

**PETROVIETNAM CAMAU FERTILIZER JOINT
STOCK COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2019



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 consolidated financial statements for the year ended 31 December 2019.

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 (resigned on 10 January 2019)
Mr. Van Tien Thanh	Member
Mr. Tran Chi Nguyen	Member
Mr. Tran My	Member
Ms. Nguyen Minh Phuong	Member (appointed on 24 April 2019)
Ms. Tran Thi Binh	Member (resigned on 18 January 2019)

Executive Board

Mr. Van Tien Thanh	Chief Executive Officer
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
Ms. Nguyen Thi Hien	Executive Officer (appointed on 01 January 2019)

EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company and its subsidiary as at 31 December 2019, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated 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 consolidated financial statements;
- Prepare the consolidated 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 consolidated financial statements so as to minimize errors and frauds.

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 (Continued)

The Executive Board is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated financial statements.

For and on behalf of the Executive Board,



Le Ngoc Minh Tri
Executive Officer

*(As per Authorization Letter No. 135/UQ-
PVCFC dated 31 December 2019 of the
Company's Chief Executive Officer)*

26 March 2020

No.: 0825 /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 consolidated financial statements of PetroVietnam Camau Fertilizer Joint Stock Company (the "Company"), prepared on 26 March 2020, as set out from page 05 to page 40, which comprise the consolidated balance sheet as at 31 December 2019, the consolidated income statement and the consolidated 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 Consolidated Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company and its subsidiary as at 31 December 2019, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matter

As stated in Note 02 of the Notes to the consolidated financial statements, up to the date of the accompanying consolidated 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

26 March 2020

Hanoi, S.R. Vietnam

Do Trung Kien

Auditor

Audit Practising Registration Certificate

No. 1924-2018-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		4,250,036,958,838	4,318,349,014,853
I. Cash and cash equivalents	110	4	471,173,323,541	285,772,463,155
1. Cash	111		371,173,323,541	165,772,463,155
2. Cash equivalents	112		100,000,000,000	120,000,000,000
II. Short-term financial investments	120	5	2,002,000,000,000	2,502,000,000,000
1. Held-to-maturity investments	123		2,002,000,000,000	2,502,000,000,000
III. Short-term receivables	130		401,909,734,436	452,949,978,578
1. Short-term trade receivables	131	6	2,926,400,156	17,543,502,062
2. Short-term advances to suppliers	132	7	55,315,027,567	86,367,565,902
3. Other short-term receivables	136	8	343,752,902,807	349,038,910,614
4. Provision for short-term doubtful debts	137		(84,596,094)	-
IV. Inventories	140	9	1,301,123,071,541	982,641,291,700
1. Inventories	141		1,309,837,336,541	982,641,291,700
2. Provision for devaluation of inventories	149		(8,714,265,000)	-
V. Other short-term assets	150		73,830,829,320	94,985,281,420
1. Short-term prepayments	151	10	48,533,063,400	58,790,608,193
2. Value added tax deductibles	152		24,728,755,816	35,648,407,632
3. Taxes and other receivables from the State budget	153	16	569,010,104	546,265,595
B. NON-CURRENT ASSETS	200		5,922,557,793,908	6,712,237,373,179
I. Long-term receivables	210		3,000,000	3,000,000
1. Other long-term receivables	216	8	3,000,000	3,000,000
II. Fixed assets	220		5,187,636,244,618	6,336,415,442,150
1. Tangible fixed assets	221	11	5,134,487,567,257	6,297,636,437,163
- Cost	222		14,202,687,600,971	14,052,806,119,488
- Accumulated depreciation	223		(9,068,200,033,714)	(7,755,169,682,325)
2. Intangible assets	227	12	53,148,677,361	38,779,004,987
- Cost	228		129,455,664,501	105,889,604,017
- Accumulated amortisation	229		(76,306,987,140)	(67,110,599,030)
III. Long-term assets in progress	240		698,506,086,885	346,374,351,728
1. Construction in progress	242	13	698,506,086,885	346,374,351,728
IV. Other long-term assets	260		36,412,462,405	29,444,579,301
1. Long-term prepayments	261	10	29,243,644,973	27,929,004,906
2. Deferred tax assets	262		7,168,817,432	1,515,574,395
TOTAL ASSETS (270=100+200)	270		10,172,594,752,746	11,030,586,388,032

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2019

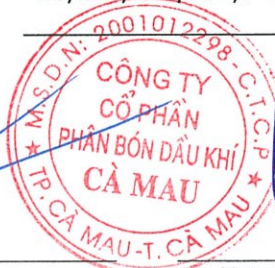
Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		4,066,267,502,667	4,761,714,137,133
I. Current liabilities	310		3,299,997,853,380	3,096,935,931,168
1. Short-term trade payables	311	14	879,301,635,352	760,187,117,215
2. Short-term advances from customers	312	15	45,098,300,796	139,370,673,801
3. Taxes and amounts payable to the State budget	313	16	22,412,352,214	34,084,233,018
4. Payables to employees	314		94,836,998,483	24,338,060,250
5. Short-term accrued expenses	315	17	794,187,740,905	669,747,338,381
6. Other current payables	319	18	203,311,278,174	231,677,522,985
7. Short-term loans and obligations under finance leases	320	19	1,156,371,698,429	1,195,945,359,955
8. Short-term provisions	321		119,397,600	-
9. Bonus and welfare funds	322		104,358,451,427	41,585,625,563
II. Long-term liabilities	330		766,269,649,287	1,664,778,205,965
1. Long-term loans and obligations under finance leases	338	20	628,472,495,241	1,508,269,730,041
2. Scientific and technological	343	21	137,797,154,046	156,508,475,924
D. EQUITY	400		6,106,327,250,079	6,268,872,250,899
I. Owners' equity	410	22	6,106,327,250,079	6,268,872,250,899
1. Owners' 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. Other owner's capital	414		3,665,420,000	2,499,150,000
3. Investment and development fund	418		352,538,306,337	317,733,263,806
4. Retained earnings	421		428,845,630,394	626,042,163,540
- Retained earnings accumulated to the prior year end	421a		146,209,745,040	114,025,462,671
- Retained earnings of the current year	421b		282,635,885,354	512,016,700,869
5. Non-controlling interests	429		27,277,893,348	28,597,673,553
TOTAL RESOURCES (440=300+400)	440		10,172,594,752,746	11,030,586,388,032


