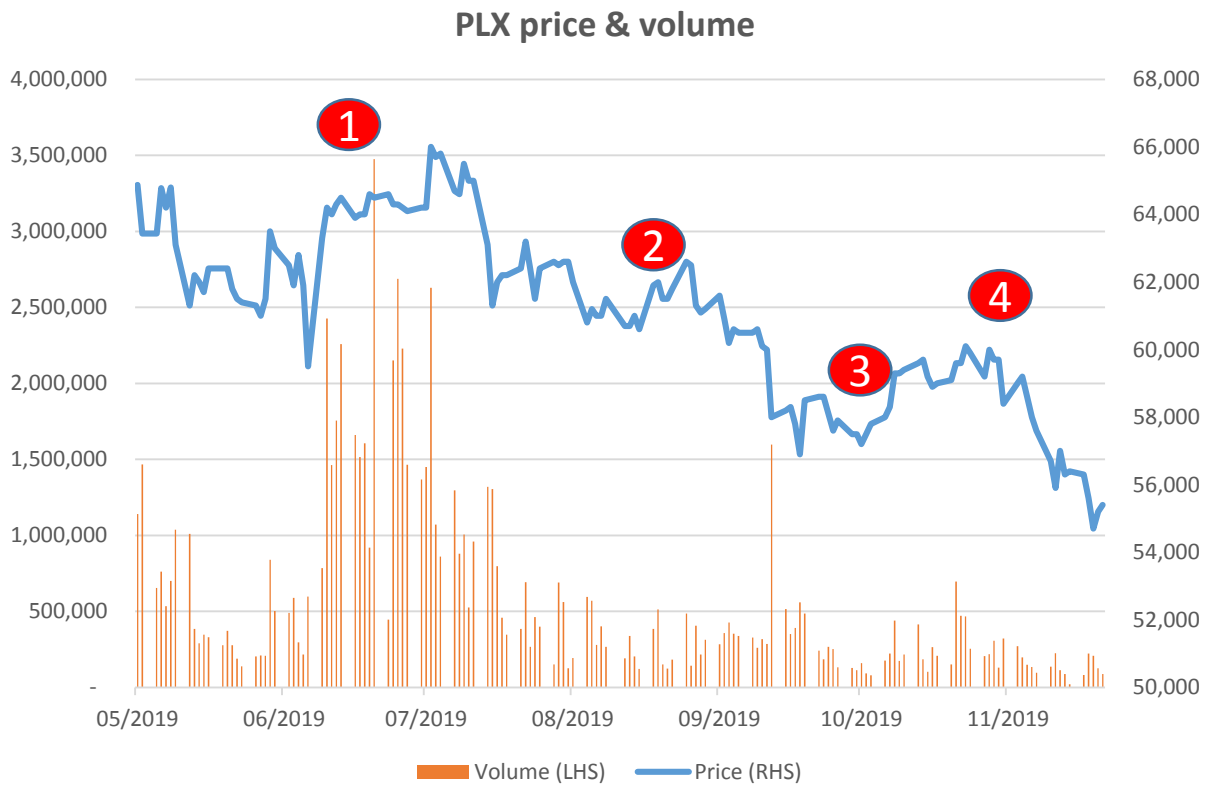
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II. The reason PLX price down?



No.	Envent
1	Aug 2019, PLX sold its treasury shares and foreigner investors bought the huge demand made PLX price increased.
2	PLX disclose the audited financial statement report in 1H2019, which having a **qualified opinion** the amount VND 135bn provision for decline in inventoried (approximately 5% NPBT in 1H2019) As a consequence, the Hochiminh Exchange add PLX stock into the list of stocks ineligible for margin trading, **due to a qualified auditor's opinion report.** That mean all securities company had to **cut their margin services to PLX stock**, making a huge selling pressure on market and the decrease of price
3	Oct 2019, PLX published the **revised FS report** with a unqualified opinion report to avoid margin issue. Then, the Hochiminh Stock Exchange announces the removal of PLX stocks from the list of stocks ineligible for margin trading. Thus, the securities companies opened again their margin services to PLX. The retail investor accelerated to buying its stock to make it uptrend in several week.
4	The Party Central Committee's Inspection Commission has proposed taking disciplinary action against Bui Ngoc Bao, former chairman and general director of the Vietnam National Petroleum Group (Petrolimex). After that PLX stock **declined consecutively** until now.

II. The reason PLX price down?

(4) The issue of disciplinary action against Bui Ngoc Bao and some persons, former chairman and board member of director of Petrolimex.

- The Inspection Commission reached a conclusion on an inspection after discovering signs of violations by Petrolimex's Standing Board of the Party Committee, was guilty of poor supervision and lacked oversight by the company's leaders.
- This inadequacy had made it easier for the group to commit many violations of the Party's rules; the prevailing regulations on State employee management; the management, use and development of capital and assets; and the equitization, restructuring, divestment and execution of some construction projects, resulting in serious consequences and losses for the State.
- Bui Ngoc Bao must be held accountable for violations by the Standing Board of the Party Committee of Petrolimex, the commission stressed, adding that Tran Van Thinh, Tran Minh Hai, Nguyen Thanh Son and Nguyen Quang Tuan should also take personal responsibility for the violations.
- The violations of the Standing Board of the Party Committee of Petrolimex and the named individuals have seriously damaged the prestige of the Party Committee and Petrolimex, according to the commission.

Implication: The investors very confuse about the conclusion of the State when they mention the former BOD of PLX made a "resulting in serious consequences and losses for the State". No one knows how to these issues effect to PLX financial health or any potential losses in future. We assume this is the main cause for PLX price down consecutively presently.

