

**PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY**

**SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY**

**SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
Corporate information	1
Statement by the Board of Management	2
Report on the review of separate interim financial information	3
Separate interim balance sheet (Form B 01a – DN)	5
Separate interim income statement (Form B 02a – DN)	7
Separate interim cash flow statement (Form B 03a – DN)	8
Notes to the separate interim financial statements (Form B 09a – DN)	10

## **PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY**

### **CORPORATE INFORMATION**

#### **Enterprise registration certificate**

No. 2001012298 dated 24 March 2011 which was initially issued by the Department of Planning and Investment of Ca Mau Province with the latest 6<sup>th</sup> amendment dated 14 June 2018.

#### **Board of Directors**

Mr. Tran Ngoc Nguyen	Chairman
Mr. Nguyen Duc Hanh	Member
Mr. Van Tien Thanh	Member
Mr. Tran My	Member
Mr. Truong Hong	Member
	(Appointed on 28 April 2021)
Ms. Do Thi Hoa	Member
	(Appointed on 28 April 2021)
Mr. Le Duc Quan	Member
	(Resigned on 28 April 2021)
Ms. Nguyen Minh Phuong	Member
	(Resigned on 28 April 2021)

#### **Board of Supervision**

Ms. Phan Thi Cam Huong	Head
Mr. Do Minh Duong	Member
	(Appointed on 28 April 2021)
Mr. Tran Van Binh	Member
	(Appointed on 28 April 2021)

#### **Board of Management**

Mr. Van Tien Thanh	General Director
Mr. Le Ngoc Minh Tri	Deputy General Director
Mr. Nguyen Tuan Anh	Deputy General Director
Ms. Nguyen Thi Hien	Deputy General Director
Mr. Tran Chi Nguyen	Deputy General Director
Mr. Nguyen Thanh Tung	Deputy General Director

#### **Legal representative**

Mr. Van Tien Thanh	General Director
--------------------	------------------

#### **Registered office**

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Camau City, Camau Province, Vietnam.

#### **Auditor**

PwC (Vietnam) Limited

## PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY

### STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE SEPARATE INTERIM FINANCIAL STATEMENTS

The Board of Management of PetroVietnam Camau Fertilizer Joint Stock Company ("the Company") is responsible for preparing the separate interim financial statements of the Company which give a true and fair view of the separate interim financial position of the Company as at 30 June 2021, and of the separate interim results of its operations and its separate interim cash flows for the six-month period then ended. In preparing these separate interim 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; and
- prepare the separate interim financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate interim financial position of the Company and which enable separate interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

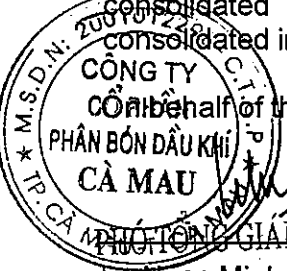
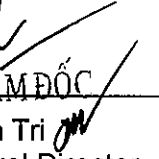
The Legal Representative has authorized Mr. Le Ngoc Minh Tri - Deputy General Director of the Company to sign the separate interim financial statements for the six-month period ended 30 June 2021 as per Power of Attorney No 151/UQ-PVCFC dated 31 December 2020.

### APPROVAL OF THE SEPARATE INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying separate interim financial statements as set out on pages 5 to 54 which give a true and fair view of the separate interim financial position of the Company as at 30 June 2021, and of the separate interim results of its operations and its separate interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2021 in order to obtain full information of the consolidated interim financial position and consolidated interim results of operations and consolidated interim cash flows of the Group.

On behalf of the Board of Management

  
  
Le Ngoc Minh Tri  
Deputy General Director  
Authorised signatory

Ho Chi Minh City, SR Vietnam  
20 August 2021



## **REPORT ON THE REVIEW OF SEPARATE INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY**

We have reviewed the accompanying separate interim financial statements of PetroVietnam Camau Fertilizer Joint Stock Company ("the Company") which were prepared on 30 June 2021 and approved by the Board of Management on 20 August 2021. The separate interim financial statements comprise the separate interim balance sheet as at 30 June 2021, the separate interim income statement and separate interim cash flow statement for the six-month period then ended, and explanatory notes to the separate interim financial statements including significant accounting policies, as set out on pages 5 to 54.

### **The Responsibility of Board of Management**

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate interim financial statements and for such internal control which the Board of Management determines as necessary to enable the preparation and fair presentation of the separate interim financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the separate interim financial position of the Company as at 30 June 2021, its separate interim financial performance and separate interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate interim financial statements.

## Emphasis of Matter

As presented in Note 40 of the Notes to the separate interim financial statements, as at the approval date of the separate interim financial statements, the relevant authorities have not approved the equitization finalization by the time that the Company officially became a joint stock company. Our review conclusion is not modified in respect of this matter.

## Other Matters

The separate financial statements of the Company for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 12 March 2021. In addition, the separate interim financial statements of the Company for the six-month period ended 30 June 2020 were also reviewed by this auditor who expressed an unmodified conclusion on those statements on 21 August 2020.

The report on the review of separate interim financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.



For and on behalf of PwC (Vietnam) Limited

Mai Viet Hung Tran  
Audit Practising Licence No.  
0048-2018-006-1  
Authorised signatory

Report reference number: HCM11090  
Ho Chi Minh City, 20 August 2021

PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY

Form B 01a – DN


SEPARATE INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2021 VND	31.12.2020 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>5,179,251,960,420</b>	<b>3,941,917,255,576</b>
<b>110</b>	<b>Cash and cash equivalents</b>	<b>3</b>	<b>1,158,095,742,307</b>	<b>507,850,887,756</b>
111	Cash		858,095,742,307	287,850,887,756
112	Cash equivalents		300,000,000,000	220,000,000,000
<b>120</b>	<b>Short-term investment</b>		<b>2,932,000,000,000</b>	<b>2,302,000,000,000</b>
123	Investments held to maturity	4(a)	2,932,000,000,000	2,302,000,000,000
<b>130</b>	<b>Short-term receivables</b>		<b>195,211,873,615</b>	<b>217,107,169,494</b>
131	Short-term trade accounts receivable	5	20,485,337,683	43,110,222,120
132	Short-term prepayments to suppliers	6	53,890,158,706	15,210,624,232
136	Other short-term receivables	7	158,033,466,086	158,786,323,142
137	Provision for doubtful debts – short-term	7	(37,197,088,860)	-
<b>140</b>	<b>Inventories</b>		<b>865,688,978,282</b>	<b>800,792,297,745</b>
141	Inventories	8	865,688,978,282	800,792,297,745
<b>150</b>	<b>Other current assets</b>		<b>28,255,366,216</b>	<b>114,166,900,581</b>
151	Short-term prepaid expenses	9(a)	20,252,862,604	39,204,171,453
152	Value added tax ("VAT") to be reclaimed	14(a)	7,500,301,283	74,460,526,799
153	Tax and other receivables from the State	14(a)	502,202,329	502,202,329
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>4,089,982,917,976</b>	<b>4,707,059,455,901</b>
<b>220</b>	<b>Fixed assets</b>		<b>4,009,417,379,917</b>	<b>3,906,562,911,213</b>
221	Tangible fixed assets	10(a)	3,964,520,378,215	3,850,765,339,017
222	Historical cost		14,928,361,628,033	14,152,719,316,627
223	Accumulated depreciation		(10,963,841,249,818)	(10,301,953,977,610)
227	Intangible fixed assets	10(b)	44,897,001,702	55,797,572,196
228	Historical cost		147,366,262,372	146,331,262,372
229	Accumulated amortisation		(102,469,260,670)	(90,533,690,176)
<b>240</b>	<b>Long-term asset in progress</b>		<b>51,361,392,690</b>	<b>760,881,751,818</b>
242	Construction in progress	11	51,361,392,690	760,881,751,818
<b>250</b>	<b>Long-term investment</b>		<b>20,826,250,000</b>	<b>20,826,250,000</b>
251	Investments in subsidiary	4(b)	20,826,250,000	20,826,250,000
<b>260</b>	<b>Other long-term assets</b>		<b>8,377,895,369</b>	<b>18,788,542,870</b>
261	Long-term prepaid expenses	9(b)	8,377,895,369	14,631,921,990
262	Deferred income tax assets	19	-	4,156,620,880
<b>270</b>	<b>TOTAL ASSETS</b>		<b>9,269,234,878,396</b>	<b>8,648,976,711,477</b>

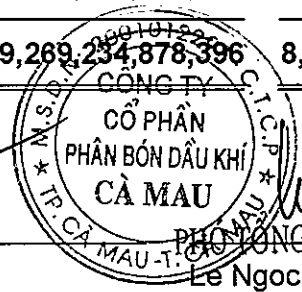
The notes on pages 10 to 54 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET  
(continued)

