

**PETROVIETNAM TRANSPORTATION CORPORATION**

*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

**PETROVIETNAM TRANSPORTATION CORPORATION**

2<sup>nd</sup> floor, PVFCCo Building, 43 Mac Dinh Chi Street, Dakao Ward, District 1  
Ho Chi Minh City, S.R. Vietnam

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## PETROVIETNAM TRANSPORTATION CORPORATION

2<sup>nd</sup> floor, PVFCCo Building, 43 Mac Dinh Chi Street, Dakao Ward, District 1  
Ho Chi Minh City, S.R. Vietnam

### STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Petrovietnam Transportation Corporation (the "Parent company") and its subsidiaries (the Parent company and its subsidiaries hereinafter referred to as the "Corporation") presents this report together with the Corporation's consolidated financial statements for the year ended 31 December 2016.

### THE BOARDS OF MANAGEMENT AND DIRECTORS

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

#### Board of Management

Mr. Nguyen Xuan Son	Chairman
Mr. Pham Viet Anh	Member
Mr. Le Manh Tuan	Member
Mr. Mai The Toan	Member
Mr. Nguyen Quoc Phuong	Member

#### Board of Directors

Mr. Pham Viet Anh	General Director
Mr. Tran Tuan Nam	Deputy General Director (resigned on 11 January 2016)
Mr. Dao Manh Tien	Deputy General Director
Mr. Mai The Toan	Deputy General Director
Mr. Dang Khac Do	Deputy General Director
Mr. Nguyen Dinh Thanh	Deputy General Director

### THE BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2016, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these consolidated financial statements, the Board of Directors is required to:

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

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

The Board of Directors confirms that the Corporation has complied with the above requirements in preparing these consolidated financial statements.

\_\_\_\_\_, on behalf of the Board of Directors,



Pham Viet Anh  
General Director  
20 March 2017

No.: 438 /VN1A-HC-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Boards of Management and Directors  
Petrovietnam Transportation Corporation**

We have audited the accompanying consolidated financial statements of Petrovietnam Transportation Corporation (the "Parent company") and its subsidiaries (the Parent company and its subsidiaries hereinafter referred to as the "Corporation"), prepared on 20 March 2017 as set out from page 3 to page 40, which comprise the consolidated balance sheet as at 31 December 2016, and the consolidated statements of income and consolidated statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***The Board of Directors' Responsibility for the consolidated Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Auditors' Opinion***

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at 31 December 2016, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



**Nguyễn Quang Trung**  
Audit Partner

Audit Practising Registration Certificate  
No. 0733-2013-001-1

**For and on behalf of**

**DELOITTE VIETNAM COMPANY LIMITED**

20 March 2017

Ho Chi Minh City, S.R. Vietnam

**Tran Thi Kim Khanh**  
Auditor

Audit Practising Registration Certificate  
No. 0395-2013-001-1

**PETROVIETNAM TRANSPORTATION CORPORATION**2<sup>nd</sup> floor, PVFCCo Building, 43 Mac Dinh Chi Street  
Dakao Ward, District 1, Ho Chi Minh City, S.R. Vietnam**FORM B 01-DN/HN**Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance**CONSOLIDATED BALANCE SHEET***As at 31 December 2016*

Unit: VND

<b>ASSETS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>3,723,063,047,259</b>	<b>3,808,092,094,768</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>1,338,548,595,430</b>	<b>2,236,855,073,354</b>
1. Cash	111		254,355,727,462	408,953,280,147
2. Cash equivalents	112		1,084,192,867,968	1,827,901,793,207
<b>II. Short-term financial investments</b>	<b>120</b>		<b>1,559,919,013,699</b>	<b>582,259,077,900</b>
1. Trading securities	121		-	266,108,066
2. Provision for impairment of trading securities	122		-	(148,725,166)
3. Held-to-maturity investments	123	6	1,559,919,013,699	582,141,695,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>703,352,215,662</b>	<b>849,952,103,027</b>
1. Short-term trade receivables	131	7	646,587,637,939	701,629,959,162
2. Short-term advances to suppliers	132		9,433,461,013	23,521,306,571
3. Other short-term receivables	136	8	152,120,457,694	251,984,027,893
4. Provision for short-term doubtful debts	137	9	(104,789,340,984)	(128,155,284,171)
5. Deficits in assets awaiting solution	139		-	972,093,572
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>86,071,502,887</b>	<b>102,835,885,277</b>
1. Inventories	141		86,879,182,053	106,403,995,752
2. Provision for devaluation of inventories	149		(807,679,166)	(3,568,110,475)
<b>V. Other short-term assets</b>	<b>150</b>		<b>35,171,719,581</b>	<b>36,189,955,210</b>
1. Short-term prepayments	151		17,187,202,459	15,632,422,234
2. Value added tax deductibles	152		13,555,520,024	20,509,165,297
3. Taxes and other receivables from State budget	153	17	4,428,997,098	48,367,679

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

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2016

Unit: VND

<b>ASSETS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>5,347,289,277,735</b>	<b>5,848,071,603,343</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>7,635,948,737</b>	<b>13,339,916,828</b>
1. Other long-term receivables	216	8	7,635,948,737	13,339,916,828
<b>II. Fixed assets</b>	<b>220</b>		<b>5,062,367,642,438</b>	<b>5,523,012,350,485</b>
1. Tangible fixed assets	221	11	5,057,352,696,079	5,520,521,343,770
- Cost	222		7,910,606,581,497	8,055,024,920,375
- Accumulated depreciation	223		(2,853,253,885,418)	(2,534,503,576,605)
2. Intangible assets	227		5,014,946,359	2,491,006,715
- Cost	228		7,177,239,557	4,943,885,538
- Accumulated amortisation	229		(2,162,293,198)	(2,452,878,823)
<b>III. Investment property</b>	<b>230</b>		<b>-</b>	<b>8,511,460,000</b>
1. Cost	231		-	8,511,460,000
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>265,166,725</b>	<b>49,492,500</b>
1. Construction in progress	242		265,166,725	49,492,500
<b>V. Long-term financial investments</b>	<b>250</b>		<b>234,885,893,050</b>	<b>190,121,606,506</b>
1. Investments in joint-ventures, associates	252	12	188,948,125,750	144,183,839,206
2. Equity investments in other entities	253	13	45,937,767,300	45,937,767,300
<b>VI. Other long-term assets</b>	<b>260</b>		<b>42,134,626,785</b>	<b>113,036,777,024</b>
1. Long-term prepayments	261	14	28,296,152,255	106,390,134,287
2. Deferred tax assets	262	15	13,838,474,530	6,646,642,737
<b>TOTAL ASSETS</b> <b>(270 = 100+200)</b>	<b>270</b>		<b>9,070,352,324,994</b>	<b>9,656,163,698,111</b>

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

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2016

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>4,736,890,074,755</b>	<b>5,330,724,925,210</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>1,874,446,172,573</b>	<b>2,177,979,907,857</b>
1. Short-term trade payables	311	16	656,073,062,522	833,012,917,535
2. Short-term advances from customers	312		11,185,090,293	26,278,498,674
3. Taxes and amounts payable to State budget	313	17	54,774,724,835	54,031,752,798
4. Payables to employees	314		116,612,429,384	129,617,999,412
5. Short-term accrued expenses	315	18	42,974,684,307	51,606,151,499
6. Short-term unearned revenue	318		1,432,660,000	1,361,141,247
7. Other current payables	319	19	179,730,155,365	51,309,221,663
8. Short-term loans	320	22	529,716,898,818	902,429,496,663
9. Short-term provisions	321	20	216,133,723,286	84,190,081,945
10. Bonus and welfare funds	322		65,812,743,763	44,142,646,421
<b>II. Long-term liabilities</b>	<b>330</b>		<b>2,862,443,902,182</b>	<b>3,152,745,017,353</b>
1. Long-term trade payables	331	21	317,475,312,000	346,336,704,000
2. Long-term accrued expenses	333	18	6,791,607,884	4,668,429,461
3. Other long-term payables	337	19	34,268,483,653	47,668,371,039
4. Long-term loans	338	22	2,432,407,705,350	2,715,753,220,402
5. Long-term provisions	342	20	71,500,793,295	38,318,292,451
<b>D. EQUITY</b>	<b>400</b>	<b>23</b>	<b>4,333,462,250,239</b>	<b>4,325,438,772,901</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>4,333,462,250,239</b>	<b>4,325,438,772,901</b>
1. Owner's contributed capital	411		2,814,401,620,000	2,558,575,420,000
- Ordinary shares carrying voting rights	411a		2,814,401,620,000	2,558,575,420,000
2. Investment and development fund	418		130,912,914,538	128,203,379,690
3. Other reserves	420		47,218,399,245	31,731,319,770
4. Retained earnings	421		580,536,736,829	678,408,729,899
- Retained earnings accumulated to the prior year end	421a		164,972,234,529	310,317,267,326
- Retained earnings of the current year	421b		415,564,502,300	368,091,462,573
5. Non-controlling interests	429		760,392,579,627	928,519,923,542
<b>TOTAL RESOURCES</b> <b>(440 = 300+400)</b>	<b>440</b>		<b>9,070,352,324,994</b>	<b>9,656,163,698,111</b>

**Vo Thi Thanh Tung**  
Preparer

**Nguyen Thi Kim Anh**  
Chief Accountant



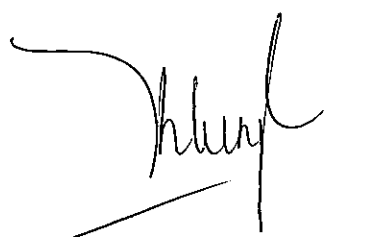
**Pham Viet Anh**  
General Director  
20 March 2017

