



**PETROVIETNAM CA MAU FERTILIZER JOINT STOCK
COMPANY**

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

For the 6-month period ended 30 June 2020



PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1

Ca Mau City, Ca Mau Province, S.R. Vietnam

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PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

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

STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of PetroVietnam Ca Mau Fertilizer Joint Stock Company (the "Company") presents this report together with the Company's interim consolidated financial statements for the 6-month period ended 30 June 2020.

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
Mr. Nguyen Duc Hanh	Member (appointed on 25 June 2020)
Mr. Van Tien Thanh	Member
Mr. Tran My	Member
Ms. Nguyen Minh Phuong	Member
Mr. Le Duc Quang	Member (appointed on 25 June 2020)
Ms. Tran Chi Nguyen	Member (resigned on 25 June 2020)

Executive Board

Mr. Van Tien Thanh	Chief 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
Mr. Tran Chi Nguyen	Executive Officer (appointed on 25 June 2020)
Mr. Nguyen Thanh Tung	Executive Officer (appointed on 15 July 2020)
Mr. Nguyen Duc Hanh	Executive Officer (resigned on 25 June 2020)

EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Company is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company as at 30 June 2020, and its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. In preparing these interim 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 interim consolidated financial statements;
- Prepare the interim 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 interim consolidated financial statements so as to minimize errors and frauds.

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1
Ca Mau City, Ca Mau 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 interim consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim 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 interim consolidated financial statements.

For and on behalf of the Executive Board,



Le Ngọc Minh Tri
Executive Officer

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

21 August 2020

No.: 0222 /VN1A-HN-BC

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim consolidated financial statements of PetroVietnam Fertilizer Company Limited (the "Company"), prepared on 21 August 2020, as set out from page 5 to page 39, which comprise the interim consolidated balance sheet as at 30 June 2020, the interim consolidated income statement and interim consolidated cash flow statement for the 6-month period 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 interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting and for such internal control as the Executive Board determines is necessary to enable the preparation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at 30 June 2020, and its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Emphasis of Matter

As stated in Note 2 of the Notes to the interim consolidated financial statements, up to the date of the accompanying interim 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 conclusion is not modified in respect of this matter.



Dang Chi Dung

Audit Partner

Audit Practising Registration Certificate

No. 0030-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

21 August 2020

Hanoi, S.R. Vietnam

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2020

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		4,125,093,958,497	4,250,036,958,838
I. Cash and cash equivalents	110	4	563,542,496,156	471,173,323,541
1. Cash	111		563,542,496,156	371,173,323,541
2. Cash equivalents	112		-	100,000,000,000
II. Short-term financial investments	120	5	1,902,000,000,000	2,002,000,000,000
1. Held-to-maturity investments	123		1,902,000,000,000	2,002,000,000,000
III. Short-term receivables	130		333,070,332,313	401,909,734,436
1. Short-term trade receivables	131	6	23,696,041,698	2,926,400,156
2. Short-term advances to suppliers	132	7	53,620,415,504	55,315,027,567
3. Other short-term receivables	136	8	255,838,471,205	343,752,902,807
4. Provision for short-term doubtful debts	137		(84,596,094)	(84,596,094)
IV. Inventories	140	9	1,300,334,083,094	1,301,123,071,541
1. Inventories	141		1,300,334,083,094	1,309,837,336,541
2. Provision for devaluation of inventories	149		-	(8,714,265,000)
V. Other short-term assets	150		26,147,046,934	73,830,829,320
1. Short-term prepayments	151	10	15,821,647,578	48,533,063,400
2. Value added tax deductibles	152		9,809,712,506	24,728,755,816
3. Taxes and other receivables from the State budget	153	16	515,686,850	569,010,104
B. NON-CURRENT ASSETS	200		5,326,840,227,119	5,922,557,793,908
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		4,532,897,927,351	5,187,636,244,618
1. Tangible fixed assets	221	11	4,486,375,621,285	5,134,487,567,257
- Cost	222		14,204,655,440,188	14,202,687,600,971
- Accumulated depreciation	223		(9,718,279,818,903)	(9,068,200,033,714)
2. Intangible assets	227	12	46,522,306,066	53,148,677,361
- Cost	228		129,455,664,501	129,455,664,501
- Accumulated amortisation	229		(82,933,358,435)	(76,306,987,140)
III. Long-term assets in progress	240		771,053,290,905	698,506,086,885
1. Construction in progress	242	13	771,053,290,905	698,506,086,885
IV. Other long-term assets	260		22,886,008,863	36,412,462,405
1. Long-term prepayments	261	10	22,669,985,453	29,243,644,973
2. Deferred tax assets	262		216,023,410	7,168,817,432
TOTAL ASSETS (270=100+200)	270		9,451,934,185,616	10,172,594,752,746