Code	RESOURCES	Note	As at	
			30.6.2021 VND	31.12.2020 VND
<b>300</b>	<b>LIABILITIES</b>		<b>2,570,243,919,695</b>	<b>2,356,487,909,540</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>2,253,476,309,160</b>	<b>2,020,883,913,914</b>
311	Short-term trade accounts payable	12	759,927,515,536	694,934,477,367
312	Short-term advances from customers	13	428,928,822,089	118,179,756,704
313	Tax and other payables to the State	14(b)	23,444,200,503	28,199,211,582
314	Payable to employees		51,064,158,352	91,755,545,831
315	Short-term accrued expenses	15	311,003,452,366	125,061,571,535
319	Other short-term payables	16	129,612,275,953	126,707,675,137
320	Short-term borrowings	17(a)	354,613,961,079	681,411,884,361
321	Provision for short-term liabilities	18	67,804,275,340	-
322	Bonus and welfare fund	20	127,077,647,942	154,633,791,397
<b>330</b>	<b>Long-term liabilities</b>		<b>316,767,610,535</b>	<b>335,603,995,626</b>
338	Long-term borrowings	17(b)	65,895,566,811	131,784,980,811
343	Fund for science and technology development	21	250,872,043,724	203,819,014,815
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>6,698,990,958,701</b>	<b>6,292,488,801,937</b>
<b>410</b>	<b>Capital and reserves</b>		<b>6,698,990,958,701</b>	<b>6,292,488,801,937</b>
411	Owners' capital	22, 23	5,294,000,000,000	5,294,000,000,000
411a	- Ordinary shares with voting rights		5,294,000,000,000	5,294,000,000,000
418	Investment and development fund	23	548,186,058,641	414,542,823,262
421	Undistributed earnings	23	856,804,900,060	583,945,978,675
421a	- Undistributed post-tax profits of previous years		584,474,621,175	110,739,024,355
421b	- Post-tax profits of current period/year		272,330,278,885	473,206,954,320
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>9,269,234,878,396</b>	<b>8,648,976,711,477</b>

  
Huynh Thi Ngoc Ha  
Preparer

  
Dinh Nhu Cuong  
Chief Accountant

  
PHÒNG TỔNG GIÁM ĐỐC  
Le Ngoc Minh Tri  
Deputy General Director  
Authorised signature  
20 August 2021

The notes on pages 10 to 54 are an integral part of these separate interim financial statements.



SEPARATE INTERIM INCOME STATEMENT

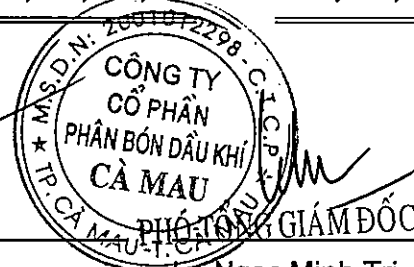
Code	Note	For the six-month period ended	
		30.6.2021 VND	30.6.2020 VND
01	Revenue from sales of goods and rendering of services	4,434,607,045,222	3,353,280,660,020
02	Less deductions	(200,094,650,793)	(103,148,740,886)
10	Net revenue from sales of goods and rendering of services	4,234,512,394,429	3,250,131,919,134
11	Cost of goods sold and services rendered	(3,452,997,526,507)	(2,647,793,978,247)
20	Gross profit from sales of goods and rendering of services	781,514,867,922	602,337,940,887
21	Financial income	70,112,887,443	61,138,908,904
22	Financial expenses	(15,429,157,581)	(43,618,027,704)
23	- Including: Interest expense	(5,007,766,068)	(29,600,313,661)
25	Selling expenses	(151,664,548,462)	(167,326,872,164)
26	General and administration expenses	(205,916,834,213)	(79,331,629,079)
30	Net operating profit	478,617,215,109	373,200,320,844
31	Other income	2,592,273,486	6,528,553,099
32	Other expenses	(929,741,800)	(985,131,349)
40	Net other income	1,662,531,686	5,543,421,750
50	Net accounting profit before tax	480,279,746,795	378,743,742,594
51	Business income tax ("BIT") - current	(30,645,674,651)	(17,011,667,514)
52	BIT - deferred	(4,156,620,880)	(6,168,175,851)
60	Net profit after tax	445,477,451,264	355,563,899,229



Huynh Thi Ngoc Ha  
Preparer



Dinh Nhu Cuong  
Chief Accountant



Le Ngoc Minh Tri  
Deputy General Director  
Authorised signature  
20 August 2021

**SEPARATE INTERIM CASH FLOW STATEMENT**  
(Indirect method)

		For the six-month period ended	
		30.6.2021	30.6.2020
Code	Note	VND	VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Net accounting profit before tax	480,279,746,795	378,743,742,594
	Adjustments for:		
02	Depreciation and amortisation	34	672,751,452,226
03	Provisions		650,951,741,232
04	Unrealised foreign exchange (gains)/losses	28,29	105,001,364,200
05	Profits from investing activities	28	141,940,930,733
06	Interest expense		(1,215,444,311)
07	Other adjustments		1,201,050,763
08	Operating profit before changes in working capital		(56,151,656,083)
09	Decrease in receivables		5,007,766,068
10	(Increase)/decrease in inventories		29,600,313,661
11	Increase/(decrease) in payables		-
12	Decrease in prepaid expenses		53,364,416,311
14	Interest paid		1,257,669,341,907
15	BIT paid		1,146,286,122,900
17	Other payments on operating activities		57,273,018,840
20	Net cash inflows from operating activities		83,537,447,581
		1,695,949,304,383	314,415,839
			(919,124,114,702)
			40,132,017,720
			(35,768,794,806)
			(18,626,610,369)
			(47,018,321,246)
			249,732,162,917
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets		(76,094,049,438)
23	Term deposits granted		(123,594,155,809)
24	Collection of term deposits		(2,500,000,000,000)
27	Interest received		1,470,000,000,000
30	Net cash (outflows)/inflows from investing activities		1,570,000,000,000
		(654,188,676,361)	51,905,373,077
			58,811,968,411
			(654,188,676,361)
			35,217,812,602
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Proceeds from borrowings	36	480,628,347,066
34	Repayments of borrowings	36	1,219,779,151,194
36	Dividends paid		(871,706,584,348)
40	Net cash outflows from financing activities		(1,406,762,110,155)
			(43,880,500)
			(14,449,500)
			(186,997,408,461)
50	Net increase in cash and cash equivalents		650,638,510,240
60	Cash and cash equivalents at beginning of period	3	97,952,567,058
61	Effect of foreign exchange differences		507,850,887,756
			(393,655,689)
			464,482,357,354
			(1,182,426,344)
70	Cash and cash equivalents at end of period	3	561,252,498,068
		1,158,095,742,307	

The notes on pages 10 to 54 are an integral part of these separate interim financial statements.

**SEPARATE INTERIM CASH FLOW STATEMENT (continued)**  
(Indirect method)

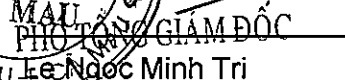
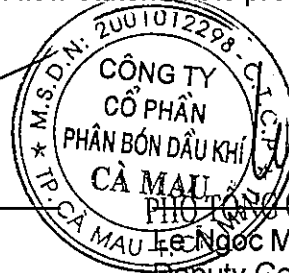
Additional information relating to the separate interim cash flow statement is presented in Note 36.



Huynh Thi Ngoc Ha  
Preparer



Dinh Nhu Cuong  
Chief Accountant

  
Le Ngoc Minh Tri  
Deputy General Director  
Authorised signature  
20 August 2021

**NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

**1 GENERAL INFORMATION**

PetroVietnam Camau Fertilizer Joint Stock Company ("the Company"), formerly known as PetroVietnam Camau Fertilizer One Member Limited Liability Company - a subsidiary of Vietnam Oil and Gas Group, was established in Vietnam pursuant to Enterprise registration certificate No. 2001012298 initially issued by the Department of Planning and Investment of Ca Mau Province on 24 March 2011.

On 12 April 2012, the Company received Investment registration certificate No. 61101000153 issued by the People's Committee of Ca Mau Province to construct "Ca Mau Fertilizer Factory" project at An Khanh Commune, U Minh District, Ca Mau Province, for a period of 20 years from the date of this Investment registration certificate. The total charter capital of this project is VND19,658.46 billion. On 13 November 2018, the Department of Planning and Investment of Ca Mau Province issued Investment registration certificate No. 8568610502 as a replacement of Investment registration certificate No. 61101000153 issued by the People's Committee of Ca Mau Province.

PetroVietnam Camau Fertilizer One Member Limited Liability Company was officially transformed into a joint stock company named PetroVietnam Camau Fertilizer Joint Stock Company pursuant to the fifth amended Enterprise registration certificate No. 2001012298 issued by the Department of Planning and Investment of Ca Mau Province on 15 January 2015. The Company's charter capital is VND5,294 billion, equivalent to 529,400,000 shares with par value at VND10,000 per share.

The Company's stocks were listed on Ho Chi Minh City Stock Exchange ("HOSE") on 31 March 2015 with the stock code as "DCM" according to Notice No. 342/TB-SGDHCM dated 20 March 2015 of the HOSE.

The principal activities of the Company include:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals used in industry – agriculture;
- Retail of fertilizers, chemicals used in industry – agriculture;
- Architectural activities and consultancy on techniques using fertilizers and chemicals;
- Warehousing, storage and handling cargo;
- Research and experiment of development of natural science and engineering technical testing and analysing;
- Machinery and equipment repair and maintenance;
- Establishment of the website, processing rental data;
- Trading agricultural products and materials; and
- Trading real estate, land use rights belonging to owners, users or tenants.