**CONSOLIDATED INCOME STATEMENT**

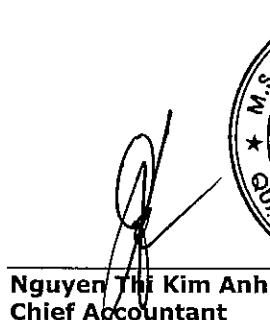
For the year ended 31 December 2016

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		6,734,322,492,591	5,761,450,705,430
2. Deductions	02		747,676,768	-
3. Net revenue from goods sold and services rendered (10=01-02)	10	26	6,733,574,815,823	5,761,450,705,430
4. Cost of sales	11	27	5,971,112,130,559	4,984,219,025,651
5. Gross profit from goods sold and services rendered (20=10-11)	20		762,462,685,264	777,231,679,779
6. Financial income	21	29	159,327,484,591	131,573,279,984
7. Financial expenses	22	30	150,405,149,992	227,120,039,861
- In which: Interest expense	23		122,947,562,199	96,713,521,505
8. Income from investment in associates and joint ventures	24	12	26,785,452,437	31,946,553,469
9. Selling expenses	25		8,950,535,194	7,832,228,720
10. General and administration expenses	26	31	226,976,152,559	211,778,114,245
11. Operating profit (30=20+(21-22)+24-(25+26))	30		562,243,784,547	494,021,130,406
12. Other income	31		42,981,024,216	67,135,269,627
13. Other expenses	32		3,269,377,445	14,917,027,843
14. Profit from other activities (40=31-32)	40	32	39,711,646,771	52,218,241,784
15. Accounting profit before tax (50=30+40)	50		601,955,431,318	546,239,372,190
16. Current corporate income tax expense	51	33	126,175,814,457	114,672,179,021
17. Deferred corporate tax income	52	33	(7,686,183,556)	(1,123,581,606)
18. Net profit after corporate income tax (60=50-51-52)	60		483,465,800,417	432,690,774,775
Attributable to:				
- The Parent company's shareholders	61		415,564,502,300	368,091,462,573
- Non-controlling interests	62		67,901,298,117	64,599,312,202
<b>19. Basic earnings per share</b>	<b>70</b>	<b>34</b>	<b>1,321</b>	<b>1,170</b>



**Vo Thi Thanh Tung**  
Preparer



**Nguyen Thi Kim Anh**  
Chief Accountant



**Pham Viet Anh**  
General Director  
20 March 2017



**CONSOLIDATED CASH FLOW STATEMENT**

*For the year ended 31 December 2016*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Profit before tax</b>	<b>01</b>	<b>601,955,431,318</b>	<b>546,239,372,190</b>
<b>2. Adjustments for:</b>			
Depreciation and amortisation of fixed assets	02	465,616,372,740	447,313,425,698
Provisions	03	249,893,485,708	52,659,504,100
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(15,122,192,100)	107,454,450,415
Gains from investing activities	05	(182,393,683,451)	(174,968,330,789)
Interest expense	06	122,947,562,199	96,713,521,505
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>1,242,896,976,414</b>	<b>1,075,411,943,119</b>
Decrease/(Increase) in receivables	09	42,126,926,894	(85,874,670,458)
Decrease in inventories	10	17,893,806,037	199,209,553
Increase in payables	11	170,705,054,838	18,865,357,195
Decrease/(Increase) in prepaid expenses	12	74,938,556,024	(9,597,865,560)
Decrease in trading securities	13	266,108,066	6,137,602,014
Interest paid	14	(123,170,728,492)	(102,710,032,233)
Corporate income tax paid	15	(121,759,545,302)	(101,242,018,047)
Other cash inflows	16	-	40,707,810,723
Other cash outflows	17	(73,168,823,428)	(51,176,168,027)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>1,230,728,331,051</b>	<b>790,721,168,279</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(365,120,418,195)	(367,096,554,508)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	58,080,913,148	49,564,651,805
3. Cash outflow for lending, buying debt instruments of other entities	23	(2,047,519,013,699)	(371,341,695,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	1,024,841,695,000	628,138,747,293
5. Other investment (*)	25	(51,381,375,305)	-
6. Cash recovered from investments in other entities	26	1,025,000,000	4,489,422,749
7. Interest earned, dividends and profits received	27	171,598,154,620	128,246,006,438
<b>Net cash (used in)/generated by investing activities</b>	<b>30</b>	<b>(1,208,475,044,431)</b>	<b>72,000,578,777</b>


**CONSOLIDATED CASH FLOW STATEMENT (Continued)**

For the year ended 31 December 2016


Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from share issue and owners' contributed capital	31	7,200,000,000	150,000,000
2. Proceeds from borrowings	33	454,919,041,704	174,663,681,755
3. Repayments of borrowings	34	(1,150,787,337,915)	(481,107,821,485)
4. Dividends and profits paid	36	(231,839,629,612)	(39,255,040,142)
<b>Net cash used in financing activities</b>	<b>40</b>	<b>(920,507,925,823)</b>	<b>(345,549,179,872)</b>
<b>Net (decrease)/increase in cash (50=20+30+40)</b>	<b>50</b>	<b>(898,254,639,203)</b>	<b>517,172,567,184</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>2,236,855,073,354</b>	<b>1,719,355,604,001</b>
Effects of changes in foreign exchange rates	61	(51,838,721)	326,902,169
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>1,338,548,595,430</b>	<b>2,236,855,073,354</b>

(\*) Other investment represents decrease in cash and cash equivalents of Cuu Long Petro Gas Service Transportation Joint Stock Company as at deconsolidation date when this company was transferred from subsidiary to associate.

  
Vo Thi Thanh Tung  
Preparer

  
Nguyen Thi Kim Anh  
Chief Accountant

  
Pham Viet Anh  
General Director  
20 March 2017



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION**

**Structure of ownership**

*The Parent Company*

Petrovietnam Transportation Corporation (the "Parent company") was established in Vietnam in accordance with the thirteenth amended Business Registration Certificate No. 0302743192 dated 11 January 2017 issued by the Department of Planning and Investment of Ho Chi Minh City. This Certificate replaced the Business Registration Certificates No. 4103006624 dated 07 May 2007 issued by the Department of Planning and Investment of Ho Chi Minh City. The Parent company is listed on Ho Chi Minh Stock Exchange on 10 December 2007, with stock code as PVT.

The number of employees of the Parent company as at 31 December 2016 is 727 (as at 31 December 2015: 653).

The principal activities of the Parent company are to transport crude oil and gas products, provide marine services, repair vessels and floating vehicles, rent and provide vessels and other vehicles for lease.

*The Subsidiaries*

Company name	Registered address	Actual contributed capital	Voting rights	Principle activities
Petrovietnam Transportation Vung Tau Joint Stock Company (hereinafter referred to as "PVTrans Vung Tau")	186 Truong Cong Dinh Street, Ward 3, Vung Tau City, Ba Ria-Vung Tau Province	99.85%	99.85%	Transport crude oil and gas products, provide marine services, repair vessels and floating vehicles, lease vessels and other vehicles, provide vessels and other vehicles for lease, provide recruiting, training and seafarers to oil and gas vessels, and export industrial, agricultural, fishery products and other groceries.
Petrovietnam Transportation Ha Noi Joint Stock Company (hereinafter referred to as "PVTrans Hanoi")	14 <sup>th</sup> Floor, 319 Building - Ministry of National Defense Tower, 63 Le Van Luong Street, Trung Hoa Ward, Cau Giay District, Ha Noi City	99.72%	99.72%	Transport crude oil and gas products, provide marine services, vessels repair service and floating vehicles, lease vessels and other vehicles, provide vessels and other vehicles for lease, export industrial, agricultural, fishery products, household and personal products, provide recruiting and seafarers to domestic customers, real estate management and consulting services, provide domestic tourism services, create software, provide IT solutions and equipment.
Southern Petroleum Transportation Joint Stock Company (hereinafter referred to as "PVTrans Southern")	M. Floor, PVFCCo Tower, 43 Mac Dinh Chi Street, Dakao Ward, District 1, Ho Chi Minh City	69.63%	69.63%	Provide maritime transportation to petroleum products, provide petroleum agent services, provide maritime agent and broker services, repair vessels, rent and provide vessels and other vehicles for lease.
Pacific Petroleum Transportation Joint Stock Company (hereinafter referred to as "PVTrans Pacific")	3 <sup>rd</sup> Floor, PVFCCo Tower, 43 Mac Dinh Chi Street, Dakao Ward, District 1, Ho Chi Minh City	64.92%	64.92%	Transport crude oil products, provide vessels and other vehicles for lease, provide maritime agent and vessel broker services, provide marine services and repair vessel services.

**PETROVIETNAM TRANSPORTATION CORPORATION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**FORM B 09-DN/HH**

International Gas Product Shipping Joint Stock Company (hereinafter referred to as "PVTrans Gas Shipping")	9 <sup>th</sup> Floor, Green Power Tower, 35 Ton Duc Thang Street, District 1, Ho Chi Minh City	67.74%	67.74%	Trade vehicles, provide vessels for lease, provide transportation services by car, domestic waterway and ocean; services: provide shipping agent and broker services, trade vessels, provide tallying service and vessel cleaning services, repair vessels at port, provide forwarding and training services.
Indochina Petroleum Transportation Joint Stock Company (hereinafter referred to as "PVTrans Indochina")	14 <sup>th</sup> Floor, Viet A Tower, Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Ha Noi City	48.67%	48.67%	Provide transportation services by car under contract, in fixed routes, transport merchandises, petroleum and gasoline, trading liquefied petroleum gas and gasoline; trading gas: manufacturing, repair gas tanks, convert vehicles to use LPG fuel; and repair, maintenance, install spare parts for vehicles.
Phuong Dong Viet Transportation Oil Joint Stock Company (hereinafter referred to as "PVTrans Phuong Dong Viet")	Room 806, 8 <sup>th</sup> Floor, Citilight Tower, 45 Vo Thi Sau Street, Dakao Ward, District 1, Ho Chi Minh City	67.99%	67.99%	Provide marine transportation services, transportation services by car and domestic waterway, provide marine broker services, provide vessels, provide shipping agent services, repair vessels at port (not at head office), provide vessels, car and other vehicles for lease, exploit rock, sand, gravel, and clay, provide training services and surface preparation services.
Quang Ngai Petro Transportation Joint Stock Company (hereinafter referred to as "PVTrans Quang Ngai")	E1, Ton Duc Thang Street, Tran Phu Ward, Quang Ngai City, Quang Ngai Province	50.67%	50.67%	Provide transportation services on road, provide services on shipping agent, maritime carrier's agent and other supporting services related transportation; provide direct supporting services on transportation by waterway, road and airway; provide warehouse services, cargo maintenance; provide road passenger transportation services (excluding transportation by bus); trade and supply materials, equipment in oil & gas industry, and maritime industry; act as air ticket selling agent; provide oil & gas technical services; provide coastal and sea transportation services, provide shipping broker services and vessels.
Nhat Viet Transportation Corporation (hereinafter referred to as "PVTrans Nhat Viet")	Room No. 04-06-R2, Everrich Building, 968, 3/2 Street, Ward 15, District 11, Ho Chi Minh City	51%	51%	Provide vessels management service; provided fuels in the form of domestic consumption and temporary import for re-export marine vessels; provide transportation service for LPG in domestic and overseas; provide shipping agency service.

