



VIETNAM NATIONAL PETROLEUM GROUP

**The Parent Company - Vietnam National
Petroleum Group**

Separate interim financial statements for
the six-month period ended 30 June 2019



The Parent Company - Vietnam National Petroleum Group Corporate Information

Establishment Documents Decision No. 224/QĐ-TTg dated 14 April 1995 of the Prime Minister on establishment of Vietnam National Petroleum Corporation.

Decision No. 828/QĐ-TTg dated 31 May 2011 of the Prime Minister on the approval of the equitisation and restructuring plan of Vietnam National Petroleum Corporation.

Business Registration Certificate No. 0100107370 initially issued by the Hanoi Department of Planning and Investment on 5 May 1995. The Business Registration Certificate has been amended several times, the most recent of which is by Business Registration Certificate dated 1 November 2017.

Board of Management	Mr. Pham Van Thanh	Chairman
	Mr. Nguyen Thanh Son	Member
	Mr. Nguyen Duc Thang	Member
	Mr. Tran Ngoc Nam	Member
	Mr. Le Van Huong	Member
	Mr. Nguyen Anh Dung	Member
	Mr. Yoshihiro Sato	Member

Board of General Directors	Mr. Pham Duc Thang	General Director
	Mr. Tran Ngoc Nam	Deputy General Director
	Mr. Nguyen Quang Dung	Deputy General Director
	Mr. Nguyen Van Su	Deputy General Director
	Mr. Dao Nam Hai	Deputy General Director
	Mr. Nguyen Thanh Son	Deputy General Director
	Mr. Nguyen Xuan Hung	Deputy General Director
	Mr. Luu Van Tuyen	Deputy General Director

Registered Office No. 1, Kham Thien Street, Dong Da District
Hanoi, Vietnam

Auditor KPMG Limited
Vietnam


The Parent Company - Vietnam National Petroleum Group Statement of the Board of General Directors

The Board of General Directors of the Parent Company - Vietnam National Petroleum Group (the "Parent Company") presents this statement and the accompanying separate interim financial statements of the Parent Company for the six-month period ended 30 June 2019.

The Board of General Directors is responsible for the preparation and fair presentation of the separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting. In the opinion of the Board of General Directors:

- (a) the separate interim financial statements set out on pages 5 to 51 give a true and fair view of the unconsolidated financial position of the Parent Company as at 30 June 2019, and of the unconsolidated results of operations and the unconsolidated cash flows of the Parent Company for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Parent Company will not be able to pay its debts as and when they fall due.

On the date of this statement, the Parent Company's Board of General Directors has authorised the accompanying separate interim financial statements for issue.

On behalf of the Board of General Directors

Luu Van Tuyen
Deputy General Director

Hanoi, 29 August 2019



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South Tu Liem District, Hanoi, Vietnam
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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

**To: The Shareholders
The Board of Management and the Board of General Directors
The Parent Company - Vietnam National Petroleum Group**

We have reviewed the accompanying separate interim financial statements of The Parent Company - Vietnam National Petroleum Group ("the Parent Company"), which comprise the separate balance sheet as at 30 June 2019, the separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Parent Company's Board of General Directors on 29 August 2019, as set out on pages 5 to 51.

Board of General Directors' Responsibility

The Parent Company's Board of General Directors is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of General Directors determines is necessary to enable the preparation of separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

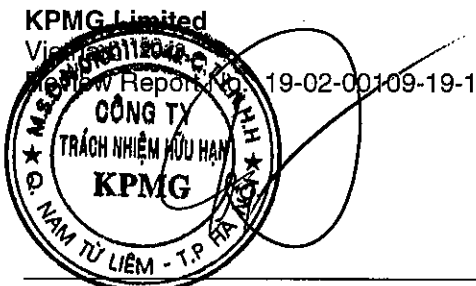
Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on review engagements 2410 - Review of interim financial information performed by the independent auditor of the entity.

A review of interim financial information 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.



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial position of The Parent Company - Vietnam National Petroleum Group as at 30 June 2019 and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.



Wang Toon Kim
Practicing Auditor Registration
Certificate No.: 0557-2018-007-1
Deputy General Director
Hanoi, 29 August 2019

Phan My Linh
Practicing Auditor Registration
Certificate No.: 3064-2019-007-1

The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 30 June 2019

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2019 VND	1/1/2019 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		24,762,090,562,433	24,257,049,432,807
Cash and cash equivalents	110	8	5,348,318,055,053	6,679,896,073,798
Cash	111		1,288,318,055,053	2,762,896,073,798
Cash equivalents	112		4,060,000,000,000	3,917,000,000,000
Short-term financial investments	120		4,790,000,000,000	3,748,000,000,000
Held-to-maturity investments	123	9	4,790,000,000,000	3,748,000,000,000
Accounts receivable – short-term	130		5,517,016,896,020	5,210,139,612,269
Accounts receivable from customers	131	10	5,087,114,715,139	4,857,167,152,246
Prepayments to suppliers	132	11	110,248,345,973	19,586,325,216
Other receivables	136	12	319,653,834,908	333,386,134,807
Inventories	140	13	7,695,633,034,741	7,186,390,850,583
Inventories	141		7,811,943,039,801	7,744,366,042,273
Allowance for inventories	149		(116,310,005,060)	(557,975,191,690)
Other current assets	150		1,411,122,576,619	1,432,622,896,157
Short-term prepaid expenses	151		55,229,373,402	131,030,614,566
Deductible value added tax	152		440,796,165,640	126,002,778,292
Taxes and others receivable from State Treasury	153	20	915,097,037,577	1,175,589,503,299

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

The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 30 June 2019 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2019 VND	1/1/2019 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		11,847,964,043,228	11,902,009,068,645
Accounts receivable – long-term	210		204,885,000	204,885,000
Other long-term receivables	216		204,885,000	204,885,000
Fixed assets	220		354,015,761,534	369,932,609,495
Tangible fixed assets	221	14	105,910,095,800	123,947,786,445
Cost	222		345,799,204,850	344,959,137,577
Accumulated depreciation	223		(239,889,109,050)	(221,011,351,132)
Intangible fixed assets	227	15	248,105,665,734	245,984,823,050
Cost	228		550,812,137,900	542,984,122,900
Accumulated amortisation	229		(302,706,472,166)	(296,999,299,850)
Long-term work in progress	240		19,613,037,214	7,106,266,161
Construction in progress	242		19,613,037,214	7,106,266,161
Long-term financial investments	250	16	11,278,412,894,225	11,275,345,582,295
Investments in subsidiaries	251		9,450,358,700,020	9,450,358,700,020
Investments in associates, joint-ventures	252		1,771,112,798,525	1,773,694,898,525
Equity investments in other entities	253		108,494,852,200	105,912,752,200
Allowance for diminution in the value of long-term financial investments	254		(51,553,456,520)	(54,620,768,450)
Other long-term assets	260		195,717,465,255	249,419,725,694
Long-term prepaid expenses	261	17	193,260,585,431	231,906,511,257
Deferred tax assets	262		2,456,879,824	17,513,214,437
TOTAL ASSETS (270 = 100 + 200)	270		36,610,054,605,661	36,159,058,501,452

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

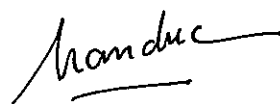
The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 30 June 2019 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2019 VND	1/1/2019 VND
RESOURCES				
LIABILITIES (300 = 310)	300		19,303,494,297,727	17,953,224,921,684
Current liabilities	310		19,303,494,297,727	17,953,224,921,684
Accounts payable to suppliers	311	18	9,565,697,115,934	8,460,841,651,693
Advances from customers	312	19	76,205,918,583	36,119,774,788
Taxes and others payable to State Treasury	313	20	55,922,126,465	36,223,862,965
Payables to employees	314		22,192,289,822	22,310,130,838
Accrued expenses	315		78,939,094,022	61,589,751,252
Other payables – short-term	319	21	3,362,125,703,639	236,103,241,146
Short-term borrowings	320	22	6,058,410,538,421	7,137,442,750,576
Bonus and welfare fund	322		30,465,201,992	32,072,414,202
Petroleum price stabilisation fund	323	23	53,536,308,849	1,930,521,344,224
EQUITY (400 = 410)	400		17,306,560,307,934	18,205,833,579,768
Owners' equity	410	24	17,306,560,307,934	18,205,833,579,768
Share capital	411	25	12,938,780,810,000	12,938,780,810,000
- Ordinary shares with voting rights	411a		12,938,780,810,000	12,938,780,810,000
Share premium	412		2,840,089,287,826	2,246,997,553,623
Treasury shares	415	25	(1,230,648,460,000)	(1,350,648,460,000)
Investment and development fund	418	27	56,981,179,159	56,981,179,159
Other equity funds	420	27	1,252,002,338,768	1,252,002,338,768
Retained profits	421		1,449,355,152,181	3,061,720,158,218
- Retained profits brought forward	421a		-	3,061,720,158,218
- Retained profit for the current period/year	421b		1,449,355,152,181	-
TOTAL RESOURCES (440 = 300 + 400)	440		36,610,054,605,661	36,159,058,501,452

29 August 2019

Prepared by:



Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department



Luu Van Tuyen
Deputy General Director

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

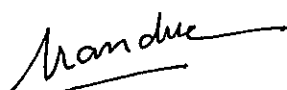
The Parent Company - Vietnam National Petroleum Group
Separate statement of income for the six-month period ended 30 June 2019

Form B 02a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended	
			30/6/2019 VND	30/6/2018 VND
Revenue from sales of goods and provision of services	01	29	62,135,555,981,450	66,764,143,092,660
Cost of sales	11	30	60,246,302,062,683	65,116,150,020,909
Gross profit (20 = 01 - 11)	20		1,889,253,918,767	1,647,993,071,751
Financial income	21	31	952,270,837,544	802,093,875,814
Financial expenses	22	32	198,106,801,743	227,523,820,390
<i>In which: Interest expense</i>	23		<i>112,595,894,242</i>	<i>138,482,251,562</i>
Selling expenses and general and administration expenses	25	33	1,019,792,946,178	934,151,886,733
Net operating profit (30 = 20 + 21 - 22 - 25)	30		1,623,625,008,390	1,288,411,240,442
Other income	31	34	29,358,789,993	119,852,184,493
Other expenses	32	35	7,048,456,212	60,008,557,081
Results of other activities (40 = 31 - 32)	40		22,310,333,781	59,843,627,412
Accounting profit before tax (50 = 30 + 40)	50		1,645,935,342,171	1,348,254,867,854
Income tax expense – current	51	36	181,523,855,377	166,528,308,598
Income tax expense – deferred	52	36	15,056,334,613	-
Net profit after tax (60 = 50 - 51 - 52)	60		1,449,355,152,181	1,181,726,559,256

29 August 2019

Prepared by:

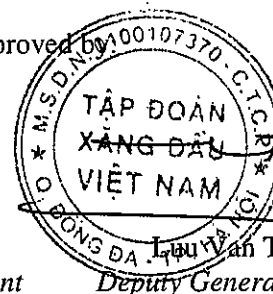


Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department



Lưu Văn Tuyen
Deputy General Director

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

The Parent Company - Vietnam National Petroleum Group
Separate statement of cash flows for the six-month period ended 30 June 2019
(Indirect method)

Form B 03a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Six-month period ended	
		30/6/2019 VND	30/6/2018 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	1,645,935,342,171	1,348,254,867,854
Adjustments for			
Depreciation and amortisation	02	24,584,930,234	40,638,195,041
Allowances and provisions	03	(444,732,498,560)	(86,266,007,360)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	4,157,295,995	71,258,089,975
Profits from investing activities	05	(875,983,121,679)	(839,805,256,891)
Interest expense	06	112,595,894,242	138,482,251,562
Other adjustments (Movement in petroleum price stabilisation fund – Note 23)	07	(1,879,694,278,919)	(777,151,921,219)
Operating profit before changes in working capital	08	(1,413,136,436,516)	(104,589,781,038)
Change in receivables	09	(275,655,231,451)	291,346,419,595
Change in inventories	10	(67,576,997,528)	(3,023,325,390,317)
Change in payables and other liabilities	11	1,273,910,522,430	2,373,745,031,139
Change in prepaid expenses	12	114,447,166,990	29,048,981,398
		(368,010,976,075)	(433,774,739,223)
Interest paid	14	(102,531,102,415)	(130,374,333,663)
Income tax paid	15	(185,398,535,024)	(140,519,720,502)
Other receipts from operating activities	16	2,709,243,544	6,931,406,344
Other payments for operating activities	17	(15,742,959,409)	(23,393,349,089)
Net cash flows from operating activities	20	(668,974,329,379)	(721,130,736,133)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(26,677,195,484)	(20,362,146,343)
Payments for granting loans, purchase of debt instruments of other entities	23	(5,315,000,000,000)	(4,791,000,000,000)
Receipts from collecting loans	24	4,273,000,000,000	1,614,319,756,941
Collections on investments in other entities	26	4,124,550,000	266,407,728,000
Receipts of interests, dividends and shares of profits	27	783,106,464,109	696,774,585,081
Net cash flows from investing activities	30	(281,446,181,375)	(2,233,860,076,321)

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


The Parent Company - Vietnam National Petroleum Group
Separate statement of cash flows for the six-month period ended 30 June 2019
(Indirect method – continued)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2019 VND	30/6/2018 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from transfer of treasury shares	31	713,091,734,203	-
Proceeds from borrowings	33	24,677,791,110,294	32,835,720,271,108
Payments to settle loan principals	34	(25,770,450,853,832)	(31,715,827,371,535)
Payments of dividends	36	(360,037,876)	-
Net cash flows from financing activities	40	(379,928,047,211)	1,119,892,899,573
Net cash flows during the period (50 = 20 + 30 + 40)	50	(1,330,348,557,965)	(1,835,097,912,881)
Cash and cash equivalents at the beginning of the period	60	6,679,896,073,798	10,738,819,837,128
Effect of exchange rate fluctuations on cash and cash equivalents	61	(1,229,460,780)	(422,057,614)
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61) (Note 8)	70	5,348,318,055,053	8,903,299,866,633

29 August 2019

Prepared by:

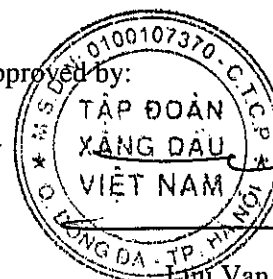


Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department




Lưu Văn Tuyền
Deputy General Director

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

The Parent Company - Vietnam National Petroleum Group
Notes to the separate interim financial statements for the six-month period ended
30 June 2019

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

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

1. Reporting entity

(a) Ownership structure

Vietnam National Petroleum Group (“the Parent Company”), previously known as Vietnam National Petroleum Corporation, a state-owned company operating in the petroleum business, was established under Decision No. 224/QĐ-TTg dated 14 April 1995 by the Prime Minister. The Group was granted a special rank by the Prime Minister under Decision No. 186/TTg dated 28 March 1996, aiming at enhancement of concentration, specialization, and cooperation in production and business to execute the functions assigned by the State, improving the competence and efficiency of member companies and the Group and meeting the requirements for development of the economy. For the purpose of presenting these separate interim financial statements, the Parent Company and its subsidiaries will be collectively referred to as the Group.

In accordance with Decision No. 828/QĐ-TTg dated 31 May 2011 by the Prime Minister on the approval of the equitization and restructuring plan of Vietnam National Petroleum Corporation and Business Registration Certificate No. 0100107370 dated 1 December 2011, Vietnam National Petroleum Corporation officially changed to a joint stock company on 1 December 2011 and become Vietnam National Petroleum Group. The Parent Company inherited all rights and obligations from Vietnam National Petroleum Corporation in accordance with legal regulations.

(b) Principal activities

The principal activities of the Parent Company - Vietnam National Petroleum Group include import, export, and trading of petroleum products, petrochemical products, materials and equipment for the petroleum industry; development of strategies and plans for development of the petroleum industry for the entire Group; and management the portion of contributed capitals of the Group in other entities.

(c) Normal operating cycle

The normal operating cycle of the Parent Company is generally within 12 months.

(d) Group structure

The Group structure comprises of the Parent Company and member companies. As at 30 June 2019, the Parent Company had 51 subsidiaries including 43 petroleum companies fully owned by the Group within its Petroleum Division and 8 other subsidiaries (1/1/2019: 51 subsidiaries including 43 petroleum companies fully owned by the Group within its Petroleum Division and 8 other subsidiaries) as listed in Note 16(a) and 6 joint ventures, associates (1/1/2019: 7 joint ventures, associates) as listed in Note 16(b).

As at 30 June 2019, the Parent Company had 221 employees (1/1/2019: 220 employees).

The Parent Company - Vietnam National Petroleum Group
Notes to the separate interim financial statements for the six-month period ended
30 June 2019 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

2. Basis of preparation

(a) Statement of compliance

These separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

The Parent Company also prepares and issues its consolidated interim financial statements separately. For a comprehensive understanding of the Parent Company's consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate interim financial statements should be read in conjunction with the consolidated interim financial statements.

(b) Basis of measurement

The separate interim financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Parent Company is from 1 January to 31 December.

(d) Accounting and presentation currency

The Parent Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

The Parent Company - Vietnam National Petroleum Group
Notes to the separate interim financial statements for the six-month period ended
30 June 2019 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Parent Company in the preparation of these separate interim financial statements.

The accounting policies that have been adopted by the Parent Company in the preparation of these separate interim financial statements are consistent with those adopted in the preparation of the latest separate annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the exchange rates at the end of the accounting period. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at the end of the accounting period are determined as follows:

- For monetary assets (cash on hand, cash in banks and receivables): the foreign currency buying rate at the end of the accounting period quoted by Joint Stock Commercial Bank for Foreign Trade of Vietnam.
- For monetary liabilities (payables and borrowings): the foreign currency selling rate at the end of the accounting period quoted by Joint Stock Commercial Bank for Foreign Trade of Vietnam.

All foreign exchange differences are recorded in the separate statement of income.

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

Allowance 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.

The Parent Company - Vietnam National Petroleum Group
Notes to the separate interim financial statements for the six-month period ended
30 June 2019 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(d) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a first-in-first-out basis and includes all costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Parent Company applies the perpetual method of accounting for inventories.

According to Decision No. 505/XD-QD-TGD dated 21 September 2012 and Decision No. 568/PLX-QD-TGD dated 22 December 2014 of the Vietnam National Petroleum Group on the petroleum trading mechanism, effective from 1 November 2012, all the petroleum inventories held by the petroleum member companies within its Petroleum Division shall be owned by the Parent Company.

The Parent Company provides allowance for inventories for obsolete, damaged and substandard inventories and for those which have costs higher than net realizable values at the end of the accounting period.

(e) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use.

Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalized as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation of tangible fixed assets is computed on a straight-line basis over the estimated useful lives in accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets. The estimated useful lives are as follows:

▪ Buildings, structures	10 – 35 years
▪ Machinery and equipment	4 – 8 years
▪ Motor vehicles	6 – 8 years
▪ Office equipment	3 - 5 years
▪ Others	5 years

The Parent Company - Vietnam National Petroleum Group
Notes to the separate interim financial statements for the six-month period ended
30 June 2019 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(f) Intangible fixed assets

Intangible fixed assets comprise land use rights, software, software licence and other intangible fixed assets.

(i) Land use rights

Land use rights are any costs actually incurred in conjunction with securing the land use rights including costs for land clearance and levelling.

Land use rights comprise:

- Those granted by the State for which land use payments are collected;
- Those acquired in a legitimate transfer; and
- Rights to use leased land obtained before the effective date of the 2003 Land Law for which payments have been made in advance for more than 5 years and supported by land use right certificates issued by competent authority.

Land use rights are stated at cost less accumulated amortization. Definite land use rights are amortized on a straight-line basis over the term of the land use. No amortization is computed for indefinite land use rights by the Parent Company.

(ii) Software and software licence

Software and software licence include any costs incurred until the date that software and software licence are put into use. Software and software licence are amortized on a straight-line basis over the estimated useful lives from 3 to 10 years.

(g) Construction in progress

Construction in progress represents the costs of construction and costs of several software of the Group which have not been fully completed. No depreciation is provided for construction in progress during the period of construction and deployment.

(h) Investments

(i) Held-to-maturity investments – short-term

Held-to-maturity investments – short-term are those that the Parent Company's Board of General Directors has the intention and ability to hold until maturity. Held-to-maturity investments – short-term include term deposits at banks. These investments are stated at costs less allowance for diminution in the value of investments.

(ii) Investments in subsidiaries, associates and equity instruments of other entities – long-term

For the purpose of these separate interim financial statements, investments in subsidiaries, associates, and equity instruments of other entities are initially recognized at cost which includes purchase prices plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

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Investments in subsidiaries

Subsidiaries are entities controlled by the Parent Company. The control over subsidiaries is determined when the Parent Company holds over 50% of the subsidiaries' voting rights. Control is achieved where the Parent Company has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities.

Investments in associates

An associate is an entity in which the Parent Company has significant influence, but which is not a subsidiary of the Parent Company. Significant influence means the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies or significant influence over them.

Included in the Parent Company's associates are Petrolimex Joint Stock Insurance Company ("PJICO") which operates in the insurance sector and Petrolimex Group Joint Stock Commercial Bank ("PG Bank") which operates in the banking sector. The Parent Company's Board of General Directors assessed the effect of prevailing regulations on capital contribution in insurance and banking sectors under Decree No. 91/2015/ND-CP dated 13 October 2015 and Decree No. 32/2018/ND-CP dated 8 March 2018 of the Government on Investment of the State capital in enterprises and Management and Use of capital and assets at enterprises. Accordingly, the Parent Company had a plan for divestment from these associates.

