

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

**INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**



PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

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PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise registration certificate

No. 0300452060 dated 29 September 2006 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the latest 21th amended Enterprise registration certificate dated 21 February 2023.

Board of Directors

Mr. Phung Tuan Ha	Chairman
Mr. Vu Tien Duong	Member
Ms. Pham Thi Hong Diep	Member (until 25 April 2023)
Mr. Trinh Thanh Can	Independent Member
Mr. Nguyen Quy Thinh	Independent Member
Mr. Nguyen Duc Minh	Member (from 25 April 2023)

Board of Internal Audit

Mr. Nguyen Dang Khoa	Head
Mr. Le Minh Kha	Member
Mr. Nguyen Minh Tan	Member

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
Mr. Ho Hoang Nguyen Vu	Deputy General Director (from 24 April 2023)
Mr. Nguyen Duc Minh	Deputy General Director (from 22 May 2023)

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

STATEMENT OF THE CHAIRMAN

The Chairman of the Board of Directors (“the Chairman”) of PetroVietnam General Services Joint Stock Company (“the Corporation”) is responsible for preparing the interim separate financial statements of the Corporation which give a true and fair view of the interim separate financial position of the Corporation as at 30 June 2023, the interim separate results of its operations, and its interim separate cash flows for six-month period then ended. In preparing these interim separate financial statements, the Chairman is required to:

- The Chairman is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim separate financial position of the Corporation and which enable interim separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim separate 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.

I hereby approve the accompanying interim separate financial statements as set out on pages 5 to 56 which give a true and fair view of the interim separate financial position of the Corporation as at 30 June 2023, of the interim separate results of its operations and its interim separate 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 separate financial statements.

Ho Chi Minh City, SR Vietnam
29 August 2023



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

We have reviewed the accompanying interim separate financial statements of PetroVietnam General Services Joint Stock Company ("the Corporation") which were prepared on 30 June 2023 and approved by the Chairman on 29 August 2023. These interim separate financial statements comprise the interim separate balance sheet as at 30 June 2023, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended, and explanatory notes to the interim separate financial statements including significant accounting policies, as set out on pages 5 to 56.

The Chairman's Responsibility

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

Auditor's Responsibility

Our responsibility is to express a conclusion on this interim separate 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 separate 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 separate financial statements does not present fairly, in all material respects, the interim separate financial position as at 30 June 2023, interim separate financial performance and interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim separate financial statements.

Other Matters

The report on review of interim separate 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



Quach Thanh Chau
Audit Practising Licence
No. 0875-2023-006-1
Authorised signatory

Report reference number: HCM14248
Ho Chi Minh City, 29 August 2023

INTERIM SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2023 VND	31.12.2022 VND
100	CURRENT ASSETS		3,183,188,494,727	2,914,530,591,014
110	Cash and cash equivalents	3	443,343,105,515	693,594,309,722
111	Cash		151,343,105,515	211,594,309,722
112	Cash equivalents		292,000,000,000	482,000,000,000
120	Short-term investments		809,873,313,179	578,882,039,342
121	Trading securities	4(a)	10,850,737,837	3,324,731,517
122	Provision for diminution in value of trading securities	4(a)	-	(689,267,517)
123	Investments held to maturity	4(b)	799,022,575,342	576,246,575,342
130	Short-term receivables		1,722,395,260,962	1,027,760,915,701
131	Short-term trade accounts receivable	5	1,303,431,202,938	779,145,697,468
132	Short-term prepayments to suppliers	6	2,185,792,855	1,319,702,415
136	Other short-term receivables	7(a)	509,265,867,270	339,804,590,295
137	Provision for doubtful debts - short term	8	(92,487,602,101)	(92,509,074,477)
140	Inventories	9	179,783,074,896	554,328,332,177
141	Inventories		185,735,269,012	566,764,914,571
149	Provision for decline in value of inventories		(5,952,194,116)	(12,436,582,394)
150	Other current assets		27,793,740,175	59,964,994,072
151	Short-term prepaid expenses	10(a)	12,267,636,540	3,800,347,178
152	Value Added Tax ("VAT") to be reclaimed	14(a)	15,350,109,405	55,989,337,265
153	Tax and other receivables from the State	14(a)	175,994,230	175,309,629

The notes on pages 10 to 56 are an integral part of these interim separate financial statements.

**INTERIM SEPARATE BALANCE SHEET
(continued)**

Code	ASSETS (continued)	Note	As at	
			30.6.2023 VND	31.12.2022 VND
200	LONG-TERM ASSETS		1,294,624,640,126	1,315,280,181,893
210	Long-term receivables		23,655,000,000	25,655,000,000
216	Other long-term receivables	7(b)	23,655,000,000	25,655,000,000
220	Fixed assets		110,499,104,366	109,931,717,731
221	Tangible fixed assets	11(a)	12,161,794,985	11,594,408,350
222	Historical cost		75,206,481,746	73,670,945,382
223	Accumulated depreciation		(63,044,686,761)	(62,076,537,032)
227	Intangible fixed assets	11(b)	98,337,309,381	98,337,309,381
228	Historical cost		99,415,932,281	99,415,932,281
229	Accumulated amortization		(1,078,622,900)	(1,078,622,900)
230	Investment properties	12	573,467,945,119	593,348,354,875
231	Historical cost		852,074,158,578	852,074,158,578
232	Accumulated depreciation		(278,606,213,459)	(258,725,803,703)
240	Long-term asset in progress		806,632,906	806,632,906
242	Construction in progress		806,632,906	806,632,906
250	Long-term investments		471,303,990,776	473,774,576,772
251	Investments in subsidiaries	4(c)	400,311,972,126	400,311,972,126
252	Investments in associates	4(c)	108,202,457,249	108,202,457,249
253	Investments in other entities	4(c)	2,000,000,000	2,000,000,000
254	Provision for long-term investments	4(c)	(39,210,438,599)	(36,739,852,603)
260	Other long-term assets		114,891,966,959	111,763,899,609
261	Long-term prepaid expenses	10(b)	114,891,966,959	111,763,899,609
270	TOTAL ASSETS		4,477,813,134,853	4,229,810,772,907

The notes on pages 10 to 56 are an integral part of these interim separate financial statements.