As at 31 December 2016, the Parent company has increased its contributed capital in PVTrans Indochina to 48.67% of total charter capital in accordance with Business Registration Certificate (as at 31 December 2015: 38.67%). However, most of the members of Board of Management and Board of Directors (including the General Director) are the Parent company's representatives, the Parent company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities. Consequently, the Parent company has presented its investment in this company as an investment in subsidiary as at 31 December 2016.

As at 01 July 2016, the Parent company had purchased 51% shareholding of PVTrans Nhat Viet from PVTrans Gas Shipping. PVTrans Nhat Viet is transformed from Nhat Viet Transportation Company Limited according to the Business Registration Certificate No. 0308515724 dated 22 September 2010 issued by the Department of Planning and Investment of Ho Chi Minh City, as amended. Head office of the Company is at Room No. 04-06-R2, Everrich Building, 968, 3/2 Street, Ward 15, District 11, Ho Chi Minh City, S.R. Vietnam, with principal activities in trading and transportation of fuel and LPG fuel. The charter capital of PVTrans Nhat Viet as at 31 December 2016 is VND 100,000,000,000.

**Normal production and business cycle**

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

**Characteristics of the business activities in the fiscal year which have impact on the financial statements**

From 1 July 2016, investment in Cuu Long Petro Gas Service Transportation Joint Stock Company was recognized as investments in associates, previously investments in subsidiaries. This was because of decrease in voting rights of the Corporation to 22.63% (as at 31 December 2015: 60%).

**Disclosure of information comparability in the consolidated financial statement**

Comparative figures are the figures of the audited consolidated financial statements for the year ended 31 December 2015.

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

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

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

**Financial year**

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

**3. ADOPTION OF NEW ACCOUNTING GUIDANCE**

**New guidance on accounting regime for enterprises**

On 21 March 2016, the Ministry of Finance issued Circular No. 53/2016/TT-BTC ("Circular 53") amending and supplementing certain articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises. Circular 53 is effective for the financial years beginning on or after 01 January 2016. The Board of Directors has adopted Circular 53 in the preparation and presentation of the Corporation's consolidated financial statements for the year ended 31 December 2016. However, the adoption of this Circular does not have significant impact on comparative figures in consolidated financial statements.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Estimates**

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

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Parent company and enterprises controlled by the Parent company (its subsidiaries) up to 31 December each year. Control is achieved where the Parent company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Parent company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**Business combinations**

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

**Investments in associates**

An associate is an entity over which the Parent company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Parent company's share of the net assets of the associate. Losses of an associate in excess of the Parent company's interest in that associate (which includes any long-term interests that, in substance, form part of the Parent company's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Parent company, unrealised profits and losses are eliminated to the extent of the Parent company's interest in the relevant associate.

**Interests in joint ventures**

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

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

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Parent company reports its interests in jointly controlled entities using the equity method of accounting.

Any goodwill arising on the acquisition of the Parent company's interest in a jointly controlled entity is accounted for in accordance with the Parent company's accounting policy for goodwill arising on the acquisition of a subsidiary.

### **Financial instruments**

#### ***Initial recognition***

*Financial assets:* At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Corporation comprise cash and cash equivalents, trade and other receivables, financial investments.

*Financial liabilities:* At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Corporation comprise trade and other payables, accrued expenses and borrowings.

#### ***Subsequent measurement***

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

### **Cash and cash equivalents**

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

### **Financial investments**

#### ***Held-to-maturity investments***

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

Interest income from held-to-maturity investments is recognised in the income statement on accrual basis.

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

#### ***Equity investments in other entities***

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

Equity investments in other entities are carried at cost less provision for impairment. Provision for equity investments is made in accordance with prevailing accounting regulation.

### **Receivables**

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

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

### **Inventories**

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and where applicable those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the First in first out ("FIFO") method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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

### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

	<u>Years</u>
Buildings and structures	10
Machinery and equipment	03 - 08
Transport vehicles	05 - 25
Office equipment	02 - 08

### **Operating lease**

#### The Corporation as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### The Corporation as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing Corporation are accounted for as operating leases. Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease.

### **Intangible assets and amortization**

Intangible assets represent land use rights, computer software which state at cost less accumulated amortisation.

Land use rights comprise total actual expenses directly related to using land. Land use rights with definite term are amortised using the straight-line method over the duration of the right to use the land. Land use rights with indefinite term are not amortised.

Computer software is stated at cost less accumulated amortisation. Computer software is amortised using the straight-line method over the period from 3 to 6 years.

### **Construction in progress**

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



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

### **Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting years. These expenses include periodic major repairing and maintenance expense, office rentals, ship insurance fee and other types of prepayments which are expected to provide future economic benefits to the Corporation in future. These expenditures have been capitalised as prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

### **Payable provisions**

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

For crude oil motor vessel, provisions for overhaul of fixed assets are made annually due to the technical requirements that these vessels need to be docked and repaired periodically.

### **Revenue recognition**

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

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

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

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

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

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

### **Foreign currencies**

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

### **Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### **Taxation**

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

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

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

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

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

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

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

## **5. CASH AND CASH EQUIVALENTS**

	Closing balance VND	Opening balance VND
Cash on hand	4,089,188,717	2,623,320,499
Demand deposits	250,209,738,745	406,329,959,648
Cash in transit	56,800,000	-
Cash equivalents	1,084,192,867,968	1,827,901,793,207
	<b><u>1,338,548,595,430</u></b>	<b><u>2,236,855,073,354</u></b>

Cash equivalents represent time deposits in Vietnam Dong and United States Dollar with maturity term from 01 to 03 months at commercial banks.

In addition, the balance included time deposits at commercial banks with the amount of VND 108,926,620,229 in the co-owner account with Dung Quat Shipbuilding Industry Company Limited ("DQS"). This account was used for the management of the disbursement amount of building project of the 105,000 DWT oil vessels. PVTrans Pacific (the Corporation's subsidiary) transferred the disbursement amount into this account to joint-manage and joint-control with DQS only when obtaining the documentation signed by all of the legal representative or all of the authorized persons and stamped by both account owners together with the disbursement papers. PVTrans Pacific is entitled to all the rights and the use of all the interest amounts earned during the period of opening the co-owner account.

**6. FINANCIAL INVESTMENTS**

	Closing balance		Opening balance	
	Cost VND	Carrying amount VND	Cost VND	Carrying amount VND
Term deposits (*)	1,559,919,013,699	1,559,919,013,699	582,141,695,000	582,141,695,000
	<b><u>1,559,919,013,699</u></b>	<b><u>1,559,919,013,699</u></b>	<b><u>582,141,695,000</u></b>	<b><u>582,141,695,000</u></b>

(\*) Short-term held-to-maturity investments represent term deposits in Vietnam Dong with remaining maturity term less than 12 months at commercial banks and interest rate ranging from 4.3% to 6.1% per annum (as at 31 December 2015: from 4.4% to 6.8% per annum).

**7. SHORT-TERM TRADE RECEIVABLES**

	Closing balance VND	Opening balance VND
<b>a) Trade receivables from third parties</b>		
Sellan Gas Company Limited	88,266,053,114	129,293,360,743
An Hiep Loi Corporation	-	10,458,231,572
Orient Thanh Binh Company Limited	-	4,988,915,197
Venus Gas One Member Company Limited	-	33,025,975,819
Premier Oil Vietnam Offshore B.V	47,402,573,908	81,181,198,380
Hazel Middle East	-	7,902,400,000
Others	190,264,557,996	84,893,771,228
<b>b) Trade receivables from related parties</b>		
Binh Son Refining and Petrochemical Company Limited	161,442,245,667	220,842,538,552
PetroVietnam Exploration Production Corporation	70,191,312,783	41,754,703,986
PetroVietnam Oil Corporation	40,362,700,388	26,947,014,205
Vietnam LPG Company Limited	-	26,048,445,847
Branch of PetroVietnam Gas - PV Gas Trading Company Limited	18,867,579,918	7,643,415,957
Vietnam Petroleum Transport Joint Stock Company	-	3,026,483,514
PetroVietnam Northern Gas Joint Stock Company	7,820,289,233	3,615,997,176
CNG Vietnam Joint Stock Company	3,357,845,400	3,098,469,992
PetroVietnam Gas Joint Stock Company	1,198,872,183	1,557,410,327
Branch of PetroVietnam Gas Joint Stock Corporation - PV Gas Vung Tau	1,265,784,420	1,372,406,221
PVTrans Emas Company Limited	-	2,941,040
Vietnam-Russia Joint Venture Vietsovetro	-	226,064,789
Branch of PetroVietnam Gas - PV Gas Services Company Limited	1,367,926,286	-
Others	14,779,896,643	13,750,214,617
	<b><u>646,587,637,939</u></b>	<b><u>701,629,959,162</u></b>

**8. OTHER RECEIVABLES**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Deposits and mortgages	542,898,000	90,962,447,000
Advance to employees	5,250,009,959	8,330,991,006
Accrued interest income from time deposit account	19,809,751,002	36,032,473,005
Remuneration of the Board of Directors and the Supervisory Board	174,000,000	-
Other receivables from related party		
- PetroVietnam Oil Corporation	52,368,464	51,746,128
- Dung Quat Shipbuilding Industry Company Limited	7,644,465,154	793,437,549
- Others	1,313,400	-
Other receivables		
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Nha Be Branch (*)	80,000,000,000	80,000,000,000
- Quoc Viet Marine Transport Joint Stock Company	13,353,185,767	13,198,147,523
- Others	25,292,465,948	22,614,785,682
	<b>152,120,457,694</b>	<b>251,984,027,893</b>
<b>b) Long-term</b>		
Deposits and mortgages	7,635,948,737	8,485,078,735
Others	-	4,854,838,093
	<b>7,635,948,737</b>	<b>13,339,916,828</b>

(\*) Compensation represents receivables of PVTrans Pacific (subsidiary) regarding to deposit contract at Vietnam Joint Stock Commercial Bank for Industry and Trade - Nha Be Branch. According to judgement court No. 02/2015/HSPT dated 07 January 2015 (People's supreme Court of Ho Chi Minh City), Huynh Thi Huyen Nhu and Vo Tuan Anh (accused members) have joint responsibility for reimbursement to PVTrans Pacific. However, the Board of Directors had assessed the recoverability of the amount and made full provision in 2012.