Investments in other entities

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

(iii) *Allowances for diminution in the value of long-term financial investments*

An allowance is made for diminution in the value of investments in equity instruments if the investee has suffered a loss, except where such a loss was anticipated by the Parent Company's Board of General Directors before making the investment. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised. Allowance for diminution in the value of long-term financial investments is made in accordance with guidance in Circular No. 89/2013/TT-BTC dated 28 June 2013 on amendments and supplements to Circular No. 228/2009/TT-BTC dated 7 December 2009 of the Ministry of Finance guiding the appropriation and use of allowance for devaluation of inventories, impairment of financial instruments, doubtful debts and warranty for products, goods and construction works at enterprises.

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(i) Long-term prepaid expenses

(i) *Business advantages related to equitization*

Business advantages related to equitization of Vietnam National Petroleum Corporation are determined and recognised in accordance with Decree No. 59/2011/ND-CP dated 18 July 2011 of the Government on conversion of 100% state-owned enterprises into joint stock companies (“Decree 59”) and Circular No. 202/2011/TT-BTC dated 30 December 2011 of the Ministry of Finance guiding the implementation of Decree 59. Accordingly, the value of business advantages to be included in the valuation of an equitized enterprise comprises the value of its trade name and potential for development. The value of trade name is determined based on actual costs incurred for formulation and protection of brand names and trade names during the normal course of business prior to the date of valuation of the enterprise. The potential for development is determined based on the book value of the state-owned capital at the date of valuation multiplied by the difference between the average ratio of net profit after tax to owners’ equity of three years prior to the date of valuation and the interest rate of 5-year term government bonds announced by the Ministry of Finance at the date closest to the date of valuation.

The business advantages determined during evaluation for equitization of Vietnam National Petroleum Corporation amounted to VND542,140,339,196 and have been amortizing to the separate statement of income on a straight-line basis over 10 years since 1 January 2012.

(ii) *Office rental*

Office rental are initially recorded at cost and amortised on a straight-line basis over 42 months.

(j) Trade and other payables

Trade and other payables are stated at their cost.

(k) Provisions

A provision is recognised if, as a result of a past event, the Parent Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by estimates made by the Board of General Directors on necessary expenses to pay for this payable obligation at the end of the accounting period.

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(l) Petroleum price stabilization fund

The appropriation and utilization of petroleum price stabilization fund are made in accordance with Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 of the Ministry of Industry and Trade and the Ministry of Finance on “Method of determination of basic prices and the mechanism for creation, management, and use of the price stabilization fund and regulation of petrol and oil prices as prescribed in Decree No. 83/2014/ND-CP dated 3 September 2014 of the Government on petrol and oil trading” (“Circular 39”) and Joint Circular No. 90/2016/ TTLT-BCT-BTC amending and supplementing a number of articles of Circular 39. Whereby:

- Petroleum price stabilization fund is appropriated with a specific amount, which is fixed within the basic price of the actually sold petroleum volume and is determined as an expense item in the basic price structure (the rate of appropriation is stipulated by the Ministry of Finance from time to time) and is recognized in Cost of sales in the period corresponding to a long-term liability;
- The utilization of petroleum price stabilization fund is made in accordance with written guidelines issued by the Ministry of Finance from time to time. The utilization depends on the actually sold petroleum volume multiplied by the utilization level per liter as regulated by the Ministry of Finance. Upon utilization for the price stabilization purpose, the utilized amount is recognized as a decrease in Cost of sales during the period; and
- Interest gain or loss arising (upon obtaining additional borrowings for the utilized amount exceeding the petroleum price stabilization fund) on the petroleum price stabilization fund account are recognized as an increase or decrease, respectively in the petroleum price stabilization fund account.

(m) Share capital

(i) Ordinary shares

Ordinary shares are stated at issue price less any costs directly attributable to the issue of shares. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

(ii) Repurchase and reissue of ordinary shares (treasury shares)

The issued ordinary shares repurchased by the Parent Company are classified as treasury shares under owners’ equity. The cost of treasury shares, which is recognised as a reduction from owners’ equity, includes repurchase prices and any directly attributable costs.

When treasury shares are sold (reissue of treasury shares), the cost of the reissued shares is determined on a weighted average basis. The difference between the treasury selling price and cost is recognised in share premium.

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(n) Taxation

Income tax on the unconsolidated profit or loss for the period comprises current and deferred tax. Income tax is recognized in the separate statement of income except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(o) Revenue and other incomes

(i) Goods sold

Revenue from the sale of goods is recognized in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognized at the net amount after deducting sales discounts.

The Parent Company's selling price of petroleum products sold to petroleum member companies is the internal price determined by Vietnam National Petroleum Group for each operating period based on the price fluctuations of imported petroleum products.

(ii) Services rendered

Revenue from services rendered is recognised in the separate statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(iv) Dividend income

Dividend income is recognised when the right to receive dividend is established.

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(p) Operating lease payments

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense.

(q) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(r) Related parties

Parties are considered to be related to the Parent Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Parent Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies refer to the subsidiaries and the joint-ventures, associates of the Parent Company.

4. Seasonality of operations

The Parent Company does not have any operations, the seasonality of which may affect the Parent Company's operating results for the six-month period ended 30 June 2019.

5. Changes in accounting estimates

In preparing the separate annual and interim financial statements, the Board of General Directors has made several accounting estimates. Actual results may differ from these estimates. During the six-month period ended 30 June 2019, the Parent Company has not had any significant changes in accounting estimates as compared to those made in the most recent annual financial statements.

6. Unusual items

The Parent Company does not have any unusual items which may affect the Parent Company's separate interim financial statements for the six-month period ended 30 June 2019.

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7. Changes in the composition of the Parent Company

There were no significant changes in Parent Company's composition during the six-month period ended 30 June 2019.

8. Cash and cash equivalents

	30/6/2019	1/1/2019
	VND	VND
Cash on hand	315,000,000	271,435,000
Cash in banks	1,288,003,055,053	2,762,624,638,798
In which:		
- <i>Account balance of</i>		
<i>Petroleum price stabilisation fund (i)</i>	<i>40,130,280</i>	<i>1,372,574,859,359</i>
Cash equivalents (ii)	4,060,000,000,000	3,917,000,000,000
	5,348,318,055,053	6,679,896,073,798

- (i) The account balance of Price stabilisation fund is monitored separately in a bank account.
The account balance of Price stabilisation fund should be used solely for the price stabilisation purpose and should not be used for any other purpose.
- (ii) Cash equivalents represent term deposits at local banks with terms of not exceeding three months.

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9. Held-to-maturity investments

	30/6/2019		1/1/2019	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Term deposits	4,790,000,000,000	4,790,000,000,000	3,748,000,000,000	3,748,000,000,000

Held-to-maturity investments represent term deposits at domestic banks with a tenor of from more than 3 months to 6 months. Cost of these deposits approximate their fair value due to the short-term nature of the investments.

10. Accounts receivable from customers

(a) Accounts receivable from customers detailed by significant customers

	30/6/2019 VND	1/1/2019 VND
Petroleum member companies (b)	4,463,181,758,307	4,350,805,632,106
Petrolimex (Lao) Ltd.	345,077,788,292	329,704,243,670
Sok Kong Import Export Co., Ltd. (Sokimex)	182,171,815,976	39,455,305,176
Lao State Fuel Company (LSFC)	41,348,946,659	44,258,812,704
Totsa Total Oil Trading SA	30,656,261,643	55,573,494,424
Bright Victory Mekong Petroleum Import-Export Co., Ltd.	24,678,144,262	-
Vientiane Petroleum State Enterprise	-	37,369,664,166
	5,087,114,715,139	4,857,167,152,246

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(b) Accounts receivable from customers who are related companies

	30/6/2019	1/1/2019
	VND	VND
Petrolimex (Lao) Ltd.	345,077,788,292	329,704,243,670
Petroleum member companies	4,463,181,758,307	4,350,805,632,106
<i>Petrolimex Quang Ninh One-Member Limited</i>	<i>605,146,368,049</i>	<i>644,445,309,010</i>
<i>Petrolimex Sai Gon One-Member Limited</i>	<i>415,077,324,564</i>	<i>605,539,786,361</i>
<i>Petrolimex Can Tho</i>	<i>269,273,164,848</i>	<i>308,203,719,291</i>
<i>Petrolimex Hai Phong One-Member Limited</i>	<i>264,918,483,475</i>	<i>323,322,938,412</i>
<i>Petrolimex Ba Ria Vung Tau</i>	<i>248,677,226,515</i>	<i>194,093,231,327</i>
<i>Petrolimex Thanh Hoa One-Member Limited</i>	<i>208,966,328,193</i>	<i>177,665,719,720</i>
<i>Petrolimex Ha Tinh</i>	<i>207,352,649,239</i>	<i>176,284,943,002</i>
<i>Petrolimex Phu Khanh Limited Company</i>	<i>195,979,853,732</i>	<i>210,607,060,039</i>
<i>Petrolimex Ha Son Binh Limited Company</i>	<i>172,978,662,733</i>	<i>52,641,811,287</i>
<i>Petrolimex Gia Lai</i>	<i>166,242,432,253</i>	<i>133,623,467,326</i>
<i>Petrolimex Nghe An</i>	<i>163,304,548,340</i>	<i>72,316,999,236</i>
<i>Petrolimex Bac Thai</i>	<i>147,878,224,257</i>	<i>108,619,767,735</i>
<i>Petrolimex Ha Nam Ninh</i>	<i>130,446,975,706</i>	<i>80,309,579,561</i>
<i>Petrolimex Hanoi One-Member Limited</i>	<i>118,979,426,021</i>	<i>-</i>
<i>Petrolimex Lao Cai</i>	<i>115,307,859,212</i>	<i>64,821,521,864</i>
<i>Petrolimex Vinh Long</i>	<i>109,555,050,491</i>	<i>103,537,109,029</i>
<i>Petrolimex Da Nang One-Member Limited</i>	<i>109,372,115,168</i>	<i>126,019,677,287</i>
<i>Petrolimex Ca Mau One-Member Limited</i>	<i>100,537,169,646</i>	<i>93,695,072,268</i>
<i>Petrolimex Tuyen Quang</i>	<i>89,820,289,826</i>	<i>74,188,747,744</i>
<i>Petrolimex Phu Tho</i>	<i>80,298,340,535</i>	<i>107,404,266,753</i>
<i>Petrolimex Yen Bai</i>	<i>78,426,973,948</i>	<i>60,519,336,480</i>
<i>Petrolimex Dien Bien</i>	<i>73,798,004,890</i>	<i>46,520,393,239</i>
<i>Petrolimex An Giang One-Member Limited</i>	<i>51,569,173,214</i>	<i>54,277,374,995</i>
<i>Petrolimex Tien Giang One-Member Limited</i>	<i>47,853,861,041</i>	<i>72,692,995,968</i>
<i>Petrolimex Dong Nai</i>	<i>46,422,619,538</i>	<i>28,722,465,778</i>
<i>Petrolimex Quang Binh</i>	<i>37,420,925,921</i>	<i>24,869,081,644</i>
<i>Petrolimex Long An</i>	<i>32,325,898,005</i>	<i>40,633,172,403</i>
<i>Petrolimex Daklak One-Member Limited</i>	<i>31,525,468,042</i>	<i>50,915,678,361</i>
<i>Petrolimex Quang Tri</i>	<i>28,092,030,034</i>	<i>76,231,886,830</i>
<i>Petrolimex Hue Limited Company</i>	<i>27,099,518,992</i>	<i>18,677,590,781</i>
<i>Petrolimex Lai Chau</i>	<i>22,417,968,363</i>	<i>6,295,107,075</i>
<i>Petrolimex Binh Dinh</i>	<i>19,436,119,924</i>	<i>80,009,673,585</i>
<i>Petrolimex Thai Binh</i>	<i>12,083,696,717</i>	<i>45,281,605,015</i>
<i>Petrolimex Cao Bang</i>	<i>11,138,015,917</i>	<i>8,622,450,593</i>
<i>Petrolimex Tra Vinh One-Member Limited</i>	<i>11,046,433,646</i>	<i>15,513,884,708</i>
<i>Petrolimex Ha Giang</i>	<i>6,359,200,974</i>	<i>29,511,949,424</i>
<i>Petrolimex Lam Dong</i>	<i>6,053,356,338</i>	<i>21,401,713,670</i>
<i>Petrolimex Quang Ngai One-Member Limited</i>	<i>-</i>	<i>8,819,199,375</i>
<i>Petrolimex Ben Tre</i>	<i>-</i>	<i>2,234,974,498</i>
<i>Petrolimex Dong Thap</i>	<i>-</i>	<i>1,714,370,432</i>
	4,808,259,546,599	4,680,509,875,776