Form B 01a – DN

Code	RESOURCES	Note	As at	
			30.6.2023 VND	31.12.2022 VND
300	LIABILITIES		2,945,107,801,027	2,715,832,466,170
310	Short-term liabilities		2,901,416,708,857	2,637,905,093,512
311	Short-term trade accounts payable	13	769,361,775,786	912,867,013,051
312	Short-term advances from customers		25,775,000	557,604,957
313	Tax and other payables to the State	14(b)	3,921,736,854	1,136,736,393
314	Payable to employees		2,688,732,288	356,810,227
315	Short-term accrued expenses	15	6,798,690,602	2,484,600,159
318	Short-term unearned revenue	16	3,419,556,510	4,686,476,824
319	Other short-term payables	17	270,089,769,882	112,565,603,974
320	Short-term borrowings	18(a)	1,839,845,431,659	1,595,181,734,261
322	Bonus and welfare funds	19	5,265,240,276	8,068,513,666
330	Long-term liabilities		43,691,092,170	77,927,372,658
337	Other long-term payables		209,960,300	1,835,391,884
338	Long-term borrowings	18(b)	43,481,131,870	76,091,980,774
400	OWNERS' EQUITY		1,532,705,333,826	1,513,978,306,737
410	Capital and reserves		1,532,705,333,826	1,513,978,306,737
411	Owners' capital	20, 21	994,319,970,000	904,501,240,000
411a	- Ordinary shares with voting rights		994,319,970,000	904,501,240,000
412	Share premium	21	172,734,720,800	172,734,720,800
415	Treasury shares	21	(5,427,873,108)	(5,427,873,108)
418	Investment and development funds	21	259,111,461,673	259,111,461,673
421	Undistributed earnings	21	111,967,054,461	183,058,757,372
421a	- Undistributed post-tax profits of previous years		90,623,714,742	139,453,546,880
421b	- Post-tax profits of current period/year		21,343,339,719	43,605,210,492
440	TOTAL RESOURCES		4,477,813,134,853	4,229,810,772,907

Heung

[Signature]



Phung Tuan Ha
Chairman
29 August 2023

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INTERIM SEPARATE INCOME STATEMENT

Code		Note	For the six-month period ended	
			30.6.2023 VND	30.6.2022 VND
01	Revenue from sales of goods and rendering of services		3,727,918,466,048	3,516,572,918,488
02	Less deductions		(215,427,882,269)	(59,790,534,669)
10	Net revenue from sales of goods and rendering of services	23	3,512,490,583,779	3,456,782,383,819
11	Cost of goods sold and services rendered	24	(3,457,597,632,501)	(3,324,267,783,752)
20	Gross profit from sales of goods and rendering of services		54,892,951,278	132,514,600,067
21	Financial income	25	66,275,972,184	63,514,038,056
22	Financial expenses	26	(73,163,671,472)	(175,274,197,169)
23	- Including: Interest expenses	26	(70,132,730,816)	(36,244,710,232)
25	Selling expenses	27	(880,106,662)	(2,630,088,250)
26	General and administration expenses	28	(22,747,647,092)	(4,133,208,788)
30	Net operating profit		24,377,498,236	13,991,143,916
31	Other income		1,484,601	1,668,266,994
32	Other expenses		(27,905,719)	(218,427,769)
40	Net other (expenses)/income		(26,421,118)	1,449,839,225
50	Net accounting profit before tax		24,351,077,118	15,440,983,141
51	Corporate income tax ("CIT") - current	29	(3,007,737,399)	(822,676,832)
52	CIT - deferred	29	-	-
60	Net profit after tax		21,343,339,719	14,618,306,309



Hoang Van Vung
Preparer



Tran Quang Huy
Chief Accountant



Phung Tuan Ha
Chairman
29 August 2023

The notes on pages 10 to 56 are an integral part of these interim separate financial statements.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 03a – DN

INTERIM SEPARATE CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
		30.6.2023	30.6.2022
Code	Note	VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	24,351,077,118	15,440,983,141
	Adjustments for:		
02	Depreciation and amortisation	20,848,559,485	21,572,817,795
03	(Reversal of provisions)/provisions	(4,724,542,175)	117,184,217,338
05	Profits from investing activities	(61,037,737,736)	(38,887,599,481)
06	Interest expense	70,132,730,816	36,244,710,232
08	Operating profit before changes in working capital	49,570,087,508	151,555,129,025
09	(Increase)/decrease in receivables	(660,997,331,982)	575,471,138,112
10	Decrease in inventories	381,029,645,559	255,117,201,035
11	Increase/(decrease) in payables	24,533,846,609	(165,161,416,018)
12	Increase in prepaid expenses	(11,595,356,712)	(5,434,978,922)
13	Increase in trading securities	(7,526,006,320)	(138,428,603,133)
14	Interest paid	(75,965,068,151)	(33,405,783,705)
15	CIT paid	(1,668,314,120)	(11,030,277,679)
17	Other payments on operating activities	(5,419,586,020)	(8,828,186,707)
20	Net cash (outflows)/inflows from operating activities	(308,038,083,629)	619,854,222,008
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(1,535,536,364)	-
22	Proceeds from disposals of fixed assets	-	2,675,563,637
23	Deposits to bank with term above 3 months	(1,005,476,000,000)	(410,000,000,000)
24	Collection of deposits to bank with term above 3 months	782,700,000,000	243,000,000,000
25	Investments in other entities	-	(77,842,500,000)
27	Dividends and interest received	70,060,740,092	53,529,415,775
30	Net cash outflows from investing activities	(154,250,796,272)	(188,637,520,588)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	3,163,782,718,906	3,531,781,376,557
34	Repayments of borrowings	(2,951,729,870,412)	(3,852,487,494,050)
36	Dividends paid to shareholders	(15,172,800)	-
40	Net cash inflows/(outflows) from financing activities	212,037,675,694	(320,706,117,493)
50	Net (decrease)/increase in cash and cash equivalents	(250,251,204,207)	110,510,583,927
60	Cash and cash equivalents at beginning of year	3	693,594,309,722
61	Effect of foreign exchange differences	-	-
70	Cash and cash equivalents at end of period	3	1,341,941,114,715



Hoang Van Vung
Preparer



Tran Quang Huy
Chief Accountant



Phung Tuan Ha
Chairman
29 August 2023

The notes on pages 10 to 56 are an integral part of these interim separate financial statements.

**NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023****1 GENERAL INFORMATION**

PetroVietnam General Services Joint Stock Company ("the Corporation") is a joint stock company established in SR of Vietnam pursuant to the Enterprise registration certificate No. 0300452060 dated 29 September 2006 and the latest (the 21th) amended Enterprise registration certificate dated 21 February 2023 which were issued by the Department of Planning and Investment of Ho Chi Minh City to update the charter capital after completing the issuance of shares to pay dividends. The Corporation was transformed from PetroVietnam Tourism and Services Company, a wholly state-owned subsidiary of Vietnam Oil and Gas Group ("the Group" or "PVN").

The Corporation'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 Corporation are companies and individuals doing business and working in Vietnam. Details of the percentage of capital contribution are presented in Note 20.

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

The principal activities of the Corporation include:

- support and management services;
- sale of supplies, office equipment, audio-visual equipment;
- lease of warehouses, workshops, premises and office;
- real estate development, trading and management;
- trading of telecommunication equipment; and
- trading fertilisers, pesticides and chemicals used in agricultural industry.

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

As at 30 June 2023, the Corporation had 48 employees (as at 31 December 2022: 50 employees).

As at 30 June 2023, the Corporation had 11 direct subsidiaries, 3 indirect subsidiaries, 3 direct associates, 2 indirect associates and 1 dependent accounting unit that does not have legal status (as at 31 December 2022, the Corporation had 11 direct subsidiaries, 3 indirect subsidiaries, 3 direct associates, 2 indirect associates and 1 dependent accounting unit that does not have legal status).

Details of direct subsidiaries and direct associates are presented in Note 4 – Investments. Details of indirect subsidiaries, indirect associates and dependent accounting unit are in the following page.

