

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH ENDED 30 JUNE 2022**



PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH ENDED 30 JUNE 2022

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PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise registration certificate

No. 4103005338 dated 29 September 2006 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the latest (the 20th) amended Enterprise registration Certificate dated 24 January 2022

Board of Directors

Mr. Phung Tuan Ha	Chairman
Mr. Vu Tien Duong	Member
Ms. Pham Thi Hong Diep	Member
Mr. Trinh Thanh Can	Member (to 28 June 2022)
Mr. Nguyen Quy Thinh	Member (to 28 June 2022)
Ms. Vu Viet Anh	Member (until 28 June 2022)
Ms. Le Thi Chien	Member (until 28 June 2022)

Board of Internal Audit

Ms. Nguyen Thi Thi Trang	Head
Mr. Le Minh Kha	Member
Mr. Nguyen Minh Tan	Member (to 28 June 2022)
Mr. Tran Cong Luan	Member (until 28 June 2022)

Board of Management

Mr. Vu Tien Duong	General Director
Mr. Ho Minh Viet	Deputy General Director
Ms. Pham Thi Hong Diep	Deputy General Director
Mr. Huynh Van Ngan	Deputy General Director

Legal representative

Mr. Phung Tuan Ha	Chairman
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Registered office

6th Floor, PetroVietnam Tower, No. 1 – 5, Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

Auditor

PwC (Vietnam) Limited

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

STATEMENT OF THE CHAIRMAN

STATEMENT OF RESPONSIBILITY OF THE CHAIRMAN IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Chairman of the Board of Directors ("the Chairman") of PetroVietnam General Services Joint Stock Company ("the Parent Company") is responsible for preparing the interim consolidated financial statements of the Parent Company and its subsidiaries (collectively referred to as "the Corporation") which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended. In preparing these interim consolidated financial statements, the Chairman is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the interim consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

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

APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

I hereby approve the accompanying interim consolidated financial statements as set out on pages 5 to 60 which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.



Phung Tuan Ha
Chairman

Ho Chi Minh City, SR Vietnam
26 August 2022



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

We have reviewed the accompanying interim consolidated financial statements of PetroVietnam General Services Joint Stock Company ("the Parent Company") and its subsidiaries (together, "the Corporation") which were prepared and approved by the Chairman on 26 August 2022. The interim consolidated financial statements comprise the interim consolidated balance sheet as at 30 June 2022, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended, and explanatory notes to the interim consolidated financial statements including significant accounting policies, as set out on pages 5 to 60.

The Chairman's Responsibility

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

Auditor's Responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of the Corporation as at 30 June 2022, its interim consolidated financial performance and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.

Other Matter

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

For and on behalf of PwC (Vietnam) Limited



Tran Thi Thanh Truc
Audit Practising Licence No.
3047-2019-006-1
Authorised signatory

Report reference number: HCM12692
Ho Chi Minh City, 26 August 2022

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 01a – DN/HN

INTERIM CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2022 VND	31.12.2021 VND
100	CURRENT ASSETS		7,017,126,695,867	7,164,336,982,272
110	Cash and cash equivalents	3	1,684,206,737,262	2,576,476,734,565
111	Cash		712,256,737,262	781,387,734,565
112	Cash equivalents		971,950,000,000	1,795,089,000,000
120	Short-term investments		1,066,070,745,712	416,534,730,377
121	Trading securities	4(a)	419,326,965,290	231,617,305,031
122	Provision for diminution in value of trading securities	4(a)	(183,244,650,908)	(3,412,791,882)
123	Investments held to maturity	4(b)	829,988,431,330	188,330,217,228
130	Short-term receivables		1,829,056,098,394	2,494,856,930,482
131	Short-term trade accounts receivable	5	1,830,148,819,369	2,517,021,445,807
132	Short-term prepayments to suppliers	6	140,950,527,557	170,222,662,352
136	Other short-term receivables	7(a)	195,363,280,493	165,127,908,561
137	Provision for doubtful debts – short term	8	(337,406,529,025)	(357,515,086,238)
140	Inventories	9	2,086,720,693,322	1,447,149,643,236
141	Inventories		2,117,143,970,848	1,477,490,784,121
149	Provision for decline in value of inventories		(30,423,277,526)	(30,341,140,885)
150	Other current assets		351,072,421,177	229,318,943,612
151	Short-term prepaid expenses	14(a)	54,758,745,307	13,009,589,070
152	Value Added Tax ("VAT") to be reclaimed	10(a)	292,265,984,817	214,578,146,601
153	Tax and other receivables from the State	10(a)	4,047,691,053	1,731,207,941

The notes on pages 10 to 60 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2022 VND	31.12.2021 VND
200	LONG-TERM ASSETS		1,309,662,207,497	1,328,803,383,725
210	Long-term receivable		34,417,141,789	31,001,277,688
216	Other long-term receivables	7(b)	34,417,141,789	31,001,277,688
220	Fixed assets		272,676,774,550	261,165,890,304
221	Tangible fixed assets	11(a)	98,601,269,842	90,416,199,619
222	Historical cost		367,601,569,772	362,382,870,566
223	Accumulated depreciation		(269,000,299,930)	(271,966,670,947)
227	Intangible fixed assets	11(b)	174,075,504,708	170,749,690,685
228	Historical cost		182,751,926,598	179,113,843,937
229	Accumulated amortisation		(8,676,421,890)	(8,364,153,252)
230	Investment properties	12	613,228,764,631	633,175,184,506
231	Historical cost		852,074,158,578	852,074,158,578
232	Accumulated depreciation		(238,845,393,947)	(218,898,974,072)
240	Long-term assets in progress		38,370,282,184	38,316,282,184
242	Construction in progress	13	38,370,282,184	38,316,282,184
250	Long-term investments		117,296,469,201	119,509,551,307
252	Investments in associates	4(c)	113,491,272,602	116,576,659,708
253	Investments in other entities	4(d)	22,465,000,000	22,465,000,000
254	Provision for long-term investments	4(d)	(22,366,834,272)	(22,366,834,272)
255	Investments held to maturity	4(b)	3,707,030,871	2,834,725,871
260	Other long-term assets		233,672,775,142	245,635,197,736
261	Long-term prepaid expenses	14(b)	226,786,053,892	237,983,285,236
269	Goodwill	16	6,886,721,250	7,651,912,500
270	TOTAL ASSETS		8,326,788,903,364	8,493,140,365,997

The notes on pages 10 to 60 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.6.2022 VND	31.12.2021 VND
300	LIABILITIES		6,304,295,813,549	6,553,412,395,338
310	Short-term liabilities		6,134,818,545,548	6,382,140,764,625
311	Short-term trade accounts payable	17	1,802,128,821,198	2,241,130,193,754
312	Short-term advances from customers	18	106,240,418,528	117,106,483,725
313	Tax and other payables to the State	10(b)	16,870,660,003	47,070,734,631
314	Payable to employees		51,151,756,690	132,907,494,288
315	Short-term accrued expenses	19	31,077,193,828	24,335,359,969
318	Short-term unearned revenue	20	31,604,706,598	375,387,094
319	Other short-term payables	21(a)	208,271,089,298	224,142,424,272
320	Short-term borrowings	23(a)	3,857,262,181,556	3,560,524,219,400
321	Provision for short-term liabilities		854,856,756	854,856,756
322	Bonus and welfare funds	24	29,356,861,093	33,693,610,736
330	Long-term liabilities		169,477,268,001	171,271,630,713
337	Other long-term payables	21(b)	57,474,438,323	72,509,630,110
338	Long-term borrowings	23(b)	108,702,829,678	95,462,000,603
341	Deferred income tax liabilities	15	3,300,000,000	3,300,000,000
400	OWNERS' EQUITY		2,022,493,089,815	1,939,727,970,659
410	Capital and reserves		2,022,493,089,815	1,939,727,970,659
411	Owners' capital	25, 26	904,501,240,000	904,501,240,000
411a	- Ordinary shares with voting rights		904,501,240,000	904,501,240,000
412	Share premium	26	158,062,593,672	159,572,337,789
414	Owners' other capital	26	141,776,000,000	141,776,000,000
415	Treasury shares	26	(5,427,873,108)	(3,994,616,440)
418	Investment and development funds	26	271,777,466,354	271,777,466,354
421	Undistributed earnings	26	409,390,325,235	342,604,773,541
421a	- Undistributed post-tax profits of previous years		327,237,300,200	68,411,210,206
421b	- Post-tax profits of current period/year		82,153,025,035	274,193,563,335
429	Non-controlling interests		142,413,337,662	123,490,769,415
440	TOTAL RESOURCES		8,326,788,903,364	8,493,140,365,997

Hoang Van Vung
Preparer

Tran Quang Huy
Chief Accountant



Phung Tuan Ha
Chairman
26 August 2022

The notes on pages 10 to 60 are an integral part of these interim consolidated financial statements.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 02a – DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT

Code		Note	For the six-month period ended	
			30.6.2022 VND	30.6.2021 VND
01	Revenue from sales of goods and rendering of services		8,468,942,477,221	7,783,469,111,595
02	Less deductions		(195,529,171,074)	(170,931,346,580)
10	Net revenue from sales of goods and rendering of services	29	8,273,413,306,147	7,612,537,765,015
11	Cost of goods sold and services rendered	30	(7,781,723,233,743)	(7,226,247,552,838)
20	Gross profit from sales of goods and rendering of services		491,690,072,404	386,290,212,177
21	Financial income	31	83,741,976,906	35,586,146,547
22	Financial expenses	32	(252,881,995,714)	(45,156,621,200)
23	- Including: Interest expenses	32	(60,391,586,971)	(37,889,217,770)
24	Loss sharing from associates	4(c)	(3,085,387,106)	(1,184,691,888)
25	Selling expenses	33	(144,432,025,188)	(138,363,904,612)
26	General and administration expenses	34	(54,753,958,532)	(86,958,589,717)
30	Net operating profit		120,278,682,770	150,212,551,307
31	Other income		7,268,213,033	11,561,581,769
32	Other expenses		(286,964,987)	(3,000,091,032)
40	Net other income	35	6,981,248,046	8,561,490,737
50	Net accounting profit before tax		127,259,930,816	158,774,042,044
51	Corporate income tax ("CIT") - current	36	(23,789,109,675)	(34,842,132,628)
52	Corporate income tax - deferred	36	-	-
60	Net profit after tax		103,470,821,141	123,931,909,416
Attributable to:				
61	Owners of the parent company		82,153,025,035	99,839,994,574
62	Non-controlling interests		21,317,796,106	24,091,914,842
70	Basic earnings per share	27(a)	822	1,099
71	Diluted earnings per share	27(b)	822	1,099

Hoang Van Vung
Preparer

Tran Quang Huy
Chief Accountant

Phung Tuan Ha
Chairman
26 August 2022

The notes on pages 10 to 60 are an integral part of these interim consolidated financial statements.