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The trade related amounts due from petroleum member companies were unsecured and bore interest at 6% per annum in cases where the balance of receivable at the end of each month exceeds the limit set by the Group.

The trade related amounts due from the related companies were unsecured, interest free and are due in 60 days from invoice date.

11. Prepayments to suppliers – short-term

Prepayments to suppliers – short-term detailed by significant suppliers

	30/6/2019	1/1/2019
	VND	VND
<i>Related parties</i>		
Petrolimex Joint Stock Tanker Company	10,000,000,000	-
Petrolimex Hai Phong Transportation and Service JSC	46,660,923,665	-
<i>Other parties</i>		
Other customers	53,587,422,308	19,586,325,216
	<hr/>	<hr/>
	110,248,345,973	19,586,325,216
	<hr/>	<hr/>

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12. Other short-term receivables

(a) Other short-term receivables

	30/6/2019	1/1/2019
	VND	VND
Over payment of value added tax on imported goods (i)	31,419,319,559	82,534,765,973
Deductible value added tax but yet to receive VAT invoices at the reporting date	-	135,479,264,278
Receivables from Ministry of Industry and Trade related to preservation fees for P10 products (ii)	22,621,212,943	11,328,747,850
Interest receivable from bank deposits	105,192,657,413	59,304,871,956
Receivables from subsidiaries	34,284,842,480	8,997,885,532
Advances to employees	7,399,806,800	2,610,036,483
Receivables from dividends and profits	113,289,491,200	17,675,000,000
Others	5,446,504,513	15,455,562,735
	319,653,834,908	333,386,134,807

- (i) This represents the amount due from local customs departments which relates to overpayments of value added tax on imported goods arising from the difference between the normal import tax incentive and the special import tax incentive under regional trade agreements for some imported petroleum products. The Parent Company paid value added tax for imported goods at the normal incentive rate. After customs clearance, these imported goods were determined to be entitled to the special incentive tax rate; accordingly, the Parent Company will be refunded the value added tax it has overpaid.
- (ii) This represents the amount due from the Ministry of Industry and Trade related to the preservation fees for national reserve goods.

(b) Short-term receivables from related parties

	30/6/2019	1/1/2019
	VND	VND
Petrolimex Aviation Fuel JSC	88,500,000,000	-
Petrolimex Group Construction and Trading Corporation – Joint Stock Company	35,879,491,200	6,320,000
Petrolimex Transportation Services Corporation	17,675,000,000	17,675,000,000
Petrolimex (Lao) Ltd.	2,084,161,243	1,798,819,389
Petrolimex Engineering JSC	170,577,000	122,727,000
Petrolimex Group Commercial Joint Stock Bank	12,694,767,123	10,372,698,630
Other related parties	3,265,104,237	7,070,019,143
	160,269,100,803	37,045,584,162

The short-term receivables from related parties were unsecured, interest free and are receivable on demand.

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13. Inventories

	30/6/2019		1/1/2019	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	601,013,298,108	(9,867,336,730)	676,660,139,551	(28,776,742,365)
Merchandise inventories	7,210,929,741,693	(106,442,668,330)	7,067,705,902,722	(529,198,449,325)
	<u>7,811,943,039,801</u>	<u>(116,310,005,060)</u>	<u>7,744,366,042,273</u>	<u>(557,975,191,690)</u>

Included in inventories at 30 June 2019 was VND191,811 million of goods in transit (1/1/2019: VND243,538 million) and VND4,656,293 million of merchandise inventories (1/1/2019: VND4,243,310 million) stated at net realisable value.

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14. Tangible fixed assets

Cost	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Opening balance	46,527,318,433	47,863,494,800	32,900,604,313	217,113,974,576	553,745,455	344,959,137,577
Additions	-	-	-	775,550,000	64,517,273	840,067,273
Closing balance	46,527,318,433	47,863,494,800	32,900,604,313	217,889,524,576	618,262,728	345,799,204,850
Accumulated depreciation						
Opening balance	31,176,850,650	23,110,821,388	15,041,154,091	151,497,778,602	184,746,401	221,011,351,132
Charge for the period	720,965,579	4,161,239,306	1,520,682,694	12,429,066,626	45,803,713	18,877,757,918
Closing balance	31,897,816,229	27,272,060,694	16,561,836,785	163,926,845,228	230,550,114	239,889,109,050
Net book value						
Opening balance	15,350,467,783	24,752,673,412	17,859,450,222	65,616,195,974	368,999,054	123,947,786,445
Closing balance	14,629,502,204	20,591,434,106	16,338,767,528	53,962,679,348	387,712,614	105,910,095,800

Included in tangible fixed assets were assets costing VND134,360 million which were fully depreciated as of 30 June 2019 (1/1/2019: VND129,940 million), but which are still in active use.

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15. Intangible fixed assets

Cost	Land use rights VND	Software VND	Software license VND	Others VND	Total VND
Opening balance	216,496,103,958	5,860,531,000	317,072,487,942	3,555,000,000	542,984,122,900
Additions	-	-	3,800,000,000	-	3,800,000,000
Transfer from construction in progress	-	-	4,028,015,000	-	4,028,015,000
Closing balance	216,496,103,958	5,860,531,000	324,900,502,942	3,555,000,000	550,812,137,900
Accumulated amortisation					
Opening balance	18,544,772,285	2,749,400,164	272,179,351,289	3,525,776,112	296,999,299,850
Charge for the period	1,966,989,415	290,618,113	3,420,340,900	29,223,888	5,707,172,316
Closing balance	20,511,761,700	3,040,018,277	275,599,692,189	3,555,000,000	302,706,472,166
Net book value					
Opening balance	197,951,331,673	3,111,130,836	44,893,136,653	29,223,888	245,984,823,050
Closing balance	195,984,342,258	2,820,512,723	49,300,810,753	-	248,105,665,734

Included in intangible fixed assets were assets costing VND295,904 million which were fully amortized as of 30 June 2019 (1/1/2019: VND261,486 million), but which are still in use.

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16. Long-term financial investments

(a) Equity investments in subsidiaries

No.	Name of Subsidiary	Address	30/6/2019				1/1/2019			
			% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND
1	Petrolimex Tanker Corporation	Hanoi	100%	100%	2,196,550,463,185	-	(*)	2,196,550,463,185	-	(*)
2	Vanphong Bonded Petroleum Terminal JV Co., Ltd.	Khanh Hoa	85%	85%	629,755,076,565	-	(*)	629,755,076,565	-	(*)
3	Petrolimex Petrochemical Corporation - JSC	Hanoi	79%	79%	570,562,500,000	-	907,190,223,194	570,562,500,000	-	1,066,950,625,300
4	Petrolimex Transportation Services Corporation	Hanoi	100%	100%	316,568,434,951	-	(*)	316,568,434,951	-	(*)
5	Petrolimex Gas Corporation - JSC	Hanoi	52%	52%	306,662,738,200	-	470,835,284,962	306,662,738,200	-	458,262,335,500
6	Petrolimex Singapore Pte., Ltd.	Singapore	100%	100%	287,897,418,502	-	(*)	287,897,418,502	-	(*)
7	Petrolimex Aviation Fuel JSC	Hanoi	59%	59%	88,500,000,000	-	(*)	88,500,000,000	-	(*)
8	Petrolimex (Lao) Ltd.	Lao	100%	100%	68,162,068,617	(48,029,929,320)	(*)	68,162,068,617	(39,376,260,000)	(*)