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

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2020

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		3,019,333,487,244	4,066,267,502,667
I. Current liabilities	310		2,550,072,286,267	3,299,997,853,380
1. Short-term trade payables	311	14	613,145,765,618	879,301,635,352
2. Short-term advances from customers	312	15	72,360,555,411	45,098,300,796
3. Taxes and amounts payable to the State budget	313	16	15,013,399,010	22,412,352,214
4. Payables to employees	314		56,672,014,916	94,836,998,483
5. Short-term accrued expenses	315	17	87,941,308,963	794,187,740,905
6. Other current payables	319	18	203,867,698,943	203,311,278,174
7. Short-term loans and obligations under finance leases	320	19	1,261,638,649,493	1,156,371,698,429
8. Short-term provisions	321	20	151,197,473,333	119,397,600
9. Bonus and welfare funds	322		88,235,420,580	104,358,451,427
II. Long-term liabilities	330		469,261,200,977	766,269,649,287
1. Long-term loans and obligations under finance leases	338	21	333,058,975,780	628,472,495,241
2. Scientific and technological development fund	343	22	136,202,225,197	137,797,154,046
D. EQUITY	400		6,432,600,698,372	6,106,327,250,079
I. Owners' equity	410	23	6,432,600,698,372	6,106,327,250,079
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 owners' capital	414		3,665,420,000	3,665,420,000
3. Investment and development fund	418		388,367,364,187	352,538,306,337
4. Retained earnings	421		718,953,408,625	428,845,630,394
- Retained earnings accumulated to the prior year end	421a		428,418,820,117	146,209,745,040
- Retained earnings of the current year	421b		290,534,588,508	282,635,885,354
5. Non-controlling interests	429		27,614,505,560	27,277,893,348
TOTAL RESOURCES (440=300+400)	440		9,451,934,185,616	10,172,594,752,746


Dinh Nhat Duong
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Ngoc Minh Tri
Executive Officer

21 August 2020

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

INTERIM CONSOLIDATED INCOME STATEMENT

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	26	3,379,728,672,940	3,544,502,999,960
2. Deductions	02	26	103,363,340,886	97,788,282,342
3. Net revenue from goods sold and services rendered (10=01-02)	10		3,276,365,332,054	3,446,714,717,618
4. Cost of sales	11	27	2,659,681,291,967	2,908,960,023,106
5. Gross profit from goods sold and services rendered (20=10-11)	20		616,684,040,087	537,754,694,512
6. Financial income	21	29	61,148,626,289	68,843,146,052
7. Financial expenses	22	30	44,693,547,951	64,971,564,616
- In which: Interest expense	23		30,621,663,668	48,272,550,712
8. Selling expenses	25	31	171,758,974,867	158,047,843,044
9. General and administration expenses	26	31	83,311,331,452	97,395,171,948
10. Operating profit (30=20+(21-22)-(25+26))	30		378,068,812,106	286,183,260,956
11. Other income	31	32	6,528,553,099	39,267,452,139
12. Other expenses	32	32	1,218,977,557	303,785,357
13. Profit from other activities (40=31-32)	40	32	5,309,575,542	38,963,666,782
14. Accounting profit before tax (50=30+40)	50		383,378,387,648	325,146,927,738
15. Current corporate income tax expense	51	33	17,215,019,338	23,818,795,745
16. Deferred corporate tax expense	52		6,952,794,022	1,233,333,899
17. Net profit after corporate income tax (60=50-51-52)	60		359,210,574,288	300,094,798,094
In which:				
17.1. Profit after tax attributable to the Holding Company	61		356,543,234,753	297,769,473,302
17.2. Profit after tax attributable to non-controlling interests	62		2,667,339,535	2,325,324,792
18. Basic earnings per share	70	34	615	499



Dinh Nhat Duong
Preparer



Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Executive Officer

21 August 2020

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

INTERIM CONSOLIDATED CASH FLOW STATEMENT

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	383,378,387,648	325,146,927,738
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	656,706,156,484	649,142,432,454
Provisions	03	142,363,810,733	592,794,891,661
Foreign exchange losses arising from translating foreign currency items	04	1,195,515,558	6,856,947,226
Gain from investing activities	05	(56,161,373,468)	(64,029,380,233)
Interest expense	06	30,621,663,668	48,272,550,712
3. Operating profit before movements in working capital	08	1,158,104,160,623	1,558,184,369,558
Decreases in receivables	09	81,161,173,744	13,405,107,498
Decrease/(Increase) in inventories	10	9,503,253,447	(871,820,381,092)
(Decrease)/Increase in payables (excluding accrued loan interest and corporate income tax payable)	11	(935,689,928,612)	(789,112,547,219)
Decreases in prepaid expenses	12	39,285,075,342	36,124,800,414
Interest paid	14	(36,763,078,705)	(47,297,222,502)
Corporate income tax paid	15	(19,196,828,188)	(32,229,671,960)
Other cash inflows	16	-	3,243,730
Other cash outflows	17	(48,774,806,491)	(26,043,883,576)
Net cash generated by/(used in) operating activities	20	247,629,021,160	(158,786,185,149)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(122,728,372,715)	(258,164,851,057)
2. Cash outflow for lending, buying debt instruments of other entities	23	(1,470,000,000,000)	(1,550,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	1,570,000,000,000	2,120,000,000,000
4. Interest earned, dividends and profits received	27	58,811,968,411	68,726,451,460
Net cash generated by investing activities	30	36,083,595,696	380,561,600,403

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

INTERIM CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the 6-month period ended 30 June 2020

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	1,252,505,276,021	891,386,922,176
2. Repayment of borrowings	34	(1,442,651,844,418)	(955,394,068,995)
3. Dividends and profits paid	36	(14,449,500)	(49,552,000)
Net cash used in financing activities	40	(190,161,017,897)	(64,056,698,819)
Net increases in cash (50=20+30+40)	50	93,551,598,959	157,718,716,435
Cash and cash equivalents at the beginning of the period	60	471,173,323,541	285,772,463,155
Effects of changes in foreign exchange rates	61	(1,182,426,344)	(374,220,279)
Cash and cash equivalents at the end of the period (70=50+60+61)	70	563,542,496,156	443,116,959,311


Dinh Nhat Duong
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Ngoc Minh Tri
Executive Officer



21 August 2020

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

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

PetroVietnam Ca Mau Fertilizer Company Limited was officially transformed into a Joint Stock Company with the name of PetroVietnam Ca Mau Fertilizer Joint Stock Company under Enterprise Registration Certificate for Joint Stock Company No. 2001012298 issued by Ca Mau 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 30 June 2020 was 1,131 (as at 31 December 2019: 1,140).