**9. BAD DEBTS**

	Closing balance		Opening balance	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
<b>Payees</b>				
Quoc Viet Marine Transport Joint Stock Company	14,037,189,480	-	13,882,151,236	-
Vitol Asia Pte Ltd.	1,992,316,800	-	1,968,640,500	-
Navig8 Pool Inc.	619,506,240	-	1,929,599,950	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Nha Be Branch	80,000,000,000	-	80,000,000,000	-
Nam Viet Gas Trading and Services Company Ltd.	-	-	3,621,148,541	-
H.M.P Seafood Company Ltd.	-	-	13,381,028,500	-
Others	8,140,328,464	-	13,372,715,444	-
	<b>104,789,340,984</b>	<b>-</b>	<b>128,155,284,171</b>	<b>-</b>

**10. INVENTORIES**

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	<u>VND</u>	<u>VND</u>	<u>VND</u>	<u>VND</u>
Goods in transit	95,424,000	-	-	-
Fuel	83,324,050,023	(807,679,166)	68,532,902,117	(1,535,044,174)
Tools and supplies	17,814,790	-	24,905,106,559	-
Work in progress	221,977,089	-	326,479,923	-
Merchandise	3,219,916,151	-	12,639,507,153	(2,033,066,301)
	<b>86,879,182,053</b>	<b>(807,679,166)</b>	<b>106,403,995,752</b>	<b>(3,568,110,475)</b>



**12. INVESTMENTS IN ASSOCIATES, JOINT VENTURES**

Investments in associates and joint ventures

	Closing balance VND	Opening balance VND
Cost of investments in associates, joint ventures	150,037,720,000	99,025,000,000
Share of post-acquisition profits, net of dividends received	38,910,405,750	45,158,839,206
	<b>188,948,125,750</b>	<b>144,183,839,206</b>

Detailed information about investment in associates and joint ventures as at 31 December 2016 as follows:

	Closing balance VND	Opening balance VND
PVTrans Emas Company Limited	-	1,025,000,000
PTSC Production Services Joint Stock Company	98,000,000,000	98,000,000,000
Cuu Long Petro Gas Service Transportation Joint Stock Company	52,037,720,000	-
	<b>150,037,720,000</b>	<b>99,025,000,000</b>

In 2016, PVTrans Emas Company Limited ("PVTrans Emas") has been completing dissolving process according to Notice dated 6 April 2016 issued by the Department of Planning and Investment of Ba Ria-Vung Tau Province.

PTSC Production Services Joint Stock Company was established in accordance with Business Registration Certificate No. 3501811660 issued by the Department of Planning and Investment of Ba Ria-Vung Tau Province on 01 April 2011. As at 31 December 2016 and 31 December 2015, the Corporation contributed VND 98 billion, equivalent to 49% total charter capital in accordance with Business Registration Certificate. The principal activities of this company are to provide operation and maintenance services of oil & gas exploitation plants; to provide supporting services for crude oil and natural gas exploitation activities; to supply human resources in gas and oil industry.

Cuu Long Petro Gas Service Transportation Joint Stock Company was established in accordance with Business Registration Certificate No. 4103006914 issued by the Department of Planning and Investment of Ho Chi Minh City on 4 June 2007. The Corporation contributed VND 52,037,720,000, equivalent to 22.63% total charter capital in accordance with Business Registration Certificate. The principal activities of this company are to provide taxi services under contract, in fixed routes, provide transportation services by car, by domestic waterway; trade vehicles, machinery, transportation spare parts, gas product such as LPG, CNG, LNG; provide petroleum agent services; vehicles docking services; real estate trade, office leasing; hotel and restaurant business; provide domestic and international tourism services; provide stop and parking areas; invest, manufacture and trade hydropower plants; provide transportation services by bus; provide marine transportation services and trade fertilizers.

Summarised financial information of associates, joint ventures is set out below:

	Closing balance VND	Opening balance VND
Total assets	810,453,003,285	535,728,075,385
Total liabilities	(287,292,588,494)	(242,188,098,213)
Net assets	523,160,414,791	293,539,977,172
<b>Net assets of investments in associates and joint ventures</b>	<b>188,948,125,750</b>	<b>144,183,839,206</b>
	Current year VND	Prior year VND
Net profit	55,944,341,581	31,325,226,175
<b>Net profit of investments in associates and joint ventures</b>	<b>26,785,452,437</b>	<b>31,946,553,469</b>

**13. EQUITY INVESTMENT IN OTHER ENTITIES**

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
PV KEEZ Pte., Ltd.	45,937,767,300	-	45,937,767,300	-
	<b>45,937,767,300</b>	<b>-</b>	<b>45,937,767,300</b>	<b>-</b>

According to Certificate of investment in overseas issued by the Ministry of Planning and Investment dated 16 July 2010, the Corporation is allowed to make joint-venture with three foreign companies to establish PV KEEZ PTE., LTD. in Singapore with the purpose of providing tankers and producing crude oil for Chim Sao and Dua oil fields. The total investment capital of this project is USD 405 million, in which the investment capital of Vietnamese investor in overseas is USD 9 million. As at 31 December 2016 and 31 December 2015, the Corporation has contributed of USD 2,389,343.

As at 31 December 2016, there is no indicator of impairment of investments in other entities, therefore, no provision was made.

**14. LONG-TERM PREPAYMENTS**

	Closing balance VND	Opening balance VND
Overhaul expenses for fixed assets	27,646,712,101	101,809,865,148
Prepaid expenses for tools, supplies	-	280,928,208
Others long-term prepayments	649,440,154	4,299,340,931
	<b>28,296,152,255</b>	<b>106,390,134,287</b>

**15. DEFERRED TAX ASSETS**

	Closing balance VND	Opening balance VND
Corporate income tax rates used for determination of value of deferred tax assets	20%	20%
Corporate income tax rates used for determination of value of deferred tax assets	13,838,474,530	6,646,642,737
<b>Deferred tax assets</b>	<b>13,838,474,530</b>	<b>6,646,642,737</b>

**16. SHORT-TERM TRADE PAYABLE**

	Closing balance VND	Opening balance VND
<b>a) Short-term trade payables to third parties</b>		
Venus Gas One Member Company Limited	8,609,965,699	54,686,153,111
Daishan Haizhou Shipyard Company Limited	-	21,327,500,000
Wallem Ship Management Ltd	11,955,552,412	11,777,189,629
Fgas Petrol Joint Stock Company	41,477,113,042	-
Quoc Viet Marine Transport Joint Stock Company	10,009,543,285	10,009,543,285
Monjasa Pte Ltd	3,298,569,756	-
Teekay Chartering Ltd	2,444,456,540	-
Others	228,111,145,815	183,016,239,026



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	Closing balance VND	Opening balance VND
<b>b) Short-term trade payables to related parties</b>		
Vietnam National Oil and Gas Group	30,791,470,706	189,660,576,000
Dung Quat Shipbuilding Industry Company Limited	139,103,575,105	168,120,672,732
Petrovietnam Gas East Company Limited	52,198,665,599	60,579,676,813
Branch of PetroVietnam Gas - PV Gas Trading Joint Stock Company	13,561,808,799	31,533,916,342
Petrovietnam Southern Gas Joint Stock Company	4,420,359,291	27,687,583,875
Vung Tau Oil and Gas Petroleum Joint Stock Company	15,993,090,220	24,092,547,500
Thang Long Oil and Gas General Service Corporation	16,250,216,742	-
Binh Son Refining and Petrochemical Company Limited	17,998,750,227	11,983,020,011
Petrovietnam Northern Gas Joint Stock Company	9,936,649,081	15,377,344,360
Vietnam-Russia Joint Venture Vietsovpetro	18,141,152,851	7,825,675,000
Hai Phong Oil and Gas Petroleum Joint Stock Company	749,045,400	3,113,905,900
Petrosetco Vung Tau General Services Joint Stock Company	1,329,457,468	2,147,865,635
Thai Binh Oil and Gas Petroleum Joint Stock Company	838,464,010	994,536,870
Ha Noi Investment and Import-Export Gas Joint Stock Company	5,520,686,262	-
Sai Gon Oil and Gas Petroleum Joint Stock Company	16,417,024,980	-
Southern Gas Joint Stock Company	811,316,119	-
Others	6,104,983,113	9,078,971,446
	<b>656,073,062,522</b>	<b>833,012,917,535</b>