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No.	Name of Subsidiary	Address	30/6/2019			1/1/2019						
			% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND
Petroleum member companies												
9	Petrolimex Quang Ninh One-Member Limited	Quang Ninh	100%	100%	865,700,000,000	-	(*)	100%	100%	865,700,000,000	-	(*)
10	Petrolimex Saigon One-Member Limited	Ho Chi Minh City	100%	100%	812,200,000,000	-	(*)	100%	100%	812,200,000,000	-	(*)
11	Petrolimex Da Nang One-Member Limited	Da Nang	100%	100%	298,400,000,000	-	(*)	100%	100%	298,400,000,000	-	(*)
12	Petrolimex Hanoi One-Member Limited	Hanoi	100%	100%	272,600,000,000	-	(*)	100%	100%	272,600,000,000	-	(*)
13	Petrolimex Can Tho	Can Tho	100%	100%	168,100,000,000	-	(*)	100%	100%	168,100,000,000	-	(*)
14	Petrolimex Ba Ria Vung Tau	Ba Ria Vung Tau	100%	100%	167,800,000,000	-	(*)	100%	100%	167,800,000,000	-	(*)
15	Petrolimex Nghe An	Nghe An	100%	100%	131,100,000,000	-	(*)	100%	100%	131,100,000,000	-	(*)
16	Petrolimex Thanh Hoa One-Member Limited	Thanh Hoa	100%	100%	125,300,000,000	-	(*)	100%	100%	125,300,000,000	-	(*)
17	Petrolimex Vinh Long	Vinh Long	100%	100%	123,000,000,000	-	(*)	100%	100%	123,000,000,000	-	(*)
18	Petrolimex Gia Lai	Gia Lai	100%	100%	113,800,000,000	-	(*)	100%	100%	113,800,000,000	-	(*)
19	Petrolimex Hai Phong One-Member Limited	Hai Phong	100%	100%	111,300,000,000	-	(*)	100%	100%	111,300,000,000	-	(*)
20	Petrolimex Ha Son Binh One-Member Limited	Hanoi	100%	100%	108,500,000,000	-	(*)	100%	100%	108,500,000,000	-	(*)
21	Petrolimex Khanh Hoa	Khanh Hoa	100%	100%	107,000,000,000	-	(*)	100%	100%	107,000,000,000	-	(*)
22	Petrolimex Nam Dinh	Nam Dinh	100%	100%	105,600,000,000	-	(*)	100%	100%	105,600,000,000	-	(*)
23	Petrolimex Long An	Long An	100%	100%	105,200,000,000	-	(*)	100%	100%	105,200,000,000	-	(*)
24	Petrolimex Ca Mau One-Member Limited	Ca Mau	100%	100%	98,800,000,000	-	(*)	100%	100%	98,800,000,000	-	(*)
25	Petrolimex Binh Dinh	Binh Dinh	100%	100%	87,600,000,000	-	(*)	100%	100%	87,600,000,000	-	(*)
26	Petrolimex Ha Tinh	Ha Tinh	100%	100%	79,900,000,000	-	(*)	100%	100%	79,900,000,000	-	(*)
27	Petrolimex DakLak One-Member Limited	DakLak	100%	100%	74,000,000,000	-	(*)	100%	100%	74,000,000,000	-	(*)
28	Petrolimex Phu Tho	Phu Tho	100%	100%	71,100,000,000	-	(*)	100%	100%	71,100,000,000	-	(*)
29	Petrolimex Bac Thai	Thai Nguyen	100%	100%	69,300,000,000	-	(*)	100%	100%	69,300,000,000	-	(*)
30	Petrolimex Hue	Hue	100%	100%	66,000,000,000	-	(*)	100%	100%	66,000,000,000	-	(*)
31	Petrolimex Tien Giang One-Member Limited	Tien Giang	100%	100%	60,400,000,000	-	(*)	100%	100%	60,400,000,000	-	(*)
32	Petrolimex Quang Tri	Quang Tri	100%	100%	57,000,000,000	-	(*)	100%	100%	57,000,000,000	-	(*)
33	Petrolimex Quang Binh	Quang Binh	100%	100%	57,000,000,000	-	(*)	100%	100%	57,000,000,000	-	(*)
34	Petrolimex Tuyen Quang	Tuyen Quang	100%	100%	48,000,000,000	-	(*)	100%	100%	48,000,000,000	-	(*)

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No.	Name of Subsidiary	Address	30/6/2019				1/1/2019					
			% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND
35	Petrolimex Dong Nai	Dong Nai	100%	100%	47,700,000,000	-	(*)	100%	47,700,000,000	-	(*)	
36	Petrolimex Tay Ninh	Tay Ninh	100%	100%	45,600,000,000	-	(*)	100%	45,600,000,000	-	(*)	
37	Petrolimex Lao Cai	Lao Cai	100%	100%	44,000,000,000	-	(*)	100%	44,000,000,000	-	(*)	
38	Petrolimex Ben Tre	Ben Tre	100%	100%	44,000,000,000	-	(*)	100%	44,000,000,000	-	(*)	
39	Petrolimex An Giang One-Member Limited	An Giang	100%	100%	43,900,000,000	-	(*)	100%	43,900,000,000	-	(*)	
40	Petrolimex Ha Bac	Bac Giang	100%	100%	42,300,000,000	-	(*)	100%	42,300,000,000	-	(*)	
41	Petrolimex Lam Dong	Lam Dong	100%	100%	40,900,000,000	-	(*)	100%	40,900,000,000	-	(*)	
42	Petrolimex Song Be One-Member Limited	Binh Duong	100%	100%	38,900,000,000	-	(*)	100%	38,900,000,000	-	(*)	
43	Petrolimex Dien Bien	Dien Bien	100%	100%	38,600,000,000	-	(*)	100%	38,600,000,000	-	(*)	
44	Petrolimex Cao Bang	Cao Bang	100%	100%	33,500,000,000	-	(*)	100%	33,500,000,000	-	(*)	
45	Petrolimex Quang Ngai One-Member Limited	Quang Ngai	100%	100%	32,100,000,000	-	(*)	100%	32,100,000,000	-	(*)	
46	Petrolimex Tra Vinh One-Member Limited	Tra Vinh	100%	100%	31,100,000,000	-	(*)	100%	31,100,000,000	-	(*)	
47	Petrolimex Dong Thap	Dong Thap	100%	100%	30,000,000,000	-	(*)	100%	30,000,000,000	-	(*)	
48	Petrolimex Yen Bai	Yen Bai	100%	100%	24,900,000,000	-	(*)	100%	24,900,000,000	-	(*)	
49	Petrolimex Lai Chau	Lai Chau	100%	100%	22,000,000,000	-	(*)	100%	22,000,000,000	-	(*)	
50	Petrolimex Thai Binh	Thai Binh	100%	100%	21,000,000,000	-	(*)	100%	21,000,000,000	-	(*)	
51	Petrolimex Ha Giang	Ha Giang	100%	100%	20,500,000,000	-	(*)	100%	20,500,000,000	-	(*)	
					9,450,358,700,020	(48,029,929,320)			9,450,358,700,020	(39,376,260,000)		

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(b) Equity investments in associates, joint-ventures

No.	Name	Address	30/6/2019			1/1/2019						
			% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND
Joint ventures												
1	Castrol BP PETCO Vietnam Company Limited	Ho Chi Minh City	35.00%	35.00%	169,426,717,325	-	(*)	35.00%	35.00%	169,426,717,325	-	(*)
Associates												
1	Petrolimex Group Commercial Joint Stock Bank (i)	Hanoi	40.00%	40.00%	1,077,957,925,515	-	(*)	40.00%	40.00%	1,077,957,925,515	-	(*)
2	Petrolimex Insurance Corporation (i)	Hanoi	40.95%	40.95%	361,849,067,685	-	617,608,776,740	40.95%	40.95%	361,849,067,685	-	657,542,592,000
3	Vietnam Expressway Services JSC	Hanoi	22.38%	22.38%	20,000,000,000	-	(*)	22.38%	22.38%	20,000,000,000	-	(*)
4	Dong Nai Petroleum Material and Fuel Joint Stock Company	Dong Nai										
5	Tuyen Quang Trading Joint Stock Company	Tuyen Quang	33.19%	33.19%	891,808,000	-	(*)	33.19%	33.19%	891,808,000	-	(*)
6	Petrolimex Group Construction and Trading Corporation – Joint Stock Company	Hanoi	35.00%	35.00%	140,987,280,000	-	(*)	35.00%	35.00%	140,987,280,000	-	(*)
					1,771,112,798,525	-				1,773,694,898,525	-	

(i) As described in Note 33(h)(ii), the Parent Company had a plan for divestment from PJICO and PG Bank.

On 21 April 2018, the General Meeting of Shareholders of PG Bank passed its Resolution No. 01/2018/NQ-DHDCD-PGB, approving the scheme to merge PG Bank with Ho Chi Minh City Development Joint Stock Commercial Bank (“HDBank”). According to this scheme, the expected ownership ratio of the Parent Company in HDBank after the merger is 5.62%. By the date when these financial statements are authorized for issuance, the merger had not been completed.

(ii) During the period, this company issued additional shares to its existing shareholders and the Parent Company sold the right to purchase additional shares to other shareholders. Accordingly, percentage of ownership and voting rights of the Parent Company in this company decreased to 10.66% and this investment was classified as an equity investment in other entities as at 30 June 2019 (Note 16(c)).

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(c) Equity investments in other entities

No.	Name	Address	Cost VND	30/6/2019 Allowance VND	Fair value VND	Cost VND	1/1/2019 Allowance VND	Fair value VND
1	Military Petrochemical JSC	Hanoi	50,000,000,000	-	(*)	50,000,000,000	-	(*)
2	Vietnam Export Import Commercial Joint Stock Bank	Ho Chi Minh City	49,913,937,200	(3,523,527,200)	46,390,410,000	49,913,937,200	(15,244,508,450)	34,669,428,750
3	Van Phong Investment and Development Joint Stock Corporation	Khanh Hoa	3,801,690,000	-	(*)	3,801,690,000	-	(*)
4	Petrolimex Binh Thuan	Binh Thuan	1,697,125,000	-	(*)	1,697,125,000	-	(*)
5	Vietnam Export Import Service & Investment Joint Stock Company (VICOSIMEX)	Da Nang	500,000,000	-	(*)	500,000,000	-	(*)
6	Dong Nai Petroleum Material and Fuel Joint Stock Company	Dong Nai	2,582,100,000	-	(*)	-	-	-
			108,494,852,200	(3,523,527,200)		105,912,752,200	(15,244,508,450)	

(*) The Parent Company has not determined fair values of these investments for disclosure in the separate interim financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts.

(d) Allowance for diminution in the value of long-term investments

Movements in the allowance for diminution in the value of long-term investments during the period were as follows:

	30/6/2019 VND	Six-month period ended 30/6/2018 VND
Opening balance	54,620,768,450	152,355,411,188
Addition during the period	8,653,669,320	14,134,099,700
Reversal of allowance during the period	(11,720,981,250)	(105,693,558,911)
Closing balance	51,553,456,520	60,795,951,977

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17. Long-term prepaid expenses

	Business advantage related to equitization VND	Office rental VND	Others VND	Total VND
Opening balance	162,642,101,757	65,907,840,731	3,356,568,769	231,906,511,257
Additions	-	-	270,002,954	270,002,954
Amortization for the period	(27,107,016,960)	(10,139,667,805)	(1,669,244,015)	(38,915,928,780)
Closing balance	135,535,084,797	55,768,172,926	1,957,327,708	193,260,585,431

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18. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	Cost and amount within payment capacity	
	30/6/2019	1/1/2019
	VND	VND
Binh Son Refining and Petrochemical Company Limited	3,498,558,250,665	3,163,328,126,006
Nghi Son Petroleum Products Distribution Branch – PetroVietnam	3,557,122,924,468	3,134,835,927,322
Vitol Asia Pte Ltd	601,471,966,079	1,001,428,378,239
Other suppliers	1,908,543,974,722	1,161,249,220,126
	<hr/>	<hr/>
	9,565,697,115,934	8,460,841,651,693
	<hr/>	<hr/>

(b) Accounts payable to suppliers who are related parties

	Cost and amount within payment capacity	
	30/6/2019	1/1/2019
	VND	VND
Petrolimex Singapore Pte., Ltd	597,025,191,845	-
Petrolimex Tanker Corporation	108,953,715,647	39,202,450,622
Petrolimex Joint Stock Tanker Company	20,194,531,741	8,575,833,941
Petrolimex Information Technology and Telecommunication Joint Stock Company	15,608,840,738	25,115,958,294
Van Phong Bonded Petroleum Terminal JV Co., Ltd.	12,177,616,321	29,588,124,086
Petrolimex Insurance Corporation	11,620,729,453	8,387,384,424
Petrolimex Group Commercial Joint Stock Bank	9,225,362,188	16,580,481,558
Vietnam Tanker Joint Stock Company	5,619,714,550	11,743,632,449
VITACO Sai Gon Company Limited	4,629,540,530	6,971,666,592
Petrolimex Hai Phong Transportation and Service JSC	-	1,332,191,896
	<hr/>	<hr/>
	785,055,243,013	147,497,723,862
	<hr/>	<hr/>

The trade related amounts due to related companies were unsecured, interest free and are payable within 30 to 60 days from invoice date.

