



**VIETNAM NATIONAL PETROLEUM
GROUP**
**The Parent Company - Vietnam National
Petroleum Group**

Separate financial statements
for the year ended 31 December 2019



The Parent Company - Vietnam National Petroleum Group Corporate Information

Establishment Documents	<p>Decision No. 224/QD-TTg dated 14 April 1995 of the Prime Minister on establishment of Vietnam National Petroleum Corporation.</p> <p>Decision No. 828/QD-TTg dated 31 May 2011 of the Prime Minister on the approval of the equitisation and restructuring plan of Vietnam National Petroleum Corporation.</p> <p>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 3 May 2018.</p>																
Board of Management	<table><tr><td>Mr. Pham Van Thanh</td><td>Chairman</td></tr><tr><td>Mr. Nguyen Thanh Son</td><td>Member</td></tr><tr><td>Mr. Pham Duc Thang</td><td>Member</td></tr><tr><td>Mr. Tran Ngoc Nam</td><td>Member</td></tr><tr><td>Mr. Le Van Huong</td><td>Member</td></tr><tr><td>Mr. Nguyen Anh Dung</td><td>Member</td></tr><tr><td>Mr. Yoshihiro Sato</td><td>Member</td></tr></table>	Mr. Pham Van Thanh	Chairman	Mr. Nguyen Thanh Son	Member	Mr. Pham Duc Thang	Member	Mr. Tran Ngoc Nam	Member	Mr. Le Van Huong	Member	Mr. Nguyen Anh Dung	Member	Mr. Yoshihiro Sato	Member		
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Mr. Nguyen Thanh Son	Member																
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Mr. Yoshihiro Sato	Member																
Board of General Directors	<table><tr><td>Mr. Pham Duc Thang</td><td>General Director</td></tr><tr><td>Mr. Luu Van Tuyen</td><td>Deputy General Director</td></tr><tr><td>Mr. Tran Ngoc Nam</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Quang Dung</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Van Su</td><td>Deputy General Director</td></tr><tr><td>Mr. Dao Nam Hai</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Thanh Son</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Xuan Hung</td><td>Deputy General Director</td></tr></table>	Mr. Pham Duc Thang	General Director	Mr. Luu Van Tuyen	Deputy 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
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Supervisory Board	<table><tr><td>Mr. Dinh Viet Tien</td><td>Head of Supervisory Board</td></tr><tr><td>Mr. Nguyen Vinh Thanh</td><td>Supervisor</td></tr><tr><td>Mr. Tong Van Hai</td><td>Supervisor</td></tr><tr><td>Ms. Pham Thi Dung</td><td>Supervisor</td></tr><tr><td>Ms. Hoang Mai Ninh</td><td>Supervisor</td></tr></table>	Mr. Dinh Viet Tien	Head of Supervisory Board	Mr. Nguyen Vinh Thanh	Supervisor	Mr. Tong Van Hai	Supervisor	Ms. Pham Thi Dung	Supervisor	Ms. Hoang Mai Ninh	Supervisor						
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Registered Office	<p>No. 1, Kham Thien Street, Dong Da District Hanoi, Vietnam</p>																
Auditor	<p>KPMG Limited Vietnam</p>																

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 financial statements of the Parent Company for the year ended 31 December 2019.

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

- (a) the separate financial statements set out on pages 5 to 53 give a true and fair view of the unconsolidated financial position of the Parent Company as at 31 December 2019, and of the unconsolidated results of operations and the unconsolidated cash flows of the Parent Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to 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 financial statements for issue.

On behalf of the Board of General Directors



Hanoi, 6 April 2020



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E6 Pham Hung Road, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying separate financial statements of the Parent Company - Vietnam National Petroleum Group (the "Parent Company"), which comprise the separate balance sheet as at 31 December 2019, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Parent Company's Board of General Directors on 6 April 2020, as set out on pages 5 to 53.

Board of General Directors' Responsibility

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

Auditor's Responsibility

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

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

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



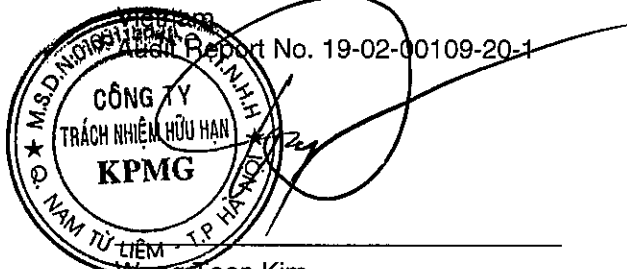
Auditor's Opinion

In our opinion, the separate financial statements 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 31 December 2019 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

Emphasis of matter – corresponding figures

As described in Note 36 to the separate financial statements, corresponding figures as at 1 January 2019 and for the year ended 31 December 2018 have been restated in accordance with audit results of the State Audit of Vietnam announced in the audit report dated 19 June 2019 on the financial statements, activities relating to the management and use of the State capital and assets for 2018 of The Parent Company - Vietnam National Petroleum Group. Our auditor's opinion is not qualified in respect of this matter.

KPMG Limited



Wang Toon Kim
Practicing Auditor Registration
Certificate No. 0557-2018-007-1
Deputy General Director

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

Hanoi, 6 April 2020

The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 31 December 2019

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		28,014,188,959,005	24,348,950,207,360
Cash and cash equivalents	110	4	7,187,361,116,526	6,679,896,073,798
Cash	111		2,967,361,116,526	2,762,896,073,798
Cash equivalents	112		4,220,000,000,000	3,917,000,000,000
Short-term financial investments	120		4,065,000,000,000	3,748,000,000,000
Held-to-maturity investments	123	5	4,065,000,000,000	3,748,000,000,000
Accounts receivable – short-term	130		6,263,788,554,034	5,302,040,386,822
Accounts receivable from customers	131	6	5,049,474,458,230	4,857,167,152,246
Prepayments to suppliers	132		20,735,341,218	19,586,325,216
Other receivables	136	7	1,193,578,754,586	425,286,909,360
Inventories	140	8	8,964,830,014,892	7,186,390,850,583
Inventories	141		9,020,486,274,083	7,744,366,042,273
Allowance for inventories	149		(55,656,259,191)	(557,975,191,690)
Other current assets	150		1,533,209,273,553	1,432,622,896,157
Short-term prepaid expenses	151	12(a)	104,260,051,873	131,030,614,566
Deductible value added tax	152		216,312,894,740	126,002,778,292
Taxes and other receivables from State Treasury	153	15	1,212,636,326,940	1,175,589,503,299

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

The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 31 December 2019 (continued)

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		12,625,455,395,478	11,897,291,161,713
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		333,469,719,597	369,932,609,495
Tangible fixed assets	221	9	88,580,770,292	123,947,786,445
<i>Cost</i>	222		346,689,421,353	344,959,137,577
<i>Accumulated depreciation</i>	223		(258,108,651,061)	(221,011,351,132)
Intangible fixed assets	227	10	244,888,949,305	245,984,823,050
<i>Cost</i>	228		553,280,137,900	542,984,122,900
<i>Accumulated amortisation</i>	229		(308,391,188,595)	(296,999,299,850)
Long-term work in progress	240		1,839,136,959	7,106,266,161
Construction in progress	242		1,839,136,959	7,106,266,161
Long-term financial investments	250		12,076,460,946,676	11,287,231,889,800
Investments in subsidiaries	251	11(a)	9,450,358,700,020	9,450,358,700,020
Investments in associates, joint-ventures	252	11(b)	1,771,112,798,525	1,773,694,898,525
Equity investments in other entities	253	11(c)	108,494,852,200	105,912,752,200
Allowance for diminution in the value of long-term financial investments	254	11(d)	(53,505,404,069)	(42,734,460,945)
Held-to-maturity investments	255	5	800,000,000,000	-
Other long-term assets	260		213,480,707,246	232,815,511,257
Long-term prepaid expenses	261	12(b)	213,480,707,246	232,815,511,257
TOTAL ASSETS (270 = 100 + 200)	270		40,639,644,354,483	36,246,241,369,073

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

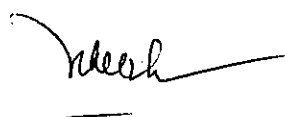
The Parent Company - Vietnam National Petroleum Group
Separate balance sheet as at 31 December 2019 (continued)

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
RESOURCES				
LIABILITIES (300 = 310)	300		20,273,015,730,165	17,955,181,409,162
Current liabilities	310		20,273,015,730,165	17,955,181,409,162
Accounts payable to suppliers	311	13	9,601,284,139,767	8,460,841,651,693
Advances from customers	312	14	206,191,139,028	36,119,774,788
Taxes and others payable to State Treasury	313	15	41,142,122,184	37,045,666,688
Payables to employees	314		24,199,887,826	22,310,130,838
Accrued expenses	315		23,517,445,694	61,589,751,252
Other payables – short-term	319	16	247,553,890,161	237,237,924,901
Short-term borrowings	320	17	8,671,847,401,759	7,137,442,750,576
Bonus and welfare fund	322		23,780,147,791	32,072,414,202
Petroleum price stabilisation fund	323	18	1,433,499,555,955	1,930,521,344,224
EQUITY (400 = 410)	400		20,366,628,624,318	18,291,059,959,911
Owners' equity	410	19	20,366,628,624,318	18,291,059,959,911
Share capital	411	20	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		3,925,554,119,365	2,246,997,553,623
Treasury shares	415	20	(1,030,648,460,000)	(1,350,648,460,000)
Investment and development fund	418	22	56,981,179,159	56,981,179,159
Other equity funds	420	22	1,252,002,338,768	1,252,002,338,768
Retained profits	421		3,223,958,637,026	3,146,946,538,361
- Retained profits brought forward	421a		85,226,380,144	-
- Retained profit for the current year	421b		3,138,732,256,882	3,146,946,538,361
TOTAL RESOURCES (440 = 300 + 400)	440		40,639,644,354,483	36,246,241,369,073

