

PETROVIETNAM OIL CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

REVIEWED INTERIM SEPARATE FINANCIAL STATEMENTS

For the 6-month period ended 30 June 2021



PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

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PETROVIETNAM OIL CORPORATION

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PetroVietnam Oil Corporation (the "Corporation") presents this report together with the Corporation's interim separate financial statements for the 6-month period ended 30 June 2021.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Corporation who held office during the period and to the date of this report are as follows:

Board of Directors

Mr. Cao Hoai Duong	Chairman
Mr. Doan Van Nhuom	Member (assigned on 26 June 2021)
Mr. Nguyen Mau Dung	Member (assigned on 26 June 2021)
Mr. Le Van Nghia	Member
Mr. Hang Anh Minh	Member
Mr. Le Ngoc Quang	Member
Mr. Tran Hoai Nam	Member

Board of Management

Mr. Doan Van Nhuom	Chief Executive Officer
Mr. Le Xuan Trinh	Vice Chief Executive Officer (resigned on 25 March 2021)
Mr. Vo Khanh Hung	Vice Chief Executive Officer
Mr. Vu Hoai Lam	Vice Chief Executive Officer
Mr. Nguyen Tuan Tu	Vice Chief Executive Officer
Mr. Nguyen Anh Toan	Vice Chief Executive Officer
Mr. Nguyen Dang Trinh	Vice Chief Executive Officer

THE BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the interim separate financial statements, which give a true and fair view of the financial position of the Corporation as at 30 June 2021, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

THE BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY (Continued)

In preparing these interim separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

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

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these interim separate financial statements.

For and on behalf of the Board of Management,



Đoàn Văn Nhôm
Chief Executive Officer
12 August 2021

No.: 02/M /VN1A-HN-BC

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders
The Boards of Directors and Management
PetroVietnam Oil Corporation

We have reviewed the accompanying interim separate financial statements of PetroVietnam Oil Corporation (the "Corporation" or "PVOIL"), prepared on 12 August 2021 as set out from page 05 to page 44, which comprise the interim balance sheet as at 30 June 2021, the interim statement of income, interim statement of cash flows for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Separate Financial Statements

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

Auditors' Responsibility

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

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

Basis for Qualified Conclusion

As stated in Note 17 of the Notes to the interim separate financial statements, as at 30 June 2021, the Corporation has reported on the item "Investments in joint-ventures, associates" its investments in PetroVietnam Biofuels Joint Stock Company with the amounts of cost of VND 285,506,255,661 (as at 31 December 2020: VND 285,506,255,661), and made provision for impairment of this investment with the amounts of VND 4,153,510,890 (as at 31 December 2020: VND 3,695,427,956). We were unable to obtain sufficient appropriate audit evidence about the impairment of the investment in PetroVietnam Biofuels Joint Stock Company for the year ended 31 December 2020, which caused us to qualify our audit opinion on the separate financial statements for the year then ended. We were also unable to obtain sufficient appropriate audit evidence on the impairment of investments in PetroVietnam Biofuels Joint Stock Company as at 30 June 2021. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

Qualified Conclusion

Based on our review, except for the matter described in the "Basis for Qualified Conclusion" paragraph, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, the financial position of the Corporation as at 30 June 2021, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

Emphasis of Matter

As presented in Note 02 of the Notes to the interim separate financial statements, the accompanying interim separate financial statements do not include adjustments (if any) related to the finalization of equitization due to the fact that the competent authorities have not approved the final accounts of the Corporation at the time of its equitization and official transformation into a joint stock company.

Our conclusion is not qualified in respect of this matter.



Vo Thai Hoa

Deputy General Director

Audit Practising Registration Certificate

No. 0138-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

12 August 2021

Hanoi, S.R. Vietnam

INTERIM BALANCE SHEET
As at 30 June 2021

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		17,102,523,130,754	14,575,970,829,252
I. Cash and cash equivalents	110	4	1,364,335,106,506	3,026,756,397,986
1. Cash	111		813,321,106,506	2,075,742,397,986
2. Cash equivalents	112		551,014,000,000	951,014,000,000
II. Short-term financial investments	120	5	7,393,031,164,697	5,843,031,164,697
1. Held-to-maturity investments	123		7,393,031,164,697	5,843,031,164,697
III. Short-term receivables	130		7,271,361,462,625	4,733,846,047,846
1. Short-term trade receivables	131	6	2,904,025,753,813	2,184,100,508,797
2. Short-term advances to suppliers	132		25,425,503,855	43,979,606,184
3. Other short-term receivables	136	7	4,389,925,645,324	2,595,216,149,878
4. Provision for short-term doubtful debts	137	8	(48,015,440,367)	(89,450,217,013)
IV. Inventories	140	9	957,289,014,917	917,274,663,124
1. Inventories	141		957,289,014,917	917,274,663,124
V. Other short-term assets	150		116,506,382,009	55,062,555,599
1. Short-term prepayments	151	10	2,905,509,690	2,847,324,950
2. Value added tax deductibles	152	11	77,572,244,455	12,408,657,411
3. Taxes and other receivables from the State budget	153	12	36,028,627,864	39,806,573,238

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

INTERIM BALANCE SHEET (Continued)

As at 30 June 2021

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		5,386,482,756,275	5,405,396,467,590
I. Long-term receivables	210		25,715,345,718	27,412,594,510
1. Other long-term receivables	216		25,715,345,718	27,412,594,510
II. Fixed assets	220		1,150,330,523,993	1,142,146,856,557
1. Tangible fixed assets	221	13	757,523,497,157	824,980,537,877
- Cost	222		2,717,908,705,680	2,708,405,528,368
- Accumulated depreciation	223		(1,960,385,208,523)	(1,883,424,990,491)
2. Intangible assets	227	14	392,807,026,836	317,166,318,680
- Cost	228		474,758,447,717	393,552,004,597
- Accumulated amortisation	229		(81,951,420,881)	(76,385,685,917)
III. Long-term assets in progress	240		139,939,504,593	140,032,655,921
1. Construction in progress	242	15	139,939,504,593	140,032,655,921
IV. Long-term financial investments	250		3,835,082,684,461	3,838,544,279,452
1. Investments in subsidiaries	251	16	3,323,231,293,827	3,323,231,293,827
2. Investments in joint-ventures, associates	252	17	1,050,499,344,075	1,056,763,801,666
3. Equity investments in other entities	253	18	28,916,980,150	28,916,980,150
4. Provision for impairment of long-term financial investments	254	5	(567,564,933,591)	(570,367,796,191)
V. Other long-term assets	260		235,414,697,510	257,260,081,150
1. Long-term prepayments	261	10	235,414,697,510	257,260,081,150
TOTAL ASSETS (270=100+200)	270		22,489,005,887,029	19,981,367,296,842

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


INTERIM BALANCE SHEET (Continued)


As at 30 June 2021

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		11,833,250,648,930	9,720,748,934,677
I. Current liabilities	310		11,795,334,189,123	9,677,301,875,127
1. Short-term trade payables	311	19	3,722,335,903,931	2,246,774,732,622
2. Short-term advances from customers	312		54,601,738,574	61,480,406,492
3. Taxes and amounts payables to the State budget	313	12	105,110,620,515	47,918,586,170
4. Payables to employees	314		42,020,953,947	33,065,803,938
5. Short-term accrued expenses	315	20	32,136,416,497	119,111,183,295
6. Other current payables	319	21	4,100,890,568,600	3,239,999,619,942
7. Short-term loans and obligations under finance leases	320	22	4,323,014,403,681	3,466,839,258,986
8. Short-term provisions	321		4,328,396,451	802,898,063
9. Bonus and welfare funds	322		18,486,098,183	22,347,086,183
10. Price stabilization fund	323	23	(607,590,911,256)	438,962,299,436
II. Long-term liabilities	330		37,916,459,807	43,447,059,550
1. Long-term unearned revenue	336		60,000,000	66,558,348
2. Long-term loans and obligations under finance leases	338	24	34,586,031,187	39,364,594,688
3. Deferred tax liabilities	341	25	-	285,839,129
4. Scientific and technological development fund	343		3,270,428,620	3,730,067,385
D. EQUITY	400		10,655,755,238,099	10,260,618,362,165
I. Owners' equity	410	26	10,655,755,238,099	10,260,618,362,165
1. Owners' contributed capital	411		10,342,295,000,000	10,342,295,000,000
- Ordinary shares carrying voting rights	411a		10,342,295,000,000	10,342,295,000,000
2. Retained earnings/(Accumulated losses)	421		313,460,238,099	(81,676,637,835)
- (Losses)/Retained earnings accumulated to the prior year end	421a		(81,676,637,835)	67,589,404,016
- Retained earnings/(Losses) of the current period	421b		395,136,875,934	(149,266,041,851)
TOTAL RESOURCES (440=300+400)	440		22,489,005,887,029	19,981,367,296,842


 Nguyen Thuy Dung
Preparer


 Nguyen Ngoc Ninh
Chief Accountant



 Doan Van Nhuom
Chief Executive Officer
12 August 2021

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

INTERIM INCOME STATEMENT
For the 6-month period ended 30 June 2021

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	28	14,215,523,378,153	10,984,588,518,633
2. Net revenue from goods sold and services rendered (10=01)	10		14,215,523,378,153	10,984,588,518,633
3. Cost of sales	11	29	13,451,003,024,435	10,799,510,220,153
4. Gross profit from goods sold and services rendered (20=10-11)	20		764,520,353,718	185,078,298,480
5. Financial income	21	31	205,290,489,581	206,440,456,155
6. Financial expenses	22	32	67,158,965,818	247,126,924,286
- In which: Interest expense	23		50,980,030,132	62,105,489,826
7. Selling expenses	25	33	315,851,689,078	253,397,877,496
8. General and administration expenses	26	33	122,609,177,934	130,013,748,701
9. Operating profit/(loss) (30=20+(21-22)-(25+26))	30		464,191,010,469	(239,019,795,848)
10. Other income	31	34	2,457,654,609	942,192,766
11. Other expenses	32	34	8,317,183,136	877,320,624
12. (Loss)/profit from other activities (40=31-32)	40		(5,859,528,527)	64,872,142
13. Accounting profit/(loss) before tax (50=30+40)	50		458,331,481,942	(238,954,923,706)
14. Current corporate income tax expense	51	35	63,480,445,137	-
15. Deferred corporate tax income	52	25	(285,839,129)	(2,701,770,842)
16. Net profit/(loss) after corporate income tax (60=50-51-52)	60		395,136,875,934	(236,253,152,864)