Dinh Nhat Duong
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Ngoc Minh Tri
Executive Officer



26 March 2020

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

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	25	7,176,575,481,550	6,827,333,782,705
2. Deductions	02	25	133,608,551,433	138,005,245,929
3. Net revenue from goods sold and services rendered (10=01-02)	10		7,042,966,930,117	6,689,328,536,776
4. Cost of sales	11	26	6,083,774,733,267	5,252,270,494,230
5. Gross profit from goods sold and services rendered (20=10-11)	20		959,192,196,850	1,437,058,042,546
6. Financial income	21	28	127,016,141,703	176,153,015,449
7. Financial expenses	22	29	102,753,481,637	260,130,153,544
- In which: Interest expense	23		87,172,530,234	142,052,771,852
8. Selling expenses	25	30	364,058,697,253	336,114,695,573
9. General and administration expenses	26	30	201,319,201,758	320,103,363,112
10. Operating profit (30=20+(21-22)-(25+26))	30		418,076,957,905	696,862,845,766
11. Other income	31	31	48,483,380,378	14,253,913,513
12. Other expenses	32	31	3,472,166,901	4,918,116,503
13. Profit from other activities (40=31-32)	40	31	45,011,213,477	9,335,797,010
14. Accounting profit before tax (50=30+40)	50		463,088,171,382	706,198,642,776
15. Current corporate income tax expense	51	32	41,017,685,327	45,721,096,790
16. Deferred corporate tax (income)/expense	52		(5,653,243,037)	1,418,130,142
17. Net profit after corporate income tax (60=50-51-52)	60		427,723,729,092	659,059,415,844
In which:				
17.1. Profit after tax attributable to the Holding Company	61		426,175,229,390	656,144,950,729
17.2. Profit after tax attributable to non-controlling interests	62		1,548,499,702	2,914,465,115
18. Basic earnings per share	70	33	595	1,114

Dinh Nhat Duong

Dinh Nhat Duong
Preparer

Dinh Nhu Cuong

Dinh Nhu Cuong
Chief Accountant



Le Ngoc Minh Tri

Le Ngoc Minh Tri
Executive Officer

26 March 2020

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

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	463,088,171,382	706,198,642,776
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	1,318,840,642,491	1,303,375,630,640
Provisions	03	8,918,258,694	-
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(2,435,472,951)	49,850,495,688
Gain from investing activities	05	(117,699,812,006)	(158,476,347,608)
Interest expense	06	87,172,530,234	142,052,771,852
Other adjustments	07	-	71,305,673,759
3. Operating profit before movements in working capital	08	1,757,884,317,844	2,114,306,867,107
Decrease/(increase) in receivables	09	55,144,219,745	(48,477,092,926)
Increase in inventories	10	(327,196,044,841)	(611,978,579,205)
Increase in payables (excluding accrued loan interest and corporate income tax payable)	11	93,620,644,615	411,357,133,968
Decrease/(increase) in prepaid expenses	12	8,942,904,726	(50,957,925,372)
Interest paid	14	(100,441,507,397)	(174,063,632,569)
Corporate income tax paid	15	(52,400,707,340)	(29,470,383,260)
Other cash inflows	16	3,243,730	-
Other cash outflows	17	(64,794,211,118)	(81,716,807,090)
Net cash generated by operating activities	20	1,370,762,859,964	1,528,999,580,653
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(414,762,760,503)	(341,453,501,593)
2. Cash outflow for lending, buying debt instruments of other entities	23	(3,220,000,000,000)	(5,572,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	3,720,000,000,000	5,170,000,000,000
4. Interest earned, dividends and profits received	27	124,404,903,886	162,436,909,842
Net cash generated by/(used in) investing activities	30	209,642,143,383	(581,016,591,751)

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

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	1,674,818,710,245	543,170,363,366
2. Repayment of borrowings	34	(2,591,522,571,685)	(2,624,916,580,191)
3. Dividends and profits paid	36	(478,081,808,800)	(476,514,891,000)
Net cash used in financing activities	40	(1,394,785,670,240)	(2,558,261,107,825)
Net increase/(decrease) in cash (50=20+30+40)	50	185,619,333,107	(1,610,278,118,923)
Cash and cash equivalents at the beginning of the year	60	285,772,463,155	1,896,184,894,173
Effects of changes in foreign exchange rates	61	(218,472,721)	(134,312,095)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	471,173,323,541	285,772,463,155

NhaDum

Dinh Nhat Duong
Preparer

OKall

Dinh Nhu Cuong
Chief Accountant



Minh Tri

Le Ngoc Minh Tri
Executive Officer

26 March 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying consolidated 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 and its subsidiary as at 31 December 2019 was 1,140 (as at 31 December 2018: 1,150).

Operating industry and principal activities

The business activities of the Company includes:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals used for industrial/agricultural uses;
- Retail of fertilizers, chemicals used for industrial/agricultural uses;
- Architectural activities and consultancy on techniques relating to use of fertilizers and chemicals;
- Storage, loading and unloading services;
- Research and experiment 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	Place of incorporation and operation	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 and have their own seal for transaction and are allowed to open their own accounts at banks in accordance with Vietnamese laws. Details of the Company's branches are as follows:

- Branch of PetroVietnam Camau 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 Camau 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 consolidated financial statements

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

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated 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 consolidated financial reporting.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated results of operations and consolidated 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 PetroVietnam Camau Fertilizer Company Limited, the Government Inspectorate had inspected and verified the enterprise valuation, valuation of charter capital of the new 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 consolidated 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 consolidated financial statements, are as follows:

Estimates

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated 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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprise controlled by the Company (its subsidiary) for the year ended 31 December 2019. 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.

The results of subsidiary acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiary to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiary are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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.

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 of inventory includes direct materials, direct labour costs and overheads, where applicable, 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. The Company accounts inventory under perpetual inventory count method.

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:

	Current year
	Years
Buildings and structures	5 - 25
Machinery and equipment	5 - 12
Motor vehicles and transmission equipment	5 - 8
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 were 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 consolidated 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.