6 April 2020

Prepared by:



Ngo My Nhung
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department



Pham Duc Thang
General Director

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

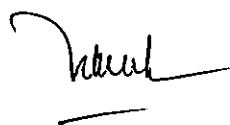
The Parent Company - Vietnam National Petroleum Group
Separate statement of income for the year ended 31 December 2019

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

	Code	Note	2019 VND	2018 VND Restated
Revenue from sales of goods and provision of services	01	24	127,815,852,098,622	134,041,224,722,406
Cost of sales	11	25	125,007,851,989,402	131,063,297,852,542
Gross profit (20 = 01 - 11)	20		2,808,000,109,220	2,977,926,869,864
Financial income	21	26	2,849,974,606,506	2,812,673,744,720
Financial expenses	22	27	356,070,606,006	670,604,782,374
<i>In which: Interest expense</i>	23		198,467,177,969	282,114,807,047
Selling and general and administration expenses	25	28	1,956,351,676,527	1,908,582,284,325
Net operating profit (30 = 20 + 21 - 22 - 25)	30		3,345,552,433,193	3,211,413,547,885
Other income	31	29	54,276,306,093	300,504,087,189
Other expenses	32	30	31,547,775,983	47,471,170,799
Results of other activities (40 = 31 - 32)	40		22,728,530,110	253,032,916,390
Accounting profit before tax (50 = 30 + 40)	50		3,368,280,963,303	3,464,446,464,275
Income tax expense – current	51	32	229,548,706,421	292,001,115,537
Income tax expense – deferred	52	32	-	25,498,810,377
Net profit after tax (60 = 50 - 51 - 52)	60		3,138,732,256,882	3,146,946,538,361

6 April 2020

Prepared by:



Ngo My Nhung
Accountant



Hoang Chi Mai
Manager of Accounting Department

Approved by:



Pham Duc Thang
General Director

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

The Parent Company - Vietnam National Petroleum Group
Separate statement of cash flows for the year ended 31 December 2019 (Indirect method)

Form B 03 – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	2019 VND	2018 VND Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	3,368,280,963,303	3,464,446,464,275
Adjustments for			
Depreciation and amortisation	02	48,489,188,674	71,435,978,713
Allowances and provisions	03	(491,547,989,375)	441,954,242,255
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	9,505,823,448	(9,611,437,111)
Profits from investing activities	05	(2,678,584,017,360)	(2,588,472,401,428)
Interest expense	06	198,467,177,969	282,114,807,047
Other adjustments (Change in petroleum price stabilisation fund – Note 18)	07	(501,374,908,564)	(1,121,563,656,502)
Operating profit before changes in working capital	08	(46,763,761,905)	540,303,997,249
Change in receivables	09	(737,048,467,864)	1,977,222,856,419
Change in inventories	10	(1,276,120,231,810)	2,462,479,394,416
Change in payables and other liabilities	11	1,292,008,074,496	(2,804,894,697,713)
Change in prepaid expenses	12	46,105,366,704	(26,224,825,606)
		(721,819,020,379)	2,148,886,724,765
Interest paid	14	(199,149,012,592)	(272,050,015,220)
Income tax paid	15	(237,132,450,763)	(314,517,698,576)
Other receipts from operating activities	16	4,353,120,295	12,004,405,847
Other payments for operating activities	17	(19,271,651,755)	(24,225,084,886)
Net cash flows from operating activities	20	(1,173,019,015,194)	1,550,098,331,930

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

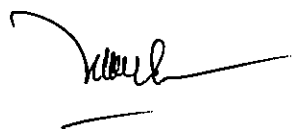
The Parent Company - Vietnam National Petroleum Group
Separate statement of cash flows for the year ended 31 December 2019
(Indirect method - continued)

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

	Code	2019 VND	2018 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(24,745,776,474)	(58,642,411,362)
Proceeds from disposals of fixed assets and other long-term assets	22	-	49,199,603
Payments for granting loans, purchase of debt instruments of other entities	23	(13,135,000,000,000)	(6,817,000,000,000)
Receipts from collecting loans	24	12,018,000,000,000	4,347,319,756,941
Collections on investments in other entities	26	4,124,550,000	266,407,728,000
Receipts of interests, dividends and share of profit	27	2,319,182,197,366	1,755,840,691,176
Net cash flows from investing activities	30	1,181,560,970,892	(506,025,035,642)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from transfer of treasury shares	31	1,998,556,565,742	-
Proceeds from borrowings	33	48,426,105,064,126	61,110,219,775,379
Payments to settle loan principals	34	(46,881,380,883,678)	(62,738,871,819,687)
Payments of dividends	36	(3,044,051,675,068)	(3,473,695,814,154)
Net cash flows from financing activities	40	499,229,071,122	(5,102,347,858,462)
Net cash flows during the year (50 = 20 + 30 + 40)	50	507,771,026,820	(4,058,274,562,174)
Cash and cash equivalents at the beginning of the year	60	6,679,896,073,798	10,738,819,837,128
Effect of exchange rate fluctuations on cash and cash equivalents	61	(305,984,092)	(649,201,156)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)	70	7,187,361,116,526	6,679,896,073,798

6 April 2020

Prepared by:



Ngo My Nhung
Accountant

Approved:



Hoang Chi Mai
Manager of Accounting Department



Phạm Đức Thang
General Director

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

The Parent Company - Vietnam National Petroleum Group
Notes to the separate financial statements for the year ended 31 December 2019

Form B 09 – 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 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, specialisation 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 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 became 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 of 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 its member companies. As at 31 December 2019 and 1 January 2019, the Parent Company had 51 subsidiaries including 43 petroleum companies fully owned by the Group within its Petroleum Division and 8 other subsidiaries as listed in Note 11(a) and 6 joint ventures, associates (1/1/2019: 7 joint ventures, associates) as listed in Note 11(b).

As at 31 December 2019, the Parent Company had 224 employees (1/1/2019: 220 employees).

The Parent Company - Vietnam National Petroleum Group
Notes to the separate financial statements for the year ended 31 December 2019
(continued)

Form B 09 – 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 financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

The Parent Company also prepares and issues its consolidated 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 financial statements should be read in conjunction with the consolidated financial statements.

(b) Basis of measurement

The separate 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.

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

Transactions in currencies other than VND during the year 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 annual accounting period. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at the end of the annual 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 annual 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 annual 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.

The Parent Company - Vietnam National Petroleum Group
Notes to the separate financial statements for the year ended 31 December 2019
(continued)

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

(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.

(d) Inventories

Inventories are stated at the lower of cost and net realisable 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 realisable 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 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 sub-standard inventories and for those which have costs higher than net realisable values at the end of the annual accounting period.

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(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 year 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 capitalised 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 and structures	10 – 35 years
▪ Machinery and equipment	4 – 8 years
▪ Motor vehicles	6 – 8 years
▪ Office equipment	3 – 5 years
▪ Others	5 years

(f) Intangible fixed assets

Intangible fixed assets comprise land use rights, software, licence of the software 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 certificate issued by competent authority.

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

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(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 amortised 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 which have not been fully completed. No depreciation is provided for construction in progress during the period of construction.

(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 bank. These investments are stated at costs less allowance for diminution in the value of investments.

(ii) *Investments in subsidiaries, associates and equity investments in other entities – long term*

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

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 Corporation ("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/NĐ-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.

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(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.

(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.

(iii) Server infrastructure rental cost

Server infrastructure rental cost is initially recorded at cost and amortised on a straight-line basis over 60 months.

(iv) Office renovation cost

Office renovation cost is initially recorded at cost and amortised on a straight-line basis over 36 months.

(j) Trade and other payables

Trade and other payables are stated at their cost.

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(k) 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. Accordingly,

- 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 year; 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.

(l) 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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(m) Taxation

Income tax on the unconsolidated profit or loss for the year 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 year, using tax rates enacted at the end of the annual 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 realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

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

(n) Revenue and other incomes

(i) *Goods sold*

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

(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. Dividends declared in the form of share are not recognized as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

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(o) 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.

(p) Borrowing costs

Borrowing costs are recognised as an expense in the year 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.

(q) 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. Cash and cash equivalents

	31/12/2019 VND	1/1/2019 VND
Cash on hand	201,074,000	271,435,000
Cash in banks	2,967,160,042,526	2,762,624,638,798
In which:		
- Account balance of <i>Petroleum price stabilisation fund (i)</i>	<i>1,288,147,098,093</i>	<i>1,372,574,859,359</i>
Cash equivalents (ii)	4,220,000,000,000	3,917,000,000,000
	7,187,361,116,526	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 maturity not exceeding three months.