INTERIM CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
		30.6.2022	30.6.2021
Code	Note	VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	127,259,930,816	158,774,042,044
	Adjustments for:		
02	Depreciation, amortisation and allocation of goodwill	31,761,149,067	32,831,493,643
03	Provisions	159,805,438,454	33,585,388,843
04	Unrealised foreign exchange losses/(gains)	212,364,982	(9,440,130)
05	Profits from investing activities	(27,986,431,371)	(20,340,078,397)
06	Interest expense	60,391,586,971	37,889,217,770
08	Operating profit before changes in working capital	351,444,038,919	242,730,623,773
09	(Increase)/decrease in receivables	(141,158,007,726)	237,450,506,533
10	Increase in inventories	(639,653,186,727)	(223,257,049,851)
11	Increase/(decrease) in payables	210,141,791,687	(226,851,077,527)
12	Increase in prepaid expenses	(30,551,924,893)	(18,410,403,804)
13	Increase in trading securities	(187,709,660,259)	(67,368,654,432)
14	Interest paid	(59,922,743,343)	(38,685,937,906)
15	CIT paid	(52,466,681,664)	(41,976,628,212)
17	Other payments on operating activities	(13,155,344,492)	(8,538,495,443)
20	Net cash outflows from operating activities	(563,031,718,498)	(144,907,116,869)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(22,902,482,202)	(9,391,276,364)
22	Proceeds from disposals of fixed assets	2,029,753,616	1,025,090,909
23	Term deposits over 3 months placed at banks	(759,567,000,000)	(32,911,483,787)
24	Term deposits over 3 months collected	117,036,480,898	99,567,000,000
25	Investments in other entities	(864,150,000)	(7,440,800,000)
27	Interest received	23,653,157,752	24,581,076,541
30	Net cash (outflows)/inflows from investing activities	(640,614,239,936)	75,429,607,299
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from reissuance of treasury shares	2,680,000,000	-
33	Proceeds from borrowings	6,666,680,118,808	4,162,706,093,286
34	Repayments of borrowings	(6,356,701,327,577)	(4,525,771,084,297)
36	Dividends paid to shareholders	(1,282,830,100)	(77,095,402,634)
40	Net cash inflows/(outflows) from financing activities	311,375,961,131	(440,160,393,645)
50	Net decrease in cash and cash equivalents	(892,269,997,303)	(509,637,903,215)
60	Cash and cash equivalents at beginning of period	3 2,576,476,734,565	1,808,197,263,570
61	Effect of foreign exchange differences	-	(2,579,450)
70	Cash and cash equivalents at end of period	3 1,684,206,737,262	1,298,556,780,905

As at beginning and end of period, included in cash at bank was VND 1 billion which was restricted (Note 3).


Hoàng Văn Vung
Preparer


Trần Quang Huy
Chief Accountant


Phùng Tuấn Hà
Chairman
26 August 2022

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH ENDED 30 JUNE 2022**

1 GENERAL INFORMATION

PetroVietnam General Services Joint Stock Company (“the Parent Company”) is a joint stock company established in SR of Vietnam pursuant to the Enterprise registration certificate No. 4103005338 dated 29 September 2006 and the latest (the 20th) amended Enterprise registration Certificate dated 24 January 2022 which were issued by the Department of Planning and Investment of Ho Chi Minh City. The Parent Company was transformed from PetroVietnam Tourism and Services Company, a wholly state-owned subsidiary of Vietnam Oil and Gas Group (the “Group” or “PVN”).

The Parent Company’s shares were officially listed on Ho Chi Minh City Stock Exchange (“HOSE”) on 12 September 2007 with stock symbol “PET” pursuant to Decision No. 94/QD-SGDHCM issued by the General Director of the HOSE on 13 August 2007.

The shareholders of the Parent Company are companies and individuals doing business and working in Vietnam. Details of the percentage of capital contribution are presented in Note 25.

The Corporation’s business activities are providing services and trading of commodity.

The principal activities of the Corporation include:

- Trading plastic resins, textile fibers;
- Sale of supplies, office equipment, audio-visual equipment;
- Support and management services and human resources services;
- Lease of warehouse, workshops, premises and office;
- Real estate development trading and management;
- Trading fertilisers, pesticides and chemicals used in agricultural industry;
- Wholesale of computers and equipment;
- Trading of telecommunication equipment;
- Supply of specialised materials and equipment in oil and gas industry;
- Heavy transportation and lifting services;
- Catering services and commodities for oil and gas industry;
- LPG trading and distributing, gas filling;
- Real estate trading and management; and
- Property management (offices, hotels, residential, projects etc.).

The normal business cycle of the Corporation is within 12 months.

As at 30 June 2022, the Corporation had 2,853 employees (as at 31 December 2021: 2,739 employees).

As at 30 June 2022 the Parent Company had 11 direct subsidiaries, 4 indirect subsidiaries, 3 direct associates, 2 indirect associates. In addition, the Parent Company has 1 dependent accounting unit that does not have legal status (as at 31 December 2021 the Parent Company had 11 direct subsidiaries, 4 indirect subsidiaries, 2 direct associates, 3 indirect associates and 1 dependent accounting unit that does not have legal status). Details are presented on the following page.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 09a – DN/HN

1 GENERAL INFORMATION (continued)

Name	Place of incorporation and operation	Principal activities	30.6.2022		31.12.2021	
			Voting right %	Ownership %	Voting right %	Ownership %
I - Direct subsidiaries						
Petroleum General Distribution Services Joint Stock Company ("PSD")	Ho Chi Minh City	Distribution of telecommunication and electronic equipment	80.68	80.68	80.68	80.68
Petroleum Offshore Trading and Services Company Limited ("POTS")	Ho Chi Minh City	Trading and rendering of services	60	60	60	60
Petroleum Vung Tau General Services Joint Stock Company ("PSV")	Ba Ria – Vung Tau Province	Rendering of services	70	70	70	70
Mien Trung Petroleum Services and Trading Joint Stock Company ("PSMT")	Quang Ngai Province	Trading and rendering of services	99.79	99.79	99.79	99.79
PetroVietnam Assets Management Joint Stock Company ("PSA")	Ha Noi City	Operating in property management and services	71.46	71.46	71.46	71.46
Petrosetco SSG Company Limited ("PSSSG") (i)	Ho Chi Minh City	Real estate business	51	21.46	51	21.46
Smart Convergence Joint Stock Company ("Smartcom")	Ho Chi Minh City	Distributing equipment, electronic, components, peripheral devices and software	55	55	55	55
Petrosetco Retail Services Joint Stock Company ("PSR")	Ho Chi Minh City	Retail of mobile phones	75	72.75	75	72.75
Petroleum Logistics Service Joint Stock Company ("PSL") (ii)	Ho Chi Minh City	Marine transportation service	66.6	44	66.6	44
Petroleum High Technology Products Distribution Joint Stock Company ("PHTD")	Ho Chi Minh City	Distributing equipment, electronic components and peripheral devices	51	51	51	51
Petroleum Saigon General Services Company Limited ("PSG") (iii)	Ho Chi Minh City	Stopped operations and on liquidation process	100	100	100	100

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 09a – DN/HN

1 GENERAL INFORMATION (continued)

Name	Place of incorporation	Principal activities	30.6.2022		31.12.2021	
			Voting right %	Ownership %	Voting right %	Ownership %
II – Indirect subsidiaries						
Binh Minh Electronics Refrigeration Joint Stock Company ("Binh Minh")	Ho Chi Minh City	Trading of electronic devices, refrigeration appliances and electronic household appliances	92.5	74.63	51	40.81
Nha Trang Petroleum Services Trading Company Limited ("Nha Trang PST")	Khanh Hoa Province	Wholesale of solid, liquid and gaseous fuels and related products	100	99.79	100	99.79
Petrosetco - ALE Heavy Transportation and Lifting Joint-stock Company ("Petrosetco - Ale")	Ho Chi Minh City	Providing heavy transportation and lifting services	51	22.44	51	22.44
An Lac Nhon Trach Single-member Limited Liability Company ("An Lac Nhon Trach") (iv)	Dong nai Province	Packaging services for the paper products	80.68	80.68	80.68	80.68
III – Direct associates						
Petro Tower Limited Company	Ba Ria - Vung Tau Province	Office for lease	24	24	24	24
Vinh Hoa Emerald Bay International Hospitality Company Limited (vii)	Phu Yen Province	Hospitality service	20	20	20	20
Green Technology Import Export Joint Stock Company ("Green Technology")	Ho Chi Minh City	Trading of medical equipment and supplies	48.5	21.34	-	-
IV – Indirect associates						
Vietecom Digital Trade and Investment Joint Stock Company ("Vietecom") (v)	Ha Noi City	Trading of electronic components, information technology, technology transfer services and delivery services	20	16	20	16
PEDACO Green Environment Joint Stock Company	Binh Thuan province	Wastage treatment	-	-	48.5	21.34
Petro Environmental and Energy Services Joint Stock Company	Ho Chi Minh City	Manufacturing electricity	45	27	45	27
VI – The dependent accounting unit that does not have legal status						
Petroleum Industrial Material Distribution Company ("PIMD")	Ho Chi Minh City	Trading solid, liquid, gas fuels and related products	100	100	100	100