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

	Opening balance VND	Receivable during the year VND	Received during the year VND	Closing balance VND
<b>a) Receivables</b>				
Value added tax	22,364,744	5,647,947,294	4,152,831,705	1,517,480,333
Import, export tax	-	2,895,585,468	2,036,513,558	859,071,910
Corporate income tax	9,169,275	-	-	9,169,275
Personal income tax	6,719,930	-	6,719,930	-
Foreign contractor tax	10,113,730	-	10,113,730	-
Other taxes	-	7,272,623,160	5,229,347,580	2,043,275,580
	<b>48,367,679</b>	<b>15,816,155,922</b>	<b>11,435,526,503</b>	<b>4,428,997,098</b>
	Opening balance VND	Payable during the year VND	Paid during the year VND	Closing balance VND
<b>b) Payables</b>				
Value added tax	12,065,112,882	197,017,465,803	199,687,212,035	9,395,366,650
Import, export tax	-	1,037,963,129	1,084,332,740	(46,369,611)
Corporate income tax	37,473,511,800	126,175,814,457	121,759,545,302	41,889,780,955
Personal income tax	4,155,948,439	23,292,918,392	24,097,481,444	3,351,385,387
Foreign contractor tax	188,900,549	12,787,426,437	12,791,765,532	184,561,454
Business license tax	-	25,000,000	25,000,000	-
Other taxes	148,279,128	1,643,721,008	1,792,000,136	-
	<b>54,031,752,798</b>	<b>361,980,309,226</b>	<b>361,237,337,189</b>	<b>54,774,724,835</b>

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**18. ACCRUED EXPENSES**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Interest expenses	20,462,789,808	20,227,768,823
Vessel rental fee	8,685,128,571	-
Overhaul for Dai Hung Queen vessel	2,345,414,914	-
Building cost of Aframax vessel	-	7,506,733,049
Guarantee and management fee	1,763,930,508	1,655,130,409
Commission expenses	714,625,751	714,625,751
Fuel, materials and spare parts	-	384,995,936
Others	9,002,794,755	21,116,897,531
	<b>42,974,684,307</b>	<b>51,606,151,499</b>
<b>b) Long-term</b>		
Commission expenses	4,739,131,730	4,668,429,461
Others	2,052,476,154	-
	<b>6,791,607,884</b>	<b>4,668,429,461</b>

**19. OTHER PAYABLES**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Surpluses in assets awaiting solution	217,312,504	383,009,927
Trade union fee	1,737,081,897	1,346,360,138
Social insurance	740,097,305	1,319,730,347
Health insurance	62,615,509	121,981,845
Unemployment insurance	52,571,975	95,748,929
Short-term deposits received	9,267,766,271	9,348,203,160
Dividends payable	1,087,509,650	258,898,096
Others (*)	166,565,200,254	38,435,289,221
	<b>179,730,155,365</b>	<b>51,309,221,663</b>
<b>b) Long-term</b>		
Long-term deposits received	34,268,483,653	47,668,371,039
	<b>34,268,483,653</b>	<b>47,668,371,039</b>

(\*) Others mostly include other payables due to related parties as follows:

	Closing balance VND	Opening balance VND
- Vietnam National Oil and Gas Group	119,000,000,000	-
- PetroVietnam Oil Corporation	497,726,763	1,030,080,657
- Binh Son Refining and Petrochemical Company Limited	-	920,225,177

**20. PROVISIONS**

	Provisions for overhaul of fixed assets VND	Other provisions VND	Total VND
Opening balance	108,293,020,294	14,215,354,102	122,508,374,396
Additional provisions for the year	247,996,770,646	33,640,325,752	281,637,096,398
Reversal of provisions	(27,180,674,835)	(240,318,204)	(27,420,993,039)
Utilisation of provisions	(69,833,354,403)	(19,256,606,771)	(89,089,961,174)
Closing balance	<b>259,275,761,702</b>	<b>28,358,754,879</b>	<b>287,634,516,581</b>

Details of provisions:

	Closing balance VND	Opening balance VND
Current liabilities	216,133,723,286	84,190,081,945
Non-current liabilities	71,500,793,295	38,318,292,451
	<b>287,634,516,581</b>	<b>122,508,374,396</b>

**21. LONG-TERM TRADE PAYABLES**

	Closing balance VND	Opening balance VND
<b>Long-term trade payables to related parties</b>		
Vietnam National Oil and Gas Group	317,475,312,000	346,336,704,000
	<b>317,475,312,000</b>	<b>346,336,704,000</b>

Long-term trade payables represents the cost of 104,000 DWT oil vessel purchased from PetroVietnam amounting to VND 618,458,400,000. According to Resolution No.6658/NQ-DKVN dated 26 July 2011 issued by PetroVietnam, this amount would be repaid in instalment within 15 years starting from the date on which 104,000 DWT oil vessel was putted in use (November 2013).

The outstanding payables are repayable as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	28,861,392,000	189,660,576,000
In the second year	28,861,392,000	28,861,392,000
In the third to fifth year inclusive	86,584,176,000	86,584,176,000
After five years	202,029,744,000	230,891,136,000
	<b>346,336,704,000</b>	<b>535,997,280,000</b>
Less: Amount due for settlement within 12 months (shown under short-term trade payables)	(28,861,392,000)	(189,660,576,000)
<b>Amount due for settlement after 12 months</b>	<b>317,475,312,000</b>	<b>346,336,704,000</b>

**22. LOANS**

	Opening balance		In the year		Closing balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
Long-term loans	3,618,182,717,065	3,618,182,717,065	473,170,502,114	1,129,228,615,011	2,962,124,604,168	2,962,124,604,168

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The details of loans and guarantees as at the balance sheet date are as follows:

	Closing balance VND	Opening balance VND
Citibank Vietnam	1,086,342,693,380	1,298,068,465,793
Vietnam Public Joint Stock Commercial Bank	658,463,808,629	952,280,354,656
Vietnam National Oil and Gas Group	569,089,742,924	622,731,713,710
Natixis bank - Ho Chi Minh City Branch	-	420,878,150,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam	131,057,817,843	178,520,965,406
Tien Phong Commercial Joint Stock Bank - Thang Long Branch	401,005,146,052	70,000,000,000
Indovina bank - Cho Lon Branch	30,025,961,740	41,446,067,500
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch and Vietnam Public Joint Stock Commercial Bank	5,025,195,000	23,667,000,000
Vietnam Bank for Agriculture and Rural Development - Hoan Kiem Branch	44,718,550,000	10,590,000,000
Military Commercial Joint Stock Bank - Thang Long Branch	36,395,688,600	-
	<b>2,962,124,604,168</b>	<b>3,618,182,717,065</b>

The Corporation has entered into several long-term loan agreements with commercial banks, credit institutions and guarantee contracts with Vietnam National Oil and Gas Group. The total credit limits of all these contracts are VND 1,340 billion, USD 67,029,512 and JPY 9,936,854,077 (equivalent to USD 109,477,009). These loans are secured by some of the Corporation's transport vehicles (Note 11) and transportation revenue of PVTrans Pacific (the Corporation's subsidiary) and the Corporation's contributed capital in this company. The loans in USD bear interest rates ranging from 2.47% to 5.1% per annum, and the loans in VND bear interest rate equal to 12-month term plus 4.5% per annum or interest rate ranging from 0% - 8.5% per annum.

Long-term loans and guarantees are repayable as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	529,716,898,818	902,429,496,663
In the second year	522,460,358,898	570,443,822,358
In the third to fifth year inclusive	1,234,099,745,051	1,577,176,017,473
After five years	675,847,601,401	568,133,380,571
	<b>2,962,124,604,168</b>	<b>3,618,182,717,065</b>
Less: Amount due for settlement within 12 months (shown under short-term loans)	(529,716,898,818)	(902,429,496,663)
<b>Amount due for settlement after 12 months</b>	<b>2,432,407,705,350</b>	<b>2,715,753,220,402</b>

**23. OWNERS' EQUITY**

	Closing balance Shares number	VND	Opening balance Shares number	VND
Authorized shares	281,440,162	2,814,401,620,000	255,857,542	2,558,575,420,000
Issued and fully contributed share	281,440,162	2,814,401,620,000	255,857,542	2,558,575,420,000

**PETROVIETNAM TRANSPORTATION CORPORATION**  
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	<u>Closing balance</u>	<u>Opening balance</u>
<u>Number of shares issued to the public</u>		
+ Ordinary shares	281,440,162	255,857,542
<u>Number of outstanding shares in circulation</u>		
+ Ordinary shares	281,440,162	255,857,542

The Corporation has only issued ordinary share of which shareholders enjoys no right to fixed income with par value of VND 10,000 per share. The shareholders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the Corporation's shareholders meetings. Each share ranks equally to the net asset of the Corporation.

Details of shareholders who owned 5% total shares and above as at the balance sheet date are as follows:

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>VND</u>	<u>%</u>	<u>VND</u>	<u>%</u>
Vietnam National Oil and Gas Group	1,435,360,800,000	51.00	1,304,873,460,000	51.00
Vietnam Public Joint Stock Commercial Bank	182,503,010,000	6.48	168,939,630,000	6.60
Market Vectors ETF Trust - Market Vectors- Vietnam ETF	113,963,020,000	4.05	150,886,150,000	5.06

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**Movement in shareholders' equity during the year was as follows:**

	Share capital VND	Investment and development fund VND	Other reserves VND	Retained earnings VND	Non-controlling interests VND	Total VND
<b>Prior year's opening balance as previously reported</b>	<b>2,558,575,420,000</b>	<b>126,833,343,854</b>	<b>18,909,569,022</b>	<b>426,453,071,434</b>	<b>841,650,754,075</b>	<b>3,972,422,158,385</b>
Capital contribution	-	-	-	-	150,000,000	150,000,000
Profit for the year	-	-	-	368,091,462,573	64,599,312,202	432,690,774,775
Dividends declared	-	-	-	-	(39,581,231,942)	(39,581,231,942)
Funds distribution	-	1,370,035,836	12,821,750,748	(14,191,786,584)	-	-
Distributed to bonus and welfare fund	-	-	-	(29,352,079,612)	(3,483,436,190)	(32,835,515,802)
Remuneration of the Boards of Management	-	-	-	(1,421,605,109)	(612,394,891)	(2,034,000,000)
and Directors	-	-	-	-	-	-
Adjustment for non- controlling interests	-	-	-	(65,614,299,923)	65,614,299,923	-
Other adjustments	-	-	-	(5,556,032,880)	182,620,365	(5,373,412,515)
<b>Current year's opening balance</b>	<b>2,558,575,420,000</b>	<b>128,203,379,690</b>	<b>31,731,319,770</b>	<b>678,408,729,899</b>	<b>928,519,923,542</b>	<b>4,325,438,772,901</b>
Capital contribution	255,826,200,000	-	-	(255,826,200,000)	7,200,000,000	7,200,000,000
Profit for the year	-	-	-	415,564,502,300	67,901,298,117	483,465,800,417
Dividends declared	-	-	-	(204,686,033,600)	(27,678,959,462)	(232,364,993,062)
Funds distribution	-	1,779,495,894	15,921,141,719	(17,700,637,613)	-	-
Distributed to bonus and welfare fund	-	-	-	(38,670,085,996)	(4,579,391,329)	(43,249,477,325)
Remuneration of the Boards of Management	-	-	-	(1,008,908,667)	(383,091,333)	(1,392,000,000)
and Directors	-	-	-	-	-	-
Adjustment for non- controlling interests	-	-	-	10,238,612,832	(10,238,612,832)	-
Other adjustments (*)	-	930,038,954	(434,062,244)	(5,783,242,326)	(200,348,587,076)	(205,635,852,692)
<b>Current year's closing balance</b>	<b>2,814,401,620,000</b>	<b>130,912,914,538</b>	<b>47,218,399,245</b>	<b>580,536,736,829</b>	<b>760,392,579,627</b>	<b>4,333,462,250,239</b>