Nguyen Thuy Dung
Preparer



Nguyen Ngoc Ninh
Chief Accountant



Doan Van Nhuom
Chief Executive Officer
12 August 2021

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

INTERIM CASH FLOW STATEMENT

For the 6-month period ended 30 June 2021

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit/(Loss) before tax	01	458,331,481,942	(238,954,923,706)
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	82,783,672,212	89,734,341,887
Provisions	03	(40,712,140,858)	184,962,618,687
Foreign exchange gain arising from translating foreign currency items	04	(383,422,200)	(3,155,178,981)
Gain from investing activities	05	(199,756,859,563)	(197,961,465,711)
Interest expense	06	50,980,030,132	62,105,489,826
Other adjustments (i)	07	(1,046,708,305,498)	780,815,507,212
3. Operating (loss)/profit before movements in working capital	08	(695,465,543,833)	677,546,389,214
(Increase)/decrease in receivables	09	(2,532,116,298,555)	1,831,817,698,957
(Increase)/decrease in inventories	10	(40,014,351,793)	35,384,650,521
Increase/(decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	2,392,773,221,611	(1,937,849,879,046)
Decreases in prepaid expenses	12	21,787,198,900	40,598,145,751
Interest paid	14	(46,106,977,306)	(68,126,397,017)
Corporate income tax paid	15	(10,382,352,944)	-
Other cash inflows	16	155,094,806	41,298,844
Other cash outflows (ii)	17	(124,317,044,533)	(3,586,420,319)
Net cash (used in)/generated by operating activities	20	(1,033,687,053,647)	575,825,486,905
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(111,696,927,472)	(44,939,728,900)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	2,766,521,720	1,357,854,179
3. Cash outflow for lending, buying debt instruments of other entities	23	(4,743,031,164,697)	(6,073,031,164,697)
4. Cash recovered from lending, selling debt instruments of other entities	24	3,193,031,164,697	5,543,031,164,697
5. Interest earned, dividends and profits received	27	179,505,559,286	223,169,485,412
Net cash used in investing activities	30	(1,479,424,846,466)	(350,412,389,309)

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

INTERIM CASH FLOW STATEMENT (Continued)
For the 6-month period ended 30 June 2021

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	8,288,055,693,318	5,179,140,423,000
2. Repayment of borrowings	34	(7,436,659,112,124)	(6,625,308,457,463)
Net cash generated by/(used in) financing activities	40	851,396,581,194	(1,446,168,034,463)
Net decreases in cash (50=20+30+40)	50	(1,661,715,318,919)	(1,220,754,936,867)
Cash and cash equivalents at the beginning of the period	60	3,026,756,397,986	2,395,816,513,239
Effects of changes in foreign exchange rates	61	(705,972,561)	(1,929,249,445)
Cash and cash equivalents at the end of the period (70=50+60+61)	70	1,364,335,106,506	1,173,132,326,927

- (i) Include the adjustments for appropriation and use of the Price Stabilization Fund (including interest expense on the negative balance of the Fund) with the amounts of VND 2,972,306,000 and VND 1,049,680,611,498 respectively.
- (ii) Including the amount transferred by the Corporation during the period to the Enterprise Arrangement and Support Fund related to the payables for equitization, according to the guidance in Decree No. 126/2017/ND-CP dated 16 November 2017 of the Government and Circular No. 41/2018/TT-BTC dated 04 May 2018 of the Ministry of Finance with the amount of VND 119,996,417,768.




Nguyen Thuy Dung
Preparer



Nguyen Ngoc Ninh
Chief Accountant





Doan Van Nhuom
Chief Executive Officer
12 August 2021

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Oil Corporation (the "Corporation"), formerly known as PetroVietnam Oil Corporation - One member Limited Company, is an independent accounting member of Vietnam Oil and Gas Group. As per Decision No. 1250/QĐ-DKVN dated 06 June 2008 issued by Vietnam Oil and Gas Group, PetroVietnam Oil Corporation - One Member Limited Company was established on the basis of consolidation of Petroleum Trading Company Limited and PetroVietnam Oil Processing and Distribution Company Limited (PDC).

PetroVietnam Oil Corporation - One member Limited Company was granted Business Registration Certificate No. 4104005189 dated 26 June 2008 and the 16th amendment dated 16 January 2016. PetroVietnam Oil Corporation - One member Limited Company officially started its operation from 01 July 2008 with the charter capital of VND 7,220,000,000,000. According to the 16th amended Business Registration Certificate dated 16 January 2016, the amended charter capital of PetroVietnam Oil Corporation - One Member Limited Company is VND 10,884,251,000,000.

From 01 August 2018, PetroVietnam Oil Corporation - One member Limited Company officially transformed its operation model to a joint stock company with the name of PetroVietnam Oil Corporation under the 17th amended Business Registration Certificate dated 01 August 2018. The charter capital of the Corporation after equitization is VND 10,342,295,000,000.

The Corporation's shares have been approved for trading on the UPCoM market on 07 March 2018 with the stock code of OIL.

The number of employees of the Corporation as at 30 June 2021 was 700 (as at 31 December 2020: 685).

Operating industry and principal activities

The principal activities of the Corporation are wholesale of solid, liquid, gaseous fuels and related products; import/export and trade of crude oil domestically and overseas; import/export and trade of oil products domestically and overseas; import/export of equipment, materials, machinery and commercial services; production of oil products; construction of oil storage tank systems, distribution and trading of oil products; import/export of oil products, products made from oil, chemicals/materials/equipment/ facilities supporting processing and trade of oil products; trade of materials/equipment/ chemicals for production of oil products; ship brokerage and supply; hotel business and tourism (hotel business is not carried out at the head quarter); supplying tank truck, oil tankers and storage facilities for rent; trading of fertilizers and petrochemical products.

Normal production and business cycle

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

The Company's structure

The Corporation operates under the parent - subsidiary model. The dependent accounting members of the Corporation as at 30 June 2021 include:

- PV Oil Mien Dong Terminal
- PV Oil Dinh Vu Terminal
- PV Oil Nha Be Terminal
- PV Oil Project Management Board
- PV Oil - Ha Tinh Branch
- PV Oil - Ba Ria Vung Tau Branch
- PV Oil - Quang Ngai Branch
- PV Oil - Thua Thien Hue Branch
- PV Oil - Nghi Son - Thanh Hoa Branch
- Myanmar Representative Office

As at 30 June 2021, the Corporation has 29 subsidiaries, 08 associates and 03 joint ventures. Details of subsidiaries, associates and joint ventures are presented in Note 16 and Note 17.

Disclosure of information comparability in the financial statements

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2020.

Comparative figures of the interim income statement, interim cash flow statement and the notes thereto are the reviewed figures for the 6-month period ended 30 June 2020.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying interim separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

The accompanying interim separate financial statements are prepared for the Corporation as a holding company only, and do not include the interim financial statements of the Corporation's subsidiaries. For an overview of the Corporation's financial position and performance as a whole, we recommend that these interim separate financial statements should be read in conjunction with the Corporation's consolidated interim financial statements which were prepared and issued separately.

The accompanying interim separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Equitization finalization

The interim separate financial statements do not include adjustments (if any) related to the finalization of equitization due to the fact that the competent authorities have not approved the final accounts of the Corporation at the time of its equitization and official transformation into a joint stock company.

Financial year and operating period

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

These interim separate financial statements are prepared for the 6-month period ended 30 June 2021.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of the interim separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity securities

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including bank term deposits.

Post-acquisition interest income from held-to-maturity investments is recognised in the interim income statement on accrual basis.

Held-to-maturity investments are measured at cost less any impairment in accordance with prevailing regulations.

Investments in subsidiaries

A subsidiary is an entity whose majority of shares (51% or above) and correlative control are held by the Corporation. Control is achieved where the Corporation 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 over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in joint ventures

A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint venture arrangements directly, the Corporation's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Corporation's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Corporation and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Interests in subsidiaries, joint ventures and associates and equity investments in other entities are initially recognised at cost. After that, the value of investments in subsidiaries, associates, joint ventures and equity investments in other entities of the Corporation are revalued for the purpose of valuation of enterprises for equitization. Therefore, investments in subsidiaries, associates, joint ventures, and investments in other entities as at 30 June 2021 are recorded at revaluation value less provision for impairment of such investments (if any).

Provisions for impairment of investments are made in accordance with current accounting regulations when there is reliable evidence for declining in value of investments at the balance sheet date.

The Corporation's share of the net accumulative profit of the investees after acquisition is recognised in the interim income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Inventories are accounted for under a perpetual system. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

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

	Years
Buildings and structures	6 - 50
Machinery and equipment	5 - 10
Motor vehicles	5 - 6
Office equipment	3 - 5
Others	3 - 6

Tangible fixed assets of the Corporation were revalued when the equitization was performed. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

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

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rentals payable under operating lease are charged to the interim income statement on a straight-line basis over the term of the relevant lease.

Intangible assets and amortisation

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

Indefinite-term land use rights are not amortised. Finite-term land use rights are amortised over the duration specified in the land use right certificate. Computer software is amortised using the straight-line method over 5 years.

Intangible fixed assets of the Corporation were revalued when the equitization was performed. The cost and accumulated amortization were adjusted based on the revaluation value approved by competent authorities as regulated.

Construction in progress

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

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments comprise prepaid office rentals and other types of prepayments including the business privilege value recorded according to the enterprise valuation minutes dated 31 December 2015 of PetroVietnam Oil Corporation - One member Limited Company (equitized entity) approved by competent authorities.

Prepaid office rentals represent rentals that have been paid in advance and are charged to the income statement using the straight-line method over the lease term.

Other types of prepayments comprise costs of small tools, supplies, spare parts issued for consumption and other expenses which are expected to provide future economic benefits to the Corporation. These expenditures have been capitalised as prepayments and are charged to the interim income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Business privilege value is charged to operating expenses according to current regulations from the time the Corporation was officially transformed into a joint stock company.

Revenue recognition

Revenue from the sale of goods

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

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

Revenue from the services rendered:

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

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

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

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

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim income statement.

According to Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 and Official Letter No. 3124/DKVN-TCKT dated 13 May 2015 issued by Vietnam Oil and Gas Group, the Corporation applies the buying rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) to convert foreign currency denominated items as at 30 June 2021. This rate is different from the exchange rate specified in Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the accounting regimes for enterprises (hereinafter referred to as "Circular 200"). The Board of Management evaluates that this difference does not materially affect the interim separate financial statements for the 6-month period ended 30 June 2021 of the Corporation.