PETROVIETNAM GENERAL SERVICES JOINT STOCK COMPANY

Form B 09a – DN

1 GENERAL INFORMATION (continued)

Name	Principal activities	Place of incorporation and operation	30.6.2023		31.12.2022	
			Ownership %	Voting right %	Ownership %	Voting right %
Indirect subsidiaries						
Binh Minh Electronics Refrigeration Joint Stock Company ("Binh Minh")	Trading of electronic devices, refrigeration appliances and electronic household appliances	Ho Chi Minh City	73.97	92.5	73.97	92.5
Nha Trang Petroleum Services Trading Company Limited ("Nha Trang PST")	Wholesale of solid, liquid and gaseous fuels and related products	Khanh Hoa Province	99.79	100	99.79	100
An Lac Nhon Trach Single-member Limited Liability Company ("An Lac Nhon Trach")	Packaging services for the paper products	Dong Nai Province	79.97	100	79.97	100
Indirect associates						
Vietecom Digital Trade and Investment Joint Stock Company ("Vietecom") (*)	Trading of electronic components, information technology, technology transfer services and delivery services	Ha Noi City	16	20	16	20
Petro Environmental and Energy Services Joint Stock Company ("Petro")	Manufacturing electricity	Ho Chi Minh City	27	45	27	45
The dependent accounting unit that does not have legal status						
Petroleum Industrial Material Distribution branch ("PIMD")	Trading solid, liquid, gas fuels and related products	Ho Chi Minh City	100	100	100	100

(*) Vietecom is in liquidation progress.

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

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

The accompanying interim separate financial statements are not intended to present the interim separate financial position and interim separate results of its operations and its interim separate 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 separate financial statements in the Vietnamese language are the official statutory interim separate financial statements of the Corporation. The interim separate financial statements in the English language have been translated from the Vietnamese version.

Separately, the Corporation has also prepared interim consolidated financial statements for the Corporation and its subsidiaries in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements. In the interim consolidated financial statements, subsidiaries undertakings, which are those companies over which the Corporation has the power to govern the financial and operating policies, have been fully consolidated.

Users of these interim separate financial statements of the Corporation should read them together with the interim consolidated financial statements of the Corporation and its subsidiaries for the six-month period ended 30 June 2023 in order to obtain full information of the interim consolidated financial position and interim consolidated results of operations and interim consolidated cash flows of the Corporation and its subsidiaries.

2.2 Fiscal year

The Corporation's fiscal year is from 1 January to 31 December. The interim financial statements are prepared for the 6-months period from 1 January 2023 to 30 June 2023.

2.3 Currency

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 separate income statement.

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

2.5 Cash and cash equivalents

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

2.6 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.

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

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

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 period is recognised as an increase or decrease of cost of goods sold in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 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 period end. 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: listed securities are recorded at the time of orders matching.

Profit or loss from liquidation or disposal of trading securities is recognised in the interim separate 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 bank 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 period end.

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 separate balance sheet based on the remaining period from the interim separate balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Investments (continued)****(c) Investments in 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.

Investments in subsidiaries are initially recorded at cost of acquisition including capital contribution value plus other expenditure directly attributable to the investment. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(d) Investments in associates

Associates are the investments that the Corporation has significant influence but not control and would generally have from 20% to under 50% of the voting rights of the investee.

Investments in associates are accounted for at cost of acquisition including purchase cost or capital contribution value plus other expenditure directly attributable to the investments. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(e) Investment in other entity

Investment in other entity is investment in equity instruments of other entity without controlling rights or co-controlling rights, or without significant influence over the investee. This investment is initially recorded at cost. Subsequently, the Chairman reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(f) Provision for investments in subsidiaries, associates and other entities

Provision for investments in subsidiaries, associates and other entities is made when there is a diminution in value of the investments at the period end.

Provision for investments in subsidiaries and associates is calculated based on the loss of investees.

Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries and associates.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure charged to the interim separate 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 depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the interim separate financial statements minus (-) the estimated disposal value of such assets. The principal annual rates of each asset class are as follows:

Buildings and structures	2% - 20%
Machinery and equipment	5% - 50%
Motor vehicles	10% - 17%
Office equipment	20% - 33%
Computer software	33%

Land use rights granted by the State for which land use fees are collected, land use rights acquired in a legitimate transfer, and prepaid land use rights obtained under land rental contracts which are effective before the effective date of land law 2003 (ie. 1 July 2004) and which land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consists of its purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the over the terms of the land use right certificates.

Land use rights with indefinite useful life are recorded at historical cost and are not amortised.

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 separate 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 equip the projects with technologies as construction costs, costs of tools and equipment, construction consulting expenditures, and capitalised borrowing costs for qualifying assets in accordance with the Corporation's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 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 separate income statement on a straight-line basis over the term of the lease.

2.11 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 separate income statement when incurred in the period.

Depreciation and amortization

Investment properties held for lease are depreciated under the straight-line method so as to write off the depreciable amount of the assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the interim separate financial statements minus (-) the estimated disposal value of such assets. The principal annual rates used are as follows:

Buildings and structures	2% - 33%
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Disposals

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

2.12 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the interim separate balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets; ... for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets; ... for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in 2.9 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 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 separate balance sheet based on the remaining year from the interim separate balance sheet date to the maturity date.

2.14 Borrowing

Borrowings include borrowings from banks.

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

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

2.15 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.

2.16 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.17 Unearned revenue**

Unearned revenue mainly comprises the amounts that customers have paid in advance for one or many accounting periods and interest gain received in advance from bank deposits. The Corporation records unearned revenue for the future obligations that the Corporation has to fulfil. Unearned revenue is recognised as revenue in the interim separate income statement during the period to the extent that recognition criteria have been met.

2.18 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; the difference between the repurchase price and re-issuing price of treasury shares.

(c) Treasury shares

Treasury shares brought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Corporation 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.

(d) Undistributed earnings

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

2.19 Appropriation of profit

The Corporation's dividends are recognised as a liability in the interim separate financial statements in the period in which the dividends are approved by shareholders at the Annual General Meeting of Shareholders.

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Appropriation of profit (continued)

The Corporation's funds are as below:

(a) Investment and development fund

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

2.20 Revenue recognition

(a) Revenue from sales of goods

Revenue from sale of goods is recognised in the interim separate 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.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation. If 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 separate income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue recognition (continued)

(b) Revenue from rendering of services

Revenue from rendering of services is recognised in the interim separate 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 separate balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Revenue from rendering of operating lease services

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

(d) Interest income

Interest income is recognised on the basis of the actual time and interest rates for each period when both conditions below are simultaneously satisfied:

- (a) It is probable that economic benefits will be generated; and
- (b) Income can be measured reliably.

(e) Income from dividend paid and profit shared

Income from dividend paid and profit shared are recognised when the Corporation has established the receiving right from investees.

2.21 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 a deduction from the revenue of that period.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Cost of goods sold and services rendered

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

2.23 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to financial investment activities; expenses of borrowing; losses from trading of securities; provision for diminution in value of investments and payment discounts.

2.24 Selling expenses

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

2.25 General and administration expenses

General and administration expenses represent expenses for administrative purposes.