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5. Held-to-maturity investments

	31/12/2019		1/1/2019	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Held-to-maturity investments – short-term				
Term deposits	4,065,000,000,000	4,065,000,000,000	3,748,000,000,000	3,748,000,000,000
<hr/>				
Held-to-maturity investments – long-term				
Bonds	800,000,000,000	(*)	-	-

Held-to-maturity investments – short-term represent term deposits at domestic banks with maturity ranging from more than 3 months to 12 months. Cost of these deposits approximate their fair value due to the short-term nature of the investments.

Held-to-maturity investments – long-term represent investments in bank bonds with maturity of 6 years and an interest rate of 8% per annum which mature on 30 December 2025. The bond's interest is paid on an annual basis on the bond interest payment date and the bond's principal is paid on the maturity date.

(*) The parent company has not determined fair values of these held-to-maturity investments – long-term for disclosure in the financial statements because information about its market price is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair value of this investment may differ from its carrying amount.

6. Accounts receivable from customers

(a) Accounts receivable from customers detailed by significant customers

	31/12/2019 VND	1/1/2019 VND
Petroleum member companies (b)	4,325,840,708,098	4,350,805,632,106
Petrolimex (Lao) Ltd.	480,768,022,766	329,704,243,670
Sok Kong Import Export Co., Ltd. (Sokimex)	123,092,024,532	39,455,305,176
Other customers	119,773,702,834	137,201,971,294
	<hr/>	<hr/>
	5,049,474,458,230	4,857,167,152,246

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(b) Accounts receivable from customers who are related companies

	31/12/2019 VND	1/1/2019 VND
Petrolimex (Lao) Ltd. – a subsidiary	480,768,022,766	329,704,243,670
Petroleum member companies	4,325,840,708,098	4,350,805,632,106
<i>Petrolimex Sai Gon One-Member Limited</i>	819,633,634,917	605,539,786,361
<i>Petrolimex Quang Ninh One-Member Limited</i>	615,605,620,152	644,445,309,010
<i>Petrolimex Tay Nam Bo</i>	279,913,985,998	308,203,719,291
<i>Petrolimex Hai Phong One-Member Limited</i>	230,615,288,013	323,322,938,412
<i>Petrolimex Phu Khanh Limited Company</i>	204,150,982,264	210,607,060,039
<i>Petrolimex Ha Tinh</i>	178,056,465,368	176,284,943,002
<i>Petrolimex Gia Lai</i>	173,922,068,283	133,623,467,326
<i>Petrolimex Thanh Hoa One-Member Limited</i>	166,230,115,989	177,665,719,720
<i>Petrolimex Ba Ria Vung Tau</i>	154,234,202,907	194,093,231,327
<i>Petrolimex Bac Thai</i>	130,371,241,334	108,619,767,735
<i>Petrolimex Phu Tho</i>	110,869,375,207	107,404,266,753
<i>Petrolimex Nghe An</i>	104,635,267,959	72,316,999,236
<i>Petrolimex Ha Nam Ninh</i>	104,358,248,640	80,309,579,561
<i>Petrolimex Tuyen Quang</i>	92,041,709,980	74,188,747,744
<i>Petrolimex Lao Cai</i>	89,054,188,032	64,821,521,864
<i>Petrolimex Vinh Long</i>	87,343,796,543	103,537,109,029
<i>Petrolimex Ca Mau One-Member Limited</i>	85,756,520,352	93,695,072,268
<i>Petrolimex Da Nang One-Member Limited</i>	68,760,668,959	126,019,677,287
<i>Petrolimex Tien Giang One-Member Limited</i>	67,158,721,851	72,692,995,968
<i>Petrolimex Yen Bai</i>	62,252,431,211	60,519,336,480
<i>Petrolimex Dien Bien</i>	58,788,639,094	46,520,393,239
<i>Petrolimex Quang Tri</i>	56,588,311,313	76,231,886,830
<i>Petrolimex An Giang One-Member Limited</i>	47,958,771,562	54,277,374,995
<i>Petrolimex Binh Dinh</i>	46,101,778,407	80,009,673,585
<i>Petrolimex Ha Son Binh Limited Company</i>	42,027,153,448	52,641,811,287
<i>Petrolimex Quang Binh</i>	40,008,265,959	24,869,081,644
<i>Petrolimex Thai Binh</i>	39,362,768,036	45,281,605,015
<i>Petrolimex Daklak One-Member Limited</i>	31,892,968,597	50,915,678,361
<i>Petrolimex Lai Chau</i>	25,454,659,096	6,295,107,075
<i>Petrolimex Dong Nai</i>	24,265,493,165	28,722,465,778
<i>Petrolimex Long An</i>	22,502,366,307	40,633,172,403
<i>Petrolimex Ha Giang</i>	20,882,422,749	29,511,949,424
<i>Petrolimex Lam Dong</i>	18,333,661,101	21,401,713,670
<i>Petrolimex Tra Vinh One-Member Limited</i>	18,234,646,966	15,513,884,708
<i>Petrolimex Cao Bang</i>	4,254,337,468	8,622,450,593
<i>Petrolimex Hue Limited Company</i>	4,132,261,960	18,677,590,781
<i>Petrolimex Dong Thap</i>	87,668,911	1,714,370,432
<i>Petrolimex Quang Ngai One-Member Limited</i>	-	8,819,199,375
<i>Petrolimex Ben Tre</i>	-	2,234,974,498
	4,806,608,730,864	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.

7. Other short-term receivables

(a) Other short-term receivables

	31/12/2019 VND	1/1/2019 VND Restated
Over payment of value added tax on imported goods (i)	56,557,097,277	82,534,765,973
Deductible value added tax but yet to receive VAT invoices at reporting date	13,304,410,328	135,479,264,278
Prior year's import tax refunded	-	87,566,072,184
Receivables from Ministry of Industry and Trade related to preservation fees for P10 products (ii)	11,280,510,607	11,328,747,850
Interest receivable	150,851,013,726	59,304,871,956
Receivables from a subsidiary – financial support (iii)	652,163,000,000	-
Receivables from subsidiaries – interest due to late payment	4,330,847,386	8,997,885,532
Advances to employees	6,237,657,834	2,610,036,483
Receivables from dividends and profit	281,928,129,660	17,675,000,000
Others	16,926,087,768	19,790,265,104
	1,193,578,754,586	425,286,909,360

- (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.
- (iii) This represents the financial support provided to Vanphong Bonded Petroleum Terminal JV Co., Ltd., a subsidiary, as approved by the Board of Management of the parent company in Official Letter No. 1767/PLX-HDQT dated 26 December 2019. This amount is unsecured and bears an interest at the rate of 4.86% per annum.

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(b) Short-term receivables from related parties

	31/12/2019 VND	1/1/2019 VND
Subsidiaries		
Petrolimex Aviation Fuel JSC	132,764,833,280	-
Petrolimex Transportation Services Corporation	17,707,540,400	17,675,000,000
Petrolimex (Lao) Ltd.	4,330,847,386	1,798,819,389
Petrolimex Singapore Pte., Ltd	53,286,933,055	-
Petrolimex Tanker Corporation	78,670,179,419	-
Vanphong Bonded Petroleum Terminal JV Co., Ltd.	652,597,179,751	-
Associates		
Petrolimex Group Construction and Trading Corporation – Joint Stock Company	-	6,320,000
Petrolimex Engineering JSC	170,577,000	122,727,000
Petrolimex Group Commercial Joint Stock Bank	15,384,898,630	10,372,698,630
Other related parties	4,906,756,966	7,070,019,143
	959,819,745,887	37,045,584,162

The short-term receivables from Vanphong Bonded Petroleum Terminal JV Co., Ltd. are described in Note 7(a); the short-term receivables from other related parties were unsecured, interest free and are receivable on demand.

8. Inventories

	31/12/2019		1/1/2019	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	1,372,834,278,258	(11,705,440,149)	676,660,139,551	(28,776,742,365)
Merchandise inventories	7,647,651,995,825	(43,950,819,042)	7,067,705,902,722	(529,198,449,325)
	9,020,486,274,083	(55,656,259,191)	7,744,366,042,273	(557,975,191,690)

Included in inventories at 31 December 2019 was VND383,666 million of goods in transit (1/1/2019: VND243,538 million) and VND1,898,888 million of merchandise inventories (1/1/2019: VND4,243,310 million) stated at net realisable value.

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9. 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	-	-	-	816,389,992	913,893,784	1,730,283,776
Closing balance	46,527,318,433	47,863,494,800	32,900,604,313	217,930,364,568	1,467,639,239	346,689,421,353
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 year	1,453,880,863	8,391,449,426	3,066,570,074	24,006,782,812	178,616,754	37,097,299,929
Closing balance	32,630,731,513	31,502,270,814	18,107,724,165	175,504,561,414	363,363,155	258,108,651,061
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	13,896,586,920	16,361,223,986	14,792,880,148	42,425,803,154	1,104,276,084	88,580,770,292

Included in tangible fixed assets were assets costing VND154,161 million which were fully depreciated as of 31 December 2019 (1/1/2019: VND129,940 million), but which are still in active use.