Increase in value of land use rights upon the revaluation and transfer to another form in which the State assigns land to the enterprise in exchange of land use fee is allowed to be recorded as an increase in payables to the State Budget when the Company is 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 enterprises. 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, fixed asset repair, and other types of prepayments.

The cost of Camau Fertilizer Production Plant's asset insurance will be charged to profit or loss over insurance period.

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

Scientific and technological development fund

Scientific and Technological 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 consolidated 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-TCDN dated 08 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 2019.

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 an accrual 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 consolidated 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 from 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.

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 as follow 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. 2019 is the forth 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 those under CaMau Fertilizer Production Plant Project, the Company is obliged to pay corporate income tax at the prevailing normal tax rate based on taxable profit which is 20%.

Corporate income tax applicable to PetroVietnam Packaging Joint Stock Company (the Company's subsidiary - PPC) is as follows:

- For package manufacturing and trading activity: according to Decision No. 22/2010/QĐ-UBND dated 01 September 2010 issued by People's Committee of Bac Lieu province regarding promulgation of regulations and policies on investment encouragement, support and incentives in Bac Lieu province and the first Investment Certificate No. 60221000003 dated 23 June 2013 issued by Bac Lieu Industrial Zones Management Unit and applicable regulations, PPC is entitled to tax incentives as follows: preferential tax rate of 20% for 10 years and preferential tax rate of 17% from 01 January 2016, tax exemption for 2 years from the first year PPC has taxable profit (2012), 50% tax reduction in tax payable for the next 4 years applicable to enterprises newly established from investment projects in areas with difficult socio-economic conditions. PPC is entitled to the preferential tax rate of 17% in the year 2019.
- For fertilizer manufacturing and trading activity: according to Official Letter No. 380/CT-TTHT dated 02 April 2018 issued by Tax Department of Bac Lieu Province, Bac Lieu Petroleum Fertilizer Production Plant Project is determined as new investment project. Therefore, PPC is entitled to tax incentives as follows: preferential tax rate of 17% for 10 years, tax exemption for 2 years from the first year of taxable profit, 50% tax reduction in tax payable for the next 4 years applicable to enterprises newly established from investment projects in areas with difficult socio-economic conditions.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated 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	952,807,376	958,824,054
Bank demand deposits	370,220,516,165	164,813,639,101
Cash equivalents (*)	100,000,000,000	120,000,000,000
	471,173,323,541	285,772,463,155

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

5. SHORT-TERM FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
Short-term held-to-maturity investments	2.002.000.000.000	2.002.000.000.000	2.502.000.000.000	2.502.000.000.000
- Over 3-month deposits	2.002.000.000.000	2.002.000.000.000	2.502.000.000.000	2.502.000.000.000

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 neither liquidation risk nor credit risk.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Grow F.A Joint Stock Company	1,271,725,145	-
Tuong Dung An Giang One Member Limited Company	-	8,033,321,750
Phu My Chemical and Construction Co., Ltd.	-	5,867,139,482
Hung Vuong Song Doc Joint Stock Company	-	39,270,000
Other customers	1,654,675,011	3,603,770,830
	2,926,400,156	17,543,502,062
Trade receivables from related parties (Details stated in Note 36)	23,030,000	-
	23,030,000	-

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u> <u>VND</u>	<u>Opening balance</u> <u>VND</u>
Vietnam Oil and Gas Group	30,597,955,738	-
Haldor Topsoe A/S	6,193,988,780	-
Chemical Industry Engineering Joint Stock	-	39,435,760,601
Tri Viet Trading Engineering Company Limited	-	10,382,581,768
Other suppliers	18,523,083,049	36,549,223,533
	55,315,027,567	86,367,565,902
<i>In which:</i>		
Advances to related parties (Details stated in Note 36)	32,407,080,788	1,089,288,913

8. OTHER RECEIVABLES

	<u>Closing balance</u> <u>VND</u>	<u>Opening balance</u> <u>VND</u>
a. Current		
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
Foreign contractor tax on payments of foreign loan interest receivable from foreign banks (ii)	40,992,205,704	37,443,340,008
Interest receivable from term deposits	17,995,824,660	23,079,153,422
Discounts on goods purchased	6,059,216,678	7,636,315,200
Advances to employees	630,519,100	3,415,569,792
Short-term deposits	335,000,000	453,931,102
Other receivables	978,435,574	248,899,999
	343,752,902,807	349,038,910,614
b. Non-current		
Long-term deposits	3,000,000	3,000,000
	3,000,000	3,000,000
Other short-term receivables from related parties (Details stated in Note 36)	276,761,701,091	276,761,701,091

- (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 tax amounts paid by the Company accumulated to the end of 2019 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 foreign contractor to the State Budget pursuant to the Minutes dated 26 April 2018 between the Ministry of Finance Inspector, the Tax Department of Ca Mau Province and the Company (details presented in the Note 34).

9. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Raw materials	409,040,641,581	-	261,406,983,302	-
Tools and supplies	7,466,257,116	-	12,459,568,506	-
Work in progress	65,412,418,827	-	47,186,246,964	-
Finished goods	555,331,391,122	-	386,718,974,960	-
Merchandise	272,586,627,895	(8,714,265,000)	274,869,517,968	-
	1,309,837,336,541	(8,714,265,000)	982,641,291,700	-

As at 31 December 2019, the Company made provision amount of VND 8,714,265,000 for devaluation of some inventories whose has cost is lower than their net realizable value with the (as at 31 December December 2018: 0 VND).