Operating industry and principal activities

The operating activities of the Company include:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals for industrial/agricultural uses;
- Retail of fertilizers, chemicals 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, 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 interim consolidated financial statements

The comparative figures of the interim consolidated balance sheet and corresponding notes are the figures of the Company's audited consolidated financial statements for the year ended 31 December 2019. The comparative figures of the interim consolidated statements of income and cash flows are the figures of the reviewed interim consolidated financial statements for the 6-month period ended 30 June 2019.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying interim 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 interim consolidated financial reporting.

The accompanying interim 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 Ca Mau 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 interim 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.

Accounting period

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

The interim consolidated financial statements are prepared for the 6-month period ended 30 June 2020.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of the interim consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim 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 interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Executive Board's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The interim consolidated financial statements incorporate the interim financial statements of the Company and enterprise controlled by the Company (its subsidiary) for the 6 months period ended 30 June 2020. 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 period are included in the interim 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.

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 consolidated 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.

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:

	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 Tax and amounts payable 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 - 43
Copyright, patents	3
Computer software	3 - 6

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, and 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 that have already been paid but relate to results of operations of multiple accounting periods. Prepayments comprise prepaid expenses for Ca Mau Fertilizer Production Plant's asset insurance, NPK production costs, warranty extension, software copyrights, fixed asset repair and other types of prepayments.

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

Payable provisions

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

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 period.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim 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-TCND 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 30 June 2020. 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 ("Circular 200").

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

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the 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 Ca Mau province, the Company is entitled to tax incentives with regard to Ca Mau 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. 2020 is the fifth 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 Ca Mau 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 2020.

- 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	1,579,587,870	952,807,376
Bank demand deposits	561,962,908,286	370,220,516,165
Cash equivalents	-	100,000,000,000
	563,542,496,156	471,173,323,541

5. SHORT-TERM FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
		VND		VND
Short-term held-to-maturity investments	1,902,000,000,000	1,902,000,000,000	2,002,000,000,000	2,002,000,000,000
- Over 3-month deposits	1,902,000,000,000	1,902,000,000,000	2,002,000,000,000	2,002,000,000,000

Deposits with term more than 3 months are deposited at commercial banks in Vietnam.

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Huy Chinh Trading - Service Company Limited	9,751,850,000	-
Phuc Dong Hai Company Limited	4,311,580,000	-
Other customers	9,632,611,698	2,926,400,156
	23,696,041,698	2,926,400,156
Trade receivables from related parties		
(Details stated in Note 37)	5,071,100	23,030,000
	5,071,100	23,030,000

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Vietnam Oil and Gas Group	30,597,955,738	30,597,955,738
BATECO Viet Nam Joint Stock Company	5,125,903,187	1,711,520,318
Other suppliers	17,896,556,579	23,005,551,511
	53,620,415,504	55,315,027,567
<i>In which:</i>		
Advances to related parties		
(Details stated in Note 37)	31,887,282,298	32,407,080,788

8. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
a. Current		
Receivable from Vietnam Oil and Gas Group	121,342,074,328	276,761,701,091
- Receivable related to the equitization phase (i)	121,342,074,328	276,761,701,091
Receivables related to exchange of goods (ii)	72,000,000,000	-
Foreign contractor tax on payments of foreign loan interest receivable from foreign banks (iii)	42,113,438,319	40,992,205,704
Interest receivable from term deposits	15,335,512,332	17,995,824,660
Discounts on goods purchased	-	6,059,216,678
Advances to employees	2,303,423,100	630,519,100
Short-term deposits	335,000,000	335,000,000
Other receivables	2,409,023,126	978,435,574
	255,838,471,205	343,752,902,807
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 37)	121,342,074,328	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) Under Contracts No. DAP/BCC-DCM/2019-1 dated 02 January 2020 and No. DAP/BCC-DCM/2020-1 dated 10 January 2020, the Company and Baconco Company Limited agreed to exchange their merchandises being DAP 64% fertilizer of same quantity, unit price and product nature. The quality of products has been verified by an independent appraiser, namely Vinacontrol Conformity Evaluation Joint Stock Company, and the Contracts provided no payment terms. The balance as at 30 June 2020 of receivables related to exchange of goods represents the entire value of DAP 64% fertilizer products which have been exchanged and delivered to Baconco Company Limited who, meanwhile, has handed over to the Company most of DAP 64% fertilizer as contracted in July 2020.
- (iii) Represent the foreign contractor withholding tax amounts paid by Company accumulated to 30 June 2020 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 paid this withholding tax 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 35).

9. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	459,252,345,462	-	409,040,641,581	-
Tools and supplies	5,927,506,749	-	7,466,257,116	-
Work in progress	80,941,372,400	-	65,412,418,827	-
Finished goods	547,705,605,097	-	555,331,391,122	-
Merchandise	206,507,253,386	-	272,586,627,895	(8,714,265,000)
	1,300,334,083,094	-	1,309,837,336,541	(8,714,265,000)

10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Assets insurance for Camau Fertilizer Production Plant	7,473,236,399	29,636,127,643
Warranty extension and software copyrights	6,979,033,320	10,233,477,516
Other short-term prepaid expenses	1,369,377,859	8,663,458,241
	15,821,647,578	48,533,063,400
b. Non-current		
Fixed asset repair	17,184,584,780	24,426,763,717
Tools and supplies	3,211,070,797	3,536,373,972
Other long-term prepaid expenses	2,274,329,876	1,280,507,284
	22,669,985,453	29,243,644,973

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY
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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	3,515,657,958,943	10,484,719,549,525	75,140,958,899	67,799,159,789	59,369,973,815	14,202,687,600,971
Additions	-	1,326,037,098	641,802,119	-	-	1,967,839,217
Closing balance	3,515,657,958,943	10,486,045,586,623	75,782,761,018	67,799,159,789	59,369,973,815	14,204,655,440,188
ACCUMULATED DEPRECIATION						
Opening 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
Charge for the period	151,656,516,940	493,116,422,045	3,336,429,598	1,840,449,676	129,966,930	650,079,785,189
Closing balance	2,405,465,069,650	7,181,650,457,635	56,858,395,576	55,905,460,983	18,400,435,059	9,718,279,818,903
NET BOOK VALUE						
Opening 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
Closing balance	1,110,192,889,293	3,304,395,128,988	18,924,365,442	11,893,698,806	40,969,538,756	4,486,375,621,285

The Company has pledged the entire fixed assets formed under "Ca Mau Fertilizer Plant Project" and "Material import port with the capacity of 500,000 ton/year of Ca Mau Fertilizer Production Plant" which have the carrying value of VND 4,194,293,015,594 as at 30 June 2020 (as at 31 December 2019: VND 4,802,188,993,656) 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 49,124,088,213 as at 30 June 2020 (as at 31 December 2019: VND 53,826,819,196) 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 30 June 2020 includes VND 291,342,333,123 (as at 31 December 2019: VND 208,977,626,735) 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	14,080,000,000	93,180,778,934	129,455,664,501
Closing balance	22,194,885,567	14,080,000,000	93,180,778,934	129,455,664,501
ACCUMULATED AMORTISATION				
Opening balance	6,287,242,058	14,080,000,000	55,939,745,082	76,306,987,140
Charge for the period	639,808,649	-	5,986,562,646	6,626,371,295
Closing balance	6,927,050,707	14,080,000,000	61,926,307,728	82,933,358,435
NET BOOK VALUE				
Opening balance	15,907,643,509	-	37,241,033,852	53,148,677,361
Closing balance	15,267,834,860	-	31,254,471,206	46,522,306,066

The cost of the Company's intangible assets as at 30 June 2020 includes VND 62,918,811,341 (as at 31 December 2019: VND 62,538,811,341) 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	763,843,377,044	693,410,659,894
CO2 separation system	1,523,123,735	-
Other projects	5,686,790,126	5,095,426,991
	771,053,290,905	698,506,086,885

The Company has pledged the entire value of construction in progress of the Project "Composite Fertilizer Production from melted Urea" with the total amount of VND 763,843,377,044 as at 30 June 2020 (31 December 2019: VND 693,410,659,894) 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	414,144,169,047	414,144,169,047	459,336,702,198	459,336,702,198
PetroVietnam Power Corporation	36,825,354,858	36,825,354,858	80,176,252,657	80,176,252,657
PetroVietnam Fertilizer and Chemicals Corporation – Joint Stock Company - Chemical Business Petroleum Branch	27,250,548,834	27,250,548,834	21,579,663,510	21,579,663,510
Vietnam Petroleum Investment and Transport Joint Stock Company	8,164,600,030	8,164,600,030	9,864,540,711	9,864,540,711
Others	126,761,092,849	126,761,092,849	308,344,476,276	308,344,476,276
	613,145,765,618	613,145,765,618	879,301,635,352	879,301,635,352
Trade payables to related parties (Details stated in Note 37)	488,425,667,210	488,425,667,210	574,314,208,838	574,314,208,838



15. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Yetak Group Company Limited	24,230,114,400	-
Chhun Sok An Company Limited	8,594,740,302	2,817,567
Five Star International Fertilizer Cambodia Company Limited	5,780,000,000	-
Sayimex Ta Mchas Sre Company Limited	4,101,300,000	-
Thuy Minh Khoa Company Limited	5,057,851,400	1,931,739,000
Other customers	24,596,549,309	43,163,744,229
	72,360,555,411	45,098,300,796

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

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
a. Receivables				
Value added tax	104,855,724	-	-	104,855,724
Land rentals	397,346,605	80,190,633	80,190,633	397,346,605
Import duty	66,807,775	1,489,186,960	1,435,863,706	13,484,521
	569,010,104	1,569,377,593	1,516,054,339	515,686,850
b. Payables				
Value added tax	1,121,819,011	5,125,354,242	6,075,027,035	172,146,218
Corporate income tax	16,445,694,693	17,215,019,338	19,196,828,188	14,463,885,843
Natural resources tax	229,003,200	1,344,470,400	1,351,857,600	221,616,000
Personal income tax	4,333,992,295	11,018,976,050	15,213,891,396	139,076,949
Other taxes	281,843,015	1,571,360,742	1,836,529,757	16,674,000
	22,412,352,214	36,275,180,772	43,674,133,976	15,013,399,010

17. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Goods and services received but not billed	22,676,901,282	17,013,452,519
Non-deductible value added tax	13,662,432,524	13,919,985,689
Accrued interest expense	12,788,445,188	18,956,926,333
Guarantee fees	707,113,125	988,950,000
Accrued gas expenses	-	614,394,302,700
Other accruals	38,106,416,844	128,914,123,664
	87,941,308,963	794,187,740,905
<i>In which:</i>		
Accrued expense payable to related parties (details presented in Note 37)	15,977,882,381	628,314,288,389

18. OTHER SHORT-TERM PAYABLES

	Closing balance VND	Opening balance VND
Ca Mau 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	124,371,817,205	124,365,697,205
- Receiving completed "Ca Mau 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	12,219,608,894
- 2014 corporate income tax overpayment	32,375,616,667	32,369,496,667
- 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	12,127,492,279	3,110,068,346
Trade union fee	1,228,195,660	1,855,650,390
Social insurance	341,415,060	1,086,558,852
Health insurance	60,916,903	188,451,205
Unemployment insurance	29,710,096	77,896,036
Short-term deposits received	1,111,932,000	604,432,000
Other short-term payables	8,744,806,311	16,171,110,711
	203,867,698,943	203,311,278,174
Other short-term payables to related parties (details presented in Note 37)	180,223,230,634	180,217,110,634

- (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 Ca Mau Fertilizer Production Plant Project, the Company took over fixed assets and current assets of Ca Mau Fertilizer Production Plant according to the finalized value. The Company temporarily recognized the difference between the value of assets received and the total amount of charter capital and received loans as a payable to Vietnam Oil and Gas Group. The payable balance will be adjusted upon the finalization of the Company's State-owned capital portion with Vietnam Oil and Gas Group.

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19. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		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	14,619,058,547	14,619,058,547	1,193,351,635,120	862,327,684,556	345,643,009,111	345,643,009,111
- Vietnam Joint Stock Commercial Bank of Industry and Trade - Bac Lieu Branch (i)	14,619,058,547	14,619,058,547	32,726,124,827	33,604,174,263	13,741,009,111	13,741,009,111
- Vietnam Joint Stock Commercial Bank of Foreign Trade - Thu Thiem Branch (ii)	-	-	1,068,723,510,293	828,365,760,293	240,357,750,000	240,357,750,000
- Ho Chi Minh City Development Joint Stock Commercial Bank - Ca Mau Branch (ii)	-	-	91,902,000,000	357,750,000	91,544,250,000	91,544,250,000
Current portion of long-term loans (see Note 21)	1,141,752,639,882	1,141,752,639,882	354,567,160,362	580,324,159,862	915,995,640,382	915,995,640,382
	1,156,371,698,429	1,156,371,698,429	1,547,918,795,482	1,442,651,844,418	1,261,638,649,493	1,261,638,649,493

(i) Represent the short-term loans of PetroVietnam Packaging Joint Stock Company (the Company's subsidiary) from Joint Stock Commercial Bank for Industry and Trade of Vietnam - 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.

(ii) Represent unsecured short-term loans granted to PetroVietnam Ca Mau Fertilizer Joint Stock Company with loan term of no more than 3 months to supplement working capital for production and business activities. The interest rates applicable to loans from Ho Chi Minh City Development Joint Stock Commercial Bank and Joint Stock Commercial Bank for Foreign Trade of Vietnam were 3.2%/year and 4.9%/year, respectively.

20. SHORT-TERM PAYABLE PROVISIONS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Sales discount (i)	76,699,617,109	119,397,600
Periodic repair and maintenance expenses (ii)	39,900,100,002	-
Social welfare security and marketing communications expenses (ii)	34,597,756,222	-
	<u>151,197,473,333</u>	<u>119,397,600</u>

- (i) Represent sales discount estimates based on the sale policy approved by the Executive Board which mainly include those for Urea products at the rate of 3.12% of revenue. Sales discount amount will be adjusted upon finalization at the end of the financial year.
- (ii) During the period, the Company accrued maintenance expenses, social security expenses and marketing and communication expenses based on the business plan for the year 2020 approved under Resolution No. 6954/NQ-DKVN dated 05 December 2019 of the Board of Directors of Vietnam Oil and Gas Group. These accruals will be adjusted upon finalization at the end of the financial year.

21. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	VND Amount able to be paid off	Increases	Decreases	Amount	VND Amount able to be paid off
Long-term loans	1,770,225,135,123	1,770,225,135,123	59,153,640,901	580,324,159,862	1,249,054,616,162	1,249,054,616,162
BNP Paribas Bank, Credit Agricole Bank, Export - Import Bank of China	878,180,002,077	878,180,002,077	-	253,940,002,077	624,240,000,000	624,240,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	491,490,582,540	491,490,582,540	-	245,552,923,500	245,937,659,040	245,937,659,040
Saigon - Hanoi Commercial Joint Stock Bank	336,191,468,685	336,191,468,685	59,153,640,901	65,889,414,000	329,455,695,586	329,455,695,586
Ho Chi Minh City Development Joint Stock Commercial Bank - Ca Mau Branch	50,625,041,153	50,625,041,153	-	12,656,260,285	37,968,780,868	37,968,780,868
Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Lieu Branch	13,738,040,668	13,738,040,668	-	2,285,560,000	11,452,480,668	11,452,480,668
	1,770,225,135,123	1,770,225,135,123	59,153,640,901	580,324,159,862	1,249,054,616,162	1,249,054,616,162