2.26 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current period taxable profits at the 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 separate 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 separate balance sheet date.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.27 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 and members of the Board of Directors, the Board of Management 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.

2.28 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.

2.29 Critical accounting estimates

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

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

3 CASH AND CASH EQUIVALENTS

	30.6.2023 VND	31.12.2022 VND
Cash on hand	305,794,759	304,001,359
Cash at bank	151,037,310,756	211,290,308,363
Cash equivalents (*)	292,000,000,000	482,000,000,000
	<u>443,343,105,515</u>	<u>693,594,309,722</u>

(*) As at 30 June 2023, cash equivalents represented the term deposits in VND with an original maturity of three months or less, and earn interest at the average rates from 3.1% per annum to 7.8% per annum (as at 31 December 2022: from 4.6% per annum to 6.0% per annum).

As at 30 June 2023 and as at 31 December 2022, a term deposit with maturity of 1 month amount of VND10billion was pledged as a collateral asset for borrowings granted to a subsidiary of the Corporation.

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4 INVESTMENTS

(a) Trading securities

	As at 30.6.2023			As at 31.12.2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Vietnam Export Import Commercial Joint Stock Bank ("EIB")	10,850,737,837	11,203,000,000	-	1,368,850,000	1,425,450,000	-
Others	-	-	-	1,955,881,517	1,210,014,000	(689,267,517)
	<u>10,850,737,837</u>	<u>11,203,000,000</u>	<u>-</u>	<u>3,324,731,517</u>	<u>2,635,464,000</u>	<u>(689,267,517)</u>

At as 30 June 2023 and 31 December 2022, 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 separate balance sheet date and quantity of shares held by the Corporation.

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4 INVESTMENTS (continued)

(b) Investments held-to-maturity

	As at 30.6.2023		As at 31.12.2022	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	799,022,575,342	799,022,575,342	576,246,575,342	576,246,575,342

As at 30 June 2023, term deposits include the VND bank deposits with the original maturity of over 3 months but remaining maturity of less than 12 months, and earn interest at the rates from 2.5% per annum to 11.5% per annum (as at 31 December 2022: from 2.5% per annum to 11% per annum).

(c) Investments in other entities

	As at 30.6.2023		As at 31.12.2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Investments in subsidiaries (i)	400,311,972,126	(27,315,895,279)	400,311,972,126	(25,791,016,490)
Investments in associates (ii)	108,202,457,249	(9,894,543,320)	108,202,457,249	(8,948,836,113)
Investment in other entity (iii)	2,000,000,000	(2,000,000,000)	2,000,000,000	(2,000,000,000)
	510,514,429,375	(39,210,438,599)	510,514,429,375	(36,739,852,603)

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4 INVESTMENTS (continued)

(c) Equity investments in other entities (continued)

(i) Investments in subsidiaries

Details of investments in subsidiaries are as follows:

No	Company	Principal activities	Place of incorporation and operation	As at 30.6.2023				As at 31.12.2022					
				Owner ship %	Voting right %	Cost VND	Fair value VND	Provision VND	Owner ship %	Voting right %	Cost VND	Fair value VND	Provision VND
1	Petroleum General Distribution Services Joint Stock Company ("PSD") (i)	Distribution of telecommunication and electronic equipment	Ho Chi Minh City	79.97	79.97	113,600,000,000	539,091,072,000	-	79.97	79.97	113,600,000,000	807,287,040,000	-
2	Mien Trung Petroleum Services and Trading Joint Stock Company ("PSMT")	Trading and rendering of services	Quang Ngai province	99.79	99.79	74,742,000,000	(*)	-	99.79	99.79	74,742,000,000	(*)	-
3	PetroVietnam Assets Management Joint Stock Company ("PSA")	Operating in property management and services	Ha Noi City	71.46	71.46	58,962,908,969	(*)	-	71.46	71.46	58,962,908,969	(*)	-
4	Petroleum Vung Tau General Services Joint Stock Company ("PSV")	Rendering of services	Ba Ria - Vung Tau province	70	70	64,341,999,232	(*)	-	70	70	64,341,999,232	(*)	-
5	Petroleum Offshore Trading and Services Company Limited ("POTS")	Trading and rendering of services	Ho Chi Minh City	60	60	31,681,662,678	(*)	-	60	60	31,681,662,678	(*)	-
6	Smart Convergence Joint Stock Company ("Smartcom")	Distributing equipment, electronic, components, peripheral devices and software	Ho Chi Minh City	55	55	16,500,000,000	(*)	(16,500,000,000)	55	55	16,500,000,000	(*)	(16,500,000,000)
7	Petroselco SSG Company Limited ("PSSSG") (ii)	Real estate business	Ho Chi Minh City	21.46	51	10,733,401,247	(*)	(1,524,878,789)	21.46	51	10,733,401,247	(*)	-
8	Petroselco Retail Services Joint Stock Company ("PSR")	Mobile phones retailing	Ho Chi Minh City	72.75	75	7,650,000,000	(*)	(7,650,000,000)	72.83	75	7,650,000,000	(*)	(7,650,000,000)
9	Petroleum Logistics Service Joint Stock Company ("PSL") (iii)	Transportation service	Ho Chi Minh City	44	66.67	6,600,000,000	(*)	-	44	66.67	6,600,000,000	(*)	-
10	Petroleum High Technology Products Distribution Joint Stock Company ("PHTD")	Distributing equipment, electronic components and peripheral devices	Ho Chi Minh City	51	51	5,100,000,000	(*)	-	51	51	5,100,000,000	(*)	-
11	Petroleum Saigon General Services Company Limited ("PSG") (iv)	Stopped operations and on liquidation process	Ho Chi Minh City	100	100	10,400,000,000	(*)	(1,641,016,490)	100	100	10,400,000,000	(*)	(1,641,016,490)
						400,311,972,126		(27,315,895,279)			400,311,972,126		(25,791,016,490)

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4 INVESTMENTS (continued)

(c) Equity investments in other entities (continued)

(i) Investments in subsidiaries (continued)

- (*) As at 30 June 2023 and 31 December 2022, the Corporation has not determined the fair value of these investments to disclose on the interim separate financial statements because they do not have listed prices. The fair value of these investments may differ from the carrying amount.
- (i) The fair value of the investment in PSD was determined based on the closing price of the closest transaction date before 30 June 2023 and 31 December 2022.
- (ii) As at 30 June 2023 and 31 December 2022, 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 51% voting right from its representatives in the Board of Directors of PSSSG. Therefore, the Corporation controls PSSSG and PSSSG has been classified and presented as a subsidiary of the Corporation for the consolidation reporting purpose.
- (iii) As at 30 June 2023 and 31 December 2022, 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 2/3 voting rights from its representatives in the Board of Directors of PSL. Therefore, the Corporation controls PSL and PSL has been classified and presented as a subsidiary of the Corporation for the consolidation reporting purpose.
- (iv) Currently, PSG is under tax finalisation with the tax authorities for the dissolution purpose. For the first 6 months of 2023, PSG has had no business activities incurred.

