**PSB: Explanation for the audit opinion on the reviewed financial statement of the first 6 months of 2020**

On 13 Aug 2020, Sao Mai – Ben Dinh Petroleum Investment Joint Stock Company announced the explanation for the audit opinion on the reviewed financial statement of the first 6 months of 2020 as follows:

The Management Board of the Company assessed the recoverability of bad debt of Saigon Offshore Fabrication and Engineering Limited (“SOFEL”) on 30 June 2020 at VND 9.8 billion (equivalent to 72.5% of total debt). Accordingly, the Company made a provision for bad debts with an amount of 27.5% of the total debt of SOFEL

- In 2019, the Company delivered (8-ton crane of the CTC1 sturgeon project) to Vietsovpetro Joint Venture under the contract No. 0547/18/T - N3 / XL - PVSB signed on July 5, 2018. In the opinion of the auditor, the Company delivered late and could be fined for late delivery with the amount of VND 1,091,214,120, equivalent to 8% of the contract value. However, by the time of making the Audit Report on financial statement of the first 6 months of 2020, PVSB Company and Vietsovpetro Joint Venture were still in the negotiation process. The opinion of the Management Board was that after excluding objective and subjective factors from Vietsovpetro side, this fine (if any) would be negligible. Therefore, the Management Board did not evaluate in the reviewed financial statement of the first 6 months of 2020

The above is the explanation of Sao Mai – Ben Dinh Petroleum Investment Joint Stock Company about the auditor's opinion on the reviewed financial statement of the first 6 months of 2020