Borrowing costs

Borrowing costs are recognised in the interim income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Payable provisions

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

Petroleum price stabilization fund

The petroleum price stabilization fund is appropriated and used as per Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 of the Ministry of Finance and Ministry of Industry and Trade (effective from 01 November 2014) determining base prices, establishment, management and utilization of price stabilization funds and control of petroleum and oil prices under the Government's Decree No. 83/2014/ND-CP on petroleum and oil business dated 03 September 2014" and Joint Circular No. 90/2016/TTLT-BCT-BTC dated 24 June 2016 of the Ministry of Finance and Ministry of Industry and Trade (effective from 15 August 2016) amending some articles of the aforementioned Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014.

The petroleum price stabilization fund is appropriated with a specified and fixed amount of money which is included in the base price of each litre of petroleum sold and determined as a cost item in the base price structure (the appropriation rate is subject to the regulation of the Ministry of Finance from time to time).

The petroleum price stabilization fund is used in compliance with the written directions released by the Ministry of Industry and Trade from time to time. The utilization of the petroleum price stabilization fund is based on the actual sales volume multiplied by the utilization rate per litre of petroleum as regulated by the Ministry of Industry and Trade.

Taxation

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

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

Corporate income tax (CIT) payable is calculated using the prevailing normal tax rate of 20% ruling at the balance sheet date.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

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

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

4. CASH

	Closing balance VND	Opening balance VND
Cash on hand	521,309,574	369,463,803
Bank demand deposits	812,799,796,932	2,075,372,934,183
<i>In which:</i>		
<i>Petroleum Price Stabilization Fund Balance (i)</i>	-	524,881,731,236
Cash equivalents (ii)	551,014,000,000	951,014,000,000
	1,364,335,106,506	3,026,756,397,986

(i) The bank account receiving Price Stabilization Fund is monitored separately as guided by Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 jointly issued by the Ministry of Finance and Ministry of Industry and Trade.

(ii) Cash equivalents as at 30 June 2021 represent Vietnam Dong term deposits with original terms from 1 week to 3 months at commercial banks, earning interest rates from 0.2% to 3.1% p.a. (as at 31 December 2020: from 3% p.a. to 4% p.a.).

Bank deposits as at 30 June 2021 include demand deposits of VND 1.015.803.886 and USD 3,774,150 (as at 31 December 2020: VND 788,814,967 and USD 3,774,150), deposits with original maturity of 3 months of VND 1,014,000,000 (as at 31 December 2020: VND 1,014,000,000), and deposits with original maturity from 6 to 12 months of VND 243,031,164,697 (as at 31 December 2020: VND 243,031,164,697) (presented in Note 05) at Ocean Commercial Joint Stock Bank (currently known as Ocean Commercial One Member Limited Liability Bank – "Oceanbank"). Such deposits have been frozen under Directive No. 600/2015/CT-TGD dated 13 February 2015 issued by Oceanbank on suspension of payment services for the business entities of Vietnam Oil and Gas Group to review and evaluate the payment records of customers. Oceanbank has been transformed into a wholly State-owned bank; accordingly, the Board of Management has assessed and believes that these deposits will be unfrozen in the coming time depending on the decision of the State Bank of Vietnam.

5. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND

a. Held-to-maturity investments

Term deposits	7,393,031,164,697	7,393,031,164,697	5,843,031,164,697	5,843,031,164,697
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Held-to-maturity deposits represent Vietnam Dong term deposits with original terms longer than 3 months and remaining terms of less than 12 months at banks, earning interest rates from 3.5% to 6.5% per annum (as at 31 December 2020: from 4.8% p.a. to 6.8% p.a.).

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
b. Long-term financial investments				
Investments in subsidiaries	3,323,231,293,827	(288,521,894,011)	3,323,231,293,827	(284,678,811,945)
Investments in joint-ventures, associates	1,050,499,344,075	(261,550,600,249)	1,056,763,801,666	(267,479,725,119)
Investments in other entities	28,916,980,150	(17,492,439,331)	28,916,980,150	(18,209,259,127)
	4,402,647,618,052	(567,564,933,591)	4,408,912,075,643	(570,367,796,191)

The Corporation has not determined the fair value of the financial investments at the balance sheet date since current prevailing regulations provide no detailed guidance on such determination.

6. TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Petec Trading and Investment Corporation	650,632,556,650	532,119,750,946
- Joint Stock Company		
Saigon Petroleum Joint Stock Company	280,619,812,630	174,031,125,542
Ninh Binh Petroleum Joint Stock Company	272,626,479,704	258,610,757,314
Hai Phong PetroVietnam Oil Joint Stock Company	249,115,673,831	148,529,683,127
Central PetroVietnam Oil Joint Stock Company	153,364,942,984	109,551,707,652
Hanoi Petroleum Joint Stock Company	147,596,082,039	114,185,524,644
Phu Tho Petroleum Joint Stock Company	138,786,834,197	121,486,759,352
Me Kong Petroleum Joint Stock Company	114,842,004,503	115,647,008,144
Thanh Hoa Petroleum Joint Stock Company	131,024,060,391	57,274,225,716
Nam Dinh Petroleum Joint Stock Company	111,321,199,709	86,401,742,760
Cai Lan Petroleum Joint Stock Company	105,291,966,929	47,712,547,977
Phu Yen Petroleum Joint Stock Company	76,998,422,540	14,867,377,940
Vung Tau Petroleum Joint Stock Company	70,984,629,808	78,271,582,368
Vung Ang Petroleum Joint Stock Company	68,703,048,856	42,347,606,038
Binh Thuan Petroleum Joint Stock Company	63,195,373,057	45,402,078,895
Binh Son Refining and Petrochemical Joint Stock Company (i)	17,577,823,695	14,163,921,650
Duong Dong Kien Giang Petroleum Joint Stock Company	-	41,434,776,646
Others	251,344,842,290	182,062,332,086
	2,904,025,753,813	2,184,100,508,797

In which:

Trade receivables from related parties
(Details are presented in Note 37)

2,826,534,743,605 2,124,012,523,630

- (i) Represents the entrustment fee receivable from Binh Son Refining and Petrochemical Joint Stock Company to conduct purchase and import activities which were entrusted by Binh Son Refining and Petrochemical Joint Stock Company.

7. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Binh Son Refining and Petrochemical Joint Stock Company (i)	2,649,846,689,957	1,601,378,020,950
Oil export from White Tiger Oil field	1,409,727,957,998	726,403,090,869
Vietsovetro Joint Venture	69,656,634,454	35,233,604,936
Special consumption taxes awaiting deduction, environmental protection tax and special preferential import tariffs awaiting returns (ii)	24,586,177,682	29,993,409,429
Receivables related to equitization (iii)	5,755,479,545	5,755,479,545
Overpaid profit after tax receivable from Vietnam Oil and Gas Group	2,346,281,910	2,346,281,910
Other receivables	228,006,423,778	194,106,262,239
	4,389,925,645,324	2,595,216,149,878

In which:

Other receivables from related parties 3,680,313,766,371 2,075,224,802,038
(Details are presented in Note 37)

- (i) Represents receivables related to the implementation of purchase and import activities as entrusted by Binh Son Refining and Petrochemical Joint Stock Company.
- (ii) Represents deductible special consumption taxes on condensate materials, and environmental protection tax and special preferential import tariffs which are refundable from the State budget.
- (iii) Represents expenses related to equitization. Such value may be subject to adjustment upon the final approval of competent authorities.

8. BAD DEBTS

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Cost</u>	<u>Recoverable amount</u>	<u>Cost</u>	<u>Recoverable amount</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>	<u>VND</u>
Duong Dong Kien Giang Petroleum Joint Stock Company (i)	-	-	41,434,776,646	-
Cai Lan Shipbuilding Industry Company Limited	19,576,761,700	-	19,576,761,700	-
Orient Biofuels Company Limited	9,813,340,562	-	9,813,340,562	-
Nam Song Hau Petrochemical Trading Joint Stock Company	7,799,179,244	-	7,799,179,244	-
Others	10,826,158,861	-	10,826,158,861	-
	48,015,440,367	-	89,450,217,013	-

- (i) As stated in Note 17, as at 30 June 2021, the Corporation divested all of its capital in Duong Dong Kien Giang Petroleum Joint Stock Company and recovered all bad debts outstanding which had been made in previous years.

Vietnamese Accounting Standards as well as current prevailing regulations provide no detailed guidance on the determination of the recoverable amount of receivables. Accordingly, as at 30 June 2021, the Board of Management prudently assessed and determined the recoverable amount of receivables based on their book value less provision that had been made for doubtful debts.

9. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Goods in transit	160,272,357,843	-	141,441,861,033	-
Raw materials	281,809,684,119	-	279,450,816,081	-
Tools and supplies	4,881,565,597	-	4,994,747,407	-
Finished goods	44,296,853,722	-	177,521,976,882	-
Merchandise	466,028,553,636	-	313,865,261,721	-
	957,289,014,917	-	917,274,663,124	-

10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current	2,905,509,690	2,847,324,950
Others	2,905,509,690	2,847,324,950
b. Non-current	235,414,697,510	257,260,081,150
Prepayment for office rentals at No. 1 - 5 Le Duan Street, District 1, Ho Chi Minh City	192,814,341,609	195,269,812,889
Tools and supplies	27,126,278,175	15,568,285,835
Business privilege (i)	5,235,772,667	36,653,911,311
Others	10,238,305,059	9,768,071,115
	238,320,207,200	260,107,406,100

- (i) Represents the Business privilege value which was included in the value of the Corporation after equitized according to the enterprise valuation results for the purpose of equitizing the former State-owned Corporation.

11. VALUE ADDED TAX DEDUCTIBLES

Value-added tax (VAT) deductibles of the Corporation as at 30 June 2021 represent the portion of the input VAT of the Corporation that has not been deducted. The deduction of this tax portion in the subsequent period will be subject to the tax declaration of the Corporation and the inspection and approval of the local tax authorities.