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4 INVESTMENTS (continued)

(c) Equity investments in other entities (continued)

(ii) Investment in associates

Details of investments in associates are as follows:

Company	Principal activities	Place of incorporation and operation	Ownership and voting right %	As at 30.6.2023			As at 31.12.2022		
				Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Pedaco Green Environment Join Stock Company	Waste water treatment	Binh Thuan province	48.5	77,842,500,000	(*)	(8,291,497,751)	77,842,500,000	(*)	(7,345,790,544)
Petro Tower Limited Company	Office leasing service	Ba Ria - Vung Tau Province	24	14,359,957,249	(*)	(1,603,045,569)	14,359,957,249	(*)	(1,603,045,569)
Vinh Hoa Emerald Bay International Hospitality Company Limited (**)	Hospitality service	Phu Yen Province	20	16,000,000,000	(*)	-	16,000,000,000	(*)	-
				108,202,457,249		(9,894,543,320)	108,202,457,249		(8,948,836,113)

(*) As at 30 June 2023 and 31 December 2022, the Corporation had not determined the fair value of these investments to disclose in the interim separate financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

(**) According to the Resolution No. 22/DVTHDK-QĐ dated 9 July 2018, the Corporation agreed to contribute its capital obligation into Vinh Hoa Emerald Bay International Hospitality Company Limited with a total contribution of VND111.2 billion accounting for 20% of charter capital and has contributed VND16 billion.

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4 INVESTMENTS (continued)

(c) Equity investments in other entities (continued)

(iii) Investment in other entity

Detail of investment in other entity is as follows:

Company	As at 30.6.2023				As at 31.12.2022			
	Ownership and voting rights %	Cost VND	Provision VND	Net book value VND	Ownership and voting rights %	Cost VND	Provision VND	Net book value VND
PetroVietnam Central Biofuels Joint Stock Company	20%	2,000,000,000	(2,000,000,000)	-	20%	2,000,000,000	(2,000,000,000)	-

As at 30 June 2023 and 31 December 2022, the Corporation had not determined the fair value of these investments to disclose in the interim separate financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2023 VND	31.12.2022 VND
Third parties	10,815,656,845	10,152,086,936
Related parties (Note 31(b))	1,292,615,546,093	768,993,610,532
	<u>1,303,431,202,938</u>	<u>779,145,697,468</u>

As at 30 June 2023 and 31 December 2022, the balances of short-term trade accounts receivable which were past due were considered for provision of doubtful debts as presented in Note 8.

As at 30 June 2023 and 31 December 2022, there were no third party customers whose balances accounting for 10% or more of the total balance of short-term trade accounts receivable.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2023 VND	31.12.2022 VND
Third parties	<u>2,185,792,855</u>	<u>1,319,702,415</u>

As at 30 June 2023 and 31 December 2022, there were no third party customers whose balances accounting for 10% or more of the total balance of short-term prepayment to suppliers.

7 OTHER RECEIVABLES

(a) Short-term

	As at 30.6.2023		As at 31.12.2022	
	Book value VND	Provision VND	Book value VND	Provision VND
Related parties (Note 31(b))	499,427,382,221	(89,078,093,929)	314,894,304,796	(89,078,093,929)
Working capital receivables	474,113,142,221	(89,078,093,929)	270,475,200,796	(89,078,093,929)
Dividend receivables	25,314,240,000	-	44,419,104,000	-
Third parties	9,839,485,049	(290,637,834)	24,910,285,499	(290,637,834)
Others	9,839,485,049	(290,637,834)	24,910,285,499	(290,637,834)
	<u>509,266,867,270</u>	<u>(89,368,731,763)</u>	<u>339,804,590,295</u>	<u>(89,368,731,763)</u>

As at 30 June 2023 and 31 December 2022, the balances of other short-term receivables which were past due were considered for provision of doubtful debts as presented in Note 8.

7 OTHER RECEIVABLES (continued)

(b) Long-term

As at 30 June 2023 and 31 December 2022, the balance of other long-term receivables mainly include long-term deposits.

8 DOUBTFUL DEBTS

As at 30 June 2023 and 31 December 2022, the balance of short-term receivables from customers and other short-term receivables that are past due have been considered for provision for doubtful debts are presented as follows:

As at 30.6.2023				
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days
A subsidiary relating to working capital receivables	278,683,877,325	187,237,792,997	91,446,084,328	Over 3 years
Others	1,062,990,149	21,472,376	1,041,517,773	Over 3 years
	<u>279,746,867,474</u>	<u>187,259,265,373</u>	<u>92,487,602,101</u>	
As at 31.12.2022				
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days
A subsidiary relating to working capital receivables	262,603,299,106	173,525,205,177	89,078,093,929	Over 3 years
Others	3,430,980,548	-	3,430,980,548	Over 3 years
	<u>266,034,279,654</u>	<u>173,525,205,177</u>	<u>92,509,074,477</u>	

9 INVENTORIES

	As at 30.6.2023		As at 31.12.2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	179,753,017,396	-	96,698,910,896	-
Merchandises	5,982,251,616	(5,952,194,116)	470,066,003,675	(12,436,582,394)
	<u>185,735,269,012</u>	<u>(5,952,194,116)</u>	<u>566,764,914,571</u>	<u>(12,436,582,394)</u>

10 PREPAID EXPENSES

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Guarantee payment services expenses	12,191,759,207	3,747,398,633
Others	75,877,333	52,948,545
	<u>12,267,636,540</u>	<u>3,800,347,178</u>

(b) Long-term

	30.6.2023 VND	31.12.2022 VND
Operating leases	102,125,408,588	103,535,764,754
Others	12,766,558,371	8,228,134,855
	<u>114,891,966,959</u>	<u>111,763,899,609</u>

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11 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipments VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost					
As at 1 January 2023	61,670,169,589	7,509,514,795	1,523,631,618	2,967,629,380	73,670,945,382
New purchases	-	-	1,535,536,364	-	1,535,536,364
As at 30 June 2023	61,670,169,589	7,509,514,795	3,059,167,982	2,967,629,380	75,206,481,746
Accumulated depreciation					
As at 1 January 2023	51,217,014,572	7,250,010,702	641,882,378	2,967,629,380	62,076,537,032
Charge for the period	824,537,159	14,316,360	129,296,210	-	968,149,729
As at 30 June 2023	52,041,551,731	7,264,327,062	771,178,588	2,967,629,380	63,044,686,761
Net book value					
As at 1 January 2023	10,453,155,017	259,504,093	881,749,240	-	11,594,408,350
As at 30 June 2023	9,628,617,858	245,187,733	2,287,989,394	-	12,161,794,985

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2023 was VND31.652 billion (as at 31 December 2022: VND29.846 billion).

11 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Historical cost			
As at 1 January 2023 and 30 June 2023	98,337,309,381	1,078,622,900	99,415,932,281
Accumulated amortisation			
As at 1 January 2023 and 30 June 2023	-	1,078,622,900	1,078,622,900
Net book value			
As at 1 January 2023 and 30 June 2023	98,337,309,381	-	98,337,309,381

The historical cost of fully amortised intangible fixed assets but still in use as at 30 June 2023 and 31 December 2022 was VND1,078,622,900.