The normal business cycle of the Company is 12 (twelve) months.

As at 30 June 2021 and 31 December 2020, the Company had 1 subsidiary - PetroVietnam Packaging Joint Stock Company as stated in note 4(b). General information about the subsidiary is as below:

Name	Principal activities	Place of incorporation and operation	Ownership and voting rights ratio (%)	
			30.6.2021	31.12.2020
PetroVietnam Packaging Joint	Package manufacturing	Bac Lieu	51.03	51.03

**1 GENERAL INFORMATION (continued)**

As at 30 June 2021 and 31 December 2020, the Company had 2 branches that are dependent accounting units, located in plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Ca Mau City, Ca Mau Province. These branches are granted with branch stamps and allowed to open accounts at banks in accordance with Vietnamese laws and regulations. Details of these branches are as follows:

- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company - Project Management Unit which was established under Decision No. 1109/QD-PVCFC dated 1 June 2016 of the Board of Directors of the Company: is responsible for managing construction projects of the Company.
- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company – Research and Development Center which was established under Decision No. 442/QD-PVCFC dated 27 March 2017 of the Board of Directors of the Company: is responsible for researching and developing new products.

The normal business cycle of the Company is 12 months.

As at 30 June 2021, the Company had 1,009 employees (as at 31 December 2020: 991 employees).

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of separate interim financial statements**

The separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements. The separate interim financial statements have been prepared under the historical cost convention.

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

Separately, the Company has also prepared consolidated interim financial statements of the Company and its subsidiary (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated interim financial statements. In the consolidated interim financial statements, subsidiary undertakings, which is company over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Group for the six-month period ended 30 June 2021 to obtain full information of the consolidated interim financial position and consolidated interim results of operations and consolidated interim cash flows of the Group.

The separate interim financial statements in the Vietnamese language are the official statutory separate interim financial statements of the Company. The separate interim financial statements in the English language have been translated from the Vietnamese version.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.2 Fiscal year**

The Company's fiscal year is from 1 January to 31 December. The separate interim financial statements are prepared for the six-month period from 1 January to 30 June.

**2.3 Currency**

The separate interim financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"). The Company determines its accounting currency based on the currency which is mainly used in rendering of services, which has a significant impact on selling prices of goods, which is normally used to list selling prices and receive payments; which is mainly used in purchases of goods and services, which has a significant impact on cost of labor, materials and other production or operating costs and normally used as payments for those costs.

In addition, the Company also uses this currency to raise financial resources and regularly collects this currency from business operations and savings.

**2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate interim income statement.

According to Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 issued by Vietnam Oil and Gas Group and Official Letter No. 7526/BTC-TCDN dated 18 June 2015 issued by the Ministry of Finance ("Official Letter 4360 and Official Letter 7526") on the exchange rates of foreign currencies, the Company applies the buying rates announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate monetary items denominated in foreign currencies when preparing separate interim financial statements. These exchange rates differ from those stipulated in Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance guiding the accounting regime for enterprises. The Board of Management assesses that exchange differences arising from using the different exchange rates are immaterial.

The exchange differences arising from using the exchange rates stipulated in "Official Letter 4360 and Official Letter 7526" are recognised as income or expense in the separate interim income statement.

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand, cash at bank, demand deposits and other short-term investments with an original maturity of three months or less.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.6 Receivables**

Receivables represent trade receivables from customers arising from sales of goods or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off when identified.

Receivables are classified into long-term and short-term receivables on the separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

### **2.7 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Company applies the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period are recognised as an increase/decrease of cost of goods sold in the period.

### **2.8 Investments**

#### **(a) Investments held to maturity**

Investments held to maturity are investments which the Company has the intention and ability to hold until maturity.

Investment held to maturity include bank term deposits. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for diminution in value of investments held to maturity is made when there is evidence that part or all of the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.8 Investments (continued)

#### (b) Investment in subsidiary

Subsidiary is entity over which the Company has the power to govern the financial and operating policies in order to gain future benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investment in subsidiary is initially recorded at costs of acquisition including capital contribution value plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for investment in subsidiary is made at the end of accounting period when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

### 2.9 Fixed assets

#### *Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the income statement when incurred.

The Company's tangible and intangible fixed assets were revalued when the state-owned enterprise was equitized. Historical cost and accumulated depreciation were adjusted based on the valuation results which were approved by the relevant authorities in accordance with regulations, the adjusted depreciation commenced when the Company officially became a joint stock company.

#### *Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Land use rights	20 – 43 years
Plant, building and structures	5 – 25 years
Machinery and equipment	5 – 12 years
Motor vehicles and transmission equipment	5 – 6 years
Office equipment	3 – 6 years
Patents	3 years
Computer software	3 – 6 years
Others	3 – 6 years



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.9 Fixed assets (continued)**

The increase in value of land use rights, deriving from revaluation and change to the form in which the State allocates land to the Company and collects land rental after the Company's equitization, is recognised in Tax and other payables to the State.

#### *Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the separate interim income statement.

#### *Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined including construction costs; costs of tools and equipment; compensation costs; project management expenditures; construction consulting expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Group's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

### **2.10 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the separate interim income statement on a straight-line basis over the terms of the lease.

### **2.11 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the separate interim balance sheet. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

### **2.12 Payables**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and payables are not related to purchases of goods and services.

Payables are classified into short-term and long-term payables on the separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.13 Borrowings**

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term on the separate interim balance sheet based on their remaining period from the separate interim balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the separate interim income statement when incurred.

### **2.14 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the period but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

### **2.15 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

### **2.16 Capital and reserves**

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Undistributed earnings record the Company's results (profit or loss) after BIT at the reporting date.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.17 Appropriation of profit**

The Company's results after BIT is appropriated in accordance with the Resolution of the General Meeting of shareholders, including: dividend distribution and fund appropriation according to the Company's charter and Vietnamese regulations.

According to the Company's charter, dividend is recognised as a liability in the separate interim financial statements of the accounting period based on the closing date of shareholder list following the Resolution of the Board of Directors after the dividend distribution plan is approved at the General Meeting of shareholders.

The Company's fund is below:

**Investment and development fund**

Investment and development fund is appropriated at a rate of no more than 30% of profit after BIT of the Group and approved at the General Meeting of shareholders. This fund is used for expanding the production scale, business or in-depth investment.

**Science and technology development fund**

The science and technology development fund is appropriated at a rate of no more than 10% of taxable profit of the Group and approved at the General Meeting of shareholders, in order to build investment fund for science and technology activities of the Group. This fund is developed upon on the Group's development and technology innovation demand and recognised to the separate operation results of the period. This fund is presented as a liability on the separate interim balance sheet.

**Bonus and welfare fund**

Bonus and welfare fund is appropriated at a rate of the employees' average salary of the three-month period and approved at the General Meeting of shareholders and used for bonus and welfare payment for employees. This fund is presented as a liability on the separate interim balance sheet.

**2.18 Revenue recognition****(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the separate interim income statement when all five (5) following conditions are satisfied:

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

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Revenue recognition (continued)****(a) Revenue from sales of goods (continued)**

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation. In cases where the Company gives promotional goods to customers associated with their purchases, the Company allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the separate interim income statement

**(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the separate interim income statement when the services are rendered, by reference to completion of the specific transaction assessed based upon the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the separate interim balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(c) Interest income**

Interest income is recognised on an earned basis.

**(d) Dividend income**

Income from dividends is recognised when the Company has established the receiving right from investees.

**2.19 Sales deductions**

Sales deductions include trade discounts. Sales deductions incurred in the same period of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that period.

Sales deductions for sales of products, goods in the period but are incurred after the separate interim balance sheet date but before the issuance of the separate interim financial statements are recorded as a deduction from the revenue of the period.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.20 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of finished goods, merchandise sold and service rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis.

### 2.21 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including interest expense and losses from foreign exchange differences.

### 2.22 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, merchandise and providing services.

### 2.23 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

### 2.24 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate interim financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate interim balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.25 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiary and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors and the Board of Management of the Company, close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Company considers the substance of the relationships, not merely the legal form.

### **2.26 Segment reporting**

A segment is a component which can be separated by the Company engaged in sales of goods or rendering of services ("business segment") or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's separate interim financial statements in order to help users of separate interim financial statements understand and evaluate the Company's operations in a comprehensive way.

### **2.27 Accounting estimates**

The preparation of the separate interim financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the separate interim financial statements 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 date of the separate interim financial statements and the reported amounts of revenues and expenses during the accounting period.

The areas involving significant estimates and assumptions are as follows:

- Estimated useful lives of fixed assets (Note 2,9, 10);
- Estimation of provision (Note 18);

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed by the Board of Management to be reasonable under the circumstances.

**3 CASH AND CASH EQUIVALENTS**

	<b>30.6.2021</b> <b>VND</b>	<b>31.12.2020</b> <b>VND</b>
Cash on hand	1,793,189,261	999,921,830
Cash at bank	856,302,553,046	286,850,965,926
Cash equivalents (*)	300,000,000,000	220,000,000,000
	<u>1,158,095,742,307</u>	<u>507,850,887,756</u>

(\*) Cash equivalents represent the bank deposits in VND with original terms of three months or less and earn the interest at rates ranging from 2.9% to 3.3% per annum (As at 31 December 2020: 3.65% per annum).