1 GENERAL INFORMATION (continued)

- (i) As at 30 June 2022 and as at 31 December 2021, although the Corporation's ownership in PSSSG was only 21.46%, the Corporation still had the authority to exercise its power over the financial and operational policies of PSSSG through its 51% representatives in the Board of Directors of PSSSG. Therefore, the Corporation controls PSSSG and PSSSG was classified and presented as a subsidiary of the Corporation for the consolidation reporting purpose.
- (ii) As at 30 June 2022 and as at 31 December 2021, although the Corporation's ownership in PSL was only 44%, the Corporation still had the authority to exercise its power over the financial and operational policies of PSL through its 2/3 representatives in the Board of Directors of PSL. Therefore, the Corporation controls PSL and PSL was classified and presented as a subsidiary of the Corporation for the consolidation reporting purpose.
- (iii) Currently, PSG is under tax finalisation with the tax authorities for the dissolution purpose. From 2013 until now, PSG has had no business activities incurred.
- (iv) From 30 June 2020, PSD acquired 100% owner's capital of An Lac Nhon Trach with the purpose to re-sell this company within 12 months from the completion date of the acquisition transaction. However, as at 30 June 2022, PSD has not yet sold this investment. Accordingly, this investment was classified and presented as a indirect subsidiary of the Corporation for the consolidation reporting purpose.
- (v) Vietecom is in liquidation progress.

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

The interim consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements. The interim consolidated financial statements have been prepared under the historical cost convention, except for investments in associates and business combinations as presented in Note 2.5.

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

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

2.2 Fiscal year

The Corporation's fiscal year is from 1 January to 31 December. The interim consolidated financial statements are prepared for the period from 1 January 2022 to 30 June 2022.

2.3 Currency

The consolidated financial statements are measured and presented in the Vietnamese Dong ("VND"), which is the Company's accounting currency.

2.4 Exchange rates

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

Monetary assets and liabilities denominated in foreign currencies at the interim consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the interim consolidated balance sheet date of the commercial banks with which the Corporation regularly transacts. Foreign currencies deposited in commercial banks at the interim consolidated balance sheet date are translated at the buying exchange rate of the commercial banks where the Corporation opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation****Subsidiaries**

Subsidiaries are all entities over which the Corporation has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Corporation. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Corporation. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The excess of the cost of acquisition over the fair value of the Corporation's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiaries acquired, the difference is recognised directly in the interim consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between Corporation companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Non-controlling transactions and interests

The Corporation applies a policy of treating transactions with non-controlling interests ("NCI") as transactions with parties external to the Corporation.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)****Associates**

Associates are all entities over which the Corporation has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Corporation's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Corporation's share of its associates' post-acquisition profits or losses is recognised in the interim consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Corporation's share of losses in an associate equals or exceeds its interest in the associate, the Corporation does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Unrealised gains and losses on transactions between the Corporation and its associates are eliminated to the extent of the Corporation's interest in the associates.

2.6 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Corporation's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated period of benefit but not exceed 10 years.

Goodwill on acquisitions of investments in associates is included in the carrying amount of the investments at the date of acquisition. The Corporation does not amortise this goodwill.

On disposal of the investments in subsidiaries or associates, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is tested annually for impairment and carried at cost less accumulated amortisation less accumulated impairment losses. If there is evidence that the impairment during the period is higher than the annual goodwill charge, the Corporation records the impairment immediately in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Cash and cash equivalents

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

2.8 Receivables

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

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

2.9 Inventories

Inventories include merchandise and properties for sales being constructed for sale under the ordinary course of business, rather than to be held for rental or capital appreciation; and other inventories.

Inventories are stated at the lower of cost and net realisable value. Cost of properties for sales includes land costs and construction costs of infrastructure, other direct and overhead expenses. Cost of other inventories are determined by the weighted average method and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The Corporation applies the perpetual system for inventories.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Investments****(a) Trading securities**

Trading securities are securities which are held for trading to earn profits.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the acquisition. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the end of period. The provision for diminution in value of trading securities is made when their cost is higher than their fair value. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

The Corporation recognises trading securities when it has ownership of the assets, specifically as follows:

- Listed securities are recorded at the time of orders matching.
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the interim consolidated income statement. The costs of trading securities disposed are determined by using the moving weighted average method.

(b) Investments held-to-maturity

Investments held-to-maturity are investments which the Corporation has a positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits and other held-to-maturity investments. Those investments are initially accounted for at cost. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the end of period.

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

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

(c) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the end of period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investments (continued)

(c) Investments in other entities (continued)

Provision for investments in other entities is made when there is a diminution in value of the investments at the period end. It is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

Changes in the provision balance during the period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.11 Fixed assets

Tangible and intangible fixed assets

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

Depreciation and amortisation

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

Buildings and structures	2% - 20%
Machinery and equipment	7% - 50%
Motor vehicles	10% - 33%
Office equipment	10% - 33%
Computer software	12.5% - 33%

Land use rights are comprised of land use rights with an indefinite useful life, land use rights with a definite useful life, and prepayments for land rental contracts which are in effective before or in 2003 and are granted land use right certificates, in which:

- Land use rights with an indefinite useful life are recorded at historical cost and are not amortised;
- Land use rights with a definite useful life are recorded in accordance with the terms indicated in the land use right certificates issued by Department of Natural Resources and Environmental of Ba Ria – Vung Tau province on 30 April 2020 and amortised using the straight-line method over 36 years in accordance with such land use right certificate; and
- Land use rights with a definite useful life are recorded in accordance with the terms indicated in the land use right certificates issued by Department of Natural Resources and Environmental of Ba Ria – Vung Tau province on 1 August 2019 and amortised using the straight-line method over 24 years in accordance with such land use right certificate; and

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Fixed assets (continued)**

- Prepayments for land rental contracts, which became effective before or in 2003 and are granted lands use rights certificates, are recorded in accordance with the guidance of Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by Ministry of Finance and allocated using the straight-line method over 10 years in accordance with such land use right certificates.

Disposals

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

Construction in progress

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to newly construct, to repair and maintain, to upgrade, to renew, or to equip the projects with technologies as construction costs, costs of tools and equipments, project management expenditure, construction consulting expenditure, and capitalised borrowing costs for qualifying assets in accordance with the Corporation's accounting policy. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.12 Operating leases

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

2.13 Investment properties

The historical cost of an investment property represents the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction. Expenditure incurred subsequently which has resulted in an increase in the expected future economic benefits from the use of investment properties can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the interim consolidated income statement when incurred in the period.

Depreciation and amortisation

Investment properties held for sales are depreciated and amortised using the straight-line method so as to write off the cost of the assets over their estimated useful lives. The principal annual rates of each class of assets are as follows:

Land use rights	2%
Buildings	2% - 33%

Disposals

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the interim consolidated balance sheet. Long-term prepaid expenses mainly comprise prepaid gas cylinders; office rental; tools and supplies already put into use. Prepaid expenses are recorded at historical cost and allocated on the straight-line basis over the allocation period.

The long-term prepayments of gas cylinders are allocated into the interim consolidated income statement on a straight-line basis over 10 years in accordance with Circular No. 118/2010/TT-BTC dated 10 August 2010 issued the Ministry of Finance – “*Guidance on the financial and taxation regimes to entities trading liquefied petroleum gas*”.

2.15 Payables

Classifications of payables are based on their nature as follows:

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

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

2.16 Borrowing

Borrowings include borrowings from banks and others.

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

Borrowing costs are recognised in the interim consolidated income statement when incurred.

2.17 Accrued expenses

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Provisions

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

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

2.19 Unearned revenue

Unearned revenue mainly comprises the amounts that customers have paid in advance for one or many accounting periods for rendering of services. The Corporation records unearned revenue for the future obligations that the Corporation has to fulfill. Unearned revenue will be recognised as revenue in the interim consolidated income statement during the period to the extent that recognition criteria have been met.

2.20 Capital and reserves

(a) Owners' capital

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

(b) Share premium

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

(c) Owners' other capital

Owners' other capital reflects other capital of owners at the reporting date.

(d) Treasury shares

Treasury shares brought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Company and bought back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.

Treasury shares brought after 1 January 2021 will be cancelled and adjusted to reduce equity.

(e) Undistributed earnings

Undistributed earnings record the Corporation's interim consolidated results after CIT at the reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Appropriation of profit after CIT

Net profit after CIT could be distributed to shareholders after approval at Annual General Meeting of Shareholders, and after appropriation to other funds in accordance with the Corporation's charter and Vietnamese regulations.

The Corporation's dividends are recognised as a liability in the interim consolidated financial statements in the period in which the dividends are approved by the General Meeting of Shareholders and list of shareholders receiving dividends is approved in accordance with the Resolution of the Board of Directors.

The Corporation's funds are as below:

(a) Investment and development fund

The investment and development fund is appropriated from profit after CIT of the Corporation and approved by shareholders in the General Meeting of Shareholders. This fund is used for expanding and developing the business of the Corporation.

(b) Bonus and welfare fund

The bonus and welfare fund is appropriated from the Corporation's profit after CIT and subject to shareholders' approval in the General Meeting of Shareholders. This fund is presented as a liability on the interim consolidated balance sheet. This fund is used for rewarding and encouraging, enhancing the physical and mental well-being of the employees.

2.22 Revenue recognition

(a) Revenue from sales of goods

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition (continued)****(a) Revenue from sales of goods (continued)**

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

(b) Revenue from real estate sale

Revenue from real estate sale is recognised in the interim consolidated income statement when all five (5) following conditions are satisfied:

- The real estate asset has been completed, and the Corporation has transferred to the buyer the significant risks and rewards of ownership of the real estate asset;
- The Corporation no longer holds the right to manage the real estate asset as the real estate’s owner nor the right to control the real estate asset;
- The amount of revenue can be measured reliably;
- The Corporation has received or entitled to receive economic benefits from the sale of the real estate asset; and
- The costs incurred or to be incurred in respect of the real estate asset can be measured reliably.