In which:

- Amount due for settlement within 12 months	1,141,752,639,882
- Amount due for settlement after 12 months	628,472,495,241

Long-term loans of the Company are disbursed in USD and VND for procurement of 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 period, the interest rates ranged from 2.5%/year to 5.4%/year for loans in USD and from 7.5%/year to 11%/year 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	870,177,659,040	1,369,670,584,617
Loans in VND	378,876,957,122	400,554,550,506
	<u>1,249,054,616,162</u>	<u>1,770,225,135,123</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	915,995,640,382	1,141,752,639,882
In the second year	263,447,115,761	511,131,857,735
In the third to fifth year inclusive	69,611,860,019	117,340,637,506
	<u>1,249,054,616,162</u>	<u>1,770,225,135,123</u>
Less: Amount due for settlement within 12 months (shown under short-term loans and obligations under finance leases)	915,995,640,382	1,141,752,639,882
Amount due for settlement after 12 months	<u>333,058,975,780</u>	<u>628,472,495,241</u>

22. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Openning balance	137,797,154,046	156,508,475,924
- Utilization in the period	(1,594,928,849)	(18,711,321,878)
Closing balance	<u>136,202,225,197</u>	<u>137,797,154,046</u>

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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23. 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 period'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 period	-	-	-	297,769,473,302	2,325,324,792	300,094,798,094
Appropriation to investment and development fund	-	-	24,436,748,113	(24,436,748,113)	-	-
Appropriation to bonus and welfare funds	-	-	-	(33,624,637,942)	(1,301,196,458)	(34,925,834,400)
Additional Appropriation to bonus and welfare funds	-	-	-	(111,270,000)	-	(111,270,000)
Prior period's closing balance	5,294,000,000,000	2,499,150,000	342,170,011,919	865,638,980,787	29,621,801,887	6,533,929,944,593
Current period's opening 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
Profit for the period	-	-	-	356,543,234,753	2,667,339,535	359,210,574,288
Appropriation to investment and development fund (i)	-	-	35,829,057,850	(35,829,057,850)	-	-
Appropriation to bonus and welfare funds (i)	-	-	-	(30,921,643,000)	(450,448,123)	(31,372,091,123)
Capital increase from retained earnings 2019	-	-	-	315,244,328	-	315,244,328
Dividends declared	-	-	-	-	(1,880,279,200)	(1,880,279,200)
Current period's closing balance	5,294,000,000,000	3,665,420,000	388,367,364,187	718,953,408,625	27,614,505,560	6,432,600,698,372

(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
Ordinary shares	529,400,000	529,400,000
Number of outstanding shares in circulation	529,400,000	529,400,000
Ordinary shares	529,400,000	529,400,000

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

Charter capital

The charter capital of the Company is VND 5,294,000,000,000. As at 30 June 2020, 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	47,995,160,000
<i>In which:</i>		
Contributed capital of the Holding Company	24,491,670,000	24,491,670,000
Contributed capital of non-controlling shareholders	23,503,490,000	23,503,490,000
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>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Total assets	68,421,437,708	67,941,730,594
Total liabilities	(40,806,932,148)	(40,663,837,246)
Net assets	27,614,505,560	27,277,893,348
<i>Details are as follows:</i>		
Charter capital	23,503,490,000	23,503,490,000
Other funds	4,246,073,548	3,984,407,115
Retained earnings	(135,057,988)	(210,003,767)

24. OFF-BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
USD	13,787,485	10,118,677
EUR	1,280	1,280

25. 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 6-month period ended 30 June 2020 and the assets and liabilities as at 30 June 2020 of the package manufacturing and trading business are about VND 79 billion, VND 80 billion and VND 35 billion, respectively, accounting for a negligible proportion in total revenue from goods sold and service rendered and total assets of the Company. Accordingly, the financial information presented in the interim consolidated balance sheet as at 30 June 2020 and all revenue and expenses presented in the interim consolidated income statement for the 6-month period ended 30 June 2020 mainly relate to manufacturing and trading fertilizers. Therefore, no business segment report has been prepared. Revenue and cost of sales by goods item and business activity are presented in Note 26 and Note 27.

Geographical segments

The Company carries out the distribution of fertilizer products primarily in the Southwest, Southeast and Central Highlands markets. During the period, the Company exported Ca Mau fertilizer products and other products to foreign markets with revenue of about VND 576 billion accounting for about 17% (the 6-month period ended 30 June 2019: about VND 268 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 geographical segment as follows:

Current period	Domestic	Export	Total
	VND	VND	VND
Net revenue from goods sold	2,710,875,807,825	565,489,524,229	3,276,365,332,054
Cost of sales	(2,186,824,240,938)	(472,857,051,029)	(2,659,681,291,967)
Gross profit by department	524,051,566,887	92,632,473,200	616,684,040,087
General operating expenses			(255,070,306,319)
Financial income			61,148,626,289
Financial expenses			(44,693,547,951)
Other income			6,528,553,099
Other expenses			(1,218,977,557)
Accounting profit before tax			383,378,387,648
Current corporate income tax expense			(17,215,019,338)
Deferred corporate tax expense			(6,952,794,022)
Net profit after corporate income tax			359,210,574,288