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**4 INVESTMENTS**

**(a) Investments held to maturity**

	30.6.2021		31.12.2020	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits (*)	2,932,000,000,000	2,932,000,000,000	2,302,000,000,000	2,302,000,000,000

(\*) As at 30 June 2021, short-term deposits include the deposit in VND at local commercial banks with original terms of 3 to 12 months and earn interest at rates ranging from 3.5% to 5.35% per annum (as at 31 December 2020: 3.6% to 5.35% per annum).

As at 30 June 2021, the deposit amounting VND100 billion at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thu Thiem Branch was used as a security for short-term loans at this bank (Note 17).

As at 30 June 2021, the Company had a deposit of VND332 billion at Ocean Commercial Joint Stock Bank – Ca Mau Branch ("OceanBank"). According to Official Letter No. 17/2015/CV-GDCNCM dated 14 May 2015 of OceanBank, under the instruction of the State Bank of Vietnam ("SBV"), OceanBank has been temporarily suspending payment to institutional customers who had deposits at OceanBank from 11 February 2015. On 23 February 2021, the Company sent Official Letter No. 233/PVCFC-TCKT to the SBV and OceanBank on the payment of this deposit and has not received the response. This deposit is currently applied the interest rate of 4% per annum and periodic interest is transferred to the Company's account opened at OceanBank. Because the SBV has taken over OceanBank and transformed the operational model of OceanBank into Ocean Commercial One Member Limited Liability Bank owned by the State since 8 May 2015, the Board of Management assesses that the deposit mentioned above is still collectible, there is no risk of loss and therefore no provision for loss of asset has been recognised.



**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**4 INVESTMENTS (continued)**

**(b) Investments in subsidiary**

	30.6.2021			31.12.2020		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Petrovietnam Packaging JSC	20,826,250,000	24,491,670,000	-	20,826,250,000	19,593,336,000	-

The original cost of the investment in PetroVietnam Packaging Joint Stock Company is revaluated according to the plan to convert PetroVietnam Ca Mau Fertilizer One Member Limited Liability Company into a joint stock company.

As at 30 June 2021 and 31 December 2020, the fair value of the investment in PetroVietnam Packaging Joint Stock Company whose shares are listed on the Hanoi Stock Exchange was determined based on the closing prices of these shares on 30 June 2021 and 31 December 2020, and the number of shares held by the Company at those times.

**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	<b>30.6.2021</b>	<b>31.12.2020</b>
	<b>VND</b>	<b>VND</b>
Third parties		
Minh Dung Import and Export One Member Limited Liability Company	12,071,800,000	3,952,500,000
Nguyen Khoa Trading Co., Ltd	-	7,960,000,000
Baconco Co., Ltd	-	7,225,255,750
Tuong Dung An Giang One Member Limited Liability Company	-	6,393,500,000
Hiep Loan Import Export Co., Ltd	1,086,750,000	5,974,450,000
Others	633,244,683	10,989,392,970
Related parties (Note 37(b))	6,693,543,000	615,123,400
	<u>20,485,337,683</u>	<u>43,110,222,120</u>

As at 30 June 2021 and 31 December 2020, there was no balance of short-term trade accounts receivable that was past due or not past due but doubtful.

**6 SHORT-TERM PREPAYMENTS TO SUPPLIERS**

	<b>30.6.2021</b>	<b>31.12.2020</b>
	<b>VND</b>	<b>VND</b>
Third parties		
Air Products and Chemicals, In.	9,877,930,000	-
Tri Viet Trading Engineering Co., Ltd	5,854,540,659	245,316,659
Bateco Vietnam Joint Stock Company	-	2,853,160,182
Others	35,488,279,696	11,727,800,816
Related parties (Note 37(b))	2,669,408,351	384,346,575
	<u>53,890,158,706</u>	<u>15,210,624,232</u>

7 OTHER SHORT-TERM RECEIVABLE

	30.6.2021		31.12.2020	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties				
Receivable from withholding tax on interest of foreign borrowings (i)	43,142,486,637	(37,197,088,860)	42,851,089,549	-
Interest receivables from term deposits	24,152,438,360	-	18,537,852,055	-
Receivable from purchase discount	-	-	13,439,746,830	-
Advances from employee	3,343,680,300	-	2,504,500,800	-
Deposits	3,804,006,516	-	335,000,000	-
Others	6,166,364,460	-	2,184,323,359	-
Related parties (Note 37(b))	-	-	-	-
Receivables from Vietnam Oil and Gas Group (ii)	77,424,489,813	-	77,424,489,813	-
Others	-	-	1,509,320,736	-
	<u>158,033,466,086</u>	<u>(37,197,088,860)</u>	<u>158,786,323,142</u>	<u>-</u>

- (i) The balance includes accumulated withholding tax that the Company paid for the period from 1 January 2013 to 30 June 2021 which is receivable from foreign contractors related to the interest on the loans under the ECA Credit Loan Agreement between group of banks (including BNP Paribas, Export-Import Bank of China and Credit Agricole Bank) and Vietnam Oil and Gas Group. The Company paid this tax according to the working minutes dated 26 April 2018 of the Department of Finance Inspectorate, the Tax Department of Ca Mau Province and Company (Note 39(a)).

As at 30 June 2021, the provision for short-term receivables is related to withholding tax paid for the period from 1 January 2013 to 31 December 2016 in relation to interest on the loans from BNP Paribas and Credit Agricole Corporate; and withholding tax paid for the period from 1 January 2013 to 30 June 2021 in relation to interest on the loan from Export-Import Bank of China.

- (ii) The balance represents profits of the period from 1 January 2014 to 14 January 2015, which was overpaid to Vietnam Oil and Gas Group due to price adjustments of gas that the Company purchased from Vietnam Oil and Gas Group during that period. This receivable will be collected when the Company's equitization is finalised.

As at 30 June 2021 and 31 December 2020, there was no balance of short-term receivable that was past due or not past due but doubtful.

**8 INVENTORIES**

	As at 30.6.2021		As at 31.12.2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	496,428,037,951	-	497,523,457,924	-
Tools and supplies	14,433,594,238	-	22,005,575,983	-
Work in progress	59,558,304,076	-	43,606,805,449	-
Finished goods	195,351,157,783	-	125,226,307,290	-
Merchandise	99,917,884,234	-	112,430,151,099	-
	<u>865,688,978,282</u>	<u>-</u>	<u>800,792,297,745</u>	<u>-</u>

**9 PREPAID EXPENSES**

**(a) Short-term**

	30.6.2021 VND	31.12.2020 VND
Insurance	5,341,021,554	5,942,721,832
Software warranty costs	1,990,195,572	5,411,686,281
Others	12,921,645,478	27,849,763,340
	<u>20,252,862,604</u>	<u>39,204,171,453</u>

**(b) Long-term**

	30.6.2021 VND	31.12.2020 VND
Repair and maintenance	4,900,255,443	10,970,158,182
Tools and supplies	3,171,317,946	3,388,091,173
Others	306,321,980	273,672,635
	<u>8,377,895,369</u>	<u>14,631,921,990</u>

Movement in prepaid expenses during the period/year are as follows:

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	53,836,093,443	74,851,513,665
Increase	25,294,510,652	93,805,153,623
Allocation	(50,499,846,122)	(114,820,573,845)
End of period/year	<u>28,630,757,973</u>	<u>53,836,093,443</u>

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**10 FIXED ASSETS**

**(a) Tangible fixed assets**

	Plant, buildings and structure VND	Machinery and equipment VND	Motor vehicles and transmission equipment VND	Office equipment VND	Others VND	Total VND
<b>Historical cost</b>						
As at 1 January 2021	3,500,521,206,046	10,442,027,172,443	66,099,572,472	84,701,391,851	59,369,973,815	14,152,719,316,627
New purchases	364,840,451	10,830,815,191	-	672,638,526	-	11,868,294,168
Transfers from construction in progress (Note 11)	308,169,411,277	461,394,637,332	-	-	-	769,564,048,609
Others	-	-	-	(5,790,031,371)	-	(5,790,031,371)
As at 30 June 2021	3,809,055,457,774	10,914,252,624,966	66,099,572,472	79,583,999,006	59,369,973,815	14,928,361,628,033
<b>Accumulated depreciation</b>						
As at 1 January 2021	2,536,846,860,218	7,634,184,278,554	53,783,472,980	58,636,926,831	18,502,439,027	10,301,953,977,610
Charge for the period	160,211,188,375	496,733,634,388	1,962,199,904	2,881,834,997	98,414,544	661,887,272,208
As at 30 June 2021	2,697,058,048,593	8,130,917,912,942	55,745,672,884	61,518,761,828	18,600,853,571	10,963,841,249,818
<b>Net book value</b>						
As at 1 January 2021	963,674,345,828	2,807,842,893,889	12,316,099,492	26,064,465,020	40,867,534,788	3,850,765,339,017
As at 30 June 2021	1,111,997,409,181	2,783,334,712,024	10,353,899,588	18,065,237,178	40,769,120,244	3,964,520,378,215

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**10 FIXED ASSETS (continued)**

**(a) Tangible fixed assets (continued)**

The Company has pledged the fixed assets built from projects including Camau Fertilizer Production Factory, Material import port with capacity of 500,000 tons/year of Ca Mau Fertilizer Production Factory and Factory producing Complex Fertilizer from Molten Urea as collaterals for the Company's bank loans. The carrying value of these assets at 30 June 2021 was VND3,900,591,351,654 (as at 31 December 2020: VND3,579,716,861,942) (Note 17).