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

	Opening balance	Movements in the period		Closing balance
	VND	Tax payables	Tax paid	VND
Excessive tax payments deductible				
Value added tax on domestic goods	(800,000)	800,000	-	-
Special consumption tax	(34,673,967,223)	17,144,122,599	18,483,140,949	(36,012,985,573)
Corporate income tax	(5,117,439,289)	5,117,439,289	-	-
Land tax	(14,366,726)	46,983,958	46,983,958	(14,366,726)
Other fees and charges	-	-	1,275,565	(1,275,565)
Taxes and amounts payable to the State budget				
Value added tax on domestic goods	1,810,157,458	22,953,045,305	24,325,817,170	437,385,593
Value added tax on imported goods	-	39,054,644,208	39,054,644,208	-
Export and import duties	-	25,887,689,017	25,887,689,017	-
Personal income tax	1,903,352,801	5,601,633,999	5,139,922,559	2,365,064,241
Corporate income tax	-	60,292,965,843	10,382,352,944	49,910,612,899
Environmental protection tax	43,795,655,044	210,328,814,109	202,136,332,238	51,988,136,915
Other fees and charges	409,420,867	3,458,799,040	3,458,799,040	409,420,867
	8,112,012,932	389,886,937,367	328,916,957,648	69,081,992,651
<i>In which:</i>				
<i>Taxes and other receivables from the State budget</i>	(39,806,573,238)	22,309,345,846	18,531,400,472	(36,028,627,864)
<i>Taxes and amounts payable to the State budget</i>	47,918,586,170	367,577,591,521	310,385,557,176	105,110,620,515

PETROVIETNAM OIL CORPORATION
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13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	1,976,761,499,810	608,230,649,645	69,250,640,217	46,115,153,436	8,047,585,260	2,708,405,528,368
Additions	7,744,161,549	3,298,456,754	-	623,831,819	-	11,666,450,122
Disposals	-	(68,347,107)	-	(2,094,925,703)	-	(2,163,272,810)
Closing balance	1,984,505,661,359	611,460,759,292	69,250,640,217	44,644,059,552	8,047,585,260	2,717,908,705,680
ACCUMULATED DEPRECIATION						
Opening balance	1,326,355,561,288	452,489,237,769	60,612,995,496	37,222,036,605	6,745,159,333	1,883,424,990,491
Charge for the period	50,388,740,020	21,746,434,740	3,246,215,940	1,589,910,018	208,583,240	77,179,883,958
Disposals	-	(58,854,453)	-	(160,811,473)	-	(219,665,926)
Closing balance	1,376,744,301,308	474,176,818,056	63,859,211,436	38,651,135,150	6,953,742,573	1,960,385,208,523
NET BOOK VALUE						
Opening balance	650,405,938,522	155,741,411,876	8,637,644,721	8,893,116,831	1,302,425,927	824,980,537,877
Closing balance	607,761,360,051	137,283,941,236	5,391,428,781	5,992,924,402	1,093,842,687	757,523,497,157

The cost of the Company's tangible fixed assets as at 30 June 2021 includes VND 64,631,790,904 (31 December 2020: VND 60,101,226,502) of assets which have been fully depreciated but are still in use.

As stated in Note 24, the Corporation has pledged the works of Phu Tho petroleum depot with net book values as at 30 June 2021 amounting to VND 9,120,727,081 (as at 31 December 2020: VND 11,995,094,218) to secure bank facilities granted to the Corporation.

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
Opening balance	324,320,315,243	69,231,689,354	393,552,004,597
Additions	80,919,509,890	-	80,919,509,890
Disposals	-	(456,639,497)	(456,639,497)
Other increases	193,572,727	550,000,000	743,572,727
Closing balance	405,433,397,860	69,325,049,857	474,758,447,717
ACCUMULATED AMORTIZATION			
Opening balance	28,848,866,325	47,536,819,592	76,385,685,917
Charge for the period	3,831,568,875	1,772,219,379	5,603,788,254
Disposals	-	(38,053,290)	(38,053,290)
Closing balance	32,680,435,200	49,270,985,681	81,951,420,881
NET BOOK VALUE			
Opening balance	295,471,448,918	21,694,869,762	317,166,318,680
Closing balance	372,752,962,660	20,054,064,176	392,807,026,836

The cost of the Corporation's intangible fixed assets as at 30 June 2021 includes VND 1,540,465,938 (31 December 2020: VND 253,475,011) of assets which have been fully depreciated but are still in use.

15. LONG-TERM ASSETS IN PROGRESS

	Closing balance VND	Opening balance VND
Nghi Son Petroleum depot	112,817,524,627	111,508,151,581
Nghi Son petroleum depot expansion project - phase 1	20,360,860,386	20,262,054,022
Phu Tho Petroleum depot	5,046,593,899	-
Phu My Condensate processing plant upgrade and expansion project	-	7,258,066,196
Bonded warehouse, national petroleum reserve in Phu Quoc	577,111,395	577,111,395
Others	1,137,414,286	427,272,727
	139,939,504,593	140,032,655,921

As stated in Note 24, the Corporation has pledged a portion of assets of the project "Construction of Nghi Son petroleum storage" with values as at 30 June 2021 amounting to VND 98,096,385,953 (as at 31 December 2020: VND 98,089,048,436) to secure bank facilities granted to the Corporation.

16. INVESTMENTS IN SUBSIDIARIES

The Corporation's proportion of ownership interest and capital contribution to its direct subsidiaries as at 30 June 2021 are as follows:

Name of subsidiary	Book value Closing balance VND	Proportion of ownership interest as at closing date %	Proportion of voting power held as at closing date %	Book value Opening balance VND
Me Kong Petroleum Joint Stock Company	337,059,294,469	89.37%	89.37%	337,059,294,469
Vung Ang Petroleum Joint Stock Company	53,675,000,000	56.50%	56.50%	53,675,000,000
PV Oil Lube Joint Stock Company	59,947,983,022	62.67%	62.67%	59,947,983,022
Tra Vinh Petroleum Joint Stock Company	27,841,516,060	96.27%	96.27%	27,841,516,060
Bac Lieu Petroleum Joint Stock Company	39,800,837,516	96.10%	96.10%	39,800,837,516
Binh Thuan Petroleum Joint Stock Company	70,009,916,425	79.68%	79.68%	70,009,916,425
Thanh Hoa Petroleum Joint Stock Company	59,904,348,443	56.86%	56.86%	59,904,348,443
Phu My Petroleum Production and Processing Joint Stock Company	373,997,531,512	67.64%	67.64%	373,997,531,512
Sai Gon Petroleum Joint Stock Company	151,334,458,744	65.18%	66.93%	151,334,458,744
Vung Tau Petroleum Joint Stock Company	114,732,823,809	57.18%	57.18%	114,732,823,809
Hanoi Petroleum Joint Stock Company	188,873,299,116	71.35%	71.35%	188,873,299,116
Thua Thien Hue Petroleum Joint Stock Company	64,306,503,742	74.67%	74.67%	64,306,503,742
PetroVietnam Oil Lao Company Limited	78,551,423,672	100.00%	100.00%	78,551,423,672
PetroVietnam Oil Lao Petroleum Domestic Trading Sole Company Limited	134,520,658,726	100.00%	100.00%	134,520,658,726
Thai Binh Petroleum Joint Stock Company	74,999,833,116	68.00%	68.00%	74,999,833,116
Thai Binh Petroleum Services Joint Stock Company	14,280,000,000	51.00%	51.00%	14,280,000,000
Nam Dinh Petroleum Joint Stock Company	41,228,882,773	56.75%	56.75%	41,228,882,773
Tay Ninh Petroleum Joint Stock Company	105,877,995,794	78.62%	78.62%	105,877,995,794
Cai Lan Petroleum Joint Stock Company	70,826,240,317	80.19%	80.19%	70,826,240,317
Phu Yen Petroleum Joint Stock Company	66,151,133,217	67.13%	67.13%	66,151,133,217
Phu Tho Petroleum Joint Stock Company	38,699,084,673	71.68%	71.68%	38,699,084,673
PV OIL Singapore Pte. Ltd.	35,242,504,910	51.00%	51.00%	35,242,504,910
Central PetroVietnam Oil Joint Stock Company	108,835,411,114	71.43%	71.43%	108,835,411,114
Hai Phong PetroVietnam Oil Joint Stock Company	63,846,506,524	72.00%	72.00%	63,846,506,524
Vietnam Petroleum Oil Transport Joint Stock Company	37,378,804,774	71.00%	71.00%	37,378,804,774
Ha Giang Petroleum Tourism and Trading Joint Stock Company	15,658,836,111	80.37%	80.37%	15,658,836,111
Thu Duc Trading and Import Export Joint Stock Company	79,599,663,922	51.01%	51.01%	79,599,663,922
Petec Trading and Investment Corporation - JSC (PETEC) (i)	810,364,301,326	94.55%	95.09%	810,364,301,326
Cambodia Petroleum Joint Stock Company	5,686,500,000	51.00%	51.00%	5,686,500,000
	3,323,231,293,827			3,323,231,293,827

- (i) As at 30 June 2021, the Corporation's capital contribution in PETEC that was recognized and presented by the Corporation exceeded the amount recorded and accounted for by PETEC by VND 111,225,298,544 (compared to the pre-adjusted investment value according to the value of re-evaluation for equitization of VND 2,464,251,000,000). The Corporation's Board of Management believes that such difference amount will be settled when PETEC has completed the finalization of equitization.

On 29 March 2021, the Vietnam Oil and Gas Group issued Resolution No. 1474/NQ-DKVN approving the policy on PetroVietnam Gas Joint Stock Corporation (PV GAS) receiving the transfer of all shares of Petec Trading and Investment Corporation - JSC (PETEC) from the Corporation. On 31 March 2021, the Vietnam Oil and Gas Group issued Official Letter No. 1574/DKVN-KTDT requesting the Representative of the Group's capital at PV GAS and the Corporation to report to the Prime Minister and advise to implement the next steps to ensure the interests of the Corporation and PV GAS.