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10. Intangible fixed assets

Cost	Land use rights VND	Software VND	Software license VND	Others VND	Total VND
Opening balance	216,496,103,958	317,072,487,942	5,860,531,000	3,555,000,000	542,984,122,900
Additions	-	4,110,000,000	-	-	4,110,000,000
Transfer from construction in progress	-	6,186,015,000	-	-	6,186,015,000
Closing balance	216,496,103,958	327,368,502,942	5,860,531,000	3,555,000,000	553,280,137,900
Accumulated amortisation					
Opening balance	18,544,772,285	272,179,351,289	2,749,400,164	3,525,776,112	296,999,299,850
Charge for the year	3,966,580,864	6,810,030,893	586,053,100	29,223,888	11,391,888,745
Closing balance	22,511,353,149	278,989,382,182	3,335,453,264	3,555,000,000	308,391,188,595
Net book value					
Opening balance	197,951,331,673	44,893,136,653	3,111,130,836	29,223,888	245,984,823,050
Closing balance	193,984,750,809	48,379,120,760	2,525,077,736	-	244,888,949,305

Included in intangible fixed assets were assets costing VND297,132 million which were fully amortized as of 31 December 2019 (1/1/2019: VND261,486 million), but which are still in use.

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11. Long-term financial investments

(a) Equity investments in subsidiaries

No.	Name of Subsidiary	Address	% of equity owned	% of voting rights	31/12/2019		1/1/2019		Fair value VND	Allowance VND	Cost VND	% of equity owned	% of voting rights	Fair value VND	Allowance VND	Cost VND	Fair value VND
					Cost VND	Allowance VND	Cost VND	Allowance VND									
1	Petrolimex Tanker Corporation	Hanoi	100%	100%	2,196,550,463,185	-	(*)	2,196,550,463,185	-	-	2,196,550,463,185	100%	100%	-	-	-	(*)
2	Vanphong Bonded Petroleum Terminal JV Co., Ltd.	Khanh Hoa	85%	85%	629,755,076,565	-	(*)	629,755,076,565	-	-	629,755,076,565	85%	85%	-	-	-	(*)
3	Petrolimex Petrochemical Corporation - JSC	Hanoi	79%	79%	570,562,500,000	-	721,948,626,700	570,562,500,000	-	-	570,562,500,000	79%	79%	-	-	-	1,066,950,625,300
4	Petrolimex Transportation Services Corporation	Hanoi	100%	100%	316,568,434,951	-	(*)	316,568,434,951	-	-	316,568,434,951	100%	100%	-	-	-	(*)
5	Petrolimex Gas Corporation - JSC	Hanoi	52%	52%	306,662,738,200	-	470,904,055,100	306,662,738,200	-	-	306,662,738,200	52%	52%	-	-	-	458,262,335,500
6	Petrolimex Singapore Pte., Ltd.	Singapore	100%	100%	287,897,418,502	-	(*)	287,897,418,502	-	-	287,897,418,502	100%	100%	-	-	-	(*)
7	Petrolimex Aviation Fuel JSC	Hanoi	59%	59%	88,500,000,000	-	(*)	88,500,000,000	-	-	88,500,000,000	59%	59%	-	-	-	(*)
8	Petrolimex (Lao) Ltd.	Lao	100%	100%	68,162,068,617	(39,376,260,000)	(*)	68,162,068,617	(27,489,952,495)	-	68,162,068,617	100%	100%	(27,489,952,495)	-	-	(*)

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No.	Name of Subsidiary	Address	31/12/2019			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	31/12/2019			1/1/2019				
			% of equity owned	% of voting rights	Cost VND	Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND
35	Petrolimex Dong Nai	Dong Nai	100%	100%	47,700,000,000	-	(*)	47,700,000,000	-	(*)
36	Petrolimex Tay Ninh	Tay Ninh	100%	100%	45,600,000,000	-	(*)	45,600,000,000	-	(*)
37	Petrolimex Lao Cai	Lao Cai	100%	100%	44,000,000,000	-	(*)	44,000,000,000	-	(*)
38	Petrolimex Ben Tre	Ben Tre	100%	100%	44,000,000,000	-	(*)	44,000,000,000	-	(*)
39	Petrolimex An Giang One-Member Limited	An Giang	100%	100%	43,900,000,000	-	(*)	43,900,000,000	-	(*)
40	Petrolimex Ha Bac	Bac Giang	100%	100%	42,300,000,000	-	(*)	42,300,000,000	-	(*)
41	Petrolimex Lam Dong	Lam Dong	100%	100%	40,900,000,000	-	(*)	40,900,000,000	-	(*)
42	Petrolimex Song Be One-Member Limited	Binh Duong	100%	100%	38,900,000,000	-	(*)	38,900,000,000	-	(*)
43	Petrolimex Dien Bien	Dien Bien	100%	100%	38,600,000,000	-	(*)	38,600,000,000	-	(*)
44	Petrolimex Cao Bang	Cao Bang	100%	100%	33,500,000,000	-	(*)	33,500,000,000	-	(*)
45	Petrolimex Quang Ngai One-Member Limited	Quang Ngai	100%	100%	32,100,000,000	-	(*)	32,100,000,000	-	(*)
46	Petrolimex Tra Vinh One-Member Limited	Tra Vinh	100%	100%	31,100,000,000	-	(*)	31,100,000,000	-	(*)
47	Petrolimex Dong Thap	Dong Thap	100%	100%	30,000,000,000	-	(*)	30,000,000,000	-	(*)
48	Petrolimex Yen Bai	Yen Bai	100%	100%	24,900,000,000	-	(*)	24,900,000,000	-	(*)
49	Petrolimex Lai Chau	Lai Chau	100%	100%	22,000,000,000	-	(*)	22,000,000,000	-	(*)
50	Petrolimex Thai Binh	Thai Binh	100%	100%	21,000,000,000	-	(*)	21,000,000,000	-	(*)
51	Petrolimex Ha Giang	Ha Giang	100%	100%	20,500,000,000	-	(*)	20,500,000,000	-	(*)
					9,450,358,700,020	(39,376,260,000)		9,450,358,700,020	(27,489,952,495)	

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(b) Equity investments in associates, joint-ventures

No.	Name	Address	% of equity owned	% of voting rights	31/12/2019		1/1/2019		Allowance VND	Fair value VND	% of equity owned	% of voting rights	Cost VND	Fair value VND
					Cost VND	Allowance VND	Cost 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%	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%	1,077,957,925,515	-	(*)			(*)
2	Petrolimex Insurance Corporation (i)	Hanoi	40.95%	40.95%	361,849,067,685	-		40.95%	361,849,067,685	-			657,542,592,000	(*)
3	Vietnam Expressway Services JSC	Hanoi	22.38%	22.38%	20,000,000,000	(6,293,333,333)	(*)	22.38%	20,000,000,000	-	(*)			(*)
4	Dong Nai Petroleum Material and Fuel Joint Stock Company	Dong Nai	-	-	-	-	-	21.32%	2,582,100,000	-	(*)			(*)
5	Tuyen Quang Trading Joint Stock Company	Tuyen Quang	33.19%	33.19%	891,808,000	-	(*)	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%	140,987,280,000	-	(*)			(*)
					1,771,112,798,525	(6,293,333,333)			1,773,694,898,525					

(i) As described in Note 3(h)(i), 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.

On 18 July 2019, under Resolution No. 108A/PLX-NQ-HDQT, the Board of Management approved the plan to reduce the Group’s ownership percentage in PJICO from 40.95% to 35.1% and when receipt of official opinions from the Commission for the Management of State Capital at Enterprises and the Prime Minister, the Group will continue to hold or divest in accordance with regulations. By the date when these financial statements are authorized for issuance, the reduction of ownership percentage had not been completed.

(ii) During the year, 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 31 December 2019 (Note 11(c)).

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(c) Equity investments in other entities

No.	Name	Address	Cost VND	31/12/2019 Allowance VND	Fair value 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	(5,991,102,200)	43,922,835,000	(15,244,508,450)	34,669,428,750
3	Van Phong Investment and Development Joint Stock Corporation	Khanh Hoa Binh Thuan	3,801,690,000	(1,844,708,536)	(*)	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 (Note 11(b))	Dong Nai	2,582,100,000	-	(*)	-	-
			108,494,852,200	(7,835,810,736)		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 Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts.