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2021 was VND 328,539,888,747 (as at 31 December 2020: VND312,619,446,774).

**(b) Intangible fixed assets**

	Land use rights VND	Patents VND	Computer software VND	Total VND
<b>Historical cost</b>				
As at 1 January 2021	22,194,885,567	14,080,000,000	110,056,376,805	146,331,262,372
New purchases	-	-	1,035,000,000	1,035,000,000
As at 30 June 2021	22,194,885,567	14,080,000,000	111,091,376,805	147,366,262,372
<b>Accumulated amortisation</b>				
As at 1 January 2021	7,573,890,220	14,080,000,000	68,879,799,956	90,533,690,176
Charge for the period	638,036,486	-	11,297,534,008	11,935,570,494
As at 30 June 2021	8,211,926,706	14,080,000,000	80,177,333,964	102,469,260,670
<b>Net book value</b>				
As at 1 January 2021	14,620,995,347	-	41,176,576,849	55,797,572,196
As at 30 June 2021	13,982,958,861	-	30,914,042,841	44,897,001,702

**10 FIXED ASSETS (continued)**

**(b) Intangible fixed assets (continued)**

The historical cost of fully amortized intangible fixed assets but still in use as at 30 June 2021 was VND63,473,494,341 (as at 31 December 2020: VND63,473,494,341).

**11 CONSTRUCTION IN PROGRESS**

Details of construction in progress by projects are as follows:

	30.6.2021 VND	31.12.2020 VND
Factory producing Complex Fertilizer from Molten Urea (*)	28,963,833,514	748,149,371,686
CO2 filter System	12,645,370,689	2,745,101,039
MB vent gas recovery system	4,515,487,702	3,953,884,558
Packaging warehouse - Production	-	3,871,758,521
Others	5,236,700,785	2,161,636,014
	<u>51,361,392,690</u>	<u>760,881,751,818</u>

(\*) The Company has pledged the assets built from Factory producing Complex Fertilizer from Molten Urea Project whose carrying value was VND28,963,833,514 as at 30 June 2021 (as at 31 December 2020: VND748,149,371,686) as collaterals for the Company's bank loans (Note 17).

Movements in the construction in progress during the period/year are as follows:

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	760,881,751,818	698,506,086,885
Purchase	60,043,689,481	81,384,243,694
Transfers to fixed assets (Note 10(a))	(769,564,048,609)	(19,008,578,761)
End of period/year	<u>51,361,392,690</u>	<u>760,881,751,818</u>

## 12 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2021		31.12.2020	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Hung Thanh Agricultural Material Co., Ltd	11,154,827,500	11,154,827,500	-	-
Sun Life Vietnam Company Limited	4,717,500,000	4,717,500,000	40,000,000,000	40,000,000,000
Others	91,406,852,624	91,406,852,624	166,110,161,627	166,110,161,627
Related parties (Note 37(b))	652,648,335,412	652,648,335,412	488,824,315,740	488,824,315,740
	<u>759,927,515,536</u>	<u>759,927,515,536</u>	<u>694,934,477,367</u>	<u>694,934,477,367</u>

As at 30 June 2021 and 31 December 2020, there was no balance of short-term trade account payable that was past due.

## 13 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2021 VND	31.12.2020 VND
Yetak Group Co.,Ltd	94,436,135,400	27,676,624,079
Sayimex Ta Mchas Sre Co.,Ltd	69,606,107,880	16,999,189,280
Hung Thanh Agricultural Materials Co., Ltd	41,921,663,240	16,138,922,240
Chhun Sok An Co., Ltd	37,713,073,619	4,682,825,520
Tuan Vu Fertilizer Service Trading Co., Ltd	22,606,159,400	172,691,400
Minh Khoa Service Trading Co., Ltd	18,111,983,000	-
Hour Sarin Aphivath Kasekem Co., Ltd	17,768,904,500	-
Huu Thanh I Co., Ltd	14,031,531,600	6,013,629,100
Nguyen Khoa Trading Co., Ltd	13,025,789,999	5,158,729,999
Minh Dung Import and Export One Member Limited Liability Company	12,001,850,000	-
Others	87,705,623,451	41,337,145,086
	<u>428,928,822,089</u>	<u>118,179,756,704</u>



**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

Form B 09a – DN

**14 TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE**

Movements in taxes and other receivables from/payables to the State are as follows:

	1.1.2021 VND	Receivable/payable during the period VND	Net-off VND	Payment/refund during the period VND	30.6.2021 VND
<b>a) Receivables</b>					
VAT to be reclaimed	74,460,526,799	37,658,819,199	(1,484,084,857)	(103,134,959,858)	7,500,301,283
VAT overpaid	104,855,724			-	104,855,724
Land rental	397,346,605	80,190,633		(80,190,633)	397,346,605
	<u>74,962,729,128</u>	<u>37,739,009,832</u>	<u>(1,484,084,857)</u>	<u>(103,215,150,491)</u>	<u>8,002,503,612</u>
<b>b) Payables</b>					
BIT - current	25,901,569,848	30,645,674,651	-	(35,361,571,159)	21,185,673,340
Personal income tax	2,051,964,534	16,479,108,326	-	(16,510,835,697)	2,020,237,163
VAT payables	-	1,484,084,857	(1,484,084,857)	-	-
Natural resource taxes	229,003,200	1,285,545,150	-	(1,292,932,350)	221,616,000
Other taxes	16,674,000	776,377,458	-	(776,377,458)	16,674,000
	<u>28,199,211,582</u>	<u>50,670,790,442</u>	<u>(1,484,084,857)</u>	<u>(53,941,716,664)</u>	<u>23,444,200,503</u>

**15 SHORT-TERM ACCRUED EXPENSES**

	30.6.2021 VND	31.12.2020 VND
Third parties		
Trade discount payable (*)	198,169,648,292	56,512,371,793
Cost of purchasing goods and services	32,744,484,235	21,346,111,775
Social security	5,000,000,000	-
Interest expense	1,518,122,550	5,022,137,264
Guarantee payable	128,528,128	500,143,854
Voluntary retirement insurance, postpaid benefits	27,682,416,333	-
Others	25,494,084,265	27,306,583,194
Related parties (Note 37(b))		
Non-deductible VAT	20,266,168,563	14,374,223,655
	<u>311,003,452,366</u>	<u>125,061,571,535</u>

(\*) Trade discount payable is estimated in accordance with the sales policy approved by the Board of Management of the Company, which is mainly the trade discount of finished goods – Urea product.

**16 OTHER SHORT-TERM PAYABLES**

	30.6.2021 VND	31.12.2020 VND
Third parties		
Safety bonus fund	13,916,894,677	5,182,233,141
Union fund	275,650,080	2,379,986,323
Short-term deposits	1,999,032,000	1,145,292,000
Other short-term payables	11,276,503,482	15,812,087,459
Dividend payables	435,993,000	479,873,500
Related parties (Note 37(b))		
Payable to Camau Gas Power Fertilizer Project Management Board	55,851,413,429	55,851,413,429
- Input VAT on gas purchase in the period before officially commercial operation	49,897,065,571	49,897,065,571
- Other payables	5,954,347,858	5,954,347,858
Payable to Vietnam Oil and Gas Group	45,856,789,285	45,856,789,285
- Equitization payable	46,019,574,601	46,019,574,601
+ Profit payable for the period from 1 January 2014 to 14 January 2015	12,219,608,894	12,219,608,894
+ Overpaid CIT in 2014	32,375,616,667	32,375,616,667
+ CIT payable for the period from 1 January 2015 to 14 January 2015	1,176,849,040	1,176,849,040
+ Others	247,500,000	247,500,000
- Other payables	(162,785,316)	(162,785,316)
	<u>129,612,275,953</u>	<u>126,707,675,137</u>

As at 30 June 2021 and 31 December 2020, there was no balance of other short-term payables that was past due.

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**17 BORROWINGS**

**(a) Short-term**

	As at 1.1.2021 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.6.2021 VND
Borrowing from banks (i)	155,758,063,000	480,628,347,066	(539,850,910,066)	(959,100,000)	95,576,400,000
Current portion of long-term borrowings	525,653,821,361	65,889,414,000	(331,855,674,282)	(650,000,000)	259,037,561,079
	<u>681,411,884,361</u>	<u>546,517,761,066</u>	<u>(871,706,584,348)</u>	<u>(1,609,100,000)</u>	<u>354,613,961,079</u>

**(i) Details of short-term borrowing are as follows:**

	Maturity date	30.6.2021 VND	31.12.2020 VND
Joint Stock Commercial Bank for Foreign Trade Of Vietnam - Thu Thiem Branch	2021	95,576,400,000	155,758,063,000

Including short-term loan in United States Dollar ("USD") from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thu Thiem branch with the term of 2 months to support the Group's working capital, bearing interest rate of 1.6% per annum. As at 30 June 2021, the outstanding original balance is USD4,170,000, equivalent to VND95,576,400,000. The security of this loan is term deposit of VND100 billion at this bank.