(c) Revenue from rendering of services

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

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

(d) Revenue from rendering of operating lease services

Revenue from rendering of operating lease services is recognised in the interim consolidated income statement on a straight-line basis over the lease term.

(e) Interest income

Interest income is recognised on an earned basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Revenue recognition (continued)

(f) Income from dividend paid/profit shared

Income from dividend paid/profit shared is recognised when the Corporation has established receiving rights from investees.

(g) Allocation of gas cylinders deposits

Gas cylinders deposits received from customers are allocated into the interim consolidated income statement on a straight-line basis over 10 years, which is in line with allocation of the long-term prepayments of gas cylinders (Note 2.14), following Circular No. 118/2010/TT-BTC dated 10 August 2010 issued by the Ministry of Finance – *"Guidance on the financial and taxation regimes to entities trading liquefied petroleum gas"*.

2.23 Sales deductions

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

Sales deductions for sales of the products, goods or sales of services which are sold in the period, but are incurred after the interim consolidated balance sheet date but before the issuance of the interim consolidated financial statements are recorded as deduction of revenue of the period.

2.24 Cost of goods sold and services rendered

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

2.25 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to financial investment activities and expenses of borrowing.

2.26 Selling expenses

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

2.27 General and administration expenses

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Current and deferred income tax**

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

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

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

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

2.29 Related parties

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.30 Segment reporting**

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

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

2.31 Critical accounting estimates

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

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

3 CASH AND CASH EQUIVALENTS

	30.6.2022 VND	31.12.2021 VND
Cash on hand	15,629,291,975	18,203,597,755
Cash at bank (*)	696,627,445,287	763,184,136,810
Cash equivalents (**)	971,950,000,000	1,795,089,000,000
	<u>1,684,206,737,262</u>	<u>2,576,476,734,565</u>

(*) As at 30 June 2022 and 31 December 2021, included in cash at bank was VND1 billion which was transferred by PSA to the bank account of the Parent Company and was from the assets recovered from Ha Noi Oil and Gas Trading Services One Member Company Limited upon the liquidation of this company. Currently, the Corporation is working with the relevant parties to determine the right and obligations of this amount.

(**) As at 30 June 2022 and 31 December 2021, cash equivalents represented bank term deposits with an original maturity of three months or less at commercial banks and earned interest at the average rates from 3.2% per annum to 4.7% per annum (as at 31 December 2021: from 3.5% per annum to 4.0% per annum).

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4 INVESTMENTS

(a) Trading securities

	30.6.2022			31.12.2021		
	Cost VND	Fair value (*) VND	Provision VND	Cost VND	Fair value (*) VND	Provision VND
Listed shares						
Joint Stock Company						
VIX Securities ("VIX")	95,031,889,566	46,050,435,000	(48,981,454,566)	25,800,828,415	47,155,350,000	-
Viet Duc Steel Pipe						
Joint Stock Company	57,920,898,013	28,342,160,000	(29,578,738,013)	19,206,784,046	20,141,330,000	-
VG PIPE ("VGS")						
Gelex Group Joint Stock	50,931,867,887	29,782,254,950	(21,149,612,937)	27,767,640,065	30,161,852,850	-
Company ("GEX")						
Joint Stock Company	41,944,996,710	24,832,074,800	(17,112,921,910)	26,239,518,047	32,478,475,000	-
SAM Holdings ("SAM")	173,497,313,114	101,289,823,489	(66,421,923,482)	132,602,534,458	133,660,035,000	(3,412,791,882)
Others						
	419,326,965,290	230,296,748,239	(183,244,650,908)	231,617,305,031	263,597,042,850	(3,412,791,882)

(*) At as 30 June 2022 and 31 December 2021, the fair value was determined based on the closing price of listed shares on the Ho Chi Minh and Ha Noi Stock Exchanges of the nearest date from the interim consolidated balance sheet date and quantity of shares held by the Corporation.

4 INVESTMENTS (continued)

(b) Investments held-to-maturity

	30.6.2022		31.12.2021	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term				
Term deposits	829,988,431,330	829,988,431,330	188,330,217,228	188,330,217,228

As at 30 June 2022, term deposits represented bank deposits in VND with the remaining maturity of over 3 months but not exceeding 12 months, earning interest at the average rates from 3.1% per annum to 7.4% per annum (as at 31 December 2021: from 3% per annum to 7.1% per annum).

As at 30 June 2022, the term deposits amount of VND310 billion were pledged as collateral assets for borrowings granted to Smart Convergence Joint Stock Company, a subsidiary of the Corporation (as at 31 December 2021: VND143 billion) (Note 23).

	30.6.2022		31.12.2021	
	Cost VND	Book value VND	Cost VND	Book value VND
Long-term				
Term deposits	3,707,030,871	3,707,030,871	2,834,725,871	2,834,725,871

As at 30 June 2022, term deposits represented bank deposits in VND with the remaining maturity above 12 months and more, earning interest at the average rates from 4% per annum to 7% per annum (as at 31 December 2021: from 4% per annum to 7% per annum).

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4 INVESTMENTS (continued)

(c) Investments in associates

Details of investments in associates are presented as follows:

	30.6.2022				31.12.2021			
	Cost VND	Net book value VND	Fair value VND	Provision VND	Cost VND	Net book value VND	Fair value VND	Provision VND
PEDACO GreenEnvironment								
Joint Stock Company	77,842,500,000	75,005,152,894	(*)	-	77,842,500,000	77,970,540,000	(*)	-
Emerald Bay International Resort Co., Ltd	16,000,000,000	16,000,000,000	(*)	-	16,000,000,000	16,000,000,000	(*)	-
Petroleum Office Business Co., Ltd	14,359,957,249	13,486,119,708	(*)	-	14,359,957,249	13,606,119,708	(*)	-
Petro Energy and Environmental Services								
Joint Stock Company	9,000,000,000	9,000,000,000	(*)	-	9,000,000,000	9,000,000,000	(*)	-
Vietecom Digital Trading and Investment Joint Stock Company	853,268,080	-	(*)	-	853,268,080	-	(*)	-
	<u>118,055,725,329</u>	<u>113,491,272,602</u>			<u>118,055,725,329</u>	<u>116,576,659,708</u>		

(*) As at 30 June 2022 and 31 December 2021, the Company did not have enough information about the fair value of these investments to disclose on the interim consolidated financial statements because they did not have the listed prices.

Movements in investments in associates during the period/year are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 2021 VND
Beginning of period/year	116,576,659,708	39,339,874,989
New investment during the period/year	-	77,842,500,000
Loss sharing in associates	(3,085,387,106)	(605,715,281)
End of period/year	<u>113,491,272,602</u>	<u>116,576,659,708</u>

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4 INVESTMENTS (continued)

(d) Investments in other entities

Details of investments in other entities were presented as follows:

	30.6.2022			31.12.2021		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Coolpad Vietnam Co., Ltd	20,160,000,000	(*)	(20,160,000,000)	20,160,000,000	(*)	(20,160,000,000)
Central Petroleum Biofuel Joint Stock Company	2,000,000,000	(*)	(2,000,000,000)	2,000,000,000	(*)	(2,000,000,000)
Viet Han Petroleum Industrial Gas Joint Stock Company	305,000,000	(*)	(206,834,272)	305,000,000	(*)	(206,834,272)
	<u>22,465,000,000</u>		<u>(22,366,834,272)</u>	<u>22,465,000,000</u>		<u>(22,366,834,272)</u>

Movements in investments in other entities during the period/year were as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year Increase	22,366,834,272	22,213,301,287
	-	153,532,985
Beginning of period/year	<u>22,366,834,272</u>	<u>22,366,834,272</u>

(*) As at 30 June 2022 and 31 December 2021, the Corporation did not determine the fair value of these investments to disclose on the interim consolidated financial statements because they did not have listed prices.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2022 VND	31.12.2021 VND
Mobile World Joint Stock Company	120,319,764,842	114,934,609,230
Others	1,574,077,537,179	2,210,363,586,693
	<u>1,694,397,302,021</u>	<u>2,325,298,195,923</u>
Related parties (Note 38(b))	135,751,517,348	191,723,249,884
	<u>1,830,148,819,369</u>	<u>2,517,021,445,807</u>

As at 30 June 2022 and 31 December 2021, the balances of short-term trade accounts receivable which were past due were reviewed and made provision for doubtful debts as presented in Note 8.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2022 VND	31.12.2021 VND
Global Consulting and Mechanical Services LLC	98,596,383,963	98,596,383,963
Others (*)	42,354,143,594	71,626,278,389
	<u>140,950,527,557</u>	<u>170,222,662,352</u>

(*) As at 30 June 2022 and 31 December 2021, the balance included the prepayment of VND20.1 billion by PSV to an individual for the purchase of a land use right in Tan Thanh Town, Phu My District, Ba Ria – Vung Tau Province. As at reporting date, PSV was in the process of completing the transfer of land use rights.

7 OTHER RECEIVABLES

(a) Short-term

	30.6.2022 VND	31.12.2021 VND
Supporting receivable from suppliers	125,803,495,818	114,019,054,594
Interest income receivable	7,879,898,630	2,202,931,507
Others	61,679,886,045	48,905,922,460
	<u>195,363,280,493</u>	<u>165,127,908,561</u>
In which:		
Third parties	186,859,209,846	157,040,405,822
Related parties (Note 38(b))	8,504,070,647	8,087,502,739
	<u>195,363,280,493</u>	<u>165,127,908,561</u>

(b) Long-term

	30.6.2022 VND	31.12.2021 VND
Deposits	33,335,141,789	26,170,082,809
Others	1,082,000,000	4,831,194,879
	<u>34,417,141,789</u>	<u>31,001,277,688</u>

As at 30 June 2022 and 31 December 2021, the balances of other receivables which were past due were reviewed and made provision for doubtful debts (Note 8).