10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Assets insurance for Camau Fertilizer Production Plant	29,636,127,643	32,653,645,574
Warranty extension and software copyrights	10,233,477,516	8,029,236,645
Other short-term prepaid expenses	8,663,458,241	18,107,725,974
	48,533,063,400	58,790,608,193
b. Non-current		
Fixed asset repair	24,426,763,717	22,581,522,229
Tools and supplies	3,536,373,972	5,002,277,775
Employee training	-	111,661,562
Other long-term prepaid expenses	1,280,507,284	233,543,340
	29,243,644,973	27,929,004,906

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11. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles and transmission equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	3,401,259,611,649	10,451,544,057,950	72,833,316,285	67,799,159,789	59,369,973,815	14,052,806,119,488
Additions	900,683,641	9,495,365,970	2,307,642,614	-	-	12,703,692,225
Transfer from construction in progress	113,497,663,653	23,680,125,605	-	-	-	137,177,789,258
Closing balance	3,515,657,958,943	10,484,719,549,525	75,140,958,899	67,799,159,789	59,369,973,815	14,202,687,600,971
ACCUMULATED DEPRECIATION						
Opening balance	1,949,909,972,103	5,690,740,709,255	47,462,489,856	49,482,542,132	17,573,968,979	7,755,169,682,325
Charge for the year	303,898,580,607	997,793,326,335	6,059,476,122	4,582,469,175	696,499,150	1,313,030,351,389
Closing balance	2,253,808,552,710	6,688,534,035,590	53,521,965,978	54,065,011,307	18,270,468,129	9,068,200,033,714
NET BOOK VALUE						
Opening balance	1,451,349,639,546	4,760,803,348,695	25,370,826,429	18,316,617,657	41,796,004,836	6,297,636,437,163
Closing balance	1,261,849,406,233	3,796,185,513,935	21,618,992,921	13,734,148,482	41,099,505,686	5,134,487,567,257

The Holding Company has pledged the entire fixed assets formed from Camau Fertilizer Production Plant Project and the material import port Project with a capacity of 500,000 tons per year of Ca Mau Fertilizer Plant which have total carrying value of VND 4,802,188,993,656 as at 31 December 2019 (as at 31 December 2018: VND 5,914,066,351,565) to secure its bank loans.

PetroVietnam Packaging Joint Stock Company (the subsidiary) has pledged the entire fixed assets formed from Bac Lieu Packaging Production Plant Project and the fixed assets formed from granted loans with the total carrying amount of VND 53,826,819,196 as at 31 December 2019 (as at 31 December 2018: VND 63,522,533,553) to secure its bank loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Lieu branch.

The cost of the Company's tangible fixed assets as at 31 December 2019 includes VND 208,977,626,735 (as at 31 December 2018: VND 173,165,482,626) of fixed assets which have been fully depreciated but are still in use.

12. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Copyrights, patents	Computer software	Total
	VND	VND	VND	VND
COST				
Opening balance	22,194,885,567	32,483,466,173	51,211,252,277	105,889,604,017
Transfer from construction in progress	-	-	23,566,060,484	23,566,060,484
Reclassification	-	(18,403,466,173)	18,403,466,173	-
Closing balance	22,194,885,567	14,080,000,000	93,180,778,934	129,455,664,501
ACCUMULATED AMORTISATION				
Opening balance	5,000,593,896	25,909,077,166	36,200,927,968	67,110,599,030
Charge for the year	1,286,648,162	-	7,909,739,948	9,196,388,110
Reclassification	-	(11,829,077,166)	11,829,077,166	-
Closing balance	6,287,242,058	14,080,000,000	55,939,745,082	76,306,987,140
NET BOOK VALUE				
Opening balance	17,194,291,671	6,574,389,007	15,010,324,309	38,779,004,987
Closing balance	15,907,643,509	-	37,241,033,852	53,148,677,361

The cost of the Company's intangible assets as at 31 December 2019 includes VND 62,538,811,341 (as at 31 December 2018: VND 53,984,723,741) 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	693,410,659,894	282,477,152,203
Material import port	-	38,257,800,411
ERP Project phase 2	-	11,364,926,500
Repair of factory office	-	7,136,721,254
Permeate Gas Project	-	2,696,390,654
Other projects	5,095,426,991	4,441,360,706
	698,506,086,885	346,374,351,728

The Company has pledged the entire value of construction in progress of the Project "Composite Fertilizer Production from melted Urea" and the Project "Material import" with the total amount of VND 693,410,659,894 as at 31 December 2019 (31 December 2018: VND 320,734,952,614) to secure its bank loans.

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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 (*)	459,336,702,198	459,336,702,198	341,388,689,557	341,388,689,557
PetroVietnam Power Corporation	80,176,252,657	80,176,252,657	41,414,975,677	41,414,975,677
Chemical Industry Engineering Joint Stock Company	59,153,640,901	59,153,640,901	-	-
PetroVietnam Fertilizer and Chemicals Corporation – Joint Stock Company - Chemical Business Petroleum Branch	21,579,663,510	21,579,663,510	-	-
Vietnam Petroleum Investment and Transport Joint Stock Company	9,864,540,711	9,864,540,711	-	-
Others	249,190,835,375	249,190,835,375	377,383,451,981	377,383,451,981
	879,301,635,352	879,301,635,352	760,187,117,215	760,187,117,215
Trade payables to related parties (Details stated in Note 36)	574,314,208,838	574,314,208,838	413,502,550,642	413,502,550,642

(*) 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. According to Resolution No. 174/NQ-DKVN dated 08 January 2019 of the Board of Directors of Vietnam Oil and Gas Group on approval of the Company's 2019 business plan, in order for the Group to approve the Company's 2019 business plan, the gas unit price for the gas volume to be billed in this year is USD 4.00/Million BTU (inclusive of transportation cost, exclusive of value added tax). In addition, according to the agreement for temporary payment for additional gas purchase dated 30 October 2019 between the Company and PVN, gas supplied to the Company shall also include PM3 CAA gas with purchase price of 0.9MFO as from 12 October 2019 (gas equalization time).

15. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Ut Nu Company Limited	10,642,502,400	6,073,202,550
Tuan Vu Fertilizer Service Trading Limited Company	6,593,141,400	4,049,342,000
Tuong Nguyen Import & Export Trading and Services Company Limited	4,297,750,000	12,499,380,300
Huu Thanh I Company Limited	2,745,863,600	5,209,370,200
Minh Trung Company Limited	2,270,036,000	5,173,558,320
Yetak Group Company Limited	-	12,241,530,986
Nguyen Khoa Trading Company Limited	1,928,374,999	8,742,767,479
The Man One Member Member Limited Liability Company	1,054,418,000	5,447,757,700
Other customers	15,566,214,397	79,933,764,266
	45,098,300,796	139,370,673,801