17. INVESTMENTS IN JOINT VENTURES, ASSOCIATES

	Book value Closing balance VND	Proportion of ownership interest as at closing date %	Proportion of voting power held as at closing date %	Book value Opening balance VND
Name of associates				
PetroVietnam Biofuels Joint Stock Company (i)	285,506,255,661	39.76%	39.76%	285,506,255,661
Petroleum Trading Joint Stock Company (Petechim)	82,003,319,843	29.00%	29.00%	82,003,319,843
Thach Han Trading Joint Stock Company	1,197,459,775	45.00%	45.00%	1,197,459,775
PetroVietnam Central Biofuels Joint Stock Company (ii)	254,057,440,160	34.28%	34.28%	254,057,440,160
Phu Yen Cashew Joint Stock Company (ii)	-	47.79%	47.79%	-
Ca Mau Trading Joint Stock Company (iii)	46,976,384,000	16.17%	16.17%	46,976,384,000
Materials - Petroleum Joint Stock Company (Comeco)	333,195,848,000	44.79%	44.94%	333,195,848,000
Duong Dong Kien Giang Petroleum Joint Stock Company	-	33.96%	33.96%	6,264,457,591
Ninh Binh Petroleum Joint Stock Company (iv)	13,542,778,807	20.26%	33.33%	13,542,778,807
Name of joint-ventures				
PetroVietnam Oil Stockpile Company Limited	13,585,359,052	19.00%		13,585,359,052
LG Vina Chemical Company Limited (v)	20,434,498,777	15.00%		20,434,498,777
Orient Biofuels Company Limited (iii)	-	30.20%		-
	1,050,499,344,075			1,056,763,801,666

- (i) According to Notice No. 385/TB-VPCP dated 02 October 2018 of the Government Office, the dissolution and bankruptcy plan for PetroVietnam Biofuels Joint Stock Company was proposed in accordance with legal regulations for consideration. On 24 October 2018, the Corporation's Board of Directors sent a document to the Vietnam Oil and Gas Group regarding the bankruptcy plan of PetroVietnam Biofuel Joint Stock Company. On 10 December 2018, the Corporation sent Official Letter No. 211/DVN-TCKT to the Vietnam Oil and Gas Group (PVN) to propose the revaluation of this investment to nil (VND 0) when finalizing equitization, and that in the course of implementing the bankruptcy procedure, any income from liquidation of Phu Tho Biofuel Plant will be fully transferred to the Enterprise Support and Arrangement Fund. This matter has been submitted by the PVN to the Committee for Management of State Capital at Enterprises (CMSC) under Official Letter No. 3540/DKVN-HDTV dated 01 July 2019 on rearrangement, handling of houses and land and solution for difficulties in equitization of PVOIL. At the date of these interim separate financial statements, the Corporation has not yet received any response from PVN, CMSC or other competent authorities on the implementation of the bankruptcy plan for PetroVietnam Biofuel Joint Stock Company. The Corporation has made provision for this investment with an amount of VND 4,153,510,890 as at 30 June 2021 (as at 31 December 2020: VND 3,695,427,956).

- (ii) The value investments in these investees is nil in accordance with the State Audit Report on the results of enterprise valuation and handling of financial issues before officially announcing the value of the equitized PetroVietnam Oil Corporation as a holding company, which has been approved by the Ministry of Industry and Trade under Decision No. 1220/QD-BCT dated 10 April 2017 on the valuation of PetroVietnam Oil Corporation (a member entity of Vietnam Oil and Gas Group) for equitization. The costs of the investments in Phu Yen Cashew Joint Stock Company and Orient Biofuels Company Limited as at 31 December 2015 before revaluation for equitization are VND 51,707,577,602 and VND 198,044,907,747 respectively.
- (iii) On 23 March 2021, Ca Mau Trading Joint Stock Company issued Official Letter No. 24/2021/BC-TNCM to the State Securities Commission, Ho Chi Minh Stock Exchange and the Ho Chi Minh Securities Depository Center on reporting the results of the public offering of shares, whereby the Corporation refused the right to buy more shares of Ca Mau Trading Joint Stock Company in the share offering. Accordingly, as at 30 June 2021, the proportion of the Corporation's capital contribution in Ca Mau Trading Joint Stock Company was 16.17% (as at 31 December 2020 it was 24.26%).
- (iv) On 14 May 2021, the Board of Directors issued Resolution No. 61/NQ-DVN on "approving the plan for divestment associated with debt recovery of PetroVietnam Oil Corporation in Duong Dong Kien Giang Petroleum Joint Stock Company". On 15 June 2021, Petroleum Securities Joint Stock Company - Ho Chi Minh Branch has issued Official Letter No. 92/CKDK-TV to the Corporation about "notifying the results of the competitive offering according to the capital transfer lot of PetroVietnam Oil Corporation at Duong Dong Kien Giang Petroleum Joint Stock Company". Accordingly, on 30 June 2021, the Corporation divested its capital at Duong Dong Kien Giang Petroleum Joint Stock Company.
- (v) At the Minutes of the 27th Extraordinary Members' Council meeting for the fiscal year 2020 on 30 December 2020, LG Vina Chemicals Company Limited decided to increase capital through 2019 profit distribution. Accordingly, the Corporation will own additional contributed capital from the undistributed profit in 2019 of USD 285,000 at the rate of ownership of 15% contributed capital. Accordingly, the Corporation's contributed capital at LG Vina Chemicals Company Limited as of 30 June 2021 is USD 855,000 (as of 31 December 2020 is USD 570,000).

18. EQUITY INVESTMENT IN OTHER ENTITIES

	Closing balance	Opening balance
	VND	VND
Lam Kinh Hotel Joint Stock Company	10,549,395,047	10,549,395,047
Green Indochina Development Joint Stock Company	7,263,016,037	7,263,016,037
Indochina Petroleum Transportation Joint Stock Company (i)	9,753,141,763	9,753,141,763
Mekong Petroleum Transport Joint Stock Company (Mekongtrans)	1,351,427,303	1,351,427,303
	28,916,980,150	28,916,980,150

19. TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	1,725,064,308,422	1,725,064,308,422	786,001,646,472	786,001,646,472
Binh Son Refining and Petrochemical Joint Stock Company	1,442,095,767,577	1,442,095,767,577	944,265,324,925	944,265,324,925
Phu My Oil and Gas Production and Processing JSC	370,729,976,517	370,729,976,517	389,522,270,516	389,522,270,516
Others	184,445,851,415	184,445,851,415	126,985,490,709	126,985,490,709
	3,722,335,903,931	3,722,335,903,931	2,246,774,732,622	2,246,774,732,622

In which:

Trade payables to related parties 3,682,120,122,776 3,682,120,122,776 2,214,036,783,318 2,214,036,783,318
(Details are presented in Note 37)

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Accruals for transportation	4,164,890,000	2,929,452,934
Accrued interest expenses	8,682,645,399	3,809,592,573
Accruals for oil products	1,268,007,370	1,956,646,266
Accruals for purchasing goods	5,468,631,597	106,608,957,369
Accruals for administration expense to Vietnam Oil and Gas Group	228,747,513	3,416,522,810
Other accruals	12,323,494,618	390,011,343
	32,136,416,497	119,111,183,295

In which:

Short-term accrued expenses payable to related parties (Details are presented in Note 37) 9,862,269,110 72,370,313,893

21. OTHER CURRENT PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Crude oil money received on behalf of other companies	4,058,148,821,666	3,098,701,178,054
Payables relating to equitization (i)	5,078,241,760	124,763,746,767
Payables relating to proceeds from IPO (ii)	6,508,956,732	6,508,956,732
Short-term deposits received	134,802,727	124,802,727
Others	31,019,745,715	9,900,935,662
	<u>4,100,890,568,600</u>	<u>3,239,999,619,942</u>

In which:

<i>Other payables to related parties</i>	<i>2,264,936,750,844</i>	<i>1,731,578,882,700</i>
<i>(Details are presented in Note 37)</i>		

- (i) Represents payables relating to equitization which is the excess of enterprise value over the designated charter capital of the Corporation after equitization of VND 10,342,295,000,000 under Decision No. 1979/QĐ-TTg dated 08 December 2017 of the Prime Minister. This amount might be subject to changes when there is final approval from the competent authorities. During the period, the Corporation has transferred VND 119,996,417,768 to the Enterprise Arrangement and Support Fund according to the guidance in Decree No. 126/2017/ND-CP dated 16 November 2017 of the Government and Circular No. 41/2018/TT-BTC dated 04 May 2018 of the Ministry of Finance.
- (ii) Represents the proceeds from initial public offering (IPO) and the payable amount to the owner regarding this IPO. The proceeds from this equitization will be finalized and might be subject to changes upon final approval by the competent authorities.

22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount able to be paid off				Amount able to be paid off	
	Amount	VND	Increases	Decreases	Amount	VND
Short-term loans	3,457,282,131,984	3,457,282,131,984	8,288,055,693,318	7,431,880,548,623	4,313,457,276,679	4,313,457,276,679
Current portion of long-term loans (see Note 24)	9,557,127,002	9,557,127,002	4,778,563,501	4,778,563,501	9,557,127,002	9,557,127,002
	3,466,839,258,986	3,466,839,258,986	8,292,834,256,819	7,436,659,112,124	4,323,014,403,681	4,323,014,403,681

Short-term loans represent facilities obtained from banks in the form of letters of credit that can be withdrawn in Vietnam Dong or United States Dollar based on each credit limit as contracted with the banks. The balance of short-term loans as at 30 June 2021 is VND 4,313,457,276,679 (as at 31 December 2020: VND 3,457,282,131,984). Such loans are unsecured and bear fixed interest rates that are stated in each loan acknowledgement ranging from 2.7% to 4% p.a. (as at 31 December 2020: from 1.15% to 1.2% p.a. for loans in USD and from 1.25% to 1.8% p.a. for loans in VND). The loans are used to supplement the Corporation's working capital.

Details of short-term loans by currency are as follows:

	Closing balance	Opening balance
	VND	VND
United States Dollar	-	107,189,101,084
Vietnam Dong	4,313,457,276,679	3,350,093,030,900
	4,313,457,276,679	3,457,282,131,984

23. PRICE STABILIZATION FUND

	Current period	Prior period
	VND	VND
Opening balance	438,962,299,436	(198,578,419,135)
Appropriation to the fund	2,972,306,000	873,268,528,450
Interest incurred	155,094,806	41,298,844
Utilization in the period	(1,049,680,611,498)	(90,192,212,500)
Interest on negative balance of Petroleum Price Stabilization Fund	-	(2,260,808,738)
Closing balance	(607,590,911,256)	582,278,386,921
<i>In which:</i>		
Transferred to the bank deposits	-	482,045,224,921
Not yet transferred	(607,590,911,256)	100,233,162,000

Appropriation and utilization of the Price Stabilization Fund comply with the regulations of the Ministry of Finance and Ministry of Industry and Trade from time to time (as presented in Note 3 - Summary of Significant Accounting Policies, "Price Stabilization Fund" item). In the period, the Corporation appropriated to and utilized the fund in accordance with prevailing current regulations. Handling of any difference (if any) between the appropriation and utilization of the fund will comply with the guidance of the Ministry of Finance and Ministry of Industry and Trade in the coming time.