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8 DOUBTFUL DEBTS

	30.6.2022		
	Cost VND	Recoverable amount VND	Provision VND
Icool Engineering Co., Ltd	73,657,133,467	-	(73,657,133,467)
Coolpad Vietnam Co., Ltd	42,965,708,261	-	(42,965,708,261)
Others	281,325,147,888	60,541,460,591	(220,783,687,297)
	<u>397,947,989,616</u>	<u>60,541,460,591</u>	<u>(337,406,529,025)</u>

	31.12.2021		
	Cost VND	Recoverable amount VND	Provision VND
Icool Engineering Co., Ltd	73,657,133,467	-	(73,657,133,467)
Coolpad Vietnam Co., Ltd	42,965,708,261	-	(42,965,708,261)
Others	253,372,929,209	12,480,684,699	(240,892,244,510)
	<u>369,995,770,937</u>	<u>12,480,684,699</u>	<u>(357,515,086,238)</u>

9 INVENTORIES

	30.6.2022		31.12.2021	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	370,594,901,171	-	652,394,489,519	-
Raw materials	14,422,998,705	-	10,835,531,258	-
Tools and supplies	2,424,537,064	-	4,192,468,769	-
Merchandises	1,674,032,244,819	(30,423,277,526)	749,959,244,827	(30,341,140,885)
Goods on consignment	55,669,289,089	-	60,109,049,748	-
	<u>2,117,143,970,848</u>	<u>(30,423,277,526)</u>	<u>1,477,490,784,121</u>	<u>(30,341,140,885)</u>

Movements in the provision for decline in value of inventories during the period/year are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	30,341,140,885	27,521,700,100
Increase	82,136,641	2,819,440,785
End of period/year	<u>30,423,277,526</u>	<u>30,341,140,885</u>

10 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

	30.6.2022 VND	31.12.2021 VND
(a) Tax receivable		
VAT to be reclaimed	292,265,984,817	214,578,146,601
CIT	2,821,311,780	204,075,346
Personal income tax ("PIT")	645,377,726	499,025,394
Others	581,001,547	1,028,107,201
	<u>296,313,675,870</u>	<u>216,309,354,542</u>
(b) Tax payable		
VAT	4,274,085,432	9,594,281,405
CIT	11,138,926,864	36,208,219,670
PIT	483,106,524	1,268,233,556
Others	974,541,183	-
	<u>16,870,660,003</u>	<u>47,070,734,631</u>

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10 TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE (continued)

Movements of taxes and other receivables from/payables to the State during the period were as follows:

	As at 1.1.2022 VND	Receivables/ payables VND	Amount paid VND	Netting-off amount VND	As at 30.6.2022 VND
(a) Receivables					
VAT	214,578,146,601	1,139,499,685,533	(174,538,262,446)	(887,273,584,871)	292,265,984,817
CIT	204,075,346	(3,875,235,873)	3,846,559,485	2,645,912,822	2,821,311,780
PIT	499,025,394	(991,775,640)	1,132,415,447	5,712,525	645,377,726
Others	1,028,107,201	690,842,650	(514,530,502)	(623,417,802)	581,001,547
	<u>216,309,354,542</u>	<u>1,135,323,516,670</u>	<u>(170,073,818,016)</u>	<u>(885,245,377,326)</u>	<u>296,313,675,870</u>
(b) Payables					
CIT	36,208,219,670	23,789,109,675	(51,504,315,303)	2,645,912,822	11,138,926,864
VAT	9,594,281,405	1,391,485,911,108	(509,532,522,210)	(887,273,584,871)	4,274,085,432
PIT	1,268,233,556	18,267,103,969	(19,057,943,526)	5,712,525	483,106,524
Others	-	21,361,793,723	(19,763,834,738)	(623,417,802)	974,541,183
	<u>47,070,734,631</u>	<u>1,454,903,918,475</u>	<u>(599,858,615,777)</u>	<u>(885,245,377,326)</u>	<u>16,870,660,003</u>

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11 FIXED ASSETS

(a) Tangible fixed assets

	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost					
As at 1 January 2022	97,970,337,282	98,424,119,161	152,262,908,585	13,725,505,538	362,382,870,566
New purchases	3,109,787,900	5,936,172,000	9,963,678,894	200,760,747	19,210,399,541
Disposals	-	(1,009,326,590)	(12,982,373,745)	-	(13,991,700,335)
As at 30 June 2022	101,080,125,182	103,350,964,571	149,244,213,734	13,926,266,285	367,601,569,772
Accumulated depreciation					
As at 1 January 2022	70,103,258,620	83,121,086,117	105,366,234,589	13,376,091,621	271,966,670,947
Charge for the period	1,706,068,921	2,240,635,068	6,253,058,751	537,506,564	10,737,269,304
Disposals	-	(1,009,326,590)	(12,694,313,731)	-	(13,703,640,321)
As at 30 June 2022	71,809,327,541	84,352,394,595	98,924,979,609	13,913,598,185	269,000,299,930
Net book value					
As at 1 January 2022	27,867,078,662	15,303,033,044	46,896,673,996	349,413,917	90,416,199,619
As at 30 June 2022	29,270,797,641	18,998,569,976	50,319,234,125	12,668,100	98,601,269,842

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2022 was VND180.4 billion (as at 31 December 2021: VND164.3 billion).

As at 30 June 2022, tangible fixed assets with net book value of VND4.62 billion (as at 31 December 2021: VND4.94 billion) were pledged with banks as collateral assets for borrowings granted to the Corporation (Note 23).

11 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Computer software VND	Total VND
Historical cost			
As at 1 January 2022	172,812,781,739	6,301,062,198	179,113,843,937
New purchases	-	3,638,082,661	3,638,082,661
As at 30 June 2022	172,812,781,739	9,939,144,859	182,751,926,598
Accumulated amortisation			
As at 1 January 2022	3,182,402,537	5,181,750,715	8,364,153,252
Charge for the period	-	312,268,638	312,268,638
As at 30 June 2022	3,182,402,537	5,494,019,353	8,676,421,890
Net book value			
As at 1 January 2022	169,630,379,202	1,119,311,483	170,749,690,685
As at 30 June 2022	169,630,379,202	4,445,125,506	174,075,504,708

The historical cost of fully amortised intangible fixed assets but still in use as at 30 June 2022 was VND5.85 billion (as at 31 December 2021: VND4.57 billion).

As at 30 June 2022 and 31 December 2021, land use rights at No. 274, Xo Viet Nghe Tinh Street, Ward 25, Binh Thanh District, Ho Chi Minh City were pledged with banks as collateral assets for borrowings granted to the Corporation (Note 23).

12 INVESTMENT PROPERTIES

	Buildings and structures VND
Historical cost	
As at 1 January 2022 and 30 June 2022	852,074,158,578
Accumulated depreciation	
As at 1 January 2022	218,898,974,072
Charge for the period	19,946,419,875
As at 30 June 2022	238,845,393,947
Net book value	
As at 1 January 2022	633,175,184,506
As at 30 June 2022	613,228,764,631

Investment properties mainly included the buildings and structures related to the living quarters of Nghi Son Refinery and Petrochemical Complex project ("Nghi Son Project") being constructed and held for lease by the Parent Company.

As at 30 June 2022 and 31 December 2021, all investment properties were pledged as collateral assets for the Corporation's borrowings (Note 23).

In the first six-month period of 2022, revenue from investment properties was VND46,651,056,127 (in the first six-month period of 2021: VND57,101,564,439). Direct expenses (including tools and supplies, utilities and management fee) incurred from the leasing of investment properties in first six-month period of 2022 were VND10,643,825,317 (in the first six-month period of 2021: VND10,377,017,519).

The Corporation was unable to collect sufficient information of similar properties as a basis for fair value comparison, therefore fair value of the investment properties as at 30 June 2022 was not disclosed in the interim consolidated financial statements. However, given the occupancy rate of these properties, in the view of the Chairman, the market value of these properties is higher than the net book values at the interim consolidated balance sheet date.

13 CONSTRUCTION IN PROGRESS

Details of construction in progress are presented as follows:

	30.6.2022 VND	31.12.2021 VND
Cape Pearl Project (formerly known as Petrosetco SSG Tower)	37,509,649,278	37,509,649,278
Others	860,632,906	806,632,906
	<u>38,370,282,184</u>	<u>38,316,282,184</u>

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

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/ year	38,316,282,184	38,316,282,184
Increase	54,000,000	-
End of period/year	<u>38,370,282,184</u>	<u>38,316,282,184</u>

14 PREPAID EXPENSES

(a) Short-term

	30.6.2022 VND	31.12.2021 VND
Payment guarantee service fee	37,184,402,164	4,969,241,683
Other	17,574,343,143	8,040,347,387
	<u>54,758,745,307</u>	<u>13,009,589,070</u>

(b) Long-term

	30.6.2022 VND	31.12.2021 VND
Prepaid operating lease (*)	131,048,614,739	133,191,365,026
Prepaid gas cylinder	92,613,387,934	100,435,856,527
Others	3,124,051,219	4,356,063,683
	<u>226,786,053,892</u>	<u>237,983,285,236</u>

14 LONG-TERM PREPAID EXPENSES (continued)

(b) Long-term

(*) Included in prepaid operating lease mainly were:

- The prepayment to PVN for office leasing with the remaining amount of VND89,692,343,454 which was allocated to the interim consolidated income statement on a straight-line basis over a period of 50 years from 2010; and
- The prepayment for land rental with the remaining amount of VND15,253,777,466 which was allocated to the interim consolidated income statement on a straight-line basis over a period of 36 years from 2020.