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19. Advances from customers

Advances from customers represent advances from the following companies:

	30/6/2019	1/1/2019
	VND	VND
Subsidiaries		
Petrolimex Tay Ninh	10,297,851,731	10,153,906,831
Petrolimex Song Be One-Member Limited	30,595,490,110	9,571,869,224
Petrolimex Quang Ngai One-Member Limited	19,773,429,862	-
Petrolimex Ben Tre	7,518,592,371	-
Petrolimex Dong Thap	4,608,035,668	-
Petrolimex Ha Bac	3,072,814,730	8,545,238,288
Petrolimex Singapore Pte., Ltd.	297,944,496	150,625,954
Petrolimex Hanoi One-Member Limited	-	7,656,374,876
	<hr/>	<hr/>
	76,164,158,968	36,078,015,173
Other parties	41,759,615	41,759,615
	<hr/>	<hr/>
	76,205,918,583	36,119,774,788
	<hr/>	<hr/>

20. Taxes and others receivable from and payable to State Treasury

	30/6/2019	1/1/2019
	VND	VND
Taxes and others receivable from State Treasury	915,097,037,577	1,175,589,503,299
Taxes and others payable to State Treasury	(55,922,126,465)	(36,223,862,965)
	<hr/>	<hr/>
	859,174,911,112	1,139,365,640,334
	<hr/>	<hr/>

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Movements in taxes and others receivable from and payable to State Treasury during the period were as follows:

	1/1/2019 VND	Incurred VND	Paid/refunded VND	30/6/2019 VND
Output value added tax (*)	-	(41,331,025,539)	41,331,025,539	-
Special consumption tax on imported goods	19,099,676,463	(720,154,885,499)	713,714,443,508	12,659,234,472
Special consumption tax on domestic sales	384,925,096,824	211,920,218,613	-	596,845,315,437
Import tax	727,869,959,494	(675,983,863,936)	253,706,392,110	305,592,487,668
Value added tax – imported goods	43,694,770,518	(1,825,183,550,438)	1,758,431,971,557	(23,056,808,363)
Corporate income tax	(35,398,535,024)	(181,523,855,377)	185,398,535,024	(31,523,855,377)
Personal income tax	(825,327,941)	(8,421,588,616)	7,905,453,832	(1,341,462,725)
Foreign contractor tax	-	(95,962,183)	95,962,183	-
Other tax and fees	-	(4,531,668,254)	4,531,668,254	-
	<u>1,139,365,640,334</u>	<u>(3,245,306,181,229)</u>	<u>2,965,115,452,007</u>	<u>859,174,911,112</u>

In which:

Taxes and others receivable from State Treasury	1,175,589,503,299			915,097,037,577
Taxes and others payable to State Treasury	(36,223,862,965)			(55,922,126,465)
	<u>1,139,365,640,334</u>			<u>859,174,911,112</u>

(*) The value added tax payable presented as above represents the amount after netting off against with deductible input value added tax during the period.

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21. Other payables – short-term

	30/6/2019	1/1/2019
	VND	VND
Dividends payable	3,046,498,263,970	2,743,890,846
Payables to subsidiaries relating to financial restructuring (i)	237,513,148,389	231,104,870,723
Trade union fees	965,958,293	1,037,512,530
Others (ii)	77,148,332,987	1,216,967,047
	3,362,125,703,639	236,103,241,146

- (i) Based on the Official Letter No. 11770/BTC-TCDN dated 23 August 2016 of the Ministry of Finance to the Ministry of Industry and Trade, Official Letter No. 12465/BCT-TC dated 23 December 2016 of the Ministry of Industry and Trade and Resolution No. 64/PLX-NQ-HDQT dated 30 December 2016 of the Group’s Board of Management, the Parent Company used part of the share premium incurred during its issuance to strategic investors for financial restructuring of Petrolimex Singapore Pte Ltd. (“PLS”) with an amount of USD70,980,622. On 31 December 2016, the Parent Company offset this amount with a receivable from PLS amounting to USD58,755,777, the remaining amount was recognised as a payable to PLS. This payable was unsecured, interest free and is due with annual instalments as agreed between the two parties on demand.
- (ii) As at 30 June 2019, this other payable included refunded import tax in relation to the difference between the normal import tax incentive and the special import tax incentive under regional trade agreements for some imported petroleum products in 2015 and 2016, amounting to VND75,281,673,480. The Parent Company recognised this refunded import tax amount in Other payables – short-term instead of Other income for the purpose of waiting for review and completing the accounting treatment in the following accounting periods according to the conclusion of the State Audit of Vietnam.

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22. Short-term borrowings

	1/1/2019	Movement during the period			30/6/2019
	Carrying amount and amount within repayment capacity VND	Addition VND	Decrease VND	Foreign exchange differences VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	7,137,442,750,576	24,677,791,110,294	(25,770,450,853,832)	13,627,531,383	6,058,410,538,421

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	30/6/2019 VND	1/1/2019 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	605,090,556,136	2,100,220,505,954
Joint Stock Commercial Bank for Foreign Trade of Vietnam	USD	1,411,259,208,374	563,770,708,383
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	1,245,412,094,843	-
Joint Stock Commercial Bank for Investment and Development of Vietnam	USD	488,135,933,203	627,615,000,000
Vietnam Maritime Commercial Joint Stock Bank	USD	959,174,087,186	-
Mizuho Bank – Hanoi Branch	USD	585,313,224,000	936,754,617,324
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	411,507,000,000	-
Standard Chartered Bank (Vietnam)	VND	202,834,735,839	-
HSBC (Vietnam)	USD	149,683,698,840	-
HSBC (Vietnam)	VND	-	232,751,190,994
ANZ Bank – Hanoi Branch	VND	-	626,890,827,343
Vietnam Technological and Commercial Joint Stock Bank	USD	-	577,922,299,997
Vietnam Export Import Commercial Joint Stock Bank	VND	-	541,147,000,000
Vietnam Export Import Commercial Joint Stock Bank	USD	-	409,576,247,605
Citibank Vietnam	VND	-	390,000,000,000
Military Commercial Joint Stock Bank	VND	-	130,794,352,976
		6,058,410,538,421	7,137,442,750,576

All the bank loans of the Parent Company with a term of less than 3 months are unsecured loans for the purposes of supplementing working capital and opening letters of credit (L/C) for petroleum import. During the period, these loans bore interest rates as specified in the loan contracts.

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23. Petroleum price stabilisation fund

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Opening balance	1,930,521,344,224	3,040,080,594,879
Increases	1,520,541,502,042	1,093,521,872,866
Decreases	(3,400,235,780,961)	(1,870,673,794,085)
Interest income from the deposit account	2,709,243,544	6,931,406,344
Closing balance	53,536,308,849	2,269,860,080,004
In which:		
- <i>Account balance of Petroleum price stabilization fund at bank (Note 8)</i>	40,130,280	2,452,770,387,956
- <i>Amount deposited into/(withdrawn from) the account of Petroleum price stabilisation fund after the balance sheet date</i>	53,496,178,569	(182,910,307,952)
Closing balance	53,536,308,849	2,269,860,080,004

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24. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Other equity funds VND	Retained profits VND	Total VND
Balance at 1 January 2018	12,938,780,810,000	2,246,997,553,623	(1,350,648,460,000)	56,981,179,159	1,252,002,338,768	3,492,077,393,584	18,636,190,815,134
Appropriation to bonus and welfare fund	-	-	-	-	-	(15,637,688,584)	(15,637,688,584)
Dividends (Note 26)	-	-	-	-	-	(3,476,439,705,000)	(3,476,439,705,000)
Net profit for the period	-	-	-	-	-	1,181,726,559,256	1,181,726,559,256
Balance at 30 June 2018	12,938,780,810,000	2,246,997,553,623	(1,350,648,460,000)	56,981,179,159	1,252,002,338,768	1,181,726,559,256	16,325,839,980,806
Balance at 1 January 2019	12,938,780,810,000	2,246,997,553,623	(1,350,648,460,000)	56,981,179,159	1,252,002,338,768	3,061,720,158,218	18,205,833,579,768
Appropriation to bonus and welfare fund	-	-	-	-	-	(17,605,747,218)	(17,605,747,218)
Sales of treasury shares	-	593,091,734,203	120,000,000,000	-	-	-	713,091,734,203
Dividends (Note 26)	-	-	-	-	-	(3,044,114,411,000)	(3,044,114,411,000)
Net profit for the period	-	-	-	-	-	1,449,355,152,181	1,449,355,152,181
Balance at 30 June 2019	12,938,780,810,000	2,840,089,287,826	(1,230,648,460,000)	56,981,179,159	1,252,002,338,768	1,449,355,152,181	17,306,560,307,934

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25. Share capital

The Company's authorised and issued share capital are:

	30/6/2019		1/1/2019	
	Number of shares	VND	Number of shares	VND
Authorized share capital	1,293,878,081	12,938,780,810,000	1,293,878,081	12,938,780,810,000
Shares in circulation	1,170,813,235	11,708,132,350,000	1,158,813,235	11,588,132,350,000
The State	981,686,626	9,816,866,260,000	981,686,626	9,816,866,260,000
Other shareholders	189,126,609	1,891,266,090,000	177,126,609	1,771,266,090,000
Treasury shares	123,064,846	1,230,648,460,000	135,064,846	1,350,648,460,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Parent Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Parent Company's residual assets. In respect of shares bought back by the Parent Company, all rights are suspended until those shares are reissued.

Movements in share capital in circulation during the period were as follows:

	Six-month period ended			
	30/6/2019		30/6/2018	
	Number of shares	VND (at par value)	Number of shares	VND (at par value)
Opening balance	1,158,813,235	11,588,132,350,000	1,158,813,235	11,588,132,350,000
Treasury shares sold during the period	12,000,000	120,000,000,000	-	-
Closing balance	1,170,813,235	11,708,132,350,000	1,158,813,235	11,588,132,350,000

26. Dividends

The General Meeting of Shareholders on 26 April 2019 passed the Resolution No. 01/2019/PLX-NQ-DHDCD on the plan for distribution of cash dividend at the ratio of 26% of the par value, equivalent to VND3,044,114,411,000 (Six-month period ended 30 June 2018: VND3,476,439,705,000).

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Notes to the separate interim financial statements for the six-month period ended
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27. Equity funds

(a) Investment and development fund

Investment and development fund was established for the purpose of future business expansion. When the funds are utilised for business expansion, the amount utilised is transferred to Share capital.

(b) Other equity funds

These other equity funds shall be used for profit distributions to the shareholders in the following years.