Prior period	Domestic VND	Export VND	Total VND
Net revenue from goods sold	3,184,424,630,377	262,290,087,241	3,446,714,717,618
Cost of sales	(2,674,127,569,267)	(234,832,453,839)	(2,908,960,023,106)
Gross profit by department	510,297,061,110	27,457,633,402	537,754,694,512
General operating expenses			(255,443,014,992)
Financial income			68,843,146,052
Financial expenses			(64,971,564,616)
Other income			39,267,452,139
Other expenses			(303,785,357)
Accounting profit before tax			325,146,927,738
Current corporate income tax expense			(23,818,795,745)
Deferred corporate tax expense			(1,233,333,899)
Net profit after corporate income tax			300,094,798,094

26. REVENUE

	Current period VND	Prior period VND
Sales of merchandise and services		
Sales of urea	2,734,446,499,920	2,666,963,017,204
- Domestic sales	2,164,829,394,500	2,493,288,211,254
- Export	569,617,105,420	173,674,805,950
Sales of ammonia	-	38,074,579,385
Sales of fertilizers	504,762,914,650	706,211,418,400
- Domestic sales	497,859,448,600	618,204,694,150
- Export	6,903,466,050	88,006,724,250
Sales of production waste and other finished goods	140,519,258,370	133,253,984,971
	3,379,728,672,940	3,544,502,999,960
Deductions		
Sales discount	103,148,740,886	97,788,282,342
Sales return	214,600,000	-
	103,363,340,886	97,788,282,342
Sales in the period to related parties (details presented in Note 37)	45,397,100	20,850,000

27. COST OF SALES

	Current period VND	Prior period VND
Cost of urea sold	2,116,832,117,852	2,129,425,195,093
Cost of ammonia sold	-	48,754,893,520
Cost of fertilizers sold	446,795,729,415	664,201,175,215
Cost of other products	96,053,444,700	66,578,759,278
	2,659,681,291,967	2,908,960,023,106

28. PRODUCTION COST BY NATURE

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Raw materials and consumables	1,368,672,767,469	1,747,239,516,414
Labour	156,670,706,551	193,988,458,787
Depreciation and amortisation	656,706,156,484	649,142,432,454
Out-sourced services	186,739,984,829	164,293,002,394
Other monetary expenses	117,867,932,807	144,962,507,748
	2,486,657,548,140	2,899,625,917,797

29. FINANCIAL INCOME

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Bank interest	56,161,373,468	64,029,380,233
Foreign exchange gain	4,987,252,821	4,813,765,819
	61,148,626,289	68,843,146,052

30. FINANCIAL EXPENSES

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Interest expense	30,621,663,668	48,272,550,712
Settlement discount	-	29,750,000
Guarantee fee	1,387,812,927	2,634,348,911
Foreign exchange loss	12,684,071,356	14,034,914,993
	44,693,547,951	64,971,564,616

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Selling expenses for the period		
Selling staff expenses	13,252,176,230	16,092,385,233
Transport, loading and storage expenses	76,360,451,837	66,620,127,521
Advertisement and communication expenses	39,191,653,363	33,325,951,134
Social welfare security expenses	4,999,999,998	7,500,000,000
Selling expenses of merchandise	7,989,791,767	12,338,115,664
Depreciation and amortization expenses	1,659,909,949	514,535,231
Outsourced services	12,221,036,740	6,564,187,190
Other selling expenses	16,083,954,983	15,092,541,071
	171,758,974,867	158,047,843,044
General and administration expenses for the period		
Administrative staff expenses	32,144,868,499	43,582,894,885
Management fee payable to Vietnam Oil and Gas Group	-	13,525,187,983
Depreciation and amortization expenses	7,689,394,265	6,998,451,286
Outsourced services	21,421,168,398	12,355,619,581
Other general and administration expenses	22,055,900,290	20,933,018,213
	83,311,331,452	97,395,171,948

32. OTHER INCOME AND OTHER EXPENSES

	<u>Current period</u> <u>VND</u>	<u>Prior period</u> <u>VND</u>
Other income		
Insurance compensations received	4,617,945,459	37,488,786,000
Penalty for breach of contract	168,610,829	491,211,075
Other income	1,741,996,811	1,287,455,064
	6,528,553,099	39,267,452,139
Other expenses		
Tax penalties	152,523,472	-
Other expenses	1,066,454,085	303,785,357
	1,218,977,557	303,785,357
Profit from other activities	5,309,575,542	38,963,666,782

33. CURRENT CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current period	16,378,684,568	23,635,649,056
Adjustments for corporate income tax expense in previous periods to the current period	836,334,770	183,146,689
Total current corporate income tax expense	17,215,019,338	23,818,795,745

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

	Current period VND	Prior period VND
Corporate income tax from production of urea	12,944,006,575	12,855,415,097
Corporate income tax from production of packages	125,131,052	559,587,516
Corporate income tax from other activities	3,309,546,941	10,220,646,443
Corporate income tax expense based on taxable profit in the current period	16,378,684,568	23,635,649,056

34. BASIC EARNINGS PER SHARE

	Current period	Prior period
Accounting profit after corporate income tax attributable to Holding company (VND)	356,543,234,753	297,769,473,302
- Appropriation to bonus and welfare funds (VND)	(30,921,643,000)	(33,624,637,942)
Profit or loss attributable to ordinary shareholders (VND)	325,621,591,753	264,144,835,360
Average number of ordinary shares in circulation for the period	529,400,000	529,400,000
Basic earnings per share (VND)	615	499

35. 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 42,113,438,319 relating to the interest amounts that the Company paid to the banks accumulated to 30 June 2020. 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.