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

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
a. Receivables				
Value added tax	148,918,990	44,063,266	-	104,855,724
Land rentals	397,346,605	-	-	397,346,605
Import duty	-	9,922,123,999	9,988,931,774	66,807,775
	546,265,595	9,966,187,265	9,988,931,774	569,010,104
b. Payables				
Value added tax	646,578,417	9,383,883,570	8,908,642,976	1,121,819,011
Corporate income tax	27,883,948,425	41,017,685,327	52,400,707,340	16,500,926,412
Natural resources tax	202,345,130	2,517,048,472	2,490,390,402	229,003,200
Land rentals	-	80,190,225	80,190,225	-
Personal income tax	5,112,152,198	19,405,622,584	20,183,782,487	4,333,992,295
Other taxes	239,208,848	10,927,558,593	10,940,156,145	226,611,296
	34,084,233,018	83,331,988,771	95,003,869,575	22,412,352,214

17. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Accrued gas expenses and non-deductible value added tax (i)	628,314,288,389	575,040,481,001
Goods and services purchases	17,013,452,519	41,704,922,770
Accrued interest expense	18,956,926,333	32,263,174,952
Trade discount	102,888,285,946	15,180,288,515
Guarantee fees	988,950,000	1,585,937,056
Other accruals	26,025,837,718	3,972,534,087
	794,187,740,905	669,747,338,381

In which:

Accrued expense payable to related parties (details presented in Note 36)	628,314,288,389	575,040,481,001
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- (i) As at 31 December 2019, according to the Document no. 07/CVNB-LXH dated 12 March 2020 of the Board of Chief Executive Officers of Vietnam Oil and Gas Group (PVN) related to finalization of gas value sold to the Company by PVN in 2019 and the Minutes of meeting no. 1338/BB-DKVN dated 23 March 2020 of PVN's Members' Council, the Company has been accrued gas purchase with amount of VND 568 billion and non-deductible VAT on gas purchase with amount of VND 46 billion.

18. OTHER SHORT-TERM PAYABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> 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	124,365,697,205	152,884,237,958
- Receiving completed "Camau Fertilizer Production Plant" Project (i)	78,515,027,920	78,515,027,920
- Profit payable from 01 January 2015 to 14 January 2015	12,219,608,894	40,732,029,647
- 2014 corporate income tax overpayment	32,369,496,667	32,375,616,667
- Corporate income tax payable in the period from 01 January 2015 to 14 January 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	3,110,068,346	3,110,068,346
Trade union fee	1,855,650,390	1,421,281,290
Social insurance	1,086,558,852	286,692,825
Health insurance	188,451,205	51,072,748
Unemployment insurance	77,896,036	25,418,156
Short-term deposits received	604,432,000	1,377,313,800
Other short-term payables	16,171,110,711	16,670,024,433
	203,311,278,174	231,677,522,985
Other short-term payables to related parties (details presented in Note 36)	180,217,110,634	208,735,651,387

- (i) According to Decision No. 1989/QD-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. The payable amount will be adjusted upon the finalization of the Company's State-owned capital portion with Vietnam Oil and Gas Group.

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	VND Decreases	Amount	VND Amount able to be paid off
Short-term bank loans	160,124,501,106	160,124,501,106	1,371,730,763,463	1,517,236,206,022	14,619,058,547	14,619,058,547
- Vietnam Joint Stock Commercial Bank of Industry and Trade - Bac Lieu Branch (i)	14,638,139,701	14,638,139,701	50,987,700,948	51,006,782,102	14,619,058,547	14,619,058,547
- Vietnam Joint Stock Commercial Bank of Foreign Trade - Thu Thiem Branch	145,486,361,405	145,486,361,405	1,320,743,062,515	1,466,229,423,920	-	-
Current portion of long-term loans (see Note 20)	1,035,820,858,849	1,035,820,858,849	560,367,128,387	454,435,347,354	1,141,752,639,882	1,141,752,639,882
	1,195,945,359,955	1,195,945,359,955	1,932,097,891,850	1,971,671,553,376	1,156,371,698,429	1,156,371,698,429

(i) Represent the short-term loans of PetroVietnam Packaging Joint Stock Company (the Company's subsidiary) from Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Lieu Branch with loan terms of no more than 3 months to supplement working capital for black urea and package production and trading. The loans are unsecured and bear interest at the base rate plus the required margin, but no less than the interest rate floor set by the lender.

20. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
Long-term loans	2,544,090,588,890	2,544,090,588,890	303,087,946,782	1,076,953,400,549	1,770,225,135,123	1,770,225,135,123
BNP Paribas Bank, Credit Agricole Bank, Export - Import Bank of China	1,389,300,000,000	1,389,300,000,000	-	511,119,997,923	878,180,002,077	878,180,002,077
Vietnam Joint Stock Commercial Bank for Industry and Trade	984,722,919,507	984,722,919,507	-	493,232,336,967	491,490,582,540	491,490,582,540
Saigon – Hanoi Commercial Joint Stock Bank	127,146,331,593	127,146,331,593	254,972,590,092	45,927,453,000	336,191,468,685	336,191,468,685
Ho Chi Minh City Development Joint Stock Commercial Bank - Ca Mau Branch	18,940,274,882	18,940,274,882	48,115,356,690	16,430,590,419	50,625,041,153	50,625,041,153
Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Lieu Branch	23,981,062,908	23,981,062,908	-	10,243,022,240	13,738,040,668	13,738,040,668
	2,544,090,588,890	2,544,090,588,890	303,087,946,782	1,076,953,400,549	1,770,225,135,123	1,770,225,135,123

In which:

- Amount due for settlement within 12 months	1,035,820,858,849
- Amount due for settlement after 12 months	1,508,269,730,041
	628,472,495,241

1,141,752,639,882

Long-term loans of the Company are disbursed in USD and VND for the purpose of investment in fixed assets and construction of the Company. The loans are secured by assets formed from the loans. The applicable interest rates are floating and in accordance with the lenders' regulations. During the year, the interest rates ranged from 2.5% pa to 5.13% pa for loans in USD and from 7.5% pa to 11% pa for loans in VND.