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(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 year were as follows:

	2019 VND	2018 VND Restated
Opening balance	42,734,460,945	152,355,411,188
Addition during the year	53,505,404,069	42,872,734,515
Reversal of allowance during the year	(42,734,460,945)	(152,493,684,758)
Closing balance	53,505,404,069	42,734,460,945

12. Prepaid expenses

(a) Short prepaid expenses

	31/12/2019 VND	1/1/2019 VND
Inventory related expenses	47,837,081,027	52,435,641,022
Prepaid insurance expenses and software related expenses	56,206,503,697	77,943,497,317
Tools and supplies issued for use	216,467,149	651,476,227
	104,260,051,873	131,030,614,566

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(b) Long-term prepaid expenses

	Business advantage related to equitization VND	Office rental VND	Server infrastructure rental cost VND	Office renovation cost VND	Others VND	Total VND
Opening balance – Restated	162,642,101,757	65,907,840,731	-	-	4,265,568,769	232,815,511,257
<i>Opening balance – as previously stated</i>	162,642,101,757	65,907,840,731	-	-	3,356,568,769	231,906,511,257
<i>Restatement according to State Audit's report (Note 36)</i>	-	-	-	-	909,000,000	909,000,000
Additions	-	2,546,349,557	37,800,000,000	19,274,475,880	8,692,813,504	68,313,638,941
Amortization for the year	(54,214,033,920)	(20,279,335,610)	(3,780,000,000)	(2,656,392,200)	(6,718,681,222)	(87,648,442,952)
Closing balance	108,428,067,837	48,174,854,678	34,020,000,000	16,618,083,680	6,239,701,051	213,480,707,246

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13. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	Cost and amount within payment capacity	
	31/12/2019	1/1/2019
	VND	VND
Binh Son Refining and Petrochemical Company Limited	3,522,789,634,487	3,163,328,126,006
Nghi Son Petroleum Products Distribution Branch – PetroVietnam	2,469,569,201,093	3,134,835,927,322
WINSON OIL TRADING PTE LTD	978,163,553,317	-
Vitol Asia Pte Ltd	140,049,390,802	1,001,428,378,239
Other suppliers	2,490,712,360,068	1,161,249,220,126
	9,601,284,139,767	8,460,841,651,693

(b) Accounts payable to suppliers who are related parties

	Cost and amount within payment capacity	
	31/12/2019	1/1/2019
	VND	VND
Subsidiaries		
Petrolimex Singapore Pte., Ltd	160,498,179,517	-
Petrolimex Tanker Corporation	68,459,201,221	39,202,450,622
Petrolimex Joint Stock Tanker Company	292,432,049	8,575,833,941
Van Phong Bonded Petroleum Terminal JV Co., Ltd.	-	29,588,124,086
Vietnam Tanker Joint Stock Company	23,620,333,690	11,743,632,449
Petrolimex Information Technology and Telecommunication Joint Stock Company	17,878,980,280	25,115,958,294
VITACO Sai Gon Company Limited	10,623,407,580	6,971,666,592
Petrolimex Hai Phong Transportation and Service JSC	-	1,332,191,896
Associates		
Petrolimex Insurance Corporation	12,034,600,039	8,387,384,424
Petrolimex Group Commercial Joint Stock Bank	22,987,003,641	16,580,481,558
	316,394,138,017	147,497,723,862

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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14. Advances from customers

Advances from customers represent advances from the following companies:

	31/12/2019	1/1/2019
	VND	VND
Subsidiaries		
Petrolimex Quang Ngai One-Member Limited	16,964,824,946	-
Petrolimex Tay Ninh	25,577,797,969	10,153,906,831
Petrolimex Song Be One-Member Limited	20,790,120,072	9,571,869,224
Petrolimex Ben Tre	19,801,919,646	-
Petrolimex Ha Bac	9,809,102,847	8,545,238,288
Petrolimex Singapore Pte., Ltd.	438,313,966	150,625,954
Petrolimex Hanoi One-Member Limited	112,767,299,967	7,656,374,876
	<hr/>	<hr/>
	206,149,379,413	36,078,015,173
Other parties	41,759,615	41,759,615
	<hr/>	<hr/>
	206,191,139,028	36,119,774,788
	<hr/>	<hr/>

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

	31/12/2019	1/1/2019
	VND	VND
		Restated
Taxes and others receivable from State Treasury	1,212,636,326,940	1,175,589,503,299
Taxes and others payable to State Treasury	(41,142,122,184)	(37,045,666,688)
	<hr/>	<hr/>
	1,171,494,204,756	1,138,543,836,611
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Movements in taxes and others receivable from and payable to State Treasury during the year were as follows:

	1/1/2019 (**) VND	Incurred VND	Paid/refunded VND	31/12/2019 VND
	Restated			
Output value added tax (*)	-	(41,331,025,539)	41,331,025,539	-
Special consumption tax on imported goods	19,099,676,463	(1,822,446,236,703)	1,856,652,176,957	53,305,616,717
Special consumption tax on domestic sales	384,925,096,824	274,943,029,332	-	659,868,126,156
Import tax	727,869,959,494	(1,742,076,218,403)	1,491,168,898,209	476,962,639,300
Value added tax – imported goods	43,694,770,518	(4,362,329,693,001)	4,341,134,867,250	22,499,944,767
Corporate income tax (**)	(36,220,338,747)	(229,548,706,421)	237,132,450,763	(28,636,594,405)
Personal income tax	(825,327,941)	(15,666,870,101)	15,389,404,381	(1,102,793,661)
Foreign contractor tax	-	(13,465,122,909)	2,062,388,791	(11,402,734,118)
Other tax and fees	-	(5,613,922,556)	5,613,922,556	-
	1,138,543,836,611	(7,957,534,766,301)	7,990,485,134,446	1,171,494,204,756
<i>In which:</i>				
Taxes and others receivable from State Treasury	1,175,589,503,299			1,212,636,326,940
Taxes and others payable to State Treasury	(37,045,666,688)			(41,142,122,184)
	1,138,543,836,611			1,171,494,204,756

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

(**) Taxes and others payable to State Treasury as at 1 January 2019 were restated according to the State Audit of Vietnam's report regarding corporate income tax (Note 36).

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16. Other payables – short-term

	31/12/2019	1/1/2019
	VND	VND
		Restated
Dividends payable	2,806,626,778	2,743,890,846
Payables to subsidiaries relating to financial restructuring (*)	236,292,524,071	231,104,870,723
Appraisal fee payable	4,634,454,984	-
Trade union fees	1,582,274,107	1,037,512,530
Demurrage fees payable	-	1,134,683,755
Other payables	2,238,010,221	1,216,967,047
	<hr/>	<hr/>
	247,553,890,161	237,237,924,901
	<hr/>	<hr/>

(*) 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.

17. Short-term borrowings

	Carrying amount and amount within repayment capacity	
	2019	2018
	VND	VND
Opening balance	7,137,442,750,576	8,509,821,739,319
Additions	48,426,105,064,126	61,110,219,775,379
Decreases during the year	(46,881,380,883,678)	(62,738,871,819,687)
Foreign exchange differences	(10,319,529,265)	256,273,055,565
	<hr/>	<hr/>
Closing balance	8,671,847,401,759	7,137,442,750,576
	<hr/>	<hr/>

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Notes to the separate financial statements for the year ended 31 December 2019
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Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	31/12/2019 VND	1/1/2019 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	USD	2,992,281,483,139	563,770,708,383
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	2,601,458,431,096	-
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	1,680,102,929,074	-
Joint Stock Commercial Bank for Investment and Development of Vietnam	USD	464,583,484,167	627,615,000,000
Vietnam Export Import Commercial Joint Stock Bank	USD	404,125,003,286	409,576,247,605
Vietnam Joint Stock Commercial Bank for Industry and Trade	USD	347,686,916,801	-
HSBC (Vietnam)	VND	181,609,154,196	232,751,190,994
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	-	2,100,220,505,954
Mizuho Bank – Hanoi Branch	USD	-	936,754,617,324
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 Nam	VND	-	541,147,000,000
Citibank Vietnam	VND	-	390,000,000,000
Military Commercial Joint Stock Bank	VND	-	130,794,352,976
		8,671,847,401,759	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 year, these loans bore interest rates as specified in the loan contracts.

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18. Petroleum price stabilisation fund

	2019	2018
	VND	VND
Opening balance	1,930,521,344,224	3,040,080,594,879
Increases	3,114,177,139,012	2,502,512,535,103
Decreases	(3,615,552,047,576)	(3,624,076,191,605)
Interest income from the deposit account	4,353,120,295	12,004,405,847
	<hr/>	<hr/>
Closing balance	1,433,499,555,955	1,930,521,344,224
	<hr/>	<hr/>
In which:		
- <i>Account balance of Petroleum price stabilization fund at bank (Note 4)</i>	<i>1,288,147,098,093</i>	<i>1,372,574,859,359</i>
- <i>Amount withdrawn from the account of Petroleum price stabilisation fund after the balance sheet date</i>	<i>145,352,457,862</i>	<i>557,946,484,865</i>
	<hr/>	<hr/>
Closing balance	1,433,499,555,955	1,930,521,344,224
	<hr/>	<hr/>

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19. 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 1/1/2018	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
Net profit for the year – as restated	-	-	-	-	-	3,146,946,538,361	3,146,946,538,361
<i>Net profit for the year – as previously reported Restatement according to the State Audit's report (Note 36)</i>	-	-	-	-	-	3,061,720,158,218	3,061,720,158,218
Appropriation to bonus and welfare fund	-	-	-	-	-	(15,637,688,584)	(15,637,688,584)
Dividends (Note 21)	-	-	-	-	-	(3,476,439,705,000)	(3,476,439,705,000)
Balance at 1/1/2019 – as restated	12,938,780,810,000	2,246,997,553,623	(1,350,648,460,000)	56,981,179,159	1,252,002,338,768	3,146,946,538,361	18,291,059,959,911
Net profit for the year	-	-	-	-	-	3,138,732,256,882	3,138,732,256,882
Appropriation to bonus and welfare fund	-	-	-	-	-	(17,605,747,217)	(17,605,747,217)
Treasury shares sold (Note 20)	-	1,678,556,565,742	320,000,000,000	-	-	-	1,998,556,565,742
Dividends (Note 21)	-	-	-	-	-	(3,044,114,411,000)	(3,044,114,411,000)
Balance at 31/12/2019	12,938,780,810,000	3,925,554,119,365	(1,030,648,460,000)	56,981,179,159	1,252,002,338,768	3,223,958,637,026	40,639,644,354,483

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20. Share capital

The Company's authorised and issued share capital presented in par value are:

	31/12/2019		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	1,190,813,235	11,908,132,350,000	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	209,126,609	2,091,266,090,000	177,126,609	1,771,266,090,000
Treasury shares	103,064,846	1,030,648,460,000	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 shares in circulation during the year were as follows:

	31/12/2019		1/1/2019	
	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 year (*)	32,000,000	320,000,000,000	-	-
Closing balance	1,190,813,235	11,908,132,350,000	1,158,813,235	11,588,132,350,000

(*) During the year, the Company sold 32,000,000 treasury shares with an average price of VND62,455 per share.