Movements in long-term prepaid expenses during the period/year are were follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	237,983,285,236	248,523,349,614
Increase	5,207,413,455	38,563,418,892
Allocation	(16,404,644,799)	(49,044,312,719)
Others	-	(59,170,551)
End of period/year	<u>226,786,053,892</u>	<u>237,983,285,236</u>

15 DEFERRED INCOME TAX

Deferred income tax assets and deferred income tax liabilities are offsetting when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Details were as follows:

	30.6.2022 VND	31.12.2021 VND
Deferred tax liabilities to be recovered within 12 months	<u>3,300,000,000</u>	<u>3,300,000,000</u>

Deferred income tax assets and deferred income tax liabilities were mainly arisen from the temporary differences relating provisions made by the Parent Company and its subsidiaries in consolidation.

The Corporation used the tax rate of 20% to determine deferred income tax assets and deferred income tax liabilities.

Tax losses of the Corporation's subsidiaries can be carried forward to offset against future taxable income for a maximum period of no more than five consecutive years from the period right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented.

The Corporation did not recognise deferred income tax assets relating to the above tax losses carried forward as the realisation of the related tax benefit through future taxable income profit of its subsidiaries currently cannot be assessed as probable.

16 GOODWILL

Movements of goodwill during the period/year are as follows:

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of period/year	7,651,912,500	9,182,295,000
Allocation	(765,191,250)	(1,530,382,500)
End of period/year	<u>6,886,721,250</u>	<u>7,651,912,500</u>

As at 30 June 2022 and 31 December 2021, goodwill arose from the acquisition of Binh Minh Electronics Refrigeration Joint Stock Company.

17 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2022 VND	31.12.2021 VND
Third parties		
Apple Vietnam Limited Liability Company	616,785,473,200	708,709,527,680
Samsung Electronics Vietnam Thai		
Nguyen Company Limited	126,996,912,260	249,753,712,100
Others	579,511,052,075	837,779,246,060
	<u>1,323,293,437,535</u>	<u>1,796,242,485,840</u>
Related parties (Note 38(b))	478,835,383,663	444,887,707,914
	<u>1,802,128,821,198</u>	<u>2,241,130,193,754</u>

As at 30 June 2022 and 31 December 2021, the Chairman believed that the Corporation was able to fully repay all short-term trade accounts payable as and when they fall due. There was no balance of short-term trade accounts payable which was past due.

18 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.6.2022 VND	31.12.2021 VND
Third parties	26,477,545,066	21,044,575,562
Related parties (Note 38(b))	79,762,873,462	96,061,908,163
	<u>106,240,418,528</u>	<u>117,106,483,725</u>

As at 30 June 2022 and 31 December 2021, there was no third-party customer who had a balance accounting for 10% or more of the total balance of short-term advances from customers.

19 SHORT-TERM ACCRUED EXPENSES

	30.6.2022 VND	31.12.2021 VND
Allowances for employees	5,041,251,700	4,574,793,800
Interest expenses	1,839,144,254	1,370,300,626
Others	24,196,797,874	18,390,265,543
	<u>31,077,193,828</u>	<u>24,335,359,969</u>

20 SHORT-TERM UNEARNED REVENUE

	30.6.2022 VND	31.12.2021 VND
Advances interest income received from bank	31,104,931,506	-
Others	499,775,092	375,387,094
	<u>31,604,706,598</u>	<u>375,387,094</u>

21 OTHER PAYABLES

(a) Short-term

	30.6.2022 VND	31.12.2021 VND
Trade discount payable to customers	127,842,922,603	119,251,789,866
Dividend payable (Note 22)	30,044,032,923	23,690,320,623
Others	50,384,133,772	81,200,313,783
	<u>208,271,089,298</u>	<u>224,142,424,272</u>
In which:		
Third parties	201,009,100,492	216,777,527,306
Related parties (Note 38(b))	7,261,988,806	7,364,896,966
	<u>208,271,089,298</u>	<u>224,142,424,272</u>

21 OTHER PAYABLES (continued)

(b) Long-term

	30.6.2022 VND	31.12.2021 VND
Gas cylinders deposits	26,966,007,904	30,216,483,162
Other deposits	28,084,572,310	41,526,888,013
Others	2,423,858,109	766,258,935
	<u>57,474,438,323</u>	<u>72,509,630,110</u>
In which:		
Third parties	47,756,212,261	66,170,881,960
Related parties (Note 38(b))	9,718,226,062	6,338,748,150
	<u>57,474,438,323</u>	<u>72,509,630,110</u>

22 DIVIDENDS

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of the period/year	23,690,320,623	25,093,118,026
Dividend payable in period/year	7,636,542,400	108,190,518,500
Dividends payment	(1,282,830,100)	(109,310,316,623)
Other adjustments	-	(282,999,280)
	<u>30,044,032,923</u>	<u>23,690,320,623</u>
End of period/year		

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23 BORROWINGS

(a) Short-term

Short-term borrowings represented outstanding borrowings from banks and other financial institution. Details were as follows:

Lenders	Collateral	30.6.2022 VND	31.12.2021 VND
Bank loans			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	Guarantee from the Corporation	1,103,928,574,873	783,106,028,075
Joint Stock Commercial Bank for Investment and Development of Vietnam	Mortgage	873,172,174,727	267,903,386,416
Vietnam Prosperity Joint Stock Commercial Bank	Mortgage	481,787,031,450	379,773,807,267
Military Joint Stock Commercial Bank	Guarantee from the Corporation	512,515,033,923	273,718,497,874
HSBC Bank Vietnam Ltd	Mortgage	318,034,209,903	325,122,884,317
Joint Stock Commercial Bank for Industry and Trade of Vietnam	Guarantee from the Corporation	268,824,352,039	718,387,785,332
Vietnam Export-Import Joint Stock Commercial Bank	Mortgage	129,949,554,010	398,136,744,214
Asia Commercial Joint Stock Bank	Mortgage	-	105,638,234,274
Vietnam Public Joint Stock Commercial Bank	Mortgage	-	5,610,953,136
Vietnam Technological and Commercial Joint Stock Bank	Mortgage	14,000,000,000	73,200,000,000
An Binh Joint Stock Commercial Bank	Mortgage	-	187,209,014,201
Shinhan Bank Vietnam	Same pledged assets with current portion of long-term borrowings from banks (Note 23(b))	65,221,697,808	-
		3,767,432,628,733	3,517,807,335,106
Margin trading loan			
VNDIRECT Securities Joint Stock Company	Value of shares traded on margin	56,888,939,751	32,310,397,777
Rong Viet Securities Joint Stock Company	Value of shares traded on margin	32,940,613,072	10,406,486,517
		3,857,262,181,556	3,560,524,219,400

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23 BORROWINGS (continued)

(a) Short-term (continued)

Loans from commercial banks are made in the form of credit line contracts or letter of credit issuance.

As at 30 June 2022, collateral for loans from commercial banks included:

- Guarantee commitments of the Parent Company for its subsidiaries' borrowings with total the value of VND4,610 billion (as at 31 December 2021: VND3,595 billion);
- Bank deposits with total the value of VND310 billion (as at 31 December 2021: VND143 billion) (Note 4); and
- Land use rights at No. 274, Xo Viet Nghe Tinh Street, Ward 25, Binh Thanh District, Ho Chi Minh City (Note 11(b)).

The interest rates were announced by the banks at drawdown dates or adjusted from time to time which were announced by the banks.

Short-term borrowings were to finance for the working capital of the Corporation's business operations.

Movements of short-term loans to banks during the period were as follows:

	As at 1.1.2022 VND	Increase VND	Decrease VND	Reclassification VND	As at 30.6.2022 VND
Short-term loans	3,450,690,485,655	6,557,977,289,130	(6,246,867,593,832)	-	3,761,800,180,953
Long-term loan to maturity	109,833,733,745	-	(109,833,733,745)	95,462,000,603	95,462,000,603
	<u>3,560,524,219,400</u>	<u>6,557,977,289,130</u>	<u>(6,356,701,327,577)</u>	<u>95,462,000,603</u>	<u>3,857,262,181,556</u>

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23 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2022 VND	Increase VND	Reclassification VND	As at 30.6.2022 VND
Shinhan Bank Vietnam	-	108,702,829,678	-	108,702,829,678
Asia Commercial Joint Stock Bank	95,462,000,603	-	(95,462,000,603)	-
	<u>95,462,000,603</u>	<u>108,702,829,678</u>	<u>(95,462,000,603)</u>	<u>108,702,829,678</u>

Borrowings with Shinhan Bank Vietnam had a credit limit of VND400 billion and born interest at the rates adjustable from time to time which were announced by this bank.

The purpose of borrowings was to finance the construction of Nghi Son Project. The term was 9 years from 2016 and the borrowings were secured by assets formed from Nghi Son Project (Note 12); rights arising from land rental contracts; receivables and other rights arising from the lease agreement at Nghi Son Project.

24 BONUS AND WELFARE FUND

	For the six-month period ended 30.6.2022 VND	For the year ended 31.12.2021 VND
Beginning of the period/year	33,693,610,736	34,530,151,930
Appropriation from undistributed earnings (Note 26)	8,818,594,849	14,428,034,021
Utilisation	(13,155,344,492)	(15,264,575,215)
End of period/year	<u>29,356,861,093</u>	<u>33,693,610,736</u>

25 OWNERS' CAPITAL

(a) Number of shares

	30.6.2022		31.12.2021	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	<u>90,450,124</u>	<u>-</u>	<u>90,450,124</u>	<u>-</u>
Number of shares issued	90,450,124	-	90,450,124	-
Number of shares repurchased	(612,700)	-	(612,700)	-
Number of existing shares in circulation	<u>89,837,424</u>	<u>-</u>	<u>89,837,424</u>	<u>-</u>

(b) Details of owners' shareholding

	30.6.2022		31.12.2021	
	Ordinary shares	%	Ordinary shares	%
PVN	20,973,851	23.3	20,973,851	23.3
Other shareholders	68,863,573	76.7	68,863,573	76.7
	<u>89,837,424</u>	<u>100</u>	<u>89,837,424</u>	<u>100</u>

(c) Movement of share capital

	Number of shares VND	Ordinary shares VND	Total VND
As at 1 January 2021	86,600,124	866,001,240,000	866,001,240,000
New shares issued	3,850,000	38,500,000,000	38,500,000,000
As at 31 December 2021	<u>90,450,124</u>	<u>904,501,240,000</u>	<u>904,501,240,000</u>
As at 30 June 2022	<u>90,450,124</u>	<u>904,501,240,000</u>	<u>904,501,240,000</u>

Par value per share: VND10,000.