Loans are categorized according to the disbursement currency as follows:

	Closing balance	Opening balance
	VND	VND
Loans in USD	1,369,670,584,617	2,374,022,919,507
Loans in VND	400,554,550,506	170,067,669,383
	1,770,225,135,123	2,544,090,588,890

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	1,141,752,639,882	1,035,820,858,849
In the second year	511,131,857,735	1,026,235,702,601
In the third to fifth year inclusive	117,340,637,506	426,860,960,052
After five years	-	55,173,067,388
	1,770,225,135,123	2,544,090,588,890
Less: Amount due for settlement within 12 months (shown under short-term loans and obligations under finance leases)	1,141,752,639,882	1,035,820,858,849
Amount due for settlement after 12 months	628,472,495,241	1,508,269,730,041

21. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	Current year	Prior year
	VND	VND
Opening balance	156,508,475,924	103,437,517,291
- Appropriation in the year	-	71,305,673,759
- Utilization in the year	(18,711,321,878)	(18,234,715,126)
Closing balance	137,797,154,046	156,508,475,924

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

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22. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Other owners' capital	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND
Prior year's opening balance	5,294,000,000,000	-	238,735,534,003	594,403,715,402	26,382,773,716	6,153,522,023,121
Profit for the year	-	-	-	656,144,950,729	2,914,465,115	659,059,415,844
Appropriation to investment and development fund	-	-	78,997,726,742	(78,997,726,742)	-	-
Appropriation to bonus and welfare funds	-	-	-	(66,549,652,140)	(699,535,926)	(67,249,188,066)
Capital increase from retained earnings	-	2,499,150,000	-	(2,499,150,000)	-	-
Dividends declared	-	-	-	(476,460,000,000)	-	(476,460,000,000)
Other increases/(decreases)	-	-	3,061	26,291	(29,352)	-
Current year's opening balance	5,294,000,000,000	2,499,150,000	317,733,263,806	626,042,163,540	28,597,673,553	6,268,872,250,899
Profit for the year	-	-	-	426,175,229,390	1,548,499,702	427,723,729,092
Appropriation to investment and development fund (i)	-	-	34,805,022,835	(34,805,022,835)	-	-
Appropriation to bonus and welfare funds (i)	-	-	-	(110,940,623,480)	(1,301,188,632)	(112,241,812,112)
Capital increase from retained earnings	-	1,166,270,000	-	(1,166,270,000)	-	-
Dividends declared	-	-	-	(476,460,000,000)	(1,566,917,800)	(478,026,917,800)
Other increases/(decreases)	-	-	19,696	153,779	(173,475)	-
Current year's closing balance	5,294,000,000,000	3,665,420,000	352,538,306,337	428,845,630,394	27,277,893,348	6,106,327,250,079

(i) The fund appropriation amounts include the amounts distributed to the investment and development fund and the bonus and welfare funds under the Resolutions of the General Meetings of Shareholders of the Holding Company and the subsidiary.



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 2019, 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>Opening balance</u>
			<u>VND equivalent</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

Non-controlling interests

Non-controlling interests represent the proportion of net assets and operation results of the subsidiary attributable to shareholders other than the Holding Company. Non-controlling interest ratio in the subsidiary is determined as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Charter capital of the subsidiary	47,995,160,000	45,709,940,000
<i>In which:</i>		
Contributed capital of the Holding Company	24,491,670,000	23,325,400,000
Contributed capital of non-controlling shareholders	23,503,490,000	22,384,540,000
Non-controlling interest ratio	48.97%	48.97%

Non-controlling interests equal to net assets at the balance sheet date are as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Total assets	67,941,730,594	66,446,634,968
Total liabilities	(40,663,837,246)	(37,848,961,415)
Net assets	27,277,893,348	28,597,673,553
<i>Details are as follows:</i>		
Charter capital	23,503,490,000	22,384,540,000
Other funds	3,984,407,115	3,275,112,684
Retained earnings	(210,003,767)	2,938,020,869

23. OFF BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
USD	10,118,677	810,189
EUR	1,280	1,280

24. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

The Company's principal activities are manufacturing and trading fertilizers and packages used in agriculture. The revenue for the year 2019 and the assets and liabilities as at 31 December 2019 of the subsidiary's manufacturing and trading business are about VND 11 billion, VND 51 billion and VND 28 billion, respectively, accounting for a negligible proportion in consolidated revenue from goods sold and service rendered and consolidated assets of the Company. Accordingly, the financial information presented in the consolidated balance sheet as at 31 December 2019 and all revenue and expenses presented in the consolidated income statement for the year ended 31 December 2019 mainly relate to manufacturing and trading fertilizers include Urea, ammonia and other fertilizers. Therefore, no business segment report has been prepared. Revenue and cost of sales by 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 and other products to foreign markets with revenue of about VND 1,268 billion accounting for about 18% (2018: about VND 746 billion) of gross revenue from goods sold and services rendered of the Company.

The segment report is prepared for corporate governance purposes. The Company does not separately monitor its assets and liabilities by segment. The revenues, expenses and results by segment as follows:

Current year	Domestic	Export	Total
	VND	VND	VND
Net revenue from goods sold	5,790,786,537,925	1,252,180,392,192	7,042,966,930,117
Cost of sales	(4,943,287,599,435)	(1,140,487,133,832)	(6,083,774,733,267)
Gross profit by department	847,498,938,490	111,693,258,360	959,192,196,850
General operating expenses			(565,377,899,011)
Financial income			127,016,141,703
Financial expenses			(102,753,481,637)
Other income			48,483,380,378
Other expenses			(3,472,166,901)
Accounting profit before tax			463,088,171,382
Current corporate income tax expense			(41,017,685,327)
Deferred corporate tax income			5,653,243,037
Net profit after corporate income tax			427,723,729,092

Prior year	Domestic	Export	Total
	VND	VND	VND
Net revenue from goods sold	5,949,062,544,735	740,265,992,041	6,689,328,536,776
Cost of sales	(4,880,006,365,216)	(372,264,129,014)	(5,252,270,494,230)
Gross profit by department	1,069,056,179,519	368,001,863,027	1,437,058,042,546
General operating expenses			(656,218,058,685)
Financial income			176,153,015,449
Financial expenses			(260,130,153,544)
Other income			14,253,913,513
Other expenses			(4,918,116,503)
Accounting profit before tax			706,198,642,776
Current corporate income tax expense			(45,721,096,790)
Deferred corporate tax expense			(1,418,130,142)
Net profit after corporate income tax			659,059,415,844