21. 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 million (2018: VND3,476,440 million). This dividend amount was paid in 2019.

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Notes to the separate financial statements for the year ended 31 December 2019
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22. 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.

23. Off balance sheet items

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

	Unit	31/12/2019	1/1/2019
Gasoline RON 92	Litre 15 (*)	73,695,025	74,585,145
Diesel 0.05S	Litre 15 (*)	138,911,948	139,085,788
Mazut	Kg	39,737,834	39,752,150

(*) Litre 15 is a litre-based measurement unit with measurements made in actual temperature condition translated into 15°C according to the formula: Litre15 = Actual litre x VCF. VCF stands for Volume Correction Factor. VCF is determined by looking up in the Table C.2 of Appendix C in the National Standard TCVN 7567:2006 on Liquefied Petroleum Gas (LPG) – Handling Principles, Measurement and Calculation.

(b) Foreign currencies

	31/12/2019		1/1/2019	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	2,434,637	56,264,470,776	7,295,676	168,931,374,310

(c) Capital expenditure commitments

As at 31 December 2019 the Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	31/12/2019 VND	1/1/2019 VND
Approved but not contracted	1,170,631,062,545	-
Approved and contracted	8,937,696,000	-
	1,179,568,758,545	-

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(d) Foreign exchange contracts

As at 31 December 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
4151/HDNT-EIBHN/2019	30	7,900,000	23,229	22/01/2020	183,509,100,000
2019.12.23/HDMBNT/TPB-PETROLIMEX	30	5,000,000	23,229	22/01/2020	116,145,000,000
FXT1912248	13	15,315,051	23,198	06/01/2020	355,278,553,098
2019.12.24/HDMBNT/TPB-PETROLIMEX	14	10,000,000	23,199	07/01/2020	231,990,000,000
4166/HDNT-EIBHN/2019	14	11,359,791	23,199	07/01/2020	263,535,791,409
FXT1912312	8	10,000,000	23,188	08/01/2020	231,880,000,000
FXT1911128	83	22,433,948	23,320	03/02/2020	523,159,667,360
2019.11.12/HDMBNT/TPB-PETROLIMEX	91	20,000,000	23,331	11/02/2020	466,620,000,000
FXT1911156	95	6,997,641	23,343	18/02/2020	163,345,933,863
FXT1911206	58	9,715,353	23,293	17/01/2020	226,299,717,429
3856/HDNT-EIBHN/2019	56	5,000,000	23,290	15/01/2020	116,450,000,000
2019.11.20/HDMBNT/TPB-PETROLIMEX	56	5,000,000	23,290	15/01/2020	116,450,000,000
FXT1912279	7	11,000,000	23,187	03/01/2020	255,057,000,000
2019.12.27/HDMBNT/TPB-PETROLIMEX	7	8,999,289	23,187	03/01/2020	208,666,514,043
11-2019/MBNT-FW	6	3,272,299	23,186	02/01/2020	75,871,524,614
4225/HDNT-EIBHN/2019	9	5,694,852	23,189	09/01/2020	132,057,923,028
2019.12.31/HDMBNT/TPB-PETROLIMEX	9	6,000,000	23,189	09/01/2020	139,134,000,000
3815/HDNT-EIBHN/2019	89	8,800,000	23,335	12/02/2020	205,348,000,000
2019.11.12/HDMBNT/TPB-PETROLIMEX	89	5,000,000	23,335	12/02/2020	116,675,000,000
4184/HDNT-EIBHN/2019	8	3,578,864	23,190	03/01/2020	82,993,856,160
					4,210,467,581,004

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24. 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:

	2019 VND	2018 VND
Petroleum trading	127,734,978,553,561	133,961,861,869,670
Other trading activities	77,032,737,228	75,473,670,554
Services rendered	3,840,807,833	3,889,182,182
	<hr/>	<hr/>
	127,815,852,098,622	134,041,224,722,406
	<hr/>	<hr/>

25. Cost of sales

	2019 VND	2018 VND
Petroleum trading	125,680,808,333,302	131,192,928,260,155
Other trading activities	77,032,737,155	75,473,670,549
Petroleum price stabilisation fund (Note 18)	(501,374,908,564)	(1,121,563,656,502)
Allowance for petroleum inventories	(502,318,932,499)	551,575,192,498
Loss of inventories and other related expenses	253,704,760,008	364,884,385,842
	<hr/>	<hr/>
	125,007,851,989,402	131,063,297,852,542
	<hr/>	<hr/>

26. Financial income

	2019 VND	2018 VND
Dividends and distributed profit	2,182,742,275,656	2,068,302,284,851
Interest income from deposits	492,239,193,140	430,469,359,510
Realised foreign exchange gains	121,644,372,762	261,596,962,153
Interest from credit sales	45,082,312,095	36,813,951,837
Gains from payment discounts	4,141,902,853	-
Profit from sale of preferential share purchase right	4,124,550,000	-
Unrealised foreign exchange gains	-	9,611,437,111
Profit from disposal of shares of a subsidiary	-	4,574,208,000
Other financial income	-	1,305,541,258
	<hr/>	<hr/>
	2,849,974,606,506	2,812,673,744,720
	<hr/>	<hr/>

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Notes to the separate financial statements for the year ended 31 December 2019
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27. Financial expenses

	2019 VND	2018 VND Restated
Interest expense	198,467,177,969	282,114,807,047
Realised foreign exchange losses	105,897,315,585	469,413,743,000
Allowance for long-term financial investments	10,770,943,124	(109,620,950,243)
Payment discounts	30,907,344,444	26,479,539,628
Unrealised foreign exchange losses	9,505,823,448	-
Other expenses	522,001,436	2,217,642,942
	<hr/> 356,070,606,006	<hr/> 670,604,782,374 <hr/>

28. Selling and general and administration expenses

	2019 VND	2018 VND Restated
Staff costs	109,427,896,488	104,407,258,889
Depreciation and amortisation	48,425,350,716	70,803,976,713
Amortisation of business advantages	54,214,033,920	54,214,033,920
Taxes, fees and charges	26,219,086,905	22,257,367,752
Outside services	1,578,300,177,381	1,521,052,564,072
Other expenses	139,765,131,117	135,847,082,979
	<hr/> 1,956,351,676,527	<hr/> 1,908,582,284,325 <hr/>

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29. Other income

	2019 VND	2018 VND Restated
Differences upon investment revaluation	-	84,291,952,101
Refundable import tax incurred in prior years	-	146,499,047,724
Gain from disposals of fixed assets and construction in progress	-	35,227,519
Supports received from other entities	825,000,000	800,000,000
Income from demurrage fees	37,646,726,459	44,394,166,881
Others	15,804,579,634	24,483,692,964
	<hr/> 54,276,306,093	<hr/> 300,504,087,189 <hr/>

30. Other expenses

	2019 VND	2018 VND Restated
Demurrage fees	29,324,005,070	43,776,843,564
Others	2,223,770,913	3,694,327,235
	<hr/> 31,547,775,983	<hr/> 47,471,170,799 <hr/>

31. Trading and business costs by element

	2019 VND	2018 VND Restated
Labour costs and staff costs	109,427,896,488	104,407,258,889
Depreciation and amortisation	48,425,350,716	70,803,976,713
Outside services	4,072,889,650,979	4,028,560,249,432
Other expenses	220,198,251,942	212,318,484,651
	<hr/>	<hr/>

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32. Income tax

(a) Recognised in the separate statement of income

	2019 VND	2018 VND Restated
Current tax expense		
Current year	229,548,706,421	290,220,338,747
Under provision in prior years	-	1,780,776,790
	<hr/> 229,548,706,421	<hr/> 292,001,115,537
Deferred tax expense		
Origination of temporary differences	-	25,498,810,377
	<hr/> 229,548,706,421	<hr/> 317,499,925,914

(b) Reconciliation of effective tax rate

	2019 VND	2018 VND Restated
Accounting profit before tax	3,368,280,963,303	3,464,446,464,275
Tax at the Company's tax rate	673,656,192,661	692,889,292,855
Non-deductible expenses	1,875,763,590	9,030,484,432
Tax exempt income	(425,899,609,807)	(413,660,456,970)
Movements in deductible temporary differences	(20,083,640,023)	27,465,786,707
Under provision in prior years	-	1,780,776,790
Other movements	-	(5,957,900)
	<hr/> 229,548,706,421	<hr/> 317,499,925,914

(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.