Resolution No. 01/VTDK-DHDCD-NQ dated 20 April 2016 by the Annual General Meeting of Shareholders has approved to increase its charter capital from retained earnings as at 1 January 2016 with the amount of VND 255,826,200,000. As at 6 October 2016, the Corporation has received Notice No. 1041/TB-SGDHCM for issuing additional 25,582,620 shares on Ho Chi Minh Stock Exchange.

(\*) Other adjustments represent decrease in non-controlling interests of Cuu Long Petro Gas Service Transportation Joint Stock Company as at deconsolidation date when this company is transformed from subsidiary to associate.

## 24. OFF BALANCE SHEET ITEMS

### Foreign currencies

	Closing balance	Opening balance
- United States Dollar (USD)	5,772,383	6,089,773
- Euro (EUR)	858,691	599
- Japanese Yen (JPY)	100	100
- Singapore Dollar (SGD)	-	782

## 25. BUSINESS SEGMENTS

### Business segments

For management purposes, the Corporation is currently organised into four operating divisions – Transportation Service, Floating Storage Offloading Services, Trading and Other Service. These divisions are the basis on which the Corporation reports its primary segment information. Principal activities are as follows:

Transportation Service Division supplying transportation by motor vessels and taxi;  
 Oilfields service - supplying and managing floating storage for oil field;  
 Trading Division - trading LPG, petrol and other goods;  
 Other Services Division.

Segment information about the Corporation's operations is presented below:

### Consolidated Balance sheet

Closing balance	Transportation service VND	Oilfields service VND	Trading VND	Other services VND	Total VND
Segment assets	6,535,129,496,780	1,917,099,033,331	98,864,150,727	298,412,472,739	8,849,505,153,577
Interest in associates and joint ventures	-	-	-	-	38,910,405,750
Unallocated assets	-	-	-	-	181,936,765,667
Consolidated assets	-	-	-	-	<u>9,070,352,324,994</u>
Segment liabilities	3,062,301,168,762	1,693,348,664,129	61,298,509,234	395,373,998,047	5,212,322,340,172
Unallocated liabilities	-	-	-	-	(475,432,265,417)
Consolidated liabilities	-	-	-	-	<u>4,736,890,074,755</u>
Opening balance	Transportation service VND	Oilfields service VND	Trading VND	Other services VND	Total VND
Segment assets	6,821,431,390,889	2,058,741,367,231	162,395,365,487	19,170,957,913	9,061,739,081,520
Interest in associates and joint ventures	-	-	-	-	45,158,839,206
Unallocated assets	-	-	-	-	549,265,777,385
Consolidated assets	-	-	-	-	<u>9,656,163,698,111</u>
Segment liabilities	3,830,072,351,469	1,907,878,316,238	157,189,305,724	15,837,713,740	5,910,977,687,171
Unallocated liabilities	-	-	-	-	(580,252,761,961)
Consolidated liabilities	-	-	-	-	<u>5,330,724,925,210</u>

**Consolidated Income statement**

	Transportation service VND	Oilfields service VND	Trading VND	Other services VND	Total VND
<b>Revenue</b>					
External sales	2,869,355,694,632	662,783,350,385	2,794,630,423,642	406,805,347,164	6,733,574,815,823
Inter-segment sales	-	-	-	-	-
<b>Total revenue</b>	<b>2,869,355,694,632</b>	<b>662,783,350,385</b>	<b>2,794,630,423,642</b>	<b>406,805,347,164</b>	<b>6,733,574,815,823</b>
<b>Operating result</b>					
Segment result	498,846,858,769	179,338,764,245	43,015,207,487	41,261,854,763	762,462,685,264
Unallocated expenses					(235,926,687,753)
Operating profit					526,535,997,511
Financial income					186,112,937,028
Other income					39,711,646,771
Financial expenses					(150,405,149,992)
Profit before tax					601,955,431,318
Corporate income tax expenses					(126,175,814,457)
Deferred corporate tax income					7,686,183,556
<b>Profit for the year</b>					<b>483,465,800,417</b>
<b>Other information</b>					
Depreciation and amortisation					465,616,372,740

**Prior year**

	Transportation service VND	Oilfields service VND	Trading VND	Other services VND	Total VND
<b>Revenue</b>					
External sales	2,773,845,345,031	493,992,949,125	2,184,148,790,665	309,463,620,609	5,761,450,705,430
Inter-segment sales	-	-	-	-	-
<b>Total revenue</b>	<b>2,773,845,345,031</b>	<b>493,992,949,125</b>	<b>2,184,148,790,665</b>	<b>309,463,620,609</b>	<b>5,761,450,705,430</b>
<b>Operating result</b>					
Segment result	550,852,402,173	176,672,772,549	8,502,925,754	41,203,579,303	777,231,679,779
Unallocated expenses					(219,610,342,965)
Operating profit					557,621,336,814
Financial income					163,519,833,453
Other income					52,218,241,784
Financial expenses					(227,120,039,861)
Profit before tax					546,239,372,190
Corporate income tax expenses					(114,672,179,021)
Deferred corporate tax income					1,123,581,606
<b>Profit for the year</b>					<b>432,690,774,775</b>

**Geographical segment**

The principal activities of the Corporation are to transport crude oil and gas products, provide floating storage offloading services. Transportation services are carried out mainly from Dung Quat Oil Refinery area to neighbouring provinces. Floating storage offloading service is primarily conducted in Vung Tau province. The Board of Directors assesses that there is no significant difference in economic risks and benefits among these activities in domestic areas. Accordingly, the Board of Directors evaluates and believes that geographical segments are not presented in the consolidated financial statements for the year ended 31 December 2016 in accordance with Vietnamese Accounting Standard No. 28 "Segment reporting" as well as the Corporation's current business operation.



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**26. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

	Current year VND	Prior year VND
<b>Total sales of merchandise and services</b>		
Transportation service	2,869,355,694,632	2,773,845,345,031
Oilfields service	662,783,350,385	493,992,949,125
Trading service	2,795,378,100,410	2,184,148,790,665
Other services	406,805,347,164	309,463,620,609
	<b>6,734,322,492,591</b>	<b>5,761,450,705,430</b>
<b>Deductions</b>		
Sales discount	(747,676,768)	-
<b>Net sales of merchandise and services</b>	<b>6,733,574,815,823</b>	<b>5,761,450,705,430</b>

**27. COST OF SALES**

	Current year VND	Prior year VND
Transportation service	2,370,508,835,863	2,222,992,942,858
Marine services	483,444,586,140	317,320,176,576
Trading service	2,751,615,216,155	2,175,645,864,911
Other services	365,543,492,401	268,260,041,306
	<b>5,971,112,130,559</b>	<b>4,984,219,025,651</b>

**28. OPERATION COST BY NATURE**

	Current year VND	Prior year VND
Raw materials and consumables	643,663,969,639	728,107,830,915
Labour	590,331,491,602	529,516,244,997
Depreciation and amortization	465,616,372,740	447,313,425,698
Out-sourced services	3,028,767,553,201	1,956,696,475,105
Other monetary expenses	559,534,616,536	1,138,481,576,818
	<b>5,287,914,003,718</b>	<b>4,800,115,553,533</b>

**29. FINANCIAL INCOME**

	Current year VND	Prior year VND
Bank, loan and entrusted capital interest	138,779,260,125	125,101,686,314
Foreign exchange gain	16,437,315,323	3,801,857,409
Dividends and profits received	2,608,420,500	1,508,449,800
Other financial income	1,502,488,643	1,161,286,461
	<b>159,327,484,591</b>	<b>131,573,279,984</b>

**30. FINANCIAL EXPENSES**

	Current year VND	Prior year VND
Interest expense	122,947,562,199	96,713,521,505
Foreign exchange loss	27,348,700,100	132,712,030,283
Provision for/(Reversal of) impairment of investments	6,502,320	(122,315,800)
Loss on disposal of securities	-	144,205,478
Charges/(Reversal) other financial expense	102,385,373	(2,327,401,605)
	<b>150,405,149,992</b>	<b>227,120,039,861</b>

**31. GENERAL AND ADMINISTRATION EXPENSES**

	Current year VND	Prior year VND
<b>General and administration expenses</b>		
Labour	109,963,772,196	101,615,275,295
Other expenses	118,160,448,484	111,812,062,826
<b>Deductions from general and administration expenses</b>		
Reversal of provision for doubtful debt	(1,148,068,121)	(1,649,223,876)
	<b>226,976,152,559</b>	<b>211,778,114,245</b>
<b>Selling expenses</b>		
Outsourced expense	1,565,775,746	3,004,718,156
Other expenses	7,384,759,448	4,827,510,564
	<b>8,950,535,194</b>	<b>7,832,228,720</b>