12 INVESTMENT PROPERTIES

	Buildings VND
Historical cost	
As at 1 January 2023 and 30 June 2023	852,074,158,578
Accumulated depreciation	
As at 1 January 2023	258,725,803,703
Charge for the period	19,880,409,756
As at 30 June 2023	278,606,213,459
Net book value	
As at 1 January 2023	593,348,354,875
As at 30 June 2023	573,467,945,119

Investment properties represent the value of buildings of the Living Quarters of Nghi Son Refinery and Petrochemical Complex Project ("Nghi Son Project") being constructed and held for lease.

As at 30 June 2023 and 31 December 2022, all investment properties have been pledged as collateral assets for the bank loans (Note 18).

12 INVESTMENT PROPERTIES (continued)

For the six-month period ended 30 June 2023, revenue from investment properties was VND46,607,690,288 (for six-month period ended 30 June 2022: VND46,651,056,127). Direct expenses incurred from investment properties relating to revenue from leasing for the six-month period ended 30 June 2023 (including tools and supplies, utilities and management fee) were VND14,955,822,374 (for the six-month period ended 30 June 2023: VND10,643,825,317).

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 2023 has not been disclosed in the interim separate 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 separate balance sheet date.

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	As at 30.6.2023		As at 31.12.2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
<i>Apple Vietnam</i>				
<i>Limited Liability</i>				
<i>Company</i>	727,503,233,560	727,503,233,560	755,105,026,055	755,105,026,055
<i>Others</i>	4,830,642,123	4,830,642,123	1,991,010,912	1,991,010,912
	<u>732,333,875,683</u>	<u>732,333,875,683</u>	<u>757,096,036,967</u>	<u>757,096,036,967</u>
Related parties				
(Note 31(b))	37,027,900,103	37,027,900,103	155,770,976,084	155,770,976,084
	<u>769,361,775,786</u>	<u>769,361,775,786</u>	<u>912,867,013,051</u>	<u>912,867,013,051</u>

As at 30 June 2023 and 31 December 2022, the Chairman believes that the Corporation is 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.

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14 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

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

	As at 1.1.2023 VND	Payable/receivable VND	Paid VND	Net off VND	As at 30.6.2023 VND
a) Tax receivables					
VAT to be reclaimed	55,989,337,265	308,768,572,221	-	(349,407,800,081)	15,350,109,405
Others	175,309,629	684,601	-	-	175,994,230
	<u>56,164,646,894</u>	<u>308,769,256,822</u>	<u>-</u>	<u>(349,407,800,081)</u>	<u>15,526,103,635</u>
b) Tax payables					
CIT	-	3,007,737,399	(1,668,314,120)		1,339,423,279
VAT	-	357,406,053,553	(5,917,644,762)	(349,407,800,081)	2,080,608,710
Personal income tax	1,136,736,393	2,299,532,836	(2,934,564,364)	-	501,704,865
Others	-	2,681,830,632	(2,681,830,632)	-	-
	<u>1,136,736,393</u>	<u>365,395,154,420</u>	<u>(13,202,353,878)</u>	<u>(349,407,800,081)</u>	<u>3,921,736,854</u>

15 ACCRUED EXPENSES

	30.6.2023 VND	31.12.2022 VND
Interest expenses	6,798,690,602	966,353,267
Others	-	1,518,246,892
	<u>6,798,690,602</u>	<u>2,484,600,159</u>

16 SHORT-TERM UNEARNED REVENUE

As at 30 June 2023 and 31 December 2022, the balance includes interest income received in advance from bank deposits.

17 OTHER PAYABLES

	30.6.2023 VND	31.12.2022 VND
Related parties (Note 31(b))		
Payables from working capital support	42,782,402,380	98,706,552,586
Others	5,379,871,618	8,977,048,520
Third parties		
Letter of credit payables (*)	212,598,408,000	-
Others	9,329,087,884	4,882,002,868
	<u>270,089,769,882</u>	<u>112,565,603,974</u>

(*) The balance represents the payable letter of credit from opening the UPAS Letter Credit service at a commercial bank to pay the supplier within 1 year and bear the applicable interest rate.

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18 BORROWINGS

(a) Short-term

	As at 1.1.2023 VND	Increase VND	Decrease VND	Reclassification VND	As at 30.6.2023 VND
Borrowings from credit institutions (i)	1,529,960,036,453	3,163,782,718,906	(2,919,119,021,508)	-	1,774,623,733,851
Current portion of long-term borrowings (Note 18(b))	65,221,697,808	-	(32,610,848,904)	32,610,848,904	65,221,697,808
	<u>1,595,181,734,261</u>	<u>3,163,782,718,906</u>	<u>(2,951,729,870,412)</u>	<u>32,610,848,904</u>	<u>1,839,845,431,659</u>

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18 BORROWINGS (continued)

(a) Short-term (continued)

(i) Details of borrowings from credit institutions are as follows:

Lender	Currency	Credit limit (billion)	Pledged assets	Credit expiration date	30.6.2023 VND	31.12.2022 VND
Bank borrowings						
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	600	Unsecured	20 February 2024	558,441,200,000	397,192,840,000
Bank for Investment and Development of Vietnam Joint Stock Company	VND	1,000	Unsecured	15 December 2023	516,197,750,340	456,839,266,133
Military Commercial Joint Stock Bank	VND	450	Unsecured	10 June 2023	245,589,279,511	-
Kasikornbank Vietnam	VND	185	Unsecured	16 February 2024	184,927,556,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	800	Unsecured	31 May 2024	91,467,948,000	101,626,892,662
Shinhan Commercial Bank	VND	217	Unsecured	2 February 2025	65,221,697,808	65,221,697,808
Vietnam International Bank	VND	250	Unsecured	5 July 2023	-	120,335,094,458
Vietnam Prosperity Joint Stock Commercial Bank	VND	700	Unsecured	20 July 2023	-	75,989,496,000
Vietnam Commercial Joint Stock Export Import Bank	VND	270	Unsecured	13 May 2023	-	199,996,062,200
			Guarantee from Petroleum High Technology Products Distribution Joint Stock Company ("PHTD")			
Vietnam International Bank	VND	628		1 August 2023	178,000,000,000	177,980,385,000
					<u>1,839,845,431,659</u>	<u>1,595,181,734,261</u>

(*) The credit limits were secured by guaranteed letter from subsidiaries and term deposits (Note 4).

Bank borrowings are for the working capital. the interest rates of the borrowings are determined at the time of disbursement.

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18 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2023 VND	Increase VND	Decrease VND	Reclassification VND	As at 30.6.2023 VND
Shinhan Bank Vietnam	76,091,980,774	-	-	(32,610,848,904)	43,481,131,870

Borrowings with Shinhan Bank Vietnam had a credit limit of VND217.8 billion and born interest at the fixed rates of 7.8%. The purpose of borrowings are to finance the construction of Nghi Son Project. The maturity is on 2 February 2025 and the borrowings are secured by assets formed from Nghi Son Project (Note 12) rights arising from land rental contracts and receivables and other rights arising from the lease agreement at Nghi Son Project.