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33. Immature guarantee commitments

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

	31/12/2019	1/1/2019
	VND	VND
Guarantee for bank loans	59,350,379,676	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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34. Significant transactions with related parties

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

	Transaction value	
	2019	2018
	VND	VND
<i>Tier-1 subsidiaries</i>		
Petroleum member companies		
Sales of goods	127,811,964,744,740	134,037,160,399,924
Expenses for goods kept on behalf	971,737,198,693	684,164,135,135
Distributed profits	1,106,738,000,000	1,325,439,704,957
Interest from entrusted loans granted	-	1,305,541,258
Collection of entrusted loans granted	-	34,319,756,941
<i>Other subsidiaries</i>		
Petrolimex Singapore Pte, Ltd		
Purchase of goods and services	12,171,608,847,159	16,407,759,524,190
Dividends	53,244,226,620	-
Petrolimex Tanker Corporation		
Purchase of services	1,274,416,775,700	1,411,409,761,720
Dividends	78,500,000,000	69,631,896,574
Vietnam Tanker Joint Stock Company		
Purchase of services	203,538,831,855	204,598,886,417
Petrolimex Petrochemical Corporation		
Purchase of goods	53,090,187,792	133,978,566,570
Dividends	102,222,814,400	127,778,518,000
Petrolimex Gas Corporation Joint Stock Company		
Dividends	63,208,598,000	37,925,158,800
Vanphong Bonded Petroleum Terminal JV Co., Ltd.		
Purchase of services	203,538,831,855	245,388,858,491
Financial support	652,163,000,000	-
Accrued interest income	434,179,751	-
Petrolimex (Lao) Ltd		
Dividends	-	10,682,661,500
Petrolimex Aviation Fuel JSC		
Dividends	221,250,000,000	53,100,000,000

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	Transaction value	
	2019 VND	2018 VND
<i>Tier 2 subsidiaries</i>		
Petrolimex Joint Stock Tanker Company		
Purchase of services	365,342,672,602	351,401,323,686
Petrolimex Hai Phong Transportation and Service JSC		
Purchase of services	171,900,421,923	116,339,225,893
VITACO Sai Gon Company Limited		
Purchase of services	363,680,289,108	309,726,064,144
<i>Joint ventures and associates</i>		
Petrolimex Group Commercial Joint Stock Bank		
Interest income from deposits	98,564,361,691	81,965,345,224
Petrolimex Insurance Corporation		
Purchase of services	249,407,910,346	253,263,903,922
Dividends	43,593,984,000	43,593,984,000
Petrolimex Group Construction and Trading Corporation		
Dividends	5,639,491,200	-
Castrol BP Petco Co. Ltd.		
Dividends	501,870,161,436	374,154,084,406
<i>Board of Management and Supervisory Board</i>		
Remuneration and other benefits	13,007,095,033	13,872,611,718
<i>Board of General Directors</i>		
Salaries, bonuses and other benefits	10,223,546,814	9,835,343,618

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35. Post balance sheet events

Announcement of dividend payment plan for 2019

Subsequent to the balance sheet date, under the Resolution No. 048/PLX-NQ-HDQT dated 16 March 2020, the Board of Management of Vietnam National Petroleum Group approved the roadmap and plan for payment of dividends for 2019 to the shareholders as follows:

- Batch 1: Advance of dividend at the rate of 20%, equivalent to VND2,000 per share, on 27 April 2020; and
- Batch 2: Payment of the remaining dividend at the ratio of 10%, equivalent to VND1,000 per share after the end of the General Meeting of Shareholders on the basis of the Resolution to be approved by the General Meeting of Shareholders.

The dividends payable has not been accrued in these separate financial statements.

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36. Corresponding figures

During the year, the parent company has restated some items in its separate financial statements for the year ended 31 December 2018 according to the audit results of the State Audit of Vietnam announced in its audit report on the financial statements, activities relating to management and use of state-owned funds and assets for the year 2018 of the Company dated 19 June 2019. These restatements are as follows:

- Addition to Other receivables – short-term as at 31 December 2018 and Other income for the year then ended with respect to the unrefunded import tax relating to the difference between the usual referential import tax and the special referential import tax under regional trade agreements on a number of imported petroleum products amounting to VND87,566 million.
- Addition to Other receivables – short-term as at 31 December 2018 and Other income for the year then ended with respect to the demurrage fee (DEM) with reconciliation and confirmation between the two parties amounting to VND3,699 million.
- Addition to Other payables – short-term as at 31 December 2018 and addition to Other expenses for the year then ended with respect to the demurrage fee (DEM) with reconciliation and confirmation between the two parties amounting to VND1,135 million.
- Addition to Other receivables – short-term as at 31 December 2018 and Other income for the year then ended with respect to the petroleum loss penalty amounting to VND665 million.
- Reduction from Allowance for diminution in the value of long-term financial investments as at 31 December 2018 and Financial expenses for the year then ended with respect to the allowance for long-term investments in Petrolimex (Lao) Ltd amounting to VND11,886 million.
- Addition to Long-term prepaid expenses as at 31 December 2018 and reduction from Selling expenses and General and administration expenses for the year then ended with respect to the amortisation of consulting fees for the petroleum market development strategy amounting to VND909 million.
- Reduction from Deferred tax assets as at 31 December 2018 and addition to Deferred tax expense for the year then ended due to the effect of the import tax difference according to the 2015 and 2016 tax returns for which procedures are being completed for refund of special preferential import tax. The entity has accounted for these as an expense for the year 2017 with an amount of VND17,513 million.
- Addition to Taxes and others payable to State Treasury as at 31 December 2018 and Income tax expense – current for the year then ended due to the effect of the above restatements on the separate results of operations with an amount of VND821 million.

The Parent Company - Vietnam National Petroleum Group
Notes to the separate financial statements for the year ended 31 December 2019
(continued)

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dated 22 December 2014 of the Ministry of Finance)

A comparison of the amounts previously reported and as restated is as follows:

(a) Separate balance sheet

	31/12/2018 (As previously reported) VND	31/12/2018 (Restatements of State Audit) VND	31/12/2018 (Restated) VND
Other receivables – short-term	333,386,134,807	91,900,774,553	425,286,909,360
Allowance for diminution in the value of long-term financial investments	(54,620,768,450)	11,886,307,505	(42,734,460,945)
Long-term prepaid expenses	231,906,511,257	909,000,000	232,815,511,257
Deferred tax assets	17,513,214,437	(17,513,214,437)	-
Taxes and others payable to State Treasury	(36,223,862,965)	(821,803,723)	(37,045,666,688)
Other payables – short-term	(236,103,241,146)	(1,134,683,755)	(237,237,924,901)
Retained profits	(3,061,720,158,218)	(85,226,380,143)	(3,146,946,538,361)

(b) Separate statement of income

	2018 (As previously reported) VND	2018 (Restatements of State Audit) VND	2018 (Restated) VND
Financial expenses	682,491,089,879	(11,886,307,505)	670,604,782,374
Selling and general and administration expenses	1,909,491,284,325	(909,000,000)	1,908,582,284,325
Other income	(208,603,312,636)	(91,900,774,553)	(300,504,087,189)
Other expenses	46,336,487,044	1,134,683,755	47,471,170,799
Income tax expense – current	291,179,311,814	821,803,723	292,001,115,537
Income tax expense – deferred	7,985,595,940	17,513,214,437	25,498,810,377

The Parent Company - Vietnam National Petroleum Group
Notes to the separate financial statements for the year ended 31 December 2019
(continued)

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(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

(c) **Separate statement of cash flows**

	2018 (As previously reported) VND	2018 (Restatements of State Audit) VND	2018 (Restated) VND
Accounting profit before tax	3,360,885,065,972	103,561,398,303	3,464,446,464,275
Allowances and provisions	453,840,549,760	(11,886,307,505)	441,954,242,255
Change in receivables	2,069,123,630,972	(91,900,774,553)	1,977,222,856,419
Change in payables and other liabilities	(2,806,029,381,468)	1,134,683,755	(2,804,894,697,713)
Change in prepaid expenses	(25,315,825,606)	(909,000,000)	(26,224,825,606)

Except for the restated items above, corresponding figures as at 1 January 2019 were derived from the balances and amounts reported in the parent company's audited separate financial statements as at and for the year ended 31 December 2018.