**32. PROFIT FROM OTHER ACTIVITIES**

	Current year VND	Prior year VND
Gain on disposals of fixed assets	14,220,550,389	16,411,641,206
Proceeds from contract penalty	6,630,207,874	11,584,247,750
Other income	22,130,265,953	39,139,380,671
<b>Other income</b>	<b>42,981,024,216</b>	<b>67,135,269,627</b>
Penalty	-	457,323,011
Other expenses	3,269,377,445	14,459,704,832
<b>Other expenses</b>	<b>3,269,377,445</b>	<b>14,917,027,843</b>
<b>Net profit from other activities</b>	<b>39,711,646,771</b>	<b>52,218,241,784</b>

**33. CURRENT CORPORATE INCOME TAX EXPENSE**

	Current year VND	Prior year VND
Profit before tax	601,955,431,318	546,239,372,190
Less: Non-assessable income	(35,822,256,514)	14,298,309,913
Less: Profit from investments in associates	(26,785,452,437)	(31,946,553,469)
Add back: Non-deductible expenses	118,460,789,138	30,010,225,811
<b>Assessable income</b>	<b>657,808,511,505</b>	<b>558,601,354,445</b>
Loss carried forward from the prior year	(64,334,556,899)	(46,082,253,655)
<b>Taxable income</b>	<b>593,473,954,606</b>	<b>512,519,100,790</b>
Current tax rate	20%	22%
<b>Corporate income tax expense</b>	<b>118,694,790,922</b>	<b>112,754,202,174</b>
Adjustment to corporate income tax (*) in prior years	7,481,023,535	1,917,976,847
<b>Adjusted Corporate income tax expense</b>	<b>126,175,814,457</b>	<b>114,672,179,021</b>

(\*) Adjustment according to Minutes of State audit regarding additional corporate income tax for 2014 and additional tax payment of 2015 according to tax finalization dated 2 October 2015.

	Current year VND	Prior year VND
<b>Deferred corporate income tax income</b>		
- Deductible temporary differences	(7,686,183,556)	(1,123,581,606)
<b>Total deferred corporate income tax income</b>	<b>(7,686,183,556)</b>	<b>(1,123,581,606)</b>

The Corporation is obliged to pay corporate income tax at the rate of 20% (2015: 22%) of its taxable income.

As at 31 December 2016, PVTrans Southern and PVTrans Phuong Dong Viet (the Corporation's subsidiaries) have unused tax losses amounting to VND 133,052,000,285 (as at 31 December 2015: VND 222,092,197,796) available for offset against future profits. This unused tax losses have not been audited and approved by tax authority. No deferred tax asset has been recognised in respect of the above tax losses due to the uncertainty of additional future profits. The benefits from the tax losses carried forward will be utilized within 5 years from the year of loss incurred and will expire according to the following schedule:

Year	The tax losses VND
2017	133,052,000,285
	<u><u>133,052,000,285</u></u>

### 34. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Corporation is based on the following data:

	Current year	Prior year (restated)
Profit for the year (VND)	483,465,800,417	432,690,774,775
Attributable to :		
- Non-controlling interests (VND)	67,901,298,117	64,599,312,202
- The Parent company's shareholders (VND)	415,564,502,300	368,091,462,573
Less: distributed to bonus and welfare fund (VND)	(43,657,396,802)	(38,670,085,996)
<b>Earnings for the purposes of calculating basic earnings per share (VND)</b>	<b>371,907,105,498</b>	<b>329,421,376,577</b>
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	281,440,162	281,440,162
<b>Basic earnings per share</b>	<b><u>1,321</u></b>	<b><u>1,170</u></b>

Basic earnings per share for the year ended 31 December 2016 is calculated basing on profit for the year then ended and estimated amount of Bonus and welfare funds of 11% of profit before tax-rate as 2015 of the Parent company and its subsidiaries. The calculation of basic earnings per share by this method is only for comparability of figures in two financial years because the Corporation has not had any plan for appropriation of Bonus and welfare funds for 2016 yet.

The Corporation has restated basic earnings per share for the year ended 31 December 2015 due to the impact of stock dividend in the year.

### 35. OPERATING LEASE COMMITMENTS

#### The Corporation as lessee

	Current year VND	Prior year VND
Minimum lease payments under operating leases recognised in the consolidated income statement for the year	<u>22,124,855,464</u>	<u>29,215,108,825</u>

As at the balance sheet date, the Corporation has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Closing balance VND	Opening balance VND
Within one year	16,373,394,750	17,073,464,999
In the second to fifth year inclusive	27,733,890,119	19,567,951,563
After five years	2,103,184,178	3,475,860,121
	<b>46,210,469,047</b>	<b>40,117,276,683</b>

Operating lease payments represent total rental payable for leasing cars, vessel, office and facilities of the Corporation and its subsidiaries. The cars lease contract were signed with the term from 01 to 06 years. The office lease contract were signed with the term from 01 to 06 years. And facilities lease contracts were signed with the term of 05 years.

**The Corporation as lessor**

	Current year VND	Prior year VND
Minimum lease income under operating leases recognised in the consolidated income statement for the year	367,489,151,652	239,565,314,250

As at the balance sheet date, the Corporation has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Closing balance VND	Opening balance VND
Within one year	343,555,350,000	416,248,477,188
In the second to fifth year inclusive	576,111,510,000	919,666,860,000
	<b>919,666,860,000</b>	<b>1,335,915,337,188</b>

Operating lease income represent total rental receivables for lending vessel with the term of 05 years.

**36. FINANCIAL INSTRUMENTS**

**Capital risk management**

The Corporation manages its capital to ensure that the Corporation will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Corporation consists of net debt (borrowings as disclosed in Notes 22, offset by cash and cash equivalents) and Shareholders' equity (comprising owners' contributed capital, reserves and retained earnings).

*Gearing ratio*

The gearing ratio of the Corporation as at the balance sheet date was as follows:

	Closing balance VND	Opening balance VND
Borrowings	2,962,124,604,168	3,618,182,717,065
Less: Cash and cash equivalent	1,338,548,595,430	2,236,855,073,354
Net debt	1,623,576,008,738	1,381,327,643,711
Equity	4,333,462,250,239	4,325,438,772,901
Net debt to equity ratio	<b>0.37</b>	<b>0.32</b>

**Significant accounting policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity are disclosed in Note 4.

**Categories of financial instruments**

	Carrying amounts	
	Closing balance VND	Opening balance VND
<b>Financial assets</b>		
Cash and cash equivalent	1,338,548,595,430	2,236,855,073,354
Financial investments	1,605,856,780,999	628,196,845,200
Trade and other receivables	696,130,693,427	830,467,628,706
<b>Total</b>	<b>3,640,536,069,856</b>	<b>3,695,519,547,260</b>
<b>Financial liabilities</b>		
Borrowings	2,962,124,604,168	3,618,182,717,065
Trade and other payables	1,187,547,013,540	1,278,327,214,237
Accrued expenses	49,766,292,191	56,274,580,960
<b>Total</b>	<b>4,199,437,909,899</b>	<b>4,952,784,512,262</b>

The Corporation has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there are no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

**Financial risk management objectives**

The Corporation has set up risk management system to identify and assess the risks exposed by the Corporation and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Corporation's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

**Market risk**

The Corporation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Corporation does not hedge these risk exposures due to the lack of active market for trading activities of financial instruments.

**Foreign currency risk management**

The Corporation undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the balance sheet date are as follows:

	Assets		Liabilities	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
United States Dollar (USD)	42,212,596,680	247,475,760,078	1,519,584,467,691	2,474,690,739,469
Euro (EUR)	8,914,908	14,852,217	-	7,288,949
Japanese Yen (JPY)	19,241	18,518	80,347,568	779,269,155
Great British Pound (GBP)	-	-	-	643,189,573
Singapore Dollar (SGD)	20,368,712,437	12,957,943	83,855,299	668,015,976

*Foreign currency sensitivity analysis*

The Corporation is mainly exposed to United States Dollar.

The Corporation analysed its sensitivity to a 3% increase and decrease in Vietnam Dong against the relevant foreign currencies. 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the Board of Directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 3% change in foreign currency rates. For a 3% increase/decrease in United States Dollar against Vietnam Dong, the profit before tax in the year would have decreased/increased by VND 44,321,156,130 (2015: VND 66,816,449,382). The change in exchange rate of Euro, Great British Pound, Singapore Dollar and Japanese Yen did not have material effect to accounting profit before tax of the Corporation.

*Interest rate risk management*

The Corporation has significant interest rate risks arising from interest bearing loans which are arranged. The Corporation is exposed to interest rate risk as the Corporation borrows funds at both fixed and floating interest rates. The risk is managed by the Corporation by maintaining an appropriate level of fixed and floating rate borrowings.

*Stock price risk management*

The Corporation is exposed to equity price risks arising from investments in subsidiaries and associates. The Corporation's Board of Management assesses and approves decisions on investments in subsidiaries and associates such as operating industry, investees, etc. Investments in subsidiaries and associates are held for long-term strategic investments rather than trading purposes. The Corporation does not have intention to trade these investments in the foreseeable future.

**Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Corporation does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

**Liquidity risk management**

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Corporation believes can generate within that year. The Corporation's policy is to regularly monitor current and expected liquidity requirements to ensure that the Corporation maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Corporation's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Corporation can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Corporation's liquidity risk management as the liquidity is managed on a net asset and liability basis.