28. Off balance sheet items

(a) Goods held under trust (Petroleum of the national reserve)

	Unit	30/6/2019	1/1/2019
Gasoline RON 92	Litter 15	74,138,749	74,585,145
Diesel 0.05S	Litter 15	138,998,839	139,085,788
Mazut	Kg	39,744,992	39,752,150

(b) Foreign currencies

	30/6/2019		1/1/2019	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	9,558,706	222,048,731,088	7,295,676	168,931,374,310

(c) Capital expenditure commitments

As at 30 June 2019, the Parent Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	30/6/2019 VND	1/1/2019 VND
Approved but not contracted	1,179,507,281,563	-
Approved and contracted	405,000,000	-
	1,179,912,281,563	-

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(d) Foreign exchange contracts

As at 30 June 2019, the Parent Company had valid forward exchange contracts as follows:

Contract No.	Term (days)	Foreign currency amount USD	Forward exchange rate USD/VND	Date of transaction	Payment amount VND
1101/HDNT-EIBHN/2019	61	5,300,000	23,489	9/7/2019	124,491,700,000
2019.05.10/HDMBNT/TPB-PLX	60	4,080,191	23,427	9/7/2019	95,586,634,557
1626/HDNT-EIBHN/2019	61	2,518,240	23,408	14/8/2019	58,946,961,920
FXT1906245	64	8,975,033	23,368	27/8/2019	209,728,571,144
2019.05.31/HDMBNT/TPB-PLX	60	6,376,302	23,497	30/7/2019	149,823,968,094
953/HDNT-EIBHN/2019	92	6,200,530	23,298	23/7/2019	144,459,947,940
1013/HDNT-EIBHN/2019	91	14,000,000	23,390	26/7/2019	327,460,000,000
TECHCOMBANK260419	91	6,492,688	23,390	26/7/2019	151,863,972,320
1289/HDNT-EIBHN/2019	96	14,348,215	23,543	4/9/2019	337,800,025,745
1121/HDNT-EIBHN/2019	92	13,000,000	23,443	13/8/2019	304,759,000,000
TECHCOMBANK130519	92	6,997,360	23,443	13/8/2019	164,039,110,480
TECHCOMBANK310519	90	5,000,000	23,535	29/8/2019	117,675,000,000
FXT1905134	63	7,984,333	23,406	15/7/2019	186,881,298,198
2019.05.13/HDMBNT/TPB-PLX	63	7,000,000	23,406	15/7/2019	163,842,000,000
1202/HDNT-EIBHN/2019	57	8,000,000	23,475	16/7/2019	187,800,000,000
08-2019/MBNT-FW	56	8,000,000	23,468	16/7/2019	187,744,000,000
FXT1905222	55	8,408,221	23,470	16/7/2019	197,340,946,870
FXT1906147	59	14,878,898	23,406	12/8/2019	348,255,486,588
1625/HDNT-EIBHN/2019	59	6,000,000	23,406	12/8/2019	140,436,000,000
					3,598,934,623,856

29. Revenue from sales of goods and provision of services

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax as follows:

	Six-month period ended	
	30/6/2019 VND	30/6/2018 VND
Petroleum trading	62,122,011,592,620	66,733,170,429,564
Other trading activities	12,551,093,497	30,830,381,096
Services rendered	993,295,333	142,282,000
	62,135,555,981,450	66,764,143,092,660

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30. Cost of sales

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Petroleum trading	62,423,612,572,936	65,642,994,202,782
Other trading activities	12,551,093,495	30,830,381,091
Petroleum price stabilisation fund (Note 23)	(1,879,694,278,919)	(777,151,921,219)
Allowance for diminution in the value of inventories	(441,665,186,630)	5,293,451,851
Loss of inventories and other related expenses	131,497,861,801	214,183,906,404
	<hr/>	<hr/>
	60,246,302,062,683	65,116,150,020,909
	<hr/>	<hr/>

31. Financial income

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Dividends and shares of profits	650,810,049,036	522,766,425,063
Interest income from deposits	221,500,524,079	227,358,148,378
Realised foreign exchange gains	55,571,299,406	27,914,400,906
Interest from credit sales	20,264,415,023	18,175,152,209
Profits from disposal of shares of a subsidiary	-	4,574,208,000
Other financial income	4,124,550,000	1,305,541,258
	<hr/>	<hr/>
	952,270,837,544	802,093,875,814
	<hr/>	<hr/>

32. Financial expenses

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Interest expense	112,595,894,242	138,482,251,562
Realised foreign exchange losses	73,549,691,268	97,640,884,278
Reversal of allowance for financial investments	(3,067,311,930)	(91,559,459,211)
Payment discounts	10,419,230,732	11,171,652,696
Unrealised foreign exchange losses	4,157,295,995	71,258,089,975
Other financial expenses	452,001,436	530,401,090
	<hr/>	<hr/>
	198,106,801,743	227,523,820,390
	<hr/>	<hr/>

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33. Selling expenses and general and administration expenses

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Staff costs	55,512,769,044	54,645,845,480
Depreciation and amortisation	24,584,930,234	40,638,195,041
Amortisation of business advantages	27,107,016,960	27,107,016,960
Taxes, fees and charges	15,988,319,169	9,914,114,306
Outside services	817,003,221,466	740,512,971,642
Other expenses	79,596,689,305	61,333,743,304
	<hr/>	<hr/>
	1,019,792,946,178	934,151,886,733
	<hr/>	<hr/>

34. Other income

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Income from demurrage fees	18,374,560,121	19,652,469,597
Differences upon investment revaluation	-	84,291,952,101
Others	10,984,229,872	15,907,762,795
	<hr/>	<hr/>
	29,358,789,993	119,852,184,493
	<hr/>	<hr/>

35. Other expenses

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Demurrage fees	6,481,941,424	57,082,877,875
Additional foreign contractor tax of prior years paid in accordance with the State Audit of Vietnam's conclusion	-	2,054,065,889
Others	566,514,788	871,613,317
	<hr/>	<hr/>
	7,048,456,212	60,008,557,081
	<hr/>	<hr/>

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36. Trading and business costs by element

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Labour costs and staff costs	55,512,769,044	54,645,845,480
Depreciation and amortisation	24,584,930,234	40,638,195,041
Outside services	2,015,290,782,322	2,047,133,792,369
Other expenses	122,692,025,434	98,354,874,570

37. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Current tax expense		
Current period	181,523,855,377	164,747,531,808
Under provision in prior years	-	1,780,776,790
	181,523,855,377	166,528,308,598
Deferred tax expense		
Reversal of temporary differences	15,056,334,613	-
	196,580,189,990	166,528,308,598

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(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
Accounting profit before tax	1,645,935,342,171	1,348,254,867,854
Tax at the Company's tax rate	329,187,068,434	269,650,973,571
Tax exempt income	(130,162,009,807)	(104,553,285,013)
Non-deductible expenses	3,510,368,331	702,871,455
Movements in deductible temporary differences not recognised in prior years	(21,011,571,581)	(1,053,028,205)
Reversal of temporary differences recognised in prior years	15,056,334,613	-
Under provision in prior years	-	1,780,776,790
	196,580,189,990	166,528,308,598

(c) Applicable tax rates

Under the current Income Tax Law, the Parent Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

38. Immature guarantee commitments

Details of immature guarantee commitments granted to subsidiaries were as follows:

	30/6/2019	1/1/2019
	VND	VND
Guarantee for bank loans	852,185,710,519	988,399,647,368

According to the Guarantee Commitment No. 28/VANPHONG/2009/CKBL dated 8 June 2009 and Official Letter No. 0369/PLX-HDQT dated 1 April 2014, Vietnam National Petroleum Corporation (currently known as Vietnam National Petroleum Group) agreed to irrevocably and unconditionally guarantee the full and timely repayment by Van Phong Bonded Petroleum Terminal JV Co., Ltd. of all of its obligations (including the principal amount of USD77,500,000 interest and fees) arising under the Credit Contract No.28/VANPHONG/2009/HDTD dated 8 June 2009.

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39. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the separate interim financial statements, the Parent Company had the following significant transactions with related parties during the period:

	Transaction value	
	Six-month period ended 30/6/2019 VND	30/6/2018 VND
Subsidiaries and associates		
<i>Petroleum member companies</i>		
Sales of goods	62,134,562,686,117	66,763,734,388,360
Expenses for goods kept on behalf	343,792,967,861	353,812,766,992
Interest from entrusted loans granted	-	1,305,541,258
Collection of entrusted loans granted	-	34,319,756,941
Dividends	-	54,773,704,957
<i>Petrolimex Group Commercial Joint Stock Bank</i>		
Interest income	48,529,797,775	40,104,441,950
<i>Petrolimex Singapore Pte, Ltd.</i>		
Purchase of goods and services	6,183,088,182,220	9,477,100,401,179
<i>Vietnam Tanker Joint Stock Company</i>		
Purchase of services	99,528,885,247	96,713,215,977
<i>VITACO Saigon Company Limited</i>		
Purchase of services	167,019,377,813	143,655,373,625
<i>Petrolimex Insurance Corporation</i>		
Purchase of services	112,755,399,636	123,144,054,250
Dividends	43,593,984,000	43,593,984,000
<i>Van Phong Bonded Petroleum Terminal JV Co., Ltd.</i>		
Purchase of services	103,803,513,840	128,966,900,588
<i>Petrolimex Joint Stock Tanker Company</i>		
Purchase of services	176,199,773,080	169,955,060,590
<i>Petrolimex Hai Phong Transportation and Service JSC</i>		
Purchase of services	81,191,737,020	41,614,231,429
<i>Petrolimex Tanker Corporation</i>		
Purchase of services	600,833,913,061	781,961,581,602

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	Transaction value	
	Six-month period ended	
	30/6/2019	30/6/2018
	VND	VND
<i>Petrolimex Gas Corporation Joint Stock Company</i>		
Dividends	63,208,598,000	37,925,158,800
<i>Petrolimex Information Technology and Telecommunication Joint Stock Company</i>		
Purchase of goods and services	29,630,241,350	14,421,584,883
<i>Petrolimex Petrochemical Corporation - JSC</i>		
Purchase of goods and services	44,721,123,159	122,878,315,871
Dividends	102,222,814,400	127,778,518,000
<i>Petrolimex Aviation Fuel JSC</i>		
Dividends	88,500,000,000	53,100,000,000
<i>Castrol BP Petco Co. Ltd.</i>		
Dividends	341,170,161,436	198,854,084,406
<i>Petrolimex (Lao) Ltd.</i>		
Dividends	-	10,682,661,500
<i>Petrolimex Group Construction and Trading Corporation – Joint Stock Company</i>		
Dividends	5,639,491,200	-
Board of Management and Supervisory Board		
Remuneration and other benefits	8,214,811,033	9,396,145,718
Board of General Directors		
Salaries, bonuses and other benefits	6,568,124,814	7,280,210,574

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40. Corresponding figures

Corresponding figures as at 1 January 2019 presented in the separate balance sheet as at 30 June 2019 were derived from the balances and amounts reported in the Company's separate balance sheet as at 31 December 2018 and the relevant notes. Corresponding figures presented in the separate statement of income and statement of the separate statement of cash flows for the six-month period ended 30 June 2019 were derived from the balances and amounts reported in the Company's separate statement of income and the separate statement of cash flows for the six-month period ended 30 June 2018 and the relevant notes.