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26 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Owners' other capital VND	Treasury shares VND	Investment and development fund VND	Undistributed earnings VND	Sub-total VND	Non-controlling interests VND	Total VND
As at 1 January 2021	866,001,240,000	120,755,669,603	131,776,000,000	(25,405,790,772)	272,167,291,300	177,703,293,718	1,542,997,703,849	120,168,292,173	1,663,165,996,022
ESOP shares issued	38,500,000,000	-	-	-	-	-	38,500,000,000	-	38,500,000,000
Other contributed capital	-	-	10,000,000,000	-	(389,824,946)	(4,710,175,054)	4,900,000,000	(4,900,000,000)	-
Net profit or the year	-	-	-	-	-	264,843,501,811	264,843,501,811	46,615,243,237	311,458,745,048
Appropriation to bonus and welfare fund	-	-	-	-	-	(11,661,322,934)	(11,661,322,934)	(2,766,711,087)	(14,428,034,021)
Dividend declared	-	-	-	-	-	(83,570,524,000)	(83,570,524,000)	(24,619,994,500)	(108,190,518,500)
Reissuance of treasury shares	-	38,816,668,186	-	21,411,174,332	-	-	60,227,842,518	-	60,227,842,518
Decrease due to divestment at a subsidiary	-	-	-	-	-	-	-	(11,006,060,409)	(11,006,060,409)
As at 31 December 2021	904,501,240,000	159,572,337,789	141,776,000,000	(3,994,616,440)	271,777,466,354	342,604,773,541	1,816,237,201,245	123,490,769,414	1,939,727,970,659
Net profit in the period	-	-	-	-	-	82,153,025,035	82,153,025,035	21,317,796,106	103,470,821,141
Appropriation for bonus and welfare fund (i)	-	-	-	-	-	(8,263,800,776)	(8,263,800,776)	(554,794,073)	(8,818,594,849)
Dividend declared (ii)	-	-	-	-	-	-	-	(7,636,542,400)	(7,636,542,400)
Change in ownership percentage in a subsidiary	-	-	-	-	-	(6,668,740,910)	(6,668,740,910)	6,357,490,910	(311,250,000)
Others	-	(1,509,744,117)	-	(1,433,256,668)	-	(434,931,655)	(3,377,932,440)	(561,382,295)	(3,939,314,735)
As at 30 June 2022	904,501,240,000	158,062,593,672	141,776,000,000	(5,427,873,108)	271,777,466,354	409,390,325,235	1,880,079,752,153	142,413,337,662	2,022,493,089,815

(i) During the period, the Corporation has set aside the bonus and welfare fund as follows:

Company	Based on	Amount
Parent company	Resolution of the General Meeting of Shareholders on 28 June 2022	6,918,324,627
PSV	Decision No. 01/QĐ-DVĐKVT-HĐQT dated 9 May 2022	853,215,869
PSA	Resolution of the General Meeting of Shareholders on 26 April 2022	1,047,054,353

(ii) According to the Resolution of the General Meeting of Shareholders of 26 April 2022 of PSA and the Resolution of the General Meeting of Shareholders of 30 June 2022 of PHTD, the Corporation has declared a cash dividend of VND16,456 million and VND6 billion respectively.

According to the Resolution of the General Meeting of Shareholders dated 28 June 2022, the Corporation approved the plan to issue shares to pay dividends at the rate of 10% of outstanding shares and the plan to rights issue of shares for existing shareholders at the ratio of 2:1. At the same time, according to the Resolution of the General Meeting of Shareholders dated 21 April 2022, PSD approved the plan to issue shares to pay dividend at the rate of 30% of the outstanding shares, the plan to issue shares under Employee Stock Ownership Plan at the maximum rate of 30% of the outstanding shares and the plan to rights issue of shares for existing shareholders at the ratio of 5:2. At the date of issuance of these financial statements, these options have not been completed yet.

27 BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Parent Company and held as treasury shares. Details were as follows:

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Net profit attributable to shareholders (VND)	82,153,025,035	99,839,994,574
Less amount allocated to bonus and welfare funds (VND) (*)	(8,263,800,776)	(7,970,204,195)
	<u>73,889,224,259</u>	<u>91,869,790,379</u>
Weighted average number of ordinary shares in issue (shares)	89,837,424	83,570,524
Basic earnings per share (VND)	<u>822</u>	<u>1,099</u>

(*) The appropriation to bonus and welfare fund for the six-month period ended 30 June 2021 was adjusted compared to the figures represented in the interim consolidated financial statements of 2021 to represent the 2021 actual appropriation from undistributed earnings approved by shareholders at the Annual General Meeting which is attributable to the Parent Company.

For the six-month period ended 30 June 2022, the Corporation has provisionally appropriated the net profit to bonus and welfare fund based on the 2022 plan approved by shareholders at the Annual General Meeting of Shareholders.

Basic earnings per share of the six-month period ended 30 June 2021 were recalculated as follows:

	For the six-month period ended		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	99,839,994,574		99,839,994,574
Actual appropriation to bonus and welfare fund (VND)	(6,375,019,467)	(1,595,184,728)	(7,970,204,195)
Net profit attributable to shareholders (VND)	93,464,975,107	(1,595,184,728)	91,869,790,379
Weighted average number of ordinary shares in issue (shares)	83,570,524	-	83,570,524
Basic earnings per share (VND)	<u>1,118</u>	<u>-</u>	<u>1,099</u>

27 BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders, which already subtracted the bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the period and the ordinary shares expected to be issued. The Parent company had no dilutive potential ordinary shares during the period and up to the date of these interim consolidated financial statements.

28 OFF INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currencies

As at 30 June 2022, included in cash and cash equivalents were balances held in foreign currency of USD1,455,909.66, EUR86.47 and GBP1,187 (as at 31 December 2021: USD1,709,940, EUR97 and GBP6,612).

(b) Commitments

Commitments were presented in Note 39.

29 REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Revenue		
Revenue from sales of merchandises	7,628,686,859,645	6,975,269,339,228
Revenue from rendering of services	840,255,617,576	808,199,772,367
	<u>8,468,942,477,221</u>	<u>7,783,469,111,595</u>
Sales deductions		
Trade discounts	(156,548,409,907)	(103,704,533,043)
Sales allowances	(13,602,973,136)	(57,554,796,881)
Sales returns	(25,377,788,031)	(9,672,016,656)
	<u>(195,529,171,074)</u>	<u>(170,931,346,580)</u>
Net revenue		
Net revenue from sales of merchandises	7,433,157,688,571	6,804,337,992,648
Net revenue from rendering of services	840,255,617,576	808,199,772,367
	<u>8,273,413,306,147</u>	<u>7,612,537,765,015</u>

30 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Cost of merchandises sold	7,024,071,334,499	6,511,037,050,887
Cost of services rendered	757,569,762,603	712,603,388,208
Provision for decline in value of inventories	82,136,641	2,607,113,743
	<u>7,781,723,233,743</u>	<u>7,226,247,552,838</u>

31 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Income from securities trading	35,642,717,981	7,412,568,339
Interest income	29,330,124,875	20,499,679,376
Realised foreign exchange gains	15,642,368,453	6,584,440,035
Others	3,126,765,597	1,089,458,797
	<u>83,741,976,906</u>	<u>35,586,146,547</u>

32 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Provision for diminution in value of investment	185,068,455,597	570,210,159
Interest expenses	60,391,586,971	37,889,217,770
Realised foreign exchange losses	1,782,385,142	1,281,433,715
Loss from trading securites	1,909,349,821	2,584,883,875
Others	3,730,218,183	2,830,875,681
	<u>252,881,995,714</u>	<u>45,156,621,200</u>

33 SELLING EXPENSES

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Staff costs	54,662,135,070	56,480,159,869
Transportation expenses	16,201,326,348	17,330,075,651
Warehouse rentals	10,420,490,619	8,713,065,833
Commission expense	5,809,543,421	4,355,128,618
Depreciation	685,971,120	605,958,917
Outside services expense	38,634,234,287	34,321,456,299
Others	18,018,324,323	16,558,059,425
	<u>144,432,025,188</u>	<u>138,363,904,612</u>

34 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Staff costs	43,390,336,411	39,247,426,521
Depreciation	2,682,248,268	2,849,881,529
Goodwill allocation	765,191,250	765,191,250
(Reversion of provision)/provision for doubtful debts	(20,108,557,213)	10,385,672,751
Outside services expense	13,129,767,190	10,963,347,614
Others	14,894,972,626	22,747,070,052
	<u>54,753,958,532</u>	<u>86,958,589,717</u>

35 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
Other income		
Allocation of gas cylinder deposit	3,490,445,258	3,605,021,488
Net gains on disposal of fixed asset	1,741,693,602	1,025,090,909
Others	2,036,074,173	6,931,469,372
	<u>7,268,213,033</u>	<u>11,561,581,769</u>
Other expenses		
Contractual fine received	-	494,778,572
Others	286,964,987	2,505,312,460
	<u>286,964,987</u>	<u>3,000,091,032</u>

36 CIT

The CIT on the Corporation's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% under current tax regulations as follows:

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Net accounting profit before tax	127,259,930,816	158,774,042,044
Tax calculated at a rate of 20%	25,451,986,163	31,754,808,409
Expenses not deductible for tax purposes	925,368,339	549,361,297
Utilisation of tax losses	(587,452,017)	(117,017,817)
Tax losses for which no deferred income tax asset was recognised	-	(2,410,109,123)
(Over)/Under-provision in previous period	(2,000,792,810)	5,065,089,862
CIT charge (*)	23,789,109,675	34,842,132,628
Charged to interim consolidated income statement:		
CIT – current	23,789,109,675	34,842,132,628
CIT – deferred	-	-
	23,789,109,675	34,842,132,628

(*) The CIT charge for the period was based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

37 COST OF OPERATION BY FACTOR

Costs of operation by factor represents all costs incurred during the period, excluding cost of merchandises for trading activities. The details were as follows:

	For the six-month period ended	
	30.6.2022 VND	30.6.2021 VND
Raw materials	378,871,142,118	305,676,990,560
Staff costs	275,302,639,575	280,041,425,843
Sanitation expense	39,572,781,027	34,100,274,998
Depreciation and amortisation expenses	30,995,957,817	32,066,302,393
Transportation expense	6,359,138,725	6,340,060,841
Office rental	13,356,660,740	15,077,256,714
Tools and supplies expense	14,702,547,820	13,831,738,594
Maintenance expense	11,204,897,020	12,213,874,393
Goodwill allocation	765,191,250	765,191,250
Provision for inventories	82,136,641	2,607,113,743
(Reversion of provision)/provision for doubtful debts	(20,108,557,213)	30,408,064,941
Outside service expenses	173,211,670,000	197,624,072,737
Others	34,341,213,186	29,803,021,463
	958,657,418,706	960,555,388,470

38 RELATED PARTY DISCLOSURES

The largest shareholder of the Corporation is PVN, who owns 23.3% of share capital of the Corporation (Note 25).