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	Less than 1 year VND	From 1 to 5 years VND	Above 5 years VND	Total VND
<b>Closing balance</b>				
Cash and cash equivalents	1,338,548,595,430	-	-	1,338,548,595,430
Financial investments	1,559,919,013,699	-	45,937,767,300	1,605,856,780,999
Trade and other receivables	688,494,744,690	7,635,948,737	-	696,130,693,427
<b>Total</b>	<b>3,586,962,353,819</b>	<b>7,635,948,737</b>	<b>45,937,767,300</b>	<b>3,640,536,069,856</b>
Borrowings	529,716,898,818	1,756,560,103,949	675,847,601,401	2,962,124,604,168
Trade and other payables	835,803,217,887	120,852,659,653	230,891,136,000	1,187,547,013,540
Accrued expenses	42,974,684,307	6,791,607,884	-	49,766,292,191
<b>Total</b>	<b>1,408,494,801,012</b>	<b>1,884,204,371,486</b>	<b>906,738,737,401</b>	<b>4,199,437,909,899</b>
<b>Net liquidity gap</b>	<b>2,178,467,552,807</b>	<b>(1,876,568,422,749)</b>	<b>(860,800,970,101)</b>	<b>(558,901,840,043)</b>
	Less than 1 year VND	From 1 to 5 years VND	Above 5 years VND	Total VND
<b>Opening balance</b>				
Cash and cash equivalents	2,236,855,073,354	-	-	2,236,855,073,354
Financial investments	582,259,077,900	-	45,937,767,300	628,196,845,200
Trade and other receivables	817,127,711,878	13,339,916,828	-	830,467,628,706
<b>Total</b>	<b>3,636,241,863,132</b>	<b>13,339,916,828</b>	<b>45,937,767,300</b>	<b>3,695,519,547,260</b>
Borrowings	902,429,496,663	2,147,619,839,831	568,133,380,571	3,618,182,717,065
Trade and other payables	884,322,139,198	163,113,939,039	230,891,136,000	1,278,327,214,237
Accrued expenses	51,606,151,499	4,668,429,461	-	56,274,580,960
<b>Total</b>	<b>1,838,357,787,360</b>	<b>2,315,402,208,331</b>	<b>799,024,516,571</b>	<b>4,952,784,512,262</b>
<b>Net liquidity gap</b>	<b>1,797,884,075,772</b>	<b>(2,302,062,291,503)</b>	<b>(753,086,749,271)</b>	<b>(1,257,264,965,002)</b>

The Board of Directors assesses the liquidity risk at a moderate level and believes that the Corporation will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

**37. RELATED PARTY TRANSACTIONS AND BALANCES**

**List of related parties**

<b>Related party</b>	<b>Relationship</b>
Vietnam National Oil and Gas Group ("PetroVietnam")	Holding company
PVTrans Emas Company Limited	Joint venture
PetroVietnam Oil Corporation	Subsidiary of Vietnam National Oil and Gas Group
Binh Son Refining and Petrochemical Company Limited	Subsidiary of Vietnam National Oil and Gas Group
Dai Hung Petroleum Operating Company Limited	Subsidiary of Vietnam National Oil and Gas Group
Dung Quat Shipbuilding Industry Company Limited	Subsidiary of Vietnam National Oil and Gas Group
PTSC Supply Base	Subsidiary of Vietnam National Oil and Gas Group
Vietnam Public Joint Stock Commercial Bank (Formerly knowd as: PetroVietnam Finance Corporation)	Members of Vietnam National Oil and Gas Group
PetroVietnam Southern Building Development and Management JSC	Company under PetroVietnam Fertilizer and Chemicals Corporation (Subsidiary of Vietnam National Oil and Gas Group)
PetroVietnam Domestic Exploration Production Operating Company Limited	Member of Vietnam National Oil and Gas Group

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**Related party**

**Relationship**

PetroVietnam Steel Pipe Joint Stock Company	Subsidiary of Vietnam National Oil and Gas Group
Drilling Mud Joint Stock Corporation	Subsidiary of Vietnam National Oil and Gas Group
Petrovietnam Gas East Company Limited	Company of Petrovietnam Southern Gas Joint Stock Company (Subsidiary of PetroVietnam Gas Joint Stock Corporation - Subsidiary of Vietnam National Oil and Gas Group)
Branch of PetroVietnam Gas Joint Stock Corporation - PV Gas Trading Company Limited	Company of PetroVietnam Gas Joint Stock Corporation (Subsidiary of Vietnam National Oil and Gas Group)
Vietnam-Russia Joint Venture Vietsovpetro	Joint Venture of Vietnam National Oil and Gas Group
PetroVietnam Gas Joint Stock Corporation	Subsidiary of Vietnam National Oil and Gas Group
PetroVietnam Fertilizer and Chemicals Corporation	Subsidiary of Vietnam National Oil and Gas Group
Branch of PetroVietnam Gas Joint Stock Corporation - PV Gas Vung Tau	Company of PetroVietnam Gas Joint Stock Corporation (Subsidiary of Vietnam National Oil and Gas Group)
Branch of PetroVietnam Gas Joint Stock Corporation - PV Gas Ca Mau	Company of PetroVietnam Gas Joint Stock Corporation (Subsidiary of Vietnam National Oil and Gas Group)
Branch of PetroVietnam Gas Joint Stock Corporation - South East Gas Transmission Company	Company of PetroVietnam Gas Joint Stock Corporation (Subsidiary of Vietnam National Oil and Gas Group)

In addition to the balances with its related parties are disclosed in the other notes of the consolidated financial statements, during the year, the Corporation entered into the following significant transactions with its related parties:

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

	Current year VND	Prior year VND
<b>Services rendered</b>		
Binh Son Refining and Petrochemical Company Limited	1,541,417,401,931	1,518,179,002,397
Petrovietnam Gas East Company Limited	238,285,086,616	445,308,712,085
PetroVietnam Gas Joint Stock Corporation	337,806,510,554	340,688,688,762
PetroVietnam Exploration Production Corporation (PVEP)	379,793,964,178	311,246,224,283
PetroVietnam Oil Corporation	321,718,580,593	294,993,120,128
Vietnam LPG Company Limited	-	169,667,008,848
Vietnam-Russia Joint Venture Vietsovpetro	-	91,587,651,908
PVTrans Emas Company Limited	-	88,365,954,355
Vietnam Petroleum Transport Joint Stock Company	16,684,113,777	16,684,113,777
PetroVietnam Northern Gas Joint Stock Company	42,589,221,051	16,532,306,892
PetroVietnam Fertilizer and Chemicals Corporation	13,974,623,812	13,901,913,215
CNG Vietnam Joint Stock Company	-	11,962,144,088
PetroVietnam Steel Pipe Joint Stock Company	-	1,935,488,388
PetroVietnam Ca Mau Fertilizer Joint Stock Company	2,900,856,370	4,321,969,480
Vung Tau Gas Contribution Division	2,630,053,947	-
Southern Oil and Transportation Joint Stock Company	2,217,303,737	-



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	Current year VND	Prior year VND
<b>Purchases</b>		
PetroVietnam Southern Gas Joint Stock Company	740,762,278,101	631,437,391,705
PetroVietnam Gas East Company Limited	478,469,937,062	359,919,161,715
Dung Quat Shipbuilding Industry Company Limited	18,564,421,330	277,646,827,901
Branch of PetroVietnam Gas - PV Gas Trading Joint Stock Company	168,255,978,586	232,339,395,092
Vung Tau Oil and Gas Petroleum Joint Stock Company	63,109,378,327	181,317,674,565
Sai Gon Oil and Gas Petroleum Joint Stock Company	105,241,700,211	115,317,756,101
Binh Son Refining and Petrochemical Company Limited	93,038,544,595	92,223,397,682
PetroVietnam Northern Gas Joint Stock Company	40,504,226,406	69,065,474,263
Hai Phong Oil and Gas Petroleum Joint Stock Company	64,101,012,210	32,597,015,600
PetroVietnam Insurance South Company	25,130,252,985	22,197,290,409
Thai Binh Oil and Gas Petroleum Joint Stock Company	-	20,956,887,378
Hoang Long Joint Operating Company	20,849,727,614	20,849,727,614
Vietnam-Russia Joint Venture Vietsovpetro	14,396,700,775	13,423,071,360
PetroVietnam Insurance Joint Stock Corporation	30,149,927,473	12,757,175,295
PetroVietnam Engineering Consultancy Joint Stock Company	-	4,725,733,682
Petrosetco Vung Tau General Services Joint Stock Company	12,987,700,191	-
PetroVietnam Gas City Investment and Development Joint Stock Company	7,025,327,691	-
Vietnam Oil and Gas Group	<u>25,172,098,412</u>	<u>6,437,661,412</u>

	Current year VND	Prior year VND
<b>Interest expense</b>		
PetroVietnam and companies within PetroVietnam	<u>13,885,053,487</u>	<u>15,842,217,204</u>

The remuneration paid to the Boards of Management and Directors during the year were as follows:

	Current year VND	Prior year VND
Salary, bonus and benefits in kind	<u>6,544,563,442</u>	<u>7,231,248,702</u>

**38. SUPPLEMENTAL DISCLOSURES OF CONSOLIDATED CASH FLOW INFORMATION**

**Supplemental non-cash disclosures**

Cash outflows for purchases, construction of fixed assets in the year include an amount of VND 189,699,526,000 (2015: VND 107,661,120,000), representing the purchasing and construction of fixed assets incurred in the previous year and paid in this year. Consequently, change in accounts payable have been adjusted by the same amount.

Cash outflows for interest expenses in the year exclude an amount of VND 20,462,789,808 (2015: VND 20,227,768,823), representing the interest incurred during the year that has not yet been paid. Consequently, increase/(decrease) in accounts payable have been adjusted by the same amount.

Interest earned, dividends and profits received exclude an amount of VND 19,809,751,002 (2015: VND 36,032,473,005), representing the interest income earned during the year that has not been received yet. Consequently, change in accounts receivable have been adjusted by the same amount.

Proceeds from share issue exclude an amount of VND 255,826,200,000 (2015: nil), representing the increase in the Corporation's charter capital from its retained earnings. Consequently, there is no cash is presented in the statement of cash flow.

**39. COMPARATIVE FIGURES**

Certain reclassifications have been made to the prior year's figures to enhance their comparability with the current year's presentation. Details are as follows:


Unit: VND

	Codes	Previously reported amount VND	Reclassification VND	Amount after reclassification VND
<b>Consolidated balance sheet</b>				
1. Held-to-maturity invesments	123	402,141,695,000	180,000,000,000	582,141,695,000
1. Held-to-maturity invesments	255	180,000,000,000	(180,000,000,000)	-

  
**Vo Thi Thanh Tung**  
 Preparer

  
**Nguyen Thi Kim Anh**  
 Chief Accountant



  
**Pham Viet Anh**  
 General Director  
 20 March 2017

C.P. ★

C.T. ★ ★ ★ ★ ★