6 April 2020

Prepared by:




Ngo My Nhung
Accountant



Hoang Chi Mai
Manager of Accounting Department

Approved by:



Pham Duc Thang
General Director

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 31 December 2019

	Code	31/12/2019 USD	1/1/2019 USD Restated
ASSETS			
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100	1,212,210,687	1,053,610,999
Cash and cash equivalents	110	311,006,539	289,047,862
Cash	111	128,401,606	119,554,136
Cash equivalents	112	182,604,933	169,493,726
Short-term financial investments	120	175,897,880	162,180,874
Held-to-maturity investments	123	175,897,880	162,180,874
Accounts receivable – short-term	130	271,042,343	229,426,239
Accounts receivable from customers	131	218,497,380	210,175,991
Prepayments to suppliers	132	897,245	847,526
Other receivables	136	51,647,718	18,402,722
Inventories	140	387,919,949	310,964,554
Inventories	141	390,328,268	335,108,872
Allowance for inventories	149	(2,408,319)	(24,144,318)
Other current assets	150	66,343,976	61,991,470
Short-term prepaid expenses	151	4,511,469	5,669,866
Deductible value added tax	152	9,360,143	5,452,305
Taxes and other receivables from State Treasury	153	52,472,364	50,869,299

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 31 December 2019 (continued)

	Code	31/12/2019 USD	1/1/2019 USD Restated
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200	546,320,009	514,811,387
Accounts receivable – long-term	210	8,865	8,865
Other long-term receivables	216	8,865	8,865
Fixed assets	220	14,429,672	16,007,469
Tangible fixed assets	221	3,833,006	5,363,383
<i>Cost</i>	222	15,001,706	14,926,834
<i>Accumulated depreciation</i>	223	(11,168,700)	(9,563,451)
Intangible fixed assets	227	10,596,666	10,644,086
<i>Cost</i>	228	23,941,157	23,495,635
<i>Accumulated amortisation</i>	229	(13,344,491)	(12,851,549)
Long-term work in progress	240	79,582	307,497
Construction in progress	242	79,582	307,497
Long-term financial investments	250	522,564,300	488,413,324
Investments in subsidiaries	251	408,929,412	408,929,412
Investments in associates, joint-ventures	252	76,638,373	76,750,104
Equity investments in other entities	253	4,694,715	4,582,984
Allowance for diminution in the value of long-term financial investments	254	(2,315,249)	(1,849,176)
Held-to-maturity investments	255	34,617,049	-
Other long-term assets	260	9,237,590	10,074,232
Long-term prepaid expenses	261	9,237,590	10,074,232
TOTAL ASSETS (270 = 100 + 200)	270	1,758,530,696	1,568,422,386

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 31 December 2019 (continued)

	Code	31/12/2019 USD	1/1/2019 USD Restated
RESOURCES			
LIABILITIES (300 = 310)	300	877,239,972	776,944,240
Current liabilities	310	877,239,972	776,944,240
Accounts payable to suppliers	311	415,460,153	366,111,711
Advances from customers	312	8,922,161	1,562,950
Taxes and others payable to State Treasury	313	1,780,274	1,603,015
Payables to employees	314	1,047,161	965,389
Accrued expenses	315	1,017,631	2,665,069
Other payables – short-term	319	10,711,982	10,265,595
Short-term borrowings	320	375,242,207	308,846,506
Bonus and welfare fund	322	1,028,998	1,387,815
Petroleum price stabilisation fund	323	62,029,405	83,536,190
EQUITY (400 = 410)	400	881,290,724	791,478,146
Owners' equity	410	881,290,724	791,478,146
Share capital	411	559,878,010	559,878,010
- <i>Ordinary shares with voting rights</i>	411a	559,878,010	559,878,010
Share premium	412	169,863,874	97,230,530
Treasury shares	415	(44,597,510)	(58,444,330)
Investment and development fund	418	2,465,650	2,465,650
Other equity funds	420	54,175,783	54,175,783
Retained profits	421	139,504,917	136,172,503
- <i>Retained profits brought forward</i>	421a	3,687,857	-
- <i>Retained profit for the current year</i>	421b	135,817,060	136,172,503
TOTAL RESOURCES (440 = 300 + 400)	440	1,758,530,696	1,568,422,386

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 31 December 2019 (continued)

The converted separate balance sheet as at 31 December 2019, including amounts presented for the corresponding figures, has been translated from the audited separate balance sheet as at 31 December 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 VND23,110 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 31 December 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The converted separate balance sheet should be read in conjunction with the audited separate balance sheet in VND.

6 April 2020

Prepared by:




Ngô Mỹ Nhung
Accountant

Approved:



Hoàng Chi Mai
Manager of Accounting Department



Phạm Đức Thang
General Director

The Parent Company - Vietnam National Petroleum Group
Appendix 1: Converted separate balance sheet as at 31 December 2019

	Code	2019 USD	2018 USD Restated
Revenue from sales of goods and provision of services	01	5,530,759,502	5,800,139,538
Cost of sales	11	5,409,253,655	5,671,280,738
Gross profit (20 = 01 - 11)	20	121,505,847	128,858,800
Financial income	21	123,322,138	121,708,081
Financial expenses	22	15,407,642	29,017,948
<i>In which: Interest expense</i>	23	8,587,935	12,207,478
Selling expenses and general and administration expenses	25	84,653,901	82,586,859
Net operating profit (30 = 20 + 21 - 22 - 25)	30	144,766,442	138,962,074
Other income	31	2,348,607	13,003,206
Other expenses	32	1,365,117	2,054,140
Results of other activities (40 = 31 - 32)	40	983,490	10,949,066
Accounting profit before tax (50 = 30 + 40)	50	145,749,932	149,911,140
Income tax expense – current	51	9,932,872	12,635,271
Income tax expense – deferred	52	-	1,103,367
Net profit after tax (60 = 50 - 51 - 52)	60	135,817,060	136,172,502

The Parent Company - Vietnam National Petroleum Group
Appendix 2: Converted separate statement of income for the year ended
31 December 2019 (continued)

The converted separate statement of income for the year ended 31 December 2019, including amounts presented for the corresponding figures, has been translated from the audited separate statement of income for the year ended 31 December 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 VND23,110 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 year ended 31 December 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The converted separate statement of income should be read in conjunction with the audited separate statement of income in VND.

6 April 2020

Prepared by:



Ngo My Nhung
Accountant

Approved by:



Hoang Chi Mai
Manager of Accounting Department



Pham Duc Thang
General Director

The Parent Company - Vietnam National Petroleum Group
Appendix 3: Converted separate statement of cash flows for the year ended
31 December 2019 (Indirect method)

	Code	2019 USD	2018 USD Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	145,749,932	149,911,140
Adjustments for			
Depreciation and amortisation	02	2,098,191	3,091,128
Allowances and provisions	03	(21,269,926)	19,123,940
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	411,329	(415,899)
Profits from investing activities	05	(115,905,842)	(112,006,595)
Interest expense	06	8,587,935	12,207,478
Other adjustments	07	(21,695,149)	(48,531,531)
Operating profit before changes in working capital	08	(2,023,530)	23,379,661
Change in receivables	09	(31,893,054)	85,557,026
Change in inventories	10	(55,219,396)	106,554,712
Change in payables and other liabilities	11	55,906,879	(121,371,471)
Change in prepaid expenses	12	1,995,040	(1,134,783)
		(31,234,061)	92,985,145
Interest paid	14	(8,617,439)	(11,771,961)
Income tax paid	15	(10,261,032)	(13,609,593)
Other receipts from operating activities	16	188,365	519,446
Other payments for operating activities	17	(833,910)	(1,048,252)
Net cash flows from operating activities	20	(50,758,077)	67,074,785
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(1,070,782)	(2,537,535)
Proceeds from disposals of fixed assets and other long-term assets	22	-	2,129
Payments for granting loans, purchase of debt instruments of other entities	23	(568,368,672)	(294,980,528)
Receipts from collecting loans	24	520,034,617	188,114,226
Collections on investments in other entities	26	178,475	11,527,812
Receipts of interests, dividends and share of profit	27	100,354,054	75,977,529
Net cash flows from investing activities	30	51,127,692	(21,896,367)

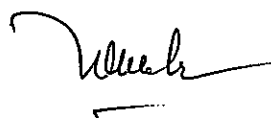
The Parent Company - Vietnam National Petroleum Group
Appendix 3: Converted separate statement of cash flows for the year ended
31 December 2019 (Indirect method) (continued)

	Code	2019 USD	2018 USD
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from transfer of treasury shares	31	86,480,163	-
Proceeds from short-term borrowings	33	2,095,461,059	2,644,319,333
Payments to settle loan principals	34	(2,028,618,818)	(2,714,793,242)
Payments of dividends	36	(131,720,107)	(150,311,373)
Net cash flows from financing activities	40	21,602,297	(220,785,282)
Net cash flows during the year (50 = 20 + 30 + 40)	50	21,971,912	(175,606,864)
Cash and cash equivalents at the beginning of the year	60	289,047,862	464,682,814
Effect of exchange rate fluctuations on cash and cash equivalents	61	(13,235)	(28,088)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	311,006,539	289,047,862

The converted separate statement of cash flows for the year ended 31 December 2019, including amounts presented for the corresponding figures, has been translated from the audited separate statement of cash flows for the year ended 31 December 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 VND23,110 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 year ended 31 December 2019 is not intended to be a presentation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The converted separate statement of cash flows should be read in conjunction with the audited separate statement of cash flows in VND.

6 April 2020

Prepared by:

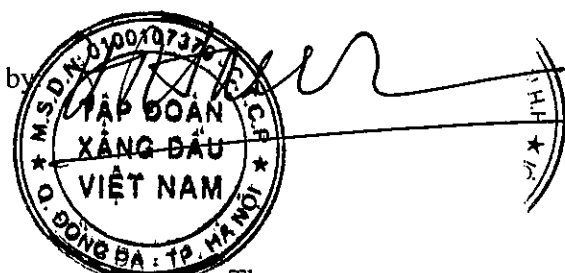


Ngo My Nhung
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Approved by:



Hoang Chi Mai
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Phạm Đức Thang
General Director