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24. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Current portion of long-term loans (see Note 22)	9,557,127,002	9,557,127,002	4,778,563,501	4,778,563,501	9,557,127,002	9,557,127,002
Amount due for settlement after 12 months	39,364,594,688	39,364,594,688	-	4,778,563,501	34,586,031,187	34,586,031,187
	48,921,721,690	48,921,721,690	4,778,563,501	9,557,127,002	44,143,158,189	44,143,158,189

Long-term loans represent the credit facilities obtained from the commercial banks with the total credit limit of VND 123,000,000,000 (as at 31 December 2020: VND 123,000,000,000). These loans are secured by the works of Phu Tho petroleum depot and all the assets of the project "Construction of Nghi Son Petroleum Storage" (See Note 13 and 15). Interest rates are equal to the average 12-month saving rate plus a margin ranging from 1.5% p.a. to 2.2% p.a. These loans are to finance the Phu Tho Storage Construction and Nghi Son Petroleum Storage.

Details of long-term loans and long-term loans due to be paid on 30 June 2021 are presented as follows:

Loan contract	Balance as at 30 June 2021 (VND)	Principal and interest payment term	Collateral
Vietnam Public Joint Stock Commercial Bank	15,378,090,457	Maximum principal repayment and interest repayment term of 120 months (20 installments, once every 6 months) from last disbursement date	Phu Tho petroleum depot
Shinhan Bank (Vietnam) Ltd.	28,765,067,733	Maximum principal repayment and interest repayment term of 78 months (26 installments, once every 3 months) from last disbursement date	Nghi Son petroleum depot
Total	44,143,158,190		

Details of long-term loans by currency are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Vietnam Dong	44,143,158,189	48,921,721,690
	44,143,158,189	48,921,721,690

Details of long-term loans by type of guarantee are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Secured loans	44,143,158,189	48,921,721,690
	44,143,158,189	48,921,721,690

The Corporation's entire balance of long-term loans are contracted with floating interest rates.

Long-term loans are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	9,557,127,002	9,557,127,002
In the second year	9,557,127,002	9,557,127,002
In the third to fifth year inclusive	21,480,114,078	25,075,747,544
After five years	3,548,790,107	4,731,720,142
	44,143,158,189	48,921,721,690
Less: Amount due for settlement within 12 months (shown under current liabilities)	9,557,127,002	9,557,127,002
Amount due for settlement after 12 months	34,586,031,187	39,364,594,688

25. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised by the Corporation, and their movements during the period.

	<u>Revaluation of assets</u>
	VND
For the 6-month period ended 30 June 2021	
Opening balance	285,839,129
Transfer to loss for the period	(285,839,129)
Closing balance	-
For the 6-month period ended 30 June 2020	
Opening balance	3,523,140,012
Transfer to loss for the period	(2,701,770,842)
Closing balance	821,369,170

26. OWNER'S EQUITY

Movement in owner's equity for the period from 01 January 2021 to 30 June 2021

	Owners' contributed capital VND	Retained earnings VND	Total VND
<i>For the 6-month period ended 30 June 2020</i>			
Balance as at 01 January 2020	10,342,295,000,000	98,048,221,976	10,440,343,221,976
Loss for the period	-	(236,253,152,864)	(236,253,152,864)
Balance as at 30 June 2020	10,342,295,000,000	(138,204,930,888)	10,204,090,069,112
<i>For the 6-month period ended 30 June 2021</i>			
Balance as at 01 January 2021	10,342,295,000,000	(81,676,637,835)	10,260,618,362,165
Profit for the period	-	395,136,875,934	395,136,875,934
Balance as at 30 June 2021	10,342,295,000,000	313,460,238,099	10,655,755,238,099

Shares	Closing balance	Opening balance
Number of shares issued to the public	200,445,036	200,445,036
Ordinary shares	200,445,036	200,445,036
Number of outstanding shares in circulation	1,034,229,500	1,034,229,500
Ordinary shares	1,034,229,500	1,034,229,500

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

Charter capital

	Shares	Rate %	Amount VND
Vietnam Oil and Gas Group	832,803,564	80.52%	8,328,035,640,000
Other shareholders	201,425,936	19.48%	2,014,259,360,000
	1,034,229,500	100.00%	10,342,295,000,000

27. OFF BALANCE SHEET ITEMS

Operating lease assets

At the balance sheet date, the Corporation committed to irrevocable operating leases that represents the total amount of office rental paid to PetroVietnam General Services Joint Stock Corporation for the total leased area of 3,459.11 m² at No. 1-5 Le Duan, District 1, Ho Chi Minh City with rental price of VND 70,622,316/m²/month (Note 10). The office lease was signed for periods of 50 years from 10 January 2010 for area of 2,952.67 m² and 48 years from 24 July 2012 for area of 506.44 m². The entire office rentals excluding VAT that have been paid was VND 244,290,357,799.

Materials, goods held under trust or for processing

	<u>Unit</u>	<u>Closing balance</u>	<u>Opening balance</u>
1. Petroleum (M95, M92, DO, Condensate Shariah, E5, Jet A1)	Liter 15	148,158,142	204,127,569
2. Petroleum (FO)	Kg	4,552,371	8,440,774

Foreign currencies:

	<u>Unit</u>	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollars	USD	5,618,895	14,742,821

28. REVENUE

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Gross revenue		
- Sales of finished goods/merchandise	14,037,446,039,290	10,848,809,004,953
- Sales of services	178,077,338,863	135,779,513,680
	14,215,523,378,153	10,984,588,518,633
<i>In which:</i>		
<i>Sales to related parties</i>	14,103,034,087,501	10,914,171,364,437
<i>(Details are presented in Note 37)</i>		

29. COST OF SALES

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Cost of petroleum sold	13,412,632,695,992	10,769,903,084,730
Cost of services rendered	38,370,328,443	29,607,135,423
	13,451,003,024,435	10,799,510,220,153

30. PRODUCTION COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Raw materials and consumables	1,482,636,808,230	2,585,758,851,462
Labour	128,639,052,965	91,716,476,208
Depreciation and amortisation	82,783,672,212	89,734,341,887
Out-sourced services	115,840,413,356	98,357,309,735
Other monetary expenses	136,423,587,167	99,926,373,206
	1,946,323,533,930	2,965,493,352,498

31. FINANCIAL INCOME

	Current period	Prior period
	VND	VND
Bank and loan interest	185,098,072,031	183,225,554,117
Foreign exchange gain	1,873,517,190	6,241,534,818
Dividends received	15,485,608,000	8,846,015,000
Other financial income	2,833,292,360	8,127,352,220
	205,290,489,581	206,440,456,155

32. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense	50,980,030,132	62,105,489,826
Foreign exchange loss	1,724,748,051	1,478,708,464
(Revert)/Provision for impairment of long-term financial investments	(2,802,862,600)	163,076,466,409
Loss from investment liquidation	3,858,977,591	-
Early payment discount	13,087,159,883	15,750,749,383
Other financial expenses	310,912,761	4,715,510,204
	67,158,965,818	247,126,924,286

33. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current period	Prior period
	VND	VND
Selling expenses	315,851,689,078	253,397,877,496
Sales staffs	89,990,518,920	61,645,926,099
Office appliances, furniture and stationery	15,202,559,526	17,748,550,175
Transportation	36,613,083,471	11,245,948,673
Out-sourced services	55,737,722,698	47,245,346,656
Provisions	3,525,498,388	-
Depreciation and amortisation	65,153,817,766	73,337,031,979
Others	49,628,488,309	42,175,073,914
General and administration expenses	122,609,177,934	130,013,748,701
Management staff	38,648,534,045	30,070,550,109
Office appliances, furniture and stationery	5,774,765,625	14,581,884,412
Depreciation and amortisation	9,335,948,865	8,912,028,404
(Revert)/Provisions	(41,434,776,646)	3,677,125,161
Out-sourced services	23,489,607,187	7,535,579,819
Allocation of goodwill	31,418,138,644	31,418,138,644
Others	55,376,960,214	33,818,442,152
	438,460,867,012	383,411,626,197

34. OTHER EXPENSES

	Current period	Prior period
	VND	VND
Other income	2,457,654,609	942,192,766
Sale, disposal of fixed assets	198,864,763	23,353,112
Others	2,258,789,846	918,839,654
Other expenses	8,317,183,136	877,320,624
Others	8,317,183,136	877,320,624
Profit from other activities	(5,859,528,527)	64,872,142

35. CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current period	63,480,445,137	-
Total current corporate income tax expense	63,480,445,137	-
	Current period VND	Prior period VND
Profit/(Loss) before tax	458,331,481,942	(238,954,923,706)
Adjustments for taxable profit		
Less:	(43,056,465,087)	(8,846,015,000)
<i>Dividends from subsidiaries, associates</i>	<i>(15,485,608,000)</i>	<i>(8,846,015,000)</i>
<i>Profit before tax from business cooperation contract</i>	<i>(27,570,857,087)</i>	-
Add back:	15,408,150,443	20,387,708,091
<i>Increase of in-kind capital contributions in 2010 and 2011 upon revaluation</i>	<i>1,429,195,665</i>	<i>13,508,854,205</i>
<i>Penalty due to late payment relating equitization</i>	<i>310,912,761</i>	<i>4,715,510,204</i>
<i>Other non-deductible expenses</i>	<i>13,668,042,017</i>	<i>2,163,343,682</i>
Losses carried forward	(131,201,998,729)	-
Taxable profit	299,481,168,569	-
Taxable profit at normal tax rate of 20%	299,481,168,569	-
Corporate income tax expense based on taxable profit in the current period	59,896,233,716	-
Corporate income tax paid in addition to income from business cooperation contract	3,584,211,421	-
Corporate income tax expense based on taxable profit in the current period	63,480,445,137	-

The Corporation is obliged to pay corporate income tax at the rate of 20% of taxable profit.

The corporate income tax reported for the 6-month period ended 30 June 2021 is estimates. The final amount of corporate income tax to be paid will depend on the results of settlement with the tax authorities.

36. CAPITAL COMMITMENTS

According to the Corporation's 2021 business plan approved on 27 April 2021, the Shareholders General Meeting approved an amount of VND 428 billion for the Corporation's construction and assets acquisition in 2021. In the first 6 months of 2021, the Corporation paid for construction and fixed assets purchase with a total value of VND 116 billion.

37. RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related party</u>	<u>Relationship</u>
Vietnam Oil and Gas Group (PVN)	Owner
Entities in PVN	Affiliate
Subsidiaries of the Corporation	Subsidiary
Associates of the Corporation	Associate
Joint Ventures of the Corporation	Joint-venture
Other long-term investees of the Corporation	Other long-term investees

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

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Dividend income	15,485,608,000	8,846,015,000
Vung Tau Petroleum Joint Stock Company	2,401,665,000	3,430,950,000
Thu Duc Trading and Import - Export Joint Stock Company	5,693,157,000	3,162,865,000
Vung Ang Petroleum Joint Stock Company	4,404,036,000	-
Thua Thien Hue Petroleum Joint Stock Company	2,986,750,000	1,194,700,000
Cai Lan Petroleum Joint Stock Company	-	1,057,500,000
Significant sales	14,103,034,087,501	10,914,171,364,437
Hanoi Petroleum Joint Stock Company	1,603,213,907,310	1,049,953,943,393
Petec Trading and Investment Corporation - JSC	1,375,933,195,984	1,150,336,393,191
Central PetroVietnam Oil Joint Stock Company	1,193,529,634,461	948,585,751,469
Saigon Petroleum Joint Stock Company	1,192,904,889,245	925,491,468,595
Mekong Petroleum Joint Stock Company	1,062,173,592,399	953,479,149,340
Phu Yen Petroleum Joint Stock Company	962,349,664,525	744,828,629,813
Vung Tau Petroleum Joint Stock Company	927,184,832,532	899,090,793,232
Hai Phong PetroVietnam Oil Joint Stock Company	716,273,254,213	361,777,647,753
Ninh Binh Petroleum Joint Stock Company	676,133,776,659	606,329,903,913
Thanh Hoa Petroleum Joint Stock Company	601,237,340,370	442,241,734,583
Vung Ang Petroleum Joint Stock Company	595,286,330,490	537,862,665,741
Phu Tho Petroleum Joint Stock Company	530,788,977,029	200,973,475,192
Binh Thuan Petroleum Joint Stock Company	438,039,766,396	352,522,350,642
Nam Dinh Petroleum Joint Stock Company	436,224,827,106	386,394,617,712
Thua Thien Hue Petroleum Joint Stock Company	359,890,523,475	309,175,204,746
Tay Ninh Petroleum Joint Stock Company	358,479,086,299	291,952,554,352
Thai Binh Petroleum Joint Stock Company	322,896,135,267	195,716,370,989
Cai Lan Petroleum Joint Stock Company	289,528,703,433	212,271,605,895
Bac Lieu Petroleum Joint Stock Company	169,022,126,517	95,287,510,359
Tra Vinh Petroleum Joint Stock Company	102,424,150,096	83,894,318,640
Ha Giang Petroleum Tourism and Trading Joint Stock Company	65,009,559,813	48,505,468,010
PV Oil Lube Joint Stock Company	36,149,439,767	29,461,019,463
Binh Son Refining and Petrochemical Joint Stock Company	32,052,968,049	36,864,882,000
VietsovPetro Joint Venture	28,803,615,102	30,450,211,850
PetroVietnam Exploration Production Corporation	14,930,590,088	14,152,070,145
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	6,750,000,000	-
Singapore International Oil Trade Company Limited	4,390,348,061	4,515,453,754
Bien Dong Petroleum Operating Company	1,425,992,815	1,657,137,342
Phu My Petroleum Processing and Production Joint Stock Company	6,860,000	167,672,018
PetroVietnam Gas Joint Stock Corporation (PVGas)	-	231,360,305

	Current period VND	Prior period VND
Significant purchases	13,841,599,323,048	9,228,524,857,753
Binh Son Refining and Petrochemical Joint Stock Company	7,136,506,023,931	4,777,057,150,654
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	6,093,823,779,879	4,003,253,918,699
PetroVietnam Transportation Corporation	223,144,362,956	218,271,230,731
PV OIL Singapore Pte. Ltd.	202,213,143,916	-
Vietnam Petroleum Oil Transport Joint Stock Company	45,845,138,630	12,307,054,602
Ninh Binh Petroleum Joint Stock Company	44,822,547,928	-
Ha Noi Petroleum Joint Stock Company	11,870,647,121	432,954,096
Thai Binh Petroleum Joint Stock Company	8,521,330,582	5,068,018,119
Vietnam Oil and Gas Group	8,000,000,000	22,291,734,199
Vietnam Energy Inspection Corporation	7,613,314,712	6,505,944,625
PetroVietnam Gas Joint Stock Corporation (PVGas)	6,926,805,560	69,292,895,358
Phu My Production and Processing Joint Stock Company	6,294,720,029	16,909,421,603
Tra Vinh Petroleum Joint Stock Company	6,084,908,636	1,816,454
Vung Ang Petroleum Joint Stock Company	5,935,390,932	6,986,307,438
Mekong Petroleum Joint Stock Company	5,748,798,721	6,534,970,550
VietsovPetro Joint Venture	3,323,460,685	3,822,154,884
Vung Tau Petroleum Joint Stock Company	3,340,457,572	3,136,062,003
Petec Trading and Investment Corporation	3,274,102,509	1,180,883,280
Cai Lan Petroleum Joint Stock Company	2,877,387,272	3,270,474,488
Phu Tho Petroleum Joint Stock Company	2,598,107,778	3,284,869,658
Thua Thien Hue Petroleum Joint Stock Company	2,269,702,737	2,148,947,152
Phu Yen Petroleum Joint Stock Corporation	1,352,592,152	2,290,568,503
Central Petroleum Joint Stock Company	1,879,415,547	1,756,763,245
PetroVietnam Central Biofuels Joint Stock Company	1,564,958,000	-
PetroVietnam Technical Services Corporation	1,020,000,000	1,020,000,000
Saigon Petroleum Joint Stock Company	1,067,228,907	176,048,288
Thai Binh Petroleum Services Joint Stock Company	782,072,727	91,130,000
Hai Phong PetroVietnam Oil Joint Stock Company	742,206,460	106,933,528
Nam Dinh Petroleum Joint Stock Company	533,432,745	2,393,455
Thanh Hoa Petroleum Joint Stock Company	443,571,473	422,815,060
Thu Duc Trading and Import Export Joint Stock Company	409,090,909	-
PV Oil Lube Joint Stock Company	347,051,270	342,754,270
Bac Lieu Petroleum Joint Stock Company	322,495,455	1,051,363
PetroVietnam Biofuels Joint Stock Company	93,262,000	-
Binh Thuan Petroleum Joint Stock Company	6,729,590	5,631,319
Tay Ninh Petroleum Joint Stock Company	1,083,727	4,472,590
Bien Dong Petroleum Operating Company	-	60,214,001,939
PetroVietnam Exploration Production Corporation	-	333,485,600

Salary, allowance and remuneration of the Board of Directors including the Chief Executive Officer; salary of the Board of Supervisors, Vice Chief Executive Officers and the Chief Accountant for the period:

	Current period VND	Prior period VND
Salary, allowance and remuneration of the Board of Directors (including the Chief Executive Officer)	3,139,393,545	2,532,215,114
Salary of the Board of Supervisors	1,309,538,819	1,029,855,864
Salary of the Vice Chief Executive Officers and Chief Accountant	3,052,567,635	2,647,929,022

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

	Closing balance VND	Opening balance VND
Trade receivables	2,826,534,743,605	2,124,012,523,630
Petec Trading and Investment Corporation - JSC (PETEC)	650,632,556,650	532,119,750,946
Sai Gon Petroleum Joint Stock Company	280,619,812,630	174,031,125,542
Ninh Binh Petroleum Joint Stock Company	272,626,479,704	258,610,757,314
Hai Phong PetroVietnam Oil Joint Stock Company	249,115,673,831	148,529,683,127
Central PetroVietnam Oil Joint Stock Company	153,364,942,984	109,551,707,652
Hanoi Petroleum Joint Stock Company	147,596,082,039	114,185,524,644
Phu Tho Petroleum Joint Stock Company	138,786,834,197	121,486,759,352
Thanh Hoa Petroleum Joint Stock Company	131,024,060,391	57,274,225,716
Me Kong Petroleum Joint Stock Company	114,842,004,503	115,647,008,144
Nam Dinh Petroleum Joint Stock Company	111,321,199,709	86,401,742,760
Cai Lan Petroleum Joint Stock Company	105,291,966,929	47,712,547,977
Phu Yen Petroleum Joint Stock Company	76,998,422,540	14,867,377,940
Vung Tau Petroleum Joint Stock Company	70,984,629,808	78,271,582,368
Vung Ang Petroleum Joint Stock Company	68,703,048,856	42,347,606,038
Binh Thuan Petroleum Joint Stock Company	63,195,373,057	45,402,078,895
Tra Vinh Petroleum Joint Stock Company	29,891,631,568	24,596,728,745
Bac Lieu Petroleum Joint Stock Company	29,546,081,078	24,901,572,334
Thai Binh Petroleum Joint Stock Company	27,195,136,955	3,404,532,091
VietsovPetro Joint Venture	25,531,160,291	14,101,095,248
Tay Ninh Petroleum Joint Stock Company	20,451,745,116	14,668,039,917
Binh Son Refining and Petrochemical Joint Stock Company	17,577,823,695	14,163,921,650
PV Oil Lube Joint Stock Company	14,908,424,874	2,131,497,268
Ha Giang Petroleum Tourism and Trading Joint Stock Company	9,687,079,286	9,077,685,598
PetroVietnam Exploration Production Corporation	8,226,490,465	16,701,992,063
PV OIL Singapore Pte. Ltd.	4,060,278,000	7,312,460,750
Orient Biofuels Company Limited	2,160,324,960	2,160,324,960
Dung Quat Oil Refinery Plant Project Management Board	1,362,230,984	1,362,230,984
Bien Dong Petroleum Operating Company	774,090,505	1,096,322,305
Vietnam Energy Inspection Corporation	51,612,000	-
Phu My Petroleum Production and Processing Joint Stock Company	7,546,000	368,931,480
Duong Dong Kien Giang Petroleum Joint Stock Company	-	41,434,776,646
Petrovietnam Gas South East Transmission Company	-	82,693,380
Thua Thien Hue Petroleum Joint Stock Company	-	8,239,796