19 BONUS AND WELFARE FUND

	30.6.2023 VND	31.12.2022 VND
Beginning of year	8,068,513,666	11,009,295,745
Increase in period/year (Note 21)	2,616,312,630	6,918,324,627
Utilisation	(5,419,586,020)	(9,859,106,706)
End of period/year	<u>5,265,240,276</u>	<u>8,068,513,666</u>

20 OWNERS' CAPITAL

(a) Number of shares

	As at 30.6.2023		As at 31.12.2022	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	<u>99,431,997</u>	<u>-</u>	<u>90,450,124</u>	<u>-</u>
Number of shares repurchased	<u>(612,700)</u>	<u>-</u>	<u>(612,700)</u>	<u>-</u>
Number of existing shares in circulation	<u>98,819,297</u>	<u>-</u>	<u>89,837,424</u>	<u>-</u>

(b) Details of owners' shareholding

	As at 30.6.2023		As at 31.12.2022	
	Ordinary shares	%	Ordinary shares	%
Vietnam Oil and Gas Group (PVN)	23,070,800	23.2%	20,973,851	23.2%
Other shareholders	75,748,497	76.1%	68,863,573	76.1%
Treasury shares	612,700	0.7%	612,700	0.7%
Number of shares registered	<u>99,431,997</u>	<u>100%</u>	<u>90,450,124</u>	<u>100%</u>

(c) Movements of share capital

	Number of shares	Ordinary shares VND	Total VND
As at 1 January 2022	<u>90,450,124</u>	<u>904,501,240,000</u>	<u>904,501,240,000</u>
As at 31 December 2022	<u>90,450,124</u>	<u>904,501,240,000</u>	<u>904,501,240,000</u>
New shares issued	<u>8,981,873</u>	<u>89,818,730,000</u>	<u>89,818,730,000</u>
As at 30 June 2023	<u>99,431,997</u>	<u>994,319,970,000</u>	<u>994,319,970,000</u>

Par value per share: VND10,000.

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21 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Treasury shares VND	Development fund VND	Post-tax undistributed earnings VND	Total VND
As at 1 January 2022	904,501,240,000	172,734,720,800	(5,427,873,108)	259,111,461,673	146,371,871,507	1,477,291,420,872
Net profit for the year	-	-	-	-	43,605,210,492	43,605,210,492
Appropriation to bonus and welfare fund	-	-	-	-	(6,918,324,627)	(6,918,324,627)
As at 31 December 2022	904,501,240,000	172,734,720,800	(5,427,873,108)	259,111,461,673	183,058,757,372	1,513,978,306,737
Capital increased during the period (*)	89,818,730,000	-	-	-	(89,818,730,000)	-
Net profit for the period	-	-	-	-	21,343,339,719	21,343,339,719
Appropriation to bonus and welfare fund (**)	-	-	-	-	(2,616,312,630)	(2,616,312,630)
As at 30 June 2023	994,319,970,000	172,734,720,800	(5,427,873,108)	259,111,461,673	111,967,054,461	1,532,705,333,826

(*) According to the Resolution of the Board of Directors No. 61/NQ-DVTHDK dated 1 December 2022, the Chairman of the Board of Directors of the Corporation approved the execution of the plan to issue shares to pay dividends at a rate of 10% of the total number of existing shares in circulation. According to the report on the results of issuing shares to pay dividends No. 21/DVTHDK-TCKT dated 1 February 2023, the Corporation has completed the issuance of 8,981,873 shares to pay dividends.

(**) According to the Resolution of the General Meeting of Shareholders dated 25 April 2023, the General Meeting of Shareholders of the Corporation approved the Plan of profit distribution and setting aside the bonus and welfare fund in 2022 which is VND 2,616,312,630 (Note 19).

22 OFF INTERIM SEPARATE BALANCE SHEET ITEMS

(a) Foreign currency

As at 30 June 2023 and 31 December 2022, included in cash and cash equivalents are balances held in foreign currency of USD4,637.

(b) Commitments

As at 30 June 2023 and 31 December 2022, the commitments of the Corporation are presented in Note 32.

23 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Revenue		
Revenue from sale of merchandise	3,632,941,652,473	3,415,430,269,362
Revenue from rendering of operating lease services	71,361,813,575	76,629,012,762
Revenue from rendering of management services to related parties (Note 31(a))	23,615,000,000	21,650,000,000
Revenue from other services	-	2,863,636,364
	<u>3,727,918,466,048</u>	<u>3,516,572,918,488</u>
Sales deductions		
Trade discounts	(215,227,051,579)	(59,738,140,538)
Sales returns	(200,830,690)	(52,394,131)
	<u>(215,427,882,269)</u>	<u>(59,790,534,669)</u>
Net revenue		
Net revenue from sales of merchandises	3,417,513,770,204	3,355,639,734,693
Net revenue from rendering of operating lease services	71,361,813,575	76,629,012,762
Net revenue from rendering of management services to related parties (Note 31(a))	23,615,000,000	21,650,000,000
Net revenue from other services	-	2,863,636,364
	<u>3,512,490,583,779</u>	<u>3,456,782,383,819</u>

24 COST OF GOODS SOLD AND SERVICE RENDERED

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Cost of merchandises sold	3,411,434,652,213	3,261,590,820,032
Cost of operating lease services rendered	44,882,888,566	54,912,483,720
Cost of management services to related parties (Note 31(a))	7,764,480,000	7,764,480,000
Reversal of provision for decline in value of inventories	(6,484,388,278)	-
	<u>3,457,597,632,501</u>	<u>3,324,267,783,752</u>

25 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Interest income	45,080,271,380	19,617,382,432
Dividend income (Note 31(a))	12,534,240,209	14,819,440,000
Income earned from working capital support (Note 31(a))	3,423,226,147	2,782,510,055
Payment discounts	4,545,565,560	-
Profit from trading securities	692,668,888	26,294,705,569
	<u>66,275,972,184</u>	<u>63,514,038,056</u>

26 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Interest expenses	70,132,730,816	36,244,710,232
Provision for diminution in value of long-term investments	2,470,585,996	4,678,756,571
Loss from trading securities	1,064,460,533	1,322,828,971
(Reversal of provision)/provision for diminution in value of trading securities	(689,267,517)	130,590,553,395
Others	185,161,644	2,437,348,000
	<u>73,163,671,472</u>	<u>175,274,197,169</u>

27 SELLING EXPENSES

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Staff costs	221,605,156	1,384,919,906
Others	658,501,506	1,245,168,344
	<u>880,106,662</u>	<u>2,630,088,250</u>

28 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Staff costs	10,827,355,803	7,639,312,172
Tax and legal fee	2,202,633,840	1,424,167,698
Depreciation	581,211,997	1,090,045,242
Reversal of provision for doubtful debts	(21,472,376)	(18,085,092,628)
Others	9,157,917,828	12,064,776,304
	<u>22,747,647,092</u>	<u>4,133,208,788</u>

29 CORPORATE INCOME TAX "CIT"

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

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Net accounting profit before tax	24,351,077,118	15,440,983,141
Tax calculated at a rate of 20%	4,870,215,424	3,088,196,628
Effect of:		
Income not subject to tax	(2,506,848,000)	(2,963,888,000)
Non-deductible expenses	644,369,975	698,368,204
CIT charge (*)	3,007,737,399	822,676,832
Charged to interim separate income statement:		
CIT – current	3,007,737,399	822,676,832
CIT– deferred	-	-
CIT charge (*)	3,007,737,399	822,676,832

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

30 COSTS OF OPERATION BY FACTOR

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

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Depreciation	20,848,559,485	21,572,817,795
Management fee from Nghi Son Project	12,490,551,437	10,810,472,277
Staff costs	11,048,960,959	9,024,232,078
Reversal of provision for doubtful debts	(21,472,376)	(18,085,092,628)
Others	31,908,522,815	38,353,351,236
	76,275,122,320	61,675,780,758

31 RELATED PARTY DISCLOSURES

The largest shareholder of the Corporation is PVN which owns 23.2% of the Corporation's share capital (Note 20).