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09a – DN**

**17 BORROWINGS (continued)**

**(b) Long-term**

	As at 1.1.2021 VND	Increase VND	Decrease VND	Revaluation VND	As at 30.6.2021 VND
Borrowing from banks (ii)	657,438,802,172	-	(331,855,674,282)	(650,000,000)	324,933,127,890
Current portion of long-term borrowings	(525,653,821,361)	(65,889,414,000)	331,855,674,282	650,000,000	(259,037,561,079)
	<u>131,784,980,811</u>	<u>(65,889,414,000)</u>	<u>-</u>	<u>-</u>	<u>65,895,566,811</u>

(ii) Details of the long-term borrowing are as follows:

	Maturity date	30.6.2021 VND	31.12.2020 VND
Sai Gon - Ha Noi Commercial Joint Stock Bank	25/11/2022	197,676,867,586	263,566,281,586
Group of banks BNP Paribas, Credit Agricole Bank and Export-Import Bank of China	21/07/2021	114,599,999,997	368,559,999,997
Ho Chi Minh City Development Joint Stock Commercial Bank	30/08/2021	12,656,260,307	25,312,520,589
		<u>324,933,127,890</u>	<u>657,438,802,172</u>

These are long-term loans in USD and VND to finance purchases and constructions of fixed assets of the Company. These loans are secured by assets formed from the loans. Floating interest rate is applied in accordance with the lender's regulations, interest rates range from 1.8% to 4% per annum for loans in USD and from 7.84% to 9.1% per annum for loans in VND.

**18 PROVISION FOR OTHER LIABILITIES**

	30.6.2021 VND	31.12.2020 VND
Provision for repair and maintenance (*)	52,804,275,340	-
Other	15,000,000,000	-
	<u>67,804,275,340</u>	<u>-</u>

(\*) During the period, the Company made provision for repair and maintenance according to the 2021 production and business plan as approved under the Resolution No. 6259/NQ-DKVN dated 22 December 2020 of the Board of Members of Vietnam Oil and Gas Group.

**19 DEFERRED INCOME TAX ASSET**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The details were as follows:

	30.6.2021 VND	31.12.2020 VND
Deferred income tax assets:		
Deferred income tax assets to be recovered within 12 months	-	4,156,620,880
	<u>-</u>	<u>4,156,620,880</u>

Movement in the deferred income tax, taking into consideration the offsetting of balance within the same tax jurisdiction, during the period were as follow:

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	4,156,620,880	6,168,175,851
Separate interim income statement charge (Note 33)	(4,156,620,880)	(2,011,554,971)
End of period/year	<u>-</u>	<u>4,156,620,880</u>

**Details of deferred tax asset**

	30.6.2021 VND	31.12.2020 VND
Trade discount that has not been invoiced	-	4,156,620,880
	<u>-</u>	<u>4,156,620,880</u>

20 BONUS AND WELFARE FUND

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	154,633,791,397	103,093,296,913
Fund appropriation during the period/year (Note 23)	39,503,937,000	122,201,044,657
Adjusted appropriation to bonus and welfare fund from 2020 profit (Note 23)	(528,642,500)	(315,244,328)
Utilisation during the period/year	(66,531,437,955)	(70,345,305,845)
End of period/year	<u>127,077,647,942</u>	<u>154,633,791,397</u>

Bonus and welfare fund was appropriated in the six-month period ended 30 June 2021 according to the Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the General Meeting of Shareholders of the Company.

21 SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	203,819,014,815	137,797,154,046
Fund appropriation during the period/year	53,364,416,311	79,425,415,134
Utilisation during the period/year	(6,311,387,402)	(13,403,554,365)
End of period/year	<u>250,872,043,724</u>	<u>203,819,014,815</u>

The scientific and technological development fund was appropriated in the six-month period ended 30 June 2021 at the rate of 10% of the Company's taxable profit according to the Resolution No. 169/NQ-PVCFC dated 28 January 2021 of the General Meeting of Shareholders of the Company.

**22 OWNERS' CAPITAL**

**(a) Number of shares**

	<b>30.6.2021</b>		<b>31.12.2020</b>	
	<b>Ordinary shares</b>	<b>Preference shares</b>	<b>Ordinary shares</b>	<b>Preference shares</b>
Number of shares registered	529,400,000	-	529,400,000	-
Number of shares issued	529,400,000	-	529,400,000	-
Number of existing shares in circulation	529,400,000	-	529,400,000	-

**(b) Details of owners' shareholding**

	<b>As at 30.6.2021</b>		<b>As at 31.12.2020</b>	
	<b>Ordinary shares</b>	<b>%</b>	<b>Ordinary shares</b>	<b>%</b>
Vietnam Oil and Gas Group	400,023,057	75.56	400,023,057	75.56
Other shareholders	129,376,943	24.44	129,376,943	24.44
Number of shares	529,400,000	100	529,400,000	100

**(c) Movement of share capital**

During the six-month period ended 30 June 2021 and the year ended 31 December 2020, there was no change in the total share value.

Par value per share: VND10,000.

PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY

Form B 09a – DN

23 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Investment and development fund VND	Undistributed earnings VND	Total VND
As at 1 January 2020	5,294,000,000,000	348,386,378,931	428,063,780,027	6,070,450,158,958
Net profit for the year	-	-	661,564,443,308	661,564,443,308
Appropriation to investment and development fund from 2020 profit	-	66,156,444,331	(66,156,444,331)	-
Appropriation to bonus and welfare fund from 2020 profit	-	-	(122,201,044,657)	(122,201,044,657)
Adjusted appropriation to bonus and welfare fund from 2019 profit	-	-	315,244,328	315,244,328
Dividend distribution from 2019 profit	-	-	(317,640,000,000)	(317,640,000,000)
As at 31 December 2020	5,294,000,000,000	414,542,823,262	583,945,978,675	6,292,488,801,937
Net profit for the period	-	-	445,477,451,264	445,477,451,264
Appropriation to investment and development fund from 2021 profit (i)	-	133,643,235,379	(133,643,235,379)	-
Appropriation to bonus and welfare fund from 2021 profit (i)	-	-	(39,503,937,000)	(39,503,937,000)
Adjusted appropriation to bonus and welfare fund from 2020 profit	-	-	528,642,500	528,642,500
As at 30 June 2021	5,294,000,000,000	548,186,058,641	856,804,900,060	6,698,990,958,701

(i) The Company appropriated the investment and development fund and bonus and welfare fund from the 2021 profit in accordance with the Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the General Meeting of Shareholders of the Company and the Resolution 01/NQ-DHCD dated 22 April 2021 of the General Meeting of Shareholders of the subsidiary.



**24 DIVIDENDS**

	For the six-month period ended 30.6.2021 VND	For the year ended 31.12.2020 VND
Beginning of period/year	479,873,500	445,217,500
Dividends payable during the period/year	-	317,640,000,000
Dividends paid in cash	(43,880,500)	(317,605,344,000)
End of period/year	<u>435,993,000</u>	<u>479,873,500</u>

**25 OFF SEPARATE INTERIM BALANCE SHEET ITEMS**

**Foreign currencies**

As at 30 June 2021 and 31 December 2020, included in cash and cash equivalent were balances held in foreign currencies of USD and EUR as follows:

	30.6.2021	31.12.2020
<b>Foreign currencies</b>		
USD	15,511,945	5,996,442
EUR	<u>1,280</u>	<u>1,280</u>

**26 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
<b>Revenue from sales of goods and rendering of services</b>		
Revenue from sales of finished goods -		
Urea	3,311,788,423,310	2,734,446,499,920
- Domestic	2,407,595,939,050	2,164,829,394,500
- Export	904,192,484,260	569,617,105,420
Revenue from sales of finished goods - NPK	161,538,495,000	-
Revenue from sales of merchandises -		
Fertilizer	637,468,975,500	504,762,914,650
- Domestic	603,246,397,500	497,859,448,600
- Export	34,222,578,000	6,903,466,050
Revenue from sales of other finished goods and substandard products	323,266,505,000	114,071,245,450
Revenue from rendering of services	544,646,412	-
	<u>4,434,607,045,222</u>	<u>3,353,280,660,020</u>
<b>Sales deductions</b>		
Trade discounts	(200,094,650,793)	(103,148,740,886)
<b>Net revenue from sales of goods and rendering of services</b>		
Net revenue from sales of finished goods	3,616,986,271,167	2,760,892,401,984
Net revenue from sales of merchandises	616,981,476,850	489,239,517,150
Net revenue from rendering of services	544,646,412	-
	<u>4,234,512,394,429</u>	<u>3,250,131,919,134</u>

**27 COST OF GOODS SOLD AND SERVICES RENDERED**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Cost of finished goods - Urea	2,519,550,540,883	2,120,973,739,160
Cost of merchandises sold - Fertilizer	562,725,725,514	446,795,729,415
Cost of finished goods - NPK	123,539,650,053	-
Cost of other finished goods and substandard products	247,181,610,057	80,024,509,672
	<u>3,452,997,526,507</u>	<u>2,647,793,978,247</u>

