,974,868
PetroVietnam Power Corporation	294,714,272,297	236,636,445,862
PetroVietnam Packaging Joint Stock	220,898,582,120	170,699,377,375
PVI South Company	66,340,172,091	50,409,244,621
PVD Trading and Technical Services Joint	50,826,009,576	-
Stock Company		
Vietnam Petroleum Institute	16,204,226,043	11,316,760,878
PetroVietnam Manpower Training College	15,004,420,866	10,158,497,601
PetroVietnam Security Service Corporation	12,789,406,240	13,020,961,132
Saigon PetroVietnam Oil Joint Stock	10,620,540,620	-
PVI Insurance Corporation - Camau Branch	8,448,870,004	6,112,422,997
Petroleum Pipeline and Tank Construction	7,103,734,330	6,877,491,844
Joint Stock Company		
PetroVietnam Transportation Vung Tau Joint	5,776,476,560	9,653,452,000
PetroVietnam Maintenance and Repair Joint	4,418,856,112	-
Stock Company		
PVI Insurance Ho Chi Minh City Company	3,839,848,068	-
South-East PetroVietnam Fertilizer and	2,645,099,397	2,050,443,973
Chemical Joint Stock		
Indochina Petroleum Transportation Joint	2,385,224,100	712,406,157
Stock Company		
South-West PetroVietnam Fertilizer and	2,145,497,437	1,647,302,207
Chemical Joint Stock Company		
Drilling Mud Corporation	1,490,353,700	4,507,835,368
PetroVietnam Technical Safety Registration	1,044,235,140	-
Company Limited		
Branch of Petrovietnam Fertilizer and	543,462,000	-
Chemicals Corporation - Phu My Urea Plant		
PVD Technical Training and Certification Joint	380,000,000	-
Stock Company		
Petrovietnam Securities Joint Stock Company	220,000,000	-
PVI Insurance Saigon Company	7,797,337	-
MeKong Petroleum Joint Stock Company	-	7,167,018,450
Cuu Long Petro Gas Transportation Joint	-	2,114,751,900
Stock Company - Con Son Branch		
PetroVietnam Infrastructure and Urban	-	1,839,674,049
Investment Joint Stock Company		
Joint venture Vietsovpetro	-	97,500,000
	2,459,788,136,410	1,867,899,561,282
Dividends received		
PetroVietnam Packaging Joint Stock		
Company		
- By cash	-	3,123,937,500
- By shares	2,499,150,000	-
	2,499,150,000	3,123,937,500
Dividend paid		
Vietnam Oil and Gas Group	360,020,751,300	200,011,528,500
	360,020,751,300	200,011,528,500

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

	Closing balance	Opening balance
	VND	VND
Receivables		
PetroVietnam Packaging Joint Stock Company	3,698,943,200	1,314,156,000
	3,698,943,200	1,314,156,000
Other short-term receivables		
Vietnam Oil and Gas Group	276,761,701,091	276,761,701,091
PetroVietnam Packaging Joint Stock Company	1,509,320,736	1,509,320,736
	278,271,021,827	278,271,021,827
Short-term advances to suppliers		
Vietnam Petroleum Institute	1,089,288,913	114,809,750
PVD Trading and Technical Services Joint Stock Company	-	15,120,373,378
PetroVietnam Manpower Training College	-	1,737,289,058
Petroleum Pipeline and Tank Construction Joint Stock Company	-	946,853,379
	1,089,288,913	17,919,325,565
Short-term trade payables		
Vietnam Oil and Gas Group	341,388,689,557	198,267,385,610
PetroVietnam Power Corporation	41,414,975,677	33,178,356,253
PetroVietnam Packaging Joint Stock Company	38,545,117,166	14,372,160,367
Vietnam Petroleum Institute	9,928,836,163	2,744,211,101
PetroVietnam Manpower Training College	9,064,071,456	7,876,619,308
PetroVietnam Security Service Corporation	3,178,989,510	1,178,774,401
PetroVietnam Maintenance and Repair Joint Stock Company	2,176,257,098	-
South-East PetroVietnam Fertilizer and Chemical Joint Stock Company	1,060,901,868	378,690,620
Drilling Mud Corporation	1,001,677,490	3,912,212,871
PetroVietnam Transportation Vung Tau Joint Stock Company	947,789,340	448,935,340
Petroleum Pipeline and Tank Construction Joint Stock Company	620,060,760	-
Branch of Petrovietnam Fertilizer and Chemicals Corporation – Phu My Urea Plant	543,462,000	-
PVOil Sai Gon JSC	453,661,830	441,005,840
PetroVietnam Technical Safety Registration Company Limited	418,756,000	-
South-West PetroVietnam Fertilizer and Chemical Joint Stock Company	345,700,393	525,349,414
PVI Insurance Ho Chi Minh City Company	327,746,189	-
PVI Insurance Corporation - Camau Branch	44,615,848	-
Indochina Petroleum Transportation Joint Stock Company	527,829,500	85,739,445
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	-	964,143,000
Cuu Long Petro Gas Transportation Joint Stock Company	-	223,121,800
Joint venture Vietsovpetro	-	97,500,000
PetroVietnam Urban Development Joint Stock Company	-	75,485,181
	451,989,137,845	264,769,690,551

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Short-term accrued expenses		
Vietnam Oil and Gas Group	575,040,481,001	479,181,172,915
	575,040,481,001	479,181,172,915
Other current payables		
Camau Gas - Power - Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
Vietnam Oil and Gas Group	152,884,237,958	152,890,357,958
	208,735,651,387	208,741,771,387

Remuneration paid to the Board of Directors and Executive Board in the year were as follows:

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Remuneration paid to the Board of Directors and Executive Board	16,737,532,987	17,112,987,152
	16,737,532,987	17,112,987,152



Huynh Thi Ngoc Ha
Preparer



Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Executive Officer

17 March 2019