25. REVENUE

	Current year VND	Prior year VND
Sales of merchandise and services		
Sales of urea	5,571,385,507,504	5,259,967,190,212
- Domestic sales	4,463,995,307,254	4,554,461,379,900
- Export	1,107,390,200,250	705,505,810,312
Sales of ammonia	38,074,579,385	21,246,057,354
Sales of fertilizers	1,311,882,295,090	1,317,283,816,206
- Domestic sales	1,150,608,102,412	1,277,110,933,504
- Export	161,274,192,678	40,172,882,702
Sales of production waste and other finished goods	254,982,539,571	227,619,718,615
Revenue from services rendered	250,560,000	1,217,000,318
	7,176,575,481,550	6,827,333,782,705
Deductions		
Sales discount	133,608,551,433	137,789,605,929
Sales return	-	215,640,000
	133,608,551,433	138,005,245,929
Sales in the year to related parties (details presented in Note 36)	23,377,500	53,401,027,500

26. COST OF SALES

	Current year VND	Prior year VND
Cost of urea sold	4,728,608,570,217	3,909,890,394,148
Cost of ammonia sold	48,754,893,520	11,002,092,945
Cost of fertilizers sold	1,185,332,593,258	1,244,292,429,062
Cost of other products	121,078,676,272	87,085,578,075
	6,083,774,733,267	5,252,270,494,230

27. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	3,218,769,225,255	2,504,001,915,313
Labour	457,631,776,523	401,843,143,050
Depreciation and amortisation	1,318,840,642,491	1,303,375,630,640
Out-sourced services	364,596,198,010	414,423,936,736
Other monetary expenses	293,902,037,742	412,571,016,352
	5,653,739,880,021	5,036,215,642,091

28. FINANCIAL INCOME

	Current year VND	Prior year VND
Bank interest	117,699,812,006	158,476,347,608
Foreign exchange gain	9,316,329,697	17,676,667,841
	127,016,141,703	176,153,015,449

29. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	87,172,530,234	142,052,771,852
Settlement discount	29,750,000	4,329,797,100
Guarantee fee	4,664,281,743	8,781,530,194
Foreign exchange loss	10,771,019,660	104,835,499,259
Other financial expenses	115,900,000	130,555,139
	102,753,481,637	260,130,153,544

30. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses for the year		
Selling staff expenses	41,729,489,841	25,773,799,195
Transport, loading and storage expenses	159,016,645,857	106,909,543,684
Advertisement and communication expenses	53,102,728,030	91,569,125,102
Social welfare security expenses	14,457,600,000	17,140,538,322
Selling expenses of merchandise	34,490,279,782	39,118,263,410
Depreciation and amortization expenses	1,096,379,858	960,201,553
Other selling expenses	60,165,573,885	54,643,224,307
	364,058,697,253	336,114,695,573
General and administration expenses for the year		
Administrative staff expenses	101,991,691,795	83,461,121,186
Management fee payable to Vietnam Oil and Gas Group (*)	-	29,363,474,409
Depreciation and amortization expenses	18,543,923,616	22,681,887,584
Appropriation for scientific and technological development fund	-	71,305,673,759
Goodwill	-	1,749,518,176
Outsourced services	33,090,611,657	46,059,158,462
Other general and administration expenses	47,692,974,690	65,482,529,536
	201,319,201,758	320,103,363,112

(*) According to Resolution No.77/NQ-DKVN dated 7 January 2020 of Vietnam Oil and Gas Group, the Group stopped collecting fees to provide management services to its members applied from 1 January 2019. During the year, the Company stopped recording management expenses payable to Vietnam Oil and Gas Group.

31. OTHER INCOME AND OTHER EXPENSES

	Current year VND	Prior year VND
Other income		
Insurance compensations received	37,096,568,663	5,000,561,384
Disposal of obsolete tools and supplies	277,600,000	4,120,554,545
Receipts under insurance policy due to termination of labour contracts	5,268,970,895	2,048,929,397
Penalty for breach of contract	2,067,163,905	1,530,731,702
Other income	3,773,076,915	1,553,136,485
	48,483,380,378	14,253,913,513
Other expenses		
Tax penalties	956,497,839	3,402,830,534
Product handling expenses	2,081,729,336	1,329,222,398
Other expenses	433,939,726	186,063,571
	3,472,166,901	4,918,116,503
Profit from other activities	45,011,213,477	9,335,797,010

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	40,226,786,380	41,907,859,243
Adjustments for corporate income tax expense in previous years to the current year	790,898,947	3,813,237,547
Total current corporate income tax expense	41,017,685,327	45,721,096,790

Corporate income tax expense based on taxable profit in the current year of each activities of the Company is as follows:

	Current year VND	Prior year VND
Corporate income tax from production of urea	26,555,885,322	34,058,195,105
Corporate income tax from production of packages	997,631,304	1,656,471,717
Corporate income tax from other activities	12,673,269,754	6,193,192,421
Corporate income tax expense based on taxable profit in the current year	40,226,786,380	41,907,859,243

33. BASIC EARNINGS PER SHARE

	<u>Current year</u>	<u>Prior year</u>
Accounting profit after corporate income tax attributable to Holding company (VND)	426,175,229,390	656,144,950,729
- Appropriation to bonus and welfare funds (VND)	(110,940,623,480)	(66,549,652,140)
Profit or loss attributable to ordinary shareholders (VND)	315,234,605,910	589,595,298,589
Average number of ordinary shares in circulation for the year	529,400,000	529,400,000
Basic earnings per share (VND)	595	1,114

34. 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 lender group of BNP Paribas, Export-Import Bank of China 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 40,992,205,704 relating to the interest amounts that the Company paid to the banks accumulated to 31 December 2019. The tax amount was paid and recorded as other receivables from the aforementioned banks.

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 lender group to determine the obligations of relevant parties relating to this tax amount for foreign contractors. Therefore, the Company has not completed all relevant procedures or reported any penalties for late tax payment which may incur in the consolidated financial statements until there is final decision from competent authorities.

35. OTHER COMMITMENTS

- According to Contract No. 3918/HD-DKVN dated 23 May 2012 and Contract Annex No. 07 dated 13 December 2018 between Vietnam Oil and Gas Group and PetroVietnam Camau Fertilizer Company Limited (currently known as PetroVietnam Camau 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 495 million m³ of standard gas per year.