29 August 2019

Prepared by:



Tran Xuan Duc
Accountant

Approved by:

Hoang Chi Mai
Manager of Accounting Department Deputy General Director

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 30 June 2019

	Code	30/6/2019 USD	1/1/2019 USD
ASSETS			
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100	1,065,953,103	1,044,212,201
Cash and cash equivalents	110	230,233,235	287,554,717
Cash	111	55,459,236	118,936,551
Cash equivalents	112	174,773,999	168,618,166
Short-term financial investments	120	206,198,881	161,343,091
Held-to-maturity investments	123	206,198,881	161,343,091
Accounts receivable – short-term	130	237,495,347	224,284,960
Accounts receivable from customers	131	218,989,011	209,090,278
Prepayments to suppliers	132	4,745,947	843,148
Other receivables	136	13,760,389	14,351,534
Inventories	140	331,279,941	309,358,194
Inventories	141	336,286,829	333,377,789
Allowance for inventories	149	(5,006,888)	(24,019,595)
Other current assets	150	60,745,699	61,671,239
Short-term prepaid expenses	151	2,377,502	5,640,577
Deductible value added tax	152	18,975,298	5,424,140
Taxes and others receivable from State Treasury	153	39,392,899	50,606,522

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 30 June 2019 (Continued)

	Code	30/6/2019 USD	1/1/2019 USD
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200	510,028,584	512,355,103
Accounts receivable – long-term	210	8,819	8,819
Other long-term receivables	216	8,819	8,819
Fixed assets	220	15,239,593	15,924,779
Tangible fixed assets	221	4,559,195	5,335,677
<i>Cost</i>	222	<i>14,885,889</i>	<i>14,849,726</i>
<i>Accumulated depreciation</i>	223	<i>(10,326,694)</i>	<i>(9,514,049)</i>
Intangible fixed assets	227	10,680,398	10,589,102
<i>Cost</i>	228	<i>23,711,241</i>	<i>23,374,263</i>
<i>Accumulated amortisation</i>	229	<i>(13,030,843)</i>	<i>(12,785,161)</i>
Long-term work in progress	240	844,298	305,909
Construction in progress	242	844,298	305,909
Long-term financial investments	250	485,510,671	485,378,630
Investments in subsidiaries	251	406,816,991	406,816,991
Investments in associates, joint-ventures	252	76,242,479	76,353,633
Equity investments in other entities	253	4,670,463	4,559,309
Allowance for diminution in the value of long-term financial investments	254	(2,219,262)	(2,351,303)
Other long-term assets	260	8,425,203	10,736,966
Long-term prepaid expenses	261	8,319,440	9,983,061
Deferred tax assets	262	105,763	753,905
TOTAL ASSETS (270 = 100 + 200)	270	1,575,981,687	1,556,567,304

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 30 June 2019 (Continued)

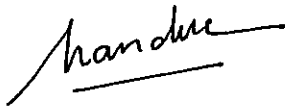
	Code	30/6/2019 USD	1/1/2019 USD
RESOURCES			
LIABILITIES (300 = 310)	300	830,972,635	772,846,531
Current liabilities	310	830,972,635	772,846,531
Accounts payable to suppliers	311	411,782,054	364,220,476
Advances from customers	312	3,280,496	1,554,876
Taxes and others payable to State Treasury	313	2,407,324	1,559,357
Payables to employees	314	955,329	960,402
Accrued expenses	315	3,398,153	2,651,302
Other payables – short-term	319	144,732,059	10,163,721
Short-term borrowings	320	260,801,142	307,251,087
Bonus and welfare fund	322	1,311,459	1,380,646
Petroleum price stabilisation fund	323	2,304,619	83,104,664
EQUITY (400 = 410)	400	745,009,052	783,720,773
Owners' equity	410	745,009,052	783,720,773
Share capital	411	556,985,829	556,985,829
- <i>Ordinary shares with voting rights</i>	<i>411a</i>	556,985,829	556,985,829
Share premium	412	122,259,547	96,728,263
Treasury shares	415	(52,976,688)	(58,142,422)
Investment and development fund	418	2,452,913	2,452,913
Other equity funds	420	53,895,925	53,895,925
Retained profits	421	62,391,526	131,800,265
- <i>Retained profits brought forward</i>	<i>421a</i>	-	131,800,265
- <i>Retained profit for the current period/year</i>	<i>421b</i>	62,391,526	-
TOTAL RESOURCES (440 = 300 + 400)	440	1,575,981,687	1,556,567,304

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 30 June 2019 (Continued)

The converted separate balance sheet as at 30 June 2019, including amounts presented for the corresponding figures, has been translated from the reviewed separate balance sheet as at 30 June 2019 expressed in VND at the foreign currency transfer rate ruling at the reporting date as quoted by the Joint Stock Commercial Bank for Foreign Trade of Vietnam of VND23,230 for USD1. This method of translation does not comply with Vietnamese Accounting Standard No. 10 – “The Effect of Changes in Foreign Exchange Rates” and accordingly, the converted separate balance sheet as at 30 June 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant regulatory requirements applicable to interim financial reporting. The converted separate balance sheet should be read in conjunction with the reviewed separate balance sheet in VND.

29 August 2019

Prepared by:



Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department Deputy General Director



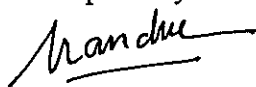
The Parent Company - Vietnam National Petroleum Group
Appendix 2: Converted separate statement of income for six-month period ended
30 June 2019

	Code	Six-month period ended	
		30/6/2019 USD	30/6/2018 USD
Revenue from sales of goods and provision of services	01	2,674,797,933	2,874,048,347
Cost of sales	11	2,593,469,739	2,803,105,898
Gross profit (20 = 01 - 11)	20	81,328,194	70,942,449
Financial income	21	40,993,148	34,528,363
Financial expenses	22	8,528,059	9,794,396
<i>In which: Interest expense</i>	23	4,847,004	5,961,354
Selling expenses and general and administration expenses	25	43,899,824	40,213,169
Net operating profit (30 = 20 + 21 - 22 - 25)	30	69,893,459	55,463,247
Other income	31	1,263,831	5,159,371
Other expenses	32	303,420	2,583,235
Results of other activities (40 = 31 - 32)	40	960,411	2,576,136
Accounting profit before tax (50 = 30 + 40)	50	70,853,870	58,039,383
Income tax expense – current	51	7,814,202	7,168,674
Income tax expense – deferred	52	36	648,142
Net profit after tax (60 = 50 - 51 - 52)	60	62,391,526	50,870,709

The converted separate statement of income for the six-month period ended 30 June 2019, including amounts presented for the corresponding figures, has been translated from the reviewed separate statement of income for the six-month period ended 30 June 2019 expressed in VND at the foreign currency transfer rate ruling at the reporting date as quoted by the Joint Stock Commercial Bank for Foreign Trade of Vietnam of VND23,230 for USD1. This method of translation does not comply with Vietnamese Accounting Standard No. 10 – “The Effect of Changes in Foreign Exchange Rates” and accordingly, the converted separate statement of income for the six-month period ended 30 June 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant regulatory requirements applicable to interim financial reporting. The converted separate statement of income should be read in conjunction with the reviewed separate statement of income in VND.

29 August 2019

Prepared by:



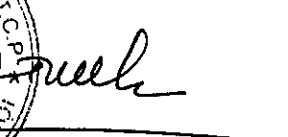
Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department Deputy General Director





Luu Van Tuyen

The Parent Company - Vietnam National Petroleum Group
Appendix 3: Converted separate statement of cash flows for the six-month period
ended 30 June 2019 (Indirect method)

	Code	Six-month period ended 30/6/2019 USD	30/6/2018 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	70,853,870	58,039,383
Adjustments for			
Depreciation and amortisation	02	1,058,327	1,749,384
Allowances and provisions	03	(19,144,748)	(3,713,560)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	178,962	3,067,503
Profits from investing activities	05	(37,709,131)	(36,151,754)
Interest expense	06	4,847,004	5,961,354
Other adjustments (Movement in petroleum price stabilisation fund)	07	(80,916,670)	(33,454,668)
Operating profit before changes in working capital	08	(60,832,386)	(4,502,358)
Change in receivables	09	(11,866,347)	12,541,818
Change in inventories	10	(2,909,040)	(130,147,455)
Change in payables and other liabilities	11	54,839,020	102,184,461
Change in prepaid expenses	12	4,926,697	1,250,494
		(15,842,056)	(18,673,040)
Interest paid	14	(4,413,737)	(5,612,326)
Income tax paid	15	(7,980,996)	(6,049,062)
Other receipts for operating activities	16	116,627	298,382
Other payments for operating activities	17	(677,700)	(1,007,033)
Net cash flows from operating activities	20	(28,797,862)	(31,043,079)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(1,148,394)	(876,546)
Payments for granting loans, purchase of debt instruments of other entities	23	(228,798,967)	(206,241,929)
Receipts from collecting loans	24	183,943,177	69,492,887
Collections on investments in other entities	26	177,553	11,468,262
Receipts of interests, dividends and shares of profits	27	33,710,997	29,994,601
Net cash flows from investing activities	30	(12,115,634)	(96,162,725)

The Parent Company - Vietnam National Petroleum Group
Appendix 3: Converted separate statement of cash flows for the six-month period
ended 30 June 2019 (Indirect method-continued)

	Code	Six-month period ended	
		30/6/2019 USD	30/6/2018 USD
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from transfer of treasury shares	31	30,697,018	-
Proceeds from borrowings	33	1,062,324,198	1,413,504,962
Payments to settle loan principals	34	(1,109,360,777)	(1,365,296,057)
Payments of dividends	36	(15,499)	-
Net cash flows from financing activities	40	(16,355,060)	48,208,905
Net cash flows during the period (50 = 20 + 30 + 40)	50	(57,268,556)	(78,996,899)
Cash and cash equivalents at the beginning of the period	60	287,554,717	462,282,386
Effect of exchange rate fluctuations on cash and cash equivalents	61	(52,926)	(18,168)
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	230,233,235	383,267,319

The converted separate statement of cash flows for the six-month period ended 30 June 2019, including amounts presented for the corresponding figures, has been translated from the reviewed separate statement of cash flows for the six-month period ended 30 June 2019 expressed in VND at the foreign currency transfer rate ruling at the reporting date as quoted by the Joint Stock Commercial Bank for Foreign Trade of Vietnam of VND23,230 for USD1. This method of translation does not comply with Vietnamese Accounting Standard No. 10 – “The Effect of Changes in Foreign Exchange Rates” and accordingly, the converted separate statement of cash flows for the six-month period ended 30 June 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant regulatory requirements applicable to interim financial reporting. The converted separate statement of cash flows should be read in conjunction with the reviewed separate statement of cash flows in VND.

29 August 2019

Prepared by:



Tran Xuan Duc
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department Deputy General Director