**28 FINANCIAL INCOME**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Interest income from term deposits	57,519,959,382	56,151,656,083
Realised foreign exchange gains	11,377,483,750	4,987,252,821
Net gain from foreign currency translation at period-end	1,215,444,311	-
	<u>70,112,887,443</u>	<u>61,138,908,904</u>

**29 FINANCIAL EXPENSES**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Interest expenses	5,007,766,068	29,600,313,661
Realised foreign exchange losses	8,675,942,931	11,428,850,353
Payment discounts	1,564,550,000	-
Guarantee fees	180,898,582	1,387,812,927
Net loss from foreign currency translation at period-end	-	1,201,050,763
	<u>15,429,157,581</u>	<u>43,618,027,704</u>

**30 SELLING EXPENSES**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Transportation and warehouse fees	42,667,626,308	76,360,451,837
Marketing fees	22,572,554,526	39,191,653,363
Staff costs	18,511,803,667	12,072,143,075
Outsource services expenses	20,787,463,650	10,463,812,857
Social security expenses	12,966,626,000	4,999,999,998
Depreciation and amortisation	3,046,773,253	1,558,290,631
Self-employed sales expenses	3,356,542,913	7,989,791,767
Others	27,755,158,145	14,690,728,636
	<u>151,664,548,462</u>	<u>167,326,872,164</u>

**31 GENERAL AND ADMINISTRATION EXPENSES**

	<b>For the six-month period ended</b>	
	<b>30.6.2021</b>	<b>30.6.2020</b>
	<b>VND</b>	<b>VND</b>
Science and technology fund appropriation	53,364,416,311	-
Staff costs	47,544,770,789	30,986,471,849
Provision for receivable from withholding tax on interest of foreign borrowings (Note 7)	37,197,088,860	-
Outsource services expenses	22,580,013,961	20,518,141,374
Depreciation and amortisation	8,759,323,750	7,110,364,758
Others	36,471,220,542	20,716,651,098
	<u>205,916,834,213</u>	<u>79,331,629,079</u>

**32 OTHER INCOME AND OTHER EXPENSES**

	<b>For the six-month period ended</b>	
	<b>30.6.2021</b>	<b>30.6.2020</b>
	<b>VND</b>	<b>VND</b>
<b>Other income</b>		
Disposal of tools and supplies	552,260,727	-
Compensation and bonus	-	4,617,945,459
Others	2,040,012,759	1,910,607,640
	<u>2,592,273,486</u>	<u>6,528,553,099</u>
<b>Other expenses</b>		
Others	(929,741,800)	(985,131,349)
	<u>1,662,531,686</u>	<u>5,543,421,750</u>

**33 BIT**

The BIT on the Company's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	<b>For the six-month period ended</b>	
	<b>30.6.2021</b>	<b>30.6.2020</b>
	<b>VND</b>	<b>VND</b>
Net accounting profit before tax	480,279,746,795	378,743,742,594
Tax calculated at a rate of 5%	19,288,815,685	19,112,182,426
Tax calculated at a rate of 20%	14,251,441,705	3,309,546,941
Effect of:		
Under-provision in previous years	1,262,038,141	758,113,998
BIT charge (*)	34,802,295,531	23,179,843,365
BIT charged to the separate interim income statement:		
BIT – current	30,645,674,651	17,011,667,514
BIT – deferred (Note 19)	4,156,620,880	6,168,175,851
	34,802,295,531	23,179,843,365

According to Investment Certificate No. 61101000153 dated 4 December 2012 issued by the People's Committee of Camau province, the Company is entitled to tax incentives with regard to Camau Fertilizer Production Plant project as follows:

- BIT: the Company is entitled to preferential tax rates, tax exemption and reduction in accordance with provisions of the prevailing law on BIT.
- Land: exempted, reduced land use tax, land use fees, land rental and water rental comply with the current land law and tax law.
- Import tax: exempt from import tax on equipment, supplies, means of transport and other goods to carry out the Project in accordance with the Law on Import Tax and Export Tax.

According to Official Letter No. 4641/TCT-CS issued by the General Department of Taxation on 2 December 2018 replying Vietnam Oil and Gas Group on tax incentives for Camau Fertilizer Factory Project, the Company is entitled to BIT incentives at the rate of 10% for 15 years since the beginning of production and business activities, BIT exemption for 4 years from having taxable profit and 50% reduction in tax payable for the 9 consecutive years thereafter. The year 2017 is the second year the Company is entitled to 50% reduction in tax payable regarding profit generated by the main operating activities of Camau Fertilizer Factory Project.

**33 BIT (continued)**

For operations other than Camau Fertilizer Factory Project, the Company is obliged to pay BIT at the normal tax rate for taxable profit from other activities.

The BIT charge for the period is based the current interpretation of tax regulations. However, these regulations are subject to periodic update and the final BIT determination is subject to review and possible adjustments by the tax authorities.

**34 COST OF OPERATIONS BY FACTOR**

Costs of operation by factor represent all costs incurred during the period from the Company's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	<b>For the six-month period ended</b>	
	<b>30.6.2021</b>	<b>30.6.2020</b>
	<b>VND</b>	<b>VND</b>
Raw materials	2,036,682,552,007	1,388,586,589,797
Depreciation and amortisation	672,751,452,226	650,951,741,232
Staff costs	219,059,011,312	144,308,770,738
Outside service expenses	150,865,016,467	181,696,257,699
Provision for receivable from withholding tax on interest of foreign borrowings	37,197,088,860	-
Others	160,816,156,601	115,356,788,286
	<b>3,277,371,277,473</b>	<b>2,480,900,147,752</b>

**35 SEGMENT REPORTING (continued)**

	For the six-month period ended 30 June 2020		
	Domestic VND	Export VND	Total VND
Net revenue	2,690,813,372,575	559,318,546,559	3,250,131,919,134
Cost of goods sold and services	(2,180,378,771,429)	(467,415,206,818)	(2,647,793,978,247)
<b>Net operating profit by division</b>	<b>510,434,601,146</b>	<b>91,903,339,741</b>	<b>602,337,940,887</b>
General operating expenses			(246,658,501,243)
Financial incomes			61,138,908,904
Financial expenses			(43,618,027,704)
Other incomes			6,528,553,099
Other expenses			(985,131,349)
<b>Profit before tax</b>			<b>378,743,742,594</b>
BIT – current			(17,011,667,514)
BIT – deferred			(6,168,175,851)
<b>Net profit after tax</b>			<b>355,563,899,229</b>

**36 ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPARATE INTERIM STATEMENT OF CASH FLOWS**

**(a) Amount of loan actually withdrawn during the period**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Proceeds from borrowings following normal borrowing contracts	480,628,347,066	1,219,779,151,194

**(b) Amount of loan principal actually paid during the period**

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
Repayments for borrowings following normal borrowing contracts	871,706,584,348	1,406,762,110,155

**37 RELATED PARTY DISCLOSURES**

During the period, the Company has transactions and balances with related parties as below:

<b>Related parties</b>	<b>Relationship</b>
Vietnam Oil and Gas Group	Parent Company
PetroVietnam Packaging Joint Stock Company	Subsidiary
Others	Subsidiaries, joint ventures and associates of Vietnam Oil and Gas Group

**(a) Related party transactions**

During the period, the following transactions were carried out with related parties:

	<b>For the six-month period ended</b>	
	<b>30.6.2021</b>	<b>30.6.2020</b>
	<b>VND</b>	<b>VND</b>
<b>i) Sales of goods and rendering of services</b>		
PetroVietnam Packaging Joint Stock Company	7,770,650,000	1,680,250,000
Petrovietnam Transportation Vung Tau Joint Stock Company	-	45,397,100
	<u>7,770,650,000</u>	<u>1,725,647,100</u>