	Closing balance VND	Opening balance VND
Advances to suppliers	8,774,691,561	31,952,501,336
Orient Biofuels Company Limited	7,653,015,602	7,653,015,602
Petroleum Trading Joint Stock Company (Petechim)	621,675,959	621,675,959
PetroVietnam Engineering Consultancy JSC	500,000,000	-
Vietnam Oil and Gas Group Branch - Bien Dong	-	18,557,341,547
Petroleum Operating Company Block 05-3	-	-
Vietnam Oil and Gas Group Branch - Bien Dong	-	5,120,468,228
Petroleum Operating Company Block 05-2	-	-
Other receivables	3,680,313,766,371	2,075,224,802,038
Binh Son Refining and Petrochemical Joint Stock Company	2,649,846,689,957	1,601,378,020,950
PV OIL Singapore Pte. Ltd.	898,861,750,472	369,143,638,716
VietsovPetro Joint Venture	69,656,634,454	35,233,604,936
Petroleum Trading Joint Stock Company (Petechim)	28,319,956,439	27,768,049,087
Phu Tho Petroleum Joint Stock Company	12,632,825,039	15,180,461,841
Vietnam Petroleum Oil Transport Joint Stock Company	6,564,087,000	6,872,209,149
Hanoi Petroleum Joint Stock Company	5,203,319,953	3,781,221,623
Vietnam Oil and Gas Group	2,346,281,910	2,346,281,910
Sai Gon Petroleum Joint Stock Company	1,870,877,811	1,799,474,821
PetroVietnam Biofuels Joint Stock Company	1,747,671,157	1,747,671,157
Cai Lan Petroleum Joint Stock Company	1,052,339,481	322,627,783
PetroVietnam Oil Stockpile Company Limited	512,515,240	512,515,240
Ninh Binh Petroleum Joint Stock Company	493,203,027	1,875,742,970
Hai Phong PetroVietnam Oil Joint Stock Company	443,113,566	291,528,943
Thai Binh Petroleum Joint Stock Company	349,702,308	349,702,308
Petec Trading and Investment Corporation - JSC (PETEC)	182,879,389	2,881,418,694
Thanh Hoa Petroleum Joint Stock Company	143,460,542	918,857,406
Bac Lieu Petroleum Joint Stock Company	31,449,551	14,191,264
Cuu Long Joint Operating Company	29,204,513	29,204,513
Tra Vinh Petroleum Joint Stock Company	11,774,644	52,263,654
PetroVietnam Exploration Production Corporation	7,121,717	7,121,383
Ha Giang Petroleum Tourism and Trading Joint Stock Company	6,908,201	-
Central PetroVietnam Oil Joint Stock Company	-	2,500,000,000
Nam Dinh Petroleum Joint Stock Company	-	158,339,238
Me Kong Petroleum Joint Stock Company	-	55,368,478
Vung Ang Petroleum Joint Stock Company	-	5,285,974

	Closing balance VND	Opening balance VND
Trade payables	3,682,120,122,776	2,214,036,783,318
Nghi Son Petroleum Products Distribution Branch - Vietnam Oil and Gas Group	1,725,064,308,422	786,001,646,472
Binh Son Refining and Petrochemical Joint Stock Company	1,442,095,767,577	944,265,324,925
Phu My Petroleum Production and Processing Joint Stock Company	370,729,976,517	389,522,270,516
PetroVietnam Transportation Corporation	98,921,986,173	70,767,827,739
Vietnam Petroleum Oil Transport Joint Stock Company	17,228,317,940	9,489,752,558
Ninh Binh Petroleum Joint Stock Company	5,725,000,000	-
PetroVietnam Infrastructure and Urban Investment Joint Stock Company	5,414,895,656	4,991,026,528
PetroVietnam Gas Joint Stock Corporation (PVGas)	3,119,467,770	2,224,215,174
Petec Trading and Investment Corporation - JSC (PETEC)	3,601,512,762	-
Dung Quat Oil Refinery Plant Project Management Board	1,954,237,323	1,954,237,323
Vietnam Energy Inspection Corporation	2,750,190,890	2,492,953,286
Hanoi Petroleum Joint Stock Company	780,000,000	-
Hai Phong PetroVietnam Oil Joint Stock Company	722,918,640	26,324,930
Nam Dinh Petroleum Joint Stock Company	580,000,000	-
PetroVietnam Technical Services Corporation	561,000,000	187,000,000
Thu Duc Trading and Import Export Joint Stock Company	450,000,000	-
Thanh Hoa Petroleum Joint Stock Company	445,000,000	-
Phu Tho Petroleum Joint Stock Company	345,012,149	215,012,149
Thai Binh Petroleum Joint Stock Company	320,000,000	47,904,589
Sai Gon Petroleum Joint Stock Company	313,470,760	207,748,390
Central PetroVietnam Oil Joint Stock Company	270,000,000	-
Petrovietnam Securities Joint Stock Company	249,500,000	920,500,000
Petroleum Equipment Assembly and Metal Structure Joint Stock Company	210,186,648	220,714,963
Vung Ang Petroleum Joint Stock Company	130,000,000	-
Petroleum Trading Joint Stock Company (Petechim)	73,740,000	74,690,000
PetroVietnam Engineering Consultancy Joint Stock Company	56,115,139	56,115,138
Vung Tau Petroleum Joint Stock Company	7,518,410	-
PV Oil Lube Joint Stock Company	-	326,990,400
Materials - Petroleum Joint Stock Company (Comeco)	-	44,528,238
Advances from customers	53,980,518,289	60,866,806,040
Thua Thien Hue Petroleum Joint Stock Company	53,806,661,859	60,757,366,655
Hai Phong PetroVietnam Oil Joint Stock Company	48,548,205	-
Phu Yen Petroleum Joint Stock Company	39,910,665	28,511,786
Thanh Hoa Petroleum Joint Stock Company	31,486,439	31,486,439
Nam Dinh Petroleum Joint Stock Company	25,892,230	15,481,467
Cai Lan Petroleum Joint Stock Company	15,394,029	-
Central PetroVietnam Oil Joint Stock Company	8,312,012	4,179,833
Binh Thuan Petroleum Joint Stock Company	2,542,932	22,554,073
Tra Vinh Petroleum Joint Stock Company	987,329	7,225,787
Phu Tho Petroleum Joint Stock Company	782,589	-

	Closing balance	Opening balance
	VND	VND
Short-term accrued expenses	9,862,269,110	72,370,313,893
Nghi Son Petroleum Products Distribution Branch	5,468,631,597	2,103,834,577
- Vietnam Oil and Gas Group		
PetroVietnam Transportation Corporation	4,164,890,000	2,929,452,934
Vietnam Oil and Gas Group	228,747,513	3,416,522,810
Vietnam Oil and Gas Group	-	26,939,944,629
(Contract DK Block 06.1)		
Vietnam Oil and Gas Group Branch - Bien Dong	-	21,060,272,752
Petroleum Operating Company Block 05-3		
PetroVietnam Exploration Production Corporation	-	10,110,254,916
Vietnam Oil and Gas Group Branch - Bien Dong	-	5,810,031,275
Petroleum Operating Company Block 05-2		
Other payables	2,264,936,750,844	1,731,578,882,700
VietsovPetro Joint Venture	2,180,859,076,772	1,481,102,436,231
PetroVietnam Exploration Production Corporation	76,170,577,770	208,058,350,803
Vietnam Petroleum Oil Transport	1,650,000,000	-
Joint Stock Company		
Hanoi Petroleum Joint Stock Company	1,122,000,000	-
Ninh Binh Petroleum Joint Stock Company	990,000,000	-
Hai Phong PetroVietnam Oil Joint Stock Company	726,000,000	-
Nam Dinh Petroleum Joint Stock Company	660,000,000	-
Thu Duc Trading and Import Export	528,000,000	-
Joint Stock Company		
Thanh Hoa Petroleum Joint Stock Company	462,000,000	-
Thai Binh Petroleum Joint Stock Company	396,000,000	-
Central PetroVietnam Oil Joint Stock Company	330,000,000	-
Saigon Petroleum Joint Stock Company	264,000,000	-
Vietnam Oil and Gas Group	224,387,802	224,387,802
Bac Lieu Petroleum Joint Stock Company	158,708,500	-
Vung Ang Petroleum Joint Stock Company	132,000,000	-
Phu Tho Petroleum Joint Stock Company	132,000,000	-
Cai Lan Petroleum Joint Stock Company	66,000,000	-
Vung Tau Petroleum Joint Stock Company	66,000,000	-
PetroVietnam Gas Joint Stock Corporation (PVGas)	-	42,193,707,864

38. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the period exclude VND 7,855,997,741 (prior period: VND 1,596,055,960), representing an addition in fixed assets and construction in progress during the period that has not yet been paid for, and include VND 11,948,809,379 (prior period: VND 4,165,747,985), representing advance payments for fixed assets purchased. Consequently, changes in payables and changes in receivables have been adjusted by the same amounts, respectively.

Interest earned, dividends and profits received during the period exclude an amount of VND 178,578,939,189 (prior period: VND 107,466,082,660) representing interest income and dividends income earned during the period that has not yet been received, and include an amount of VND 152,581,493,122 (prior period: VND 138,236,318,027) representing interest income from prior year that has been received in current period. Consequently, changes in receivables have been adjusted by the same amounts.

39. SUBSEQUENT EVENTS

Implementing the plan to reorganize and restructure Vietnam Oil Corporation - Joint Stock Company for the period of 2020 - 2025 approved by the Vietnam Oil and Gas Group, on 20 January 2021, the Board of Directors of the Corporation approved 07/NQ-DVN approving the merger plan of Thua Thien Hue Petroleum Joint Stock Company (PVOIL Thua Thien Hue) into Central PetroVietnam Joint Stock Company (PVOIL Central) to reduce management and operation costs, improve operational efficiency, reduce focal points and expand the operation scale of the unit in the Central region.

On 01 July 2021, PVOIL Thua Thien Hue was officially merged into PVOIL Central along with that PVOIL Thua Thien Hue ceased its operation; all transactions, obligations and interests related to agencies, customers and partners of PVOIL Thua Thien Hue (the merged company) are transferred and performed at PVOIL Central (the company got merger).

On 26 July 2021, PVOIL Central held an Extraordinary General Meeting of Shareholders in 2021 to complete post-merger procedures.

40. SIGNIFICANT EVENTS IN THE PERIOD

The pandemic caused by the new Corona virus ("Covid-19") has been affecting the global and domestic economy. The Corporation's business activities have been indirectly influenced by the uncertain happenings of the Covid-19 pandemic in Vietnam. The Board of Management has assessed the impact of Covid-19 pandemic on the financial situation and business activities, and followed the Government's policies to implement all necessary measures to limit the pandemic's negative effects on the Corporation's activities during the period. The Board of Management also believes that Covid-19 pandemic does not affect the Corporation's ability to continue as a going concern.



Nguyen Thuy Dung
Preparer



Nguyen Ngoc Ninh
Chief Accountant



Doan Van Nhuom
Chief Executive Officer
12 August 2021