36. 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 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 495 million m³ of standard gas per year.

The new price for the gas purchased under this contract applied for the period from 01 January 2019 to the end of 31 December 2031 will be as per the Contract amendment dated 27 May 2020 of the Gas Purchase and Sale Contract No. 3918/HD-DKVN 23 May 2012.

- 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 project is expected to complete by the end of 2020 with the structure of investment capital comprising 70% debt and 30% equity.

37. RELATED PARTIES TRANSACTIONS AND BALANCES

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

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

	Current period VND	Prior period VND
Sales		
PetroVietnam Transportation Vung Tau Joint Stock Company	45,397,100	20,850,000
	45,397,100	20,850,000
Purchases		
Vietnam Oil and Gas Group	914,090,137,385	1,388,803,121,522
PetroVietnam Power Corporation	135,608,611,055	140,522,850,986
PetroVietnam Fertilizer and Chemical Joint Stock Company - Chemical Trading Branch	58,897,339,480	39,878,138,062
PetroVietnam Gas Joint Stock Company - Ca Mau Branch	10,358,251,725	7,261,131,656
PetroVietnam Security Service Joint Stock Company	7,632,361,150	7,353,310,770
PetroVietnam Transportation Vung Tau Joint Stock Company	3,665,846,457	1,140,909,000
Saigon PetroVietnam Oil Joint Stock Company	2,529,642,736	3,968,283,754
South-East PetroVietnam Fertilizer and Chemical Joint Stock Company	2,033,476,162	749,899,806
South-West PetroVietnam Fertilizer and Chemical Joint Stock	1,162,281,280	2,283,375,417
Vietnam Petroleum Institute	507,056,000	901,918,000
MeKong Petroleum Joint Stock Company	291,420,000	1,688,800,000
Indochina Petroleum Transportation Joint Stock Company	265,498,496	332,136,770
Petrovietnam Securities Joint Stock Company	200,000,000	220,000,000
Branch of MeKong Petroleum Joint Stock Company in Bac Lieu - Petroleum Station No. 17	107,043,430	39,474,430
Petrovietnam Chemical and Services Corporation	60,978,000	138,567,000
PetroVietnam Maintenance and Repair Company	-	6,958,539,006
Petroleum Pipeline and Tank Construction Joint Stock Company	-	927,338,503
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	-	793,445,400
	1,137,409,943,356	1,603,961,240,082

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

	Closing balance	Opening balance
	VND	VND
Trade receivables		
PetroVietnam Transportation Vung Tau Joint Stock Company	5,071,100	23,030,000
	5,071,100	23,030,000
Other short-term receivables		
Vietnam Oil and Gas Group	121,342,074,328	276,761,701,091
	121,342,074,328	276,761,701,091
Short-term advances to suppliers		
Vietnam Oil and Gas Group	30,597,955,738	30,597,955,738
Vietnam Petroleum Institute	954,183,960	1,139,217,950
Indochina Petroleum Transportation Joint Stock Company	-	260,700,000
Saigon PetroVietnam Oil Joint Stock Company	335,142,600	243,156,600
PetroVietnam Transportation Vung Tau Joint Stock Company	-	166,050,500
	31,887,282,298	32,407,080,788
Short-term trade payables		
Vietnam Oil and Gas Group	414,144,169,047	459,336,702,198
PetroVietnam Power Corporation	36,825,354,858	80,176,252,657
PetroVietnam Fertilizer and Chemical Joint Stock Company - Chemical Trading Branch	27,250,548,834	21,579,663,510
PetroVietnam Transportation Vung Tau Joint Stock Company	2,453,055,300	1,433,323,740
South-East PetroVietnam Fertilizer and Chemical Joint Stock Company	2,236,823,778	656,021,196
PetroVietnam Gas Joint Stock Company - Ca Mau Branch	1,765,079,850	1,685,954,418
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	1,606,905,000	1,606,905,000
PetroVietnam Security Service Joint Stock Company	1,391,440,420	1,421,031,890
PVOil Sai Gon Joint Stock Company	407,259,141	596,932,091
South-West PetroVietnam Fertilizer and Chemical Joint Stock Company	255,118,798	636,470,125
Vietnam Petroleum Institute	66,042,184	4,522,596,913
PetroVietnam Technical Safety Registration Company Limited	23,870,000	-
Branch of Petrovietnam Fertilizer and Chemicals Corporation - Phu My Urea Plant	-	286,626,000
PetroVietnam Manpower Training College	-	110,500,000
Binh Son Refining and Petrochemical Joint Stock Company	-	63,563,000
Indochina Petroleum Transportation Joint Stock Company	-	201,666,100
	488,425,667,210	574,314,208,838

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Short-term accrued expenses		
Vietnam Oil and Gas Group	15,977,882,381	628,314,288,389
	15,977,882,381	628,314,288,389

Other current payables

Ca Mau Gas - Power - Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
Vietnam Oil and Gas Group	124,371,817,205	124,365,697,205
	180,223,230,634	180,217,110,634

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

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Remuneration paid to the Board of Directors and Executive Board	7,267,384,654	7,641,673,591
	7,267,384,654	7,641,673,591


Dinh Nhat Duong
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Ngoc Minh Tri
Executive Officer

21 August 2020