37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2021 VND	30.6.2020 VND
<b>ii) Purchases of goods and services</b>		
Vietnam Oil and Gas Group	1,309,942,825,678	914,090,137,385
PetroVietnam Power Corporation	175,777,805,531	135,608,611,055
PetroVietnam Packaging JSC	130,259,075,692	71,103,774,232
PetroVietnam Fertilizer and Chemicals Corporation - Petrochemicals Trading Branch	62,229,938,401	58,897,339,480
PVI South Company	35,135,944,984	
PV Gas - Ca Mau	6,673,082,776	10,358,251,725
PetroVietnam Security Service Corporation	7,613,006,016	7,632,361,150
Petrovietnam Transportation Vung Tau Joint Stock Company	-	3,665,846,457
Saigon Petro Vietnam Oil Joint Stock Company	4,346,274,152	2,529,642,736
South-East PetroVietnam Fertilizer And Chemicals Joint Stock Company	-	2,033,476,162
South-West PetroVietnam Fertilizer and Chemicals Joint Stock Company	-	1,162,281,280
Vietnam Petroleum Institute	-	507,056,000
Indochina Petroleum Transportation Joint Stock Company	-	265,489,496
PetroVietnam Securities Incorporated	-	200,000,000
PetroVietnam Chemical and Services - Joint Stock Company	-	60,978,000
	<u>1,731,977,953,230</u>	<u>1,208,115,245,158</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended	
		30.6.2021	30.6.2020
		VND	VND
<b>iii) Compensation for key management</b>			
<b>Name</b>	<b>Title</b>		
Tran Ngoc Nguyen	Chairman of Board of the Director ("BOD")	1,157,633,402	881,059,192
Van Tien Thanh	Member of the BOD - General Director	1,166,277,258	834,999,674
Le Duc Quang	Member of the BOD	772,008,661	-
Tran My	Member of the BOD	971,654,221	669,430,068
Nguyen Duc Hanh	Member of the BOD	971,654,221	669,430,068
Nguyen Minh Phuong	Independent member of the BOD	152,727,273	-
Truong Hong	Independent member of the BOD	87,272,727	-
Do Thi Hoa	Independent member of the BOD	87,272,727	-
Tran Chi Nguyen	Deputy General Director	971,654,221	733,583,914
Le Ngoc Minh Tri	Deputy General Director	971,654,221	669,430,068
Nguyen Tuan Anh	Deputy General Director	952,633,457	632,510,048
Nguyen Thi Hien	Deputy General Director	933,417,921	607,217,993
Nguyen Thanh Tung	Deputy General Director	725,108,037	639,417,169
Dinh Nhu Cuong	Chief Accountant	888,673,178	621,765,906
Phan Thi Cam Huong	Head of the Board of Supervision	892,026,469	636,309,971
Do Minh Duong	Member of the Board of Supervision	701,790,076	447,459,577
Tran Van Binh	Member of the Board of Supervision	97,043,615	383,531,636
Nguyen Quoc Huy	Member of the Board of Supervision	26,727,273	-
		<u>12,527,228,958</u>	<u>8,426,145,284</u>

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Period/year end balances with related parties**

	30.6.2021 VND	31.12.2020 VND
<b>i) Short-term trade accounts receivable (Note 5)</b>		
Binh Son Refining and Petrochemical Joint Stock Company	-	537,980,400
PetroVietnam Packaging Joint Stock Company	6,693,543,000	77,143,000
	<u>6,693,543,000</u>	<u>615,123,400</u>
<b>ii) Prepayments to suppliers (Note 6)</b>		
PVD Trading and Technical Services Joint Stock Company	2,106,807,719	-
Vietnam Petroleum Institute	562,600,632	161,825,875
Saigon Petro Vietnam Oil Joint Stock Company	-	222,520,700
	<u>2,669,408,351</u>	<u>384,346,575</u>

**PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY**

**Form B 09 – DN**

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Period/year end balances with related parties (continued)**

	<b>30.6.2021 VND</b>	<b>31.12.2020 VND</b>
<b>iii) Other short-term receivables (Note 7)</b>		
Vietnam Oil and Gas Group	77,424,489,813	77,424,489,813
PetroVietnam Packaging Joint Stock Company	-	1,509,320,736
	<u>77,424,489,813</u>	<u>78,933,810,549</u>
<b>iv) Short-term trade accounts payable (Note 12)</b>		
Vietnam Oil and Gas Group	488,217,144,662	378,769,809,435
PetroVietnam Power Corporation	62,634,294,166	60,286,586,665
PetroVietnam Packaging Joint Stock Company	42,011,303,068	4,979,921,471
PetroVietnam Fertilizer and Chemicals Corporation - Petrochemicals Trading Branch	30,153,767,626	22,613,229,726
Petroleum Trading Joint Stock Company	11,325,158,569	745,860,994
Vietnam Petro Freight Logistic and Investment Joint Stock Company - Falcon ITPc	4,733,481,963	10,014,233,987
PetroVietnam Security Service Corporation	4,277,760,868	1,404,272,470
Petro Capital and Infrastructure Investment Joint Stock Company	2,234,448,180	1,780,020,360
PetroVietnam Transportation Vung Tau Joint Stock Company	2,040,929,418	1,343,662,100
Vietnam Petroleum Institute	1,657,486,874	1,577,398,316
PV Gas - Ca Mau	1,094,389,824	1,521,325,380
PVD Technical Training and Certification Joint Stock Company	1,045,476,016	1,807,487,581
South-West PetroVietnam Fertilizer and Chemicals Joint Stock Company	787,820,663	658,706,602
South-East PetroVietnam Fertilizer And Chemicals Joint Stock Company	201,670,765	332,277,754
Saigon Petro Vietnam Oil Joint Stock Company	193,447,650	519,869,390
Indochina Petroleum Transportation Joint Stock Company	39,755,100	73,949,920
Branch Of PetroVietnam Fertilizer And Chemicals Corporation - Phu My Urea Plant		395,703,589
	<u>652,648,335,412</u>	<u>488,824,315,740</u>

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Period/year end balances with related parties (continued)**

	30.6.2021 VND	31.12.2020 VND
<b>v) Short-term accrued expense (Note 15)</b>		
Vietnam Oil and Gas Group	20,266,168,563	14,374,223,655
<b>vi) Other short-term payables (Note 16)</b>		
Vietnam Oil and Gas Group	45,856,789,285	45,856,789,285
Camau Gas - Power - Fertilizer Project Management Board	55,851,413,429	55,851,413,429
	<u>101,708,202,714</u>	<u>101,708,202,714</u>

**38 OTHER COMMITMENTS**

**(a) Operating commitments**

According to Gas Sales Agreement No. 3918/HD-DKVN dated 23 May 2012 between Vietnam Oil and Gas Group and the Company and the 7th amendment dated 13 December 2018, the Group purchases natural gas of Block PM3 CAA and Block 46 - Cai Nuoc from Vietnam Oil and Gas Group in 20 years from the official operation date with standard gas of 457.38 million m3 per annum.

New natural gas price is applied from 1 January 2019 to 31 December 2031 according to the Appendix dated 27 May 2020 of the Gas Sales Agreement No.3918/HDD-DKVN dated 23 May 2012.

**(b) Capital commitment**

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	30.6.2021 VND	31.12.2020 VND
Property, plant and equipment	<u>115,635,935,723</u>	<u>67,710,338,185</u>

**39 CONTINGENT LIABILITIES**

- (a) According to the working minutes dated 26 April 2018 of the Department of Finance Inspectorate, the Tax Department of Ca Mau Province and Company, interest of borrowings paid to BNP Paribas, Export-Import Bank of China and Credit Agricole Bank ("the Banks") under the ECA Loan Agreement is not subject to VAT but subject to BIT - foreign contractor withholding tax. As at 30 June 2021, the accumulated BIT - foreign contractor withholding tax relating to these borrowings that the Company paid on behalf of the Banks was VND43,142,486,637, which is recognised as other receivable.

The Company and Vietnam Oil and Gas Group are working with the General Department of Taxation, the Ministry of Finance and the Banks to determine the obligations towards this BIT - foreign contractor withholding tax. The Company has not recognised the late payment penalty which is possible to be incurred as the final conclusion of the authorities has not been issued.

- (b) Currently, the Company has land lease contracts to support the Company's production and business activities. As at the date of these separate interim financial statements, the lessors and the Company have not yet determined how to deal with the assets built on the leased land after the termination of the leases due to long lease terms (which can be up to 20 years) and therefore, the Company assessed that dismantling and restoring costs only incur when the lease terms end and the Company does not continue to apply for an extension of the lease terms. Therefore, the Company has not recognised the provision for dismantling and restoring costs related to these leases in the separate interim financial statements.

**40 OTHER MATTERS**

- (a) According to the Inspection minutes – Restructuring state-owned enterprise at Petrovietnam Ca Mau Fertilizer One Member Limited Company dated 30 July 2018 issued by the Government inspection team, the Government inspection team reviewed and verified valuation report, charter capital of the joint stock company, finalisation of the State capital and exploring strategic investors. The Company is working with Vietnam Oil and Gas Group on points noted in this minutes for explanation. The Company will make relevant adjustments (if any) upon the final conclusion of the authority on the equitization.

As at the date of these separate interim financial statements, fixed assets, other receivables and payables from/to PetroVietnam Oil and Gas Group that are related to equitization have not been finalised by the authority.

- (b) In light of the current situation, the new Corona virus ("Covid-19") Delta is causing some volatility to the world economy. At the issuance date of these separate interim financial statements, the Company's production and business activities may be affected due to the instability caused by the Covid-19 pandemic in Vietnam. The Company has carefully assessed the potential impacts of Covid-19 on production and business activities and management plan, as well as quickly review the Company's production and business strategy and negotiate with suppliers and customers to resolve the current situation. The Board of Management of the Company will continue to assess the effects for the next financial period.

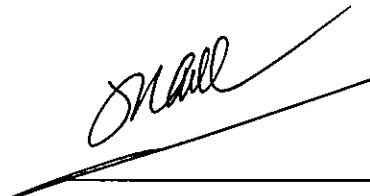
PETROVIETNAM CAMAU FERTILISER JOINT STOCK COMPANY

Form B 09a – DN


The separate interim financial statements were approved by the Board of Management on 20 August 2021.



Huynh Thi Ngoc Ha  
Preparer



Dinh Nhu Cuong  
Chief Accountant



Le Ngoc Minh Tri  
Deputy General Director  
Authorised signature  
20 August 2021