Accordingly, PVN, affiliate companies of PVN, and associates of the Corporation are considered the Corporation's related parties.

Name	Relationship
Vietnam Oil and Gas Corporation	Shareholder
Pedaco Green Environment Joint Stock Company	Associated Company
Petrochemical and Fertiliser Corporation	Affiliate companies of PVN
Nghi Son Refining and Petrochemical Company Limited	Affiliate companies of PVN
Vietsovpetro Joint Venture	Affiliate companies of PVN
Cuu Long Joint Venture	Affiliate companies of PVN
PetroVietnam Gas Corporation Joint Stock Company	Affiliate companies of PVN
PetroVietnam Technical Services Corporation	Affiliate companies of PVN
PetroVietnam Oil Corporation Joint Stock Company	Affiliate companies of PVN
Vietnam Public Commercial Joint Stock Bank - Ho Chi Minh Branch	Affiliate companies of PVN
Southern Gas Trading Joint Stock Company	Affiliate companies of PVN
PetroVietnam Insurance Joint Stock Corporation	Affiliate companies of PVN
PetroVietnam Maintenance and Repair Corporation	Affiliate companies of PVN

(a) Related party transactions

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

	For the six-month period ended	
	30.6.2022	30.6.2021
	VND	VND
(i) Revenue from sale of goods and rendering services		
PVN	2,670,922,639	2,756,890,676
Affiliate companies of PVN	490,300,537,612	434,014,893,597
(ii) Purchases of goods and services		
PVN	1,519,290,000	9,408,707,605
Affiliate companies of PVN	808,112,967,666	777,136,943,027
(iii) Dividend paid to		
PVN	-	20,973,851,000
(iv) Compensation of key management		
Gross salaries and other benefits	2,684,112,850	2,999,073,302

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		For the six-month period ended	
		30.6.2022	30.6.2021
		VND	VND
(iii) Compensation of key management (continued)			
In which:			
Phung Tuan Ha - Chairman	593,022,570	789,229,816	
Vu Tien Duong - General Director	551,022,570	591,922,362	
Ho Minh Viet - Deputy General Director	473,022,570	526,153,211	
Pham Thi Hong Diep - Deputy General Director	498,022,570	460,384,060	
Tran Quang Huy - Chief Accountant	569,022,570	631,383,853	

(b) Period-end balances with related parties

		30.6.2022	31.12.2021
		VND	VND
(i) Short term trade account receivable (Note 5)			
PVN	14,292,150,422	11,361,710,811	
Affiliate companies of PVN	121,459,366,926	180,361,539,073	
	<u>135,751,517,348</u>	<u>191,723,249,884</u>	
(ii) Other short-term receivables (Note 7(a))			
Affiliate companies of PVN	84,070,647	62,502,739	
Key managements	8,420,000,000	8,025,000,000	
	<u>8,504,070,647</u>	<u>8,087,502,739</u>	
(iii) Short-term trade accounts payable (Note 17)			
PVN	218,509,497,000	247,919,580,280	
Affiliate companies of PVN	260,325,886,663	196,968,127,634	
	<u>478,835,383,663</u>	<u>444,887,707,914</u>	
(iv) Short term advances from customers (Note 18)			
Affiliate companies of PVN	79,762,873,462	96,061,908,163	
(v) Other short-term payables (Note 21(a))			
PVN	7,174,927,306	7,327,835,466	
Affiliate companies of PVN	87,061,500	37,061,500	
	<u>7,261,988,806</u>	<u>7,364,896,966</u>	

38 RELATED PARTY DISCLOSURES (continued)

(b) Period-end balances with related parties (continued)

	30.6.2022 VND	31.12.2021 VND
(vi) Other long-term payables (Note 21(a))		
Affiliate companies of PVN	9,718,226,062	6,338,748,150

39 COMMITMENTS

(a) Commitments under operating leases

(i) The Corporation as the lessee

As at 30 June 2022 and 31 December 2021, the Corporation is required to pay the minimum rates for future irrevocable operating leases including: land lease, warehouse lease and future office lease as follows:

	30.6.2022 VND	31.12.2021 VND
Within one year	53,319,213,855	42,324,253,826
Between one and five years	88,606,146,930	73,205,020,932
Over five years	60,432,862,292	52,370,976,602
Total minimum payments	202,358,223,077	167,900,251,360

(ii) The Corporation as the lessor

The Corporation signed the operating lease contract related to Nghi Son Project, for office sublease contracts and land lease contract. Accordingly, the future minimum lease receipts under non-cancellable operating leases were as follows:

	30.6.2022 VND	31.12.2021 VND
Within one year	189,960,032,761	143,336,268,252
Between one and five years	358,150,065,335	407,594,261,424
Over five years	81,997,127,712	55,512,529,295
Total minimum payments	630,107,225,808	606,443,058,971

(b) Commitments of credit guarantees

As at 30 June 2022, the Corporation had non-cancellable guarantee commitments for borrowings from banks granted to the Corporation's subsidiaries with a total amount of VND4,610 billion (as at 31 December 2021: VND3,628.2 billion); and had non-cancellable guarantee commitments for trade accounts payable of the Corporation's subsidiaries with a total amount of USD8 million (as at 31 December 2021: USD11.6 million). Accordingly, the Corporation is liable to repayments of principals, interests, guarantee costs and other underwriting expenses to suppliers and bankers in case the Corporation's subsidiaries are not able to repay or repay in a timely manner.

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39 COMMITMENTS (continued)

(c) Capital contribution commitments

As at 30 June 2022 and 31 December 2021, the progress of charter capital contribution commitments was as follows:

	As per business registration certificates VND	The Corporation's ownership (%)	Capital contributed VND	Capital to be contributed VND
PSSG (*)	229,500,000,000	51	10,733,401,247	218,766,598,753
Saigon Investment Trading Technology Joint Stock Company ("ITS") (**)	20,000,000,000	40	-	20,000,000,000
Vinh Hoa Emerald Bay International Hospitality Company Limited (***)	111,200,000,000	20	16,000,000,000	95,200,000,000
	360,700,000,000		26,733,401,247	333,966,598,753

(*) In December 2010, the Parent Company agreed to a capital contribution plan amounting to VND229.5 billion into PSSSG, accounting for 51% of the ownership.

(**) According to the Resolution No. 16/NQ-DVTHDK dated 29 March 2016, the Board of Directors approved in principal the investment in ITS in which the Parent Company owns 40% of ITS's charter capital, equivalent to VND20 billion. Up until 30 June 2022, the shareholders of ITS have not yet fulfilled their capital obligations.

(***) According to the Resolution No. 22/DVTHDK-QD dated 9 July 2018, the Parent Company agreed to contribute its capital obligation into Vinh Hoa Emerald Bay International Hospitality Company Limited with the charter capital of VND11.2 billion, accounting for 20% of the voting right and ownership.

(d) Other commitments

As at 30 June 2022 and 31 December 2021, the Corporation had a guarantee contract amounting to VND150 billion with a commercial bank to guarantee the advanced amount received from Nghi Son Refinery and Petrochemical Company Limited.

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40 SEGMENT REPORTING

Geographical segments

The Corporation did not have any operation outside the territory of Vietnam. Therefore, no geographical business segment was presented.

Business activity segments

Information of revenue and cost of sales by business activity segment based on the activities of the Corporation was as follows:

For the six-month period ended 30 June 2022

	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Other services VND	Total VND
Net revenue from sales of goods and rendering services	6,480,719,288,921	157,379,927,235	795,058,472,415	840,255,617,576	8,273,413,306,147
Cost of goods sold and services rendered	(6,121,945,736,996)	(137,406,169,361)	(764,801,564,783)	(757,569,762,603)	(7,781,723,233,743)
Gross profit from sales of goods and rendering services	358,773,551,925	19,973,757,874	30,256,907,632	82,685,854,973	491,690,072,404

For the six-month period ended 30 June 2021

	Electronic products VND	Petroleum materials and supplies VND	Plastic resins, textile fibers and gas distribution VND	Other services VND	Total VND
Net revenue from sales of goods and rendering services	5,799,506,182,470	109,800,198,187	874,899,335,753	828,332,048,605	7,612,537,765,015
Cost of goods sold and services rendered	(5,492,837,004,108)	(80,468,984,335)	(838,996,797,291)	(813,944,767,104)	(7,226,247,552,838)
Gross profit from sales of goods and rendering services	306,669,178,362	29,331,213,852	35,902,538,462	14,387,281,501	386,290,212,177

The consolidated financial statements were approved by the Chairman on 26 August 2022.



Hoang Van Vung
Preparer



Tran Quang Huy
Chief Accountant



Phung Tuan Ha
Chairman