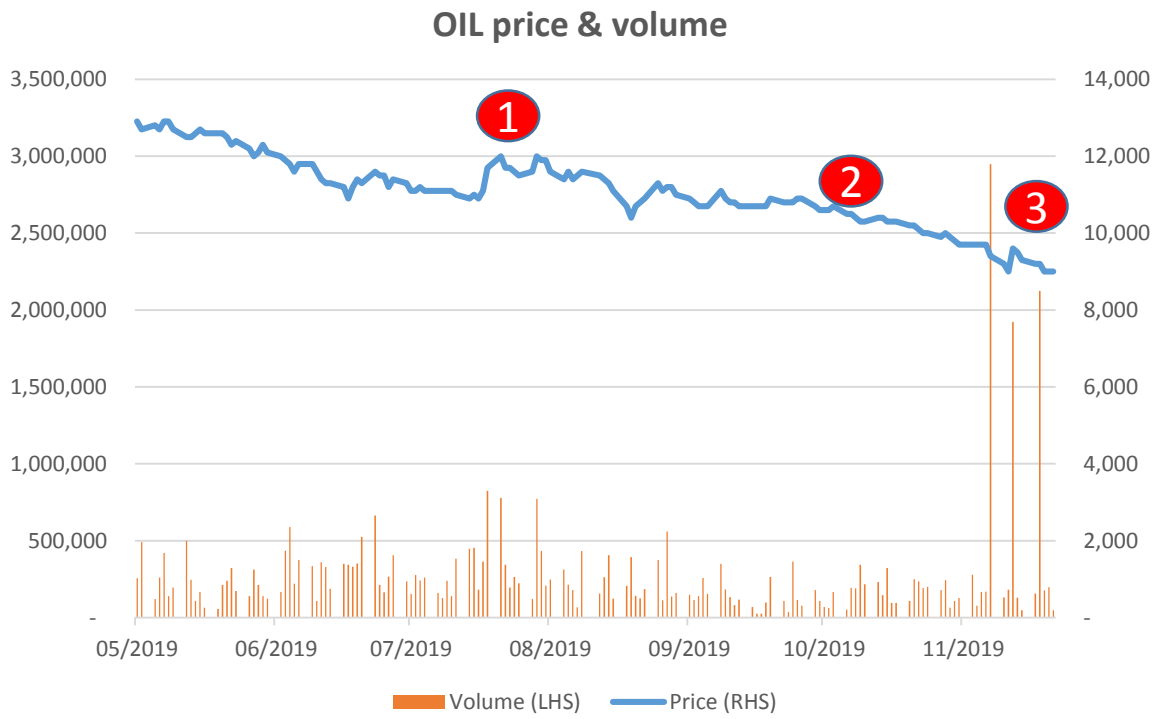
However, we assess these issues just impact in short term. We don't recognize any bad information about PLX fundamental activities, they still earn a good profit in 3Q.2019.

Q3.2019 result: PLX released Q3 2019 results in which revenue increased by 5.3% YoY to VND48.6tn (USD2.1bn) while NPAT-MI rose by 19.1%YoY to VND960bn (USD41mn). For 9M 2019, revenue came in at VND140tn (USD6bn, -1.7%YoY) while NPAT-MI reached VND3.3tn (USD142mn, +14.4%YoY), driven by total domestic sales volume growth of 5.9% and a smaller forex loss.

(2) & (3) Auditor opinion issue: PLX published its revised and audited Q2 2019 financial statement with unqualified opinion. PLX republished its Q2 2019 audited financial statement with an unqualified opinion and NPAT-MI revised up by 2.8% vs the previous audited number. This follows the qualified opinion of the auditor, KPMG, in the previously audited financial statement for Q2 2019 that removed PLX from a list of stocks qualified for margin lending in late September 2019. In the previously audited report, KPMG had a qualified opinion regarding a subsidiary of PLX making inventory provisions based on its forecast of declining value in inventory as of December 31, 2019, rather than on June 30, 2019, according to Vietnamese accounting standards. Therefore, PLX chose not to make this provision anymore. Accordingly, PLX got back onto the stock list that is qualified for margin lending on October 30, 2019.

Source: https://english.thesaigontimes.vn/72449/former-petrolimex-general-director-may-face-discipline.html

III. The reason OIL price down?



No.	Envent
1	Aug 2019, OIL posted H1 revenue of VND38.6tn (USD1.6bn, +19.4%YoY) and net profit of VND194bn (USD8.3mn, -35.5%YoY). The weak H1 was due to challenging market conditions in Q1 and late May/early June, coupled with the Government's overuse of the stabilization fund in Q1. The poor performance in 1H2019 make selling pressure on stock market.
2	Oct 2019, OIL released consolidated results for 9M 2019 with net income totalling VND59.4 tn (USD2.2bn) and net profit after tax achieved VND202bn (USD100 mn). There are no comparative figures for 9M.2019 result. They **implemented 83% its net profit full-year target**. We believe they can fulfill its plan. However, OIL's EPS just VND196 in 9M, leading PE >200x, the significant high PE compared to average VN Index ~14x. We assume the individual investors don't want to keep OIL stock in short term
3	Beside selling pressure from individual investors, OIL stock is facing huge pressure from some IPO fund investor, who bought OIL at the IPO day. Many of them have **only 3 year investment duration**. Until now, OIL had made IPO nearly 2 year ago. However, they assume OIL business performance **very hard to improve significantly in short term** when the State's divestment still pending. We assess some funds divested OIL stock in order to transfer to money, preparing to redeem to investors in next years. We recognize the increase of volume trading presently.
However, We don't recognize any bad information about OIL fundamental business activities.	


Thank
you