In addition, according to the agreement for temporary payment for additional gas purchase dated 30 October 2019 between the Company and PVN, gas supplied to the Company shall also include PM3 CAA gas with purchase price of 0.9MFO as from 12 October 2019 (gas equalization time).

- 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% debt and 30% equity.

36. 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
Other companies	Affiliates (Subsidiaries, joint ventures and associates of Vietnam Oil and Gas Group)

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

	Current year VND	Prior year VND
Sales		
PetroVietnam Transportation Vung Tau Joint Stock Company	23,377,500	1,027,500
Petroleum Pipeline and Tank Construction Joint Stock Company	-	53,400,000,000
	23,377,500	53,401,027,500

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	Current year VND	Prior year VND
Purchases		
Vietnam Oil and Gas Group	2,330,259,949,864	1,732,026,871,945
PetroVietnam Power Corporation	269,904,986,249	294,714,272,297
PetroVietnam Fertilizer and Chemical Joint Stock Company - Chemical Trading Branch	90,227,950,825	-
PetroVietnam Security Service Joint Stock	14,407,822,986	12,789,406,240
PetroVietnam Gas Joint Stock Company - Camau Branch	15,528,738,508	-
Petroleum Trading Joint Stock Company	8,324,114,120	-
Saigon PetroVietnam Oil Joint Stock Company	6,356,363,742	10,620,540,620
PetroVietnam Transportation Vung Tau Joint Stock Company	4,606,348,000	5,776,476,560
Vietnam Petroleum Institute	3,834,943,685	16,204,226,043
South-West PetroVietnam Fertilizer and Chemical Joint Stock	3,057,649,082	2,145,497,437
MeKong Petroleum Joint Stock Company	2,901,600,000	1,530,500,000
South-East PetroVietnam Fertilizer and Chemical Joint Stock	2,707,844,193	2,645,099,397
PetroVietnam Maintenance and Repair Joint Stock Company	2,541,392,393	-
PetroVietnam Maintenance and Repair Company	2,324,718,800	4,418,856,112
Indochina Petroleum Transportation Joint Stock Company	2,282,294,258	2,385,224,100
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	1,442,628,000	-
PVD Technical Training and Certification Joint Stock Company	1,089,500,000	380,000,000
Petroleum Pipeline and Tank Construction Joint Stock Company	843,035,003	7,103,734,330
PetroVietnam Manpower Training College	633,260,000	15,004,420,866
Branch of Petrovietnam Fertilizer and Chemicals Corporation – Phu My Urea Plant	286,626,000	543,462,000
Petrovietnam Securities Joint Stock Company	200,000,000	220,000,000
Drilling Mud Joint Stock Corporation	125,970,000	1,490,353,700
PV Oil Lube Joint Stock Company	118,137,459	-
Branch of MeKong Petroleum Joint Stock Company in Bac Lieu - Petroleum Station No. 17	117,447,660	96,829,240
PetroVietnam Technical Safety Registration Company Limited	-	1,044,235,140
PVOil Bac Lieu Joint Stock Company	-	57,355,000
PVD Technical Services And Trading Joint Stock Company	-	50,826,009,576
	2,764,123,320,827	2,162,023,370,603
Dividends paid		
Vietnam Oil and Gas Group	360,020,751,300	360,020,751,300
	360,020,751,300	360,020,751,300

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

	<u>Closing balance</u> <u>VND</u>	<u>Opening balance</u> <u>VND</u>
Trade receivables		
PetroVietnam Transportation Vung Tau Joint Stock Company	23,030,000	-
	23,030,000	-
Other short-term receivables		
Vietnam Oil and Gas Group	276,761,701,091	276,761,701,091
	276,761,701,091	276,761,701,091
Short-term advances to suppliers		
Vietnam Oil and Gas Group	30,597,955,738	-
Vietnam Petroleum Institute	1,139,217,950	1,089,288,913
Indochina Petroleum Transportation Joint Stock Company	260,700,000	-
Saigon PetroVietnam Oil Joint Stock Company	243,156,600	-
PetroVietnam Transportation Vung Tau Joint Stock Company	166,050,500	-
	32,407,080,788	1,089,288,913
Short-term trade payables		
Vietnam Oil and Gas Group	459,336,702,198	341,388,689,557
PetroVietnam Power Corporation	80,176,252,657	41,414,975,677
PetroVietnam Fertilizer and Chemical Joint Stock Company - Chemical Trading Branch	21,579,663,510	-
Vietnam Petroleum Institute	4,522,596,913	9,928,836,163
PetroVietnam Gas Joint Stock Company - Camau Branch	1,685,954,418	-
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	1,606,905,000	-
PetroVietnam Security Service Joint Stock Company	1,421,031,890	3,178,989,510
PetroVietnam Transportation Vung Tau Joint Stock Company	1,433,323,740	947,789,340
South-East PetroVietnam Fertilizer and Chemical Joint Stock Company	656,021,196	1,060,901,868
South-West PetroVietnam Fertilizer and Chemical Joint Stock Company	636,470,125	345,700,393
PVOil Sai Gon Joint Stock Company	596,932,091	453,661,830
Branch of Petrovietnam Fertilizer and Chemicals Corporation – Phu My Urea Plant	286,626,000	543,462,000
PetroVietnam Manpower Training College	110,500,000	9,064,071,456
Binh Son Refining and Petrochemical Joint Stock Company	63,563,000	271,392,000
Indochina Petroleum Transportation Joint Stock Company	201,666,100	527,829,500
PetroVietnam Maintenance and Repair Joint Stock Company	-	2,176,257,098
Drilling Mud Joint Stock Corporation	-	1,001,677,490
Petroleum Pipeline and Tank Construction Joint Stock Company	-	620,060,760
PetroVietnam Technical Safety Registration Company Limited	-	418,756,000
MeKong Petroleum Joint Stock Company	-	159,500,000
	574,314,208,838	413,502,550,642

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Short-term accrued expenses		
Vietnam Oil and Gas Group	628,314,288,389	575,040,481,001
	628,314,288,389	575,199,981,001

Other current payables

Camau Gas - Power - Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
Vietnam Oil and Gas Group	124,365,697,205	152,884,237,958
	180,217,110,634	208,735,651,387

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	14,003,379,064	16,737,532,987
	14,003,379,064	16,737,532,987



Dinh Nhat Duong
Preparer



Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Executive Officer

26 March 2020