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

Details of subsidiaries and associates are given in Note 1.

Details of the key related parties and relationship which incurred transactions and balances with the Corporation are given as below:

Name	Relationship
Vietnam Oil and Gas Group	Shareholder
Petrosetco Vung Tau General Services JSC	Subsidiary
Viet Nam Petroleum Logistics Services JSC	Subsidiary
Petroleum General Distribution Services JSC	Subsidiary
Petroleum High Technology Products Distribution JSC	Subsidiary
Binh Minh Refrigeration JSC	Subsidiary
Petroleum Offshore Trading and Services JSC	Subsidiary
Petrosetco Assets Management JSC	Subsidiary
Smart Convergence JSC	Subsidiary
Mien Trung Petroleum Services and Trading JSC	Subsidiary
Pedaco Green Environment JSC	Associated Company
PetroVietnam Fertilizer and Chemicals Corporation (PVFCCo)	Member companies of PVN
Nghi Son Refinery and Petrochemical LLC	Member 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	
	30.6.2023	30.6.2022
	VND	VND
(i) Sales of goods and services		
Subsidiaries	3,039,441,116,879	3,441,017,178,712
Affiliate companies in PVN	51,907,726,653	43,523,249,116
	<u>3,091,348,843,532</u>	<u>3,484,540,427,828</u>
(ii) Purchases of goods and services		
Subsidiaries	2,435,350,665	1,080,531,491
Affiliate companies in PVN	492,140,668	394,929,906
PVN	448,083,480	4,000,189,500
	<u>3,375,574,813</u>	<u>5,475,650,897</u>

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
(iii) Compensation of key management		
Gross salaries and other benefits	2,806,460,227	2,684,112,848
In which:		
Phung Tuan Ha - Chairman	592,500,000	593,022,570
Vu Tien Duong – General Director	519,000,000	551,022,570
Ho Minh Viet - Deputy Director	402,500,000	473,022,570
Pham Thi Hong Diep - Deputy Director	424,187,500	498,022,570
Nguyen Duc Minh - Deputy Director	69,272,727	-
Ho Hoang Nguyen Vu - Deputy Director	51,000,000	-
Huynh Van Ngan - Deputy Director	22,500,000	-
Trinh Thanh Can - Member	48,000,000	-
Nguyen Quy Thinh - Member	48,000,000	-
Tran Quang Huy – Chief Accountant	629,500,000	569,022,568
(iv) Management fee		
Fee charged to subsidiaries (Note 23)	23,615,000,000	21,650,000,000
Fee charged by subsidiaries (Note 24)	7,764,480,000	7,764,480,000
(v) Interest income from working capital support (Note 25)		
Subsidiaries	3,423,226,147	2,782,510,055
(vi) Dividend income (Note 25)		
Subsidiaries	12,534,240,209	14,819,440,000
(vii) Dividend paid		
PVN	20,969,486,614	-

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
(viii) Working capital support (*)		
Received from subsidiaries	2,189,664,874,479	2,407,000,000,000
Provided to subsidiaries	2,350,176,034,665	2,153,453,040,000

(*) This is capital support for subsidiaries to cover business activities during the period and has an interest rate of from 3.5% per annum to 7.5% per annum.

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

	30.6.2023 VND	31.12.2022 VND
(i) Short-term trade accounts receivable (Note 5)		
Subsidiaries	1,290,102,895,671	750,138,832,694
Affiliate companies in PVN	2,503,650,422	18,396,777,838
Associates	9,000,000	458,000,000
	<u>1,292,615,546,093</u>	<u>768,993,610,532</u>
(ii) Other short-term receivables (Note 7(a))		
Subsidiaries	<u>499,427,382,221</u>	<u>314,894,304,796</u>
(iii) Short-term trade accounts payable (Note 13)		
PVN	36,638,306,503	152,446,782,204
Affiliate companies in PVN	220,000,000	-
Subsidiaries	169,593,600	3,324,193,880
	<u>37,027,900,103</u>	<u>155,770,976,084</u>
(iv) Other short-term payables (Note 17)		
Subsidiaries	42,782,402,380	98,706,552,586
PVN	2,967,817,630	8,977,048,520
Affiliate companies in PVN	2,412,053,988	-
	<u>48,162,273,998</u>	<u>107,683,601,106</u>

32 COMMITMENTS

(a) Commitments under operating leases

(i) The Corporation as the lessee

As at 30 June 2023 and 31 December 2022, the Corporation is required to pay the minimum rates for future irrevocable operating leases including: land lease, warehouse lease and office lease as follows:

	30.6.2023 VND	31.12.2022 VND
Within one year	16,593,768,000	965,655,872
Between one and five years	26,300,772,553	3,862,623,487
Over five years	49,358,134,203	49,368,887,609
Total minimum payments	<u>92,252,674,756</u>	<u>54,197,166,968</u>

(ii) The Corporation as the lessor

The Corporation signed the operating lease agreement for Nghi Son Project and for office sublease contracts, the future minimum lease receivables under operating leases were as follows:

	30.6.2023 VND	31.12.2022 VND
Within one year	134,734,284,259	130,759,756,179
Between one and five years	252,628,579,831	293,893,896,001
Over five years	6,509,653,333	12,940,800,000
Total minimum receivables	<u>393,872,517,423</u>	<u>437,594,452,180</u>

32 COMMITMENTS (continued)

(b) Capital contribution commitments

As at 30 June 2023 and 31 December 2022, the progress of charter capital contribution commitments is as follows:

	As per business registration certificate VND	The Corporation's ownership %	Capital contributed VND	Capital to be contributed VND
Petrosetco SSG Company Limited ("PSSSG") (*)	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
	<u>360,700,000,000</u>		<u>26,733,401,247</u>	<u>333,966,598,753</u>

(*) In December 2010, the Corporation agreed to contribute its capital obligation into PSSSG with the charter capital of VND229.5 billion, accounting for 51% of the ownership. Until 30 June 2023, the Corporation contributed VND10.7 billion.

(**) According to the Resolution No. 16/NQ-DVTHDK dated 29 March 2016, the Corporation's Board of Management decided to invest in ITS in which the Corporation owns 40% of ITS's charter capital, equivalent to VND20 billion. Until 30 June 2023, the shareholders of ITS have not yet contributed their capital obligations.

(***) According to the Resolution No. 22/DVTHDK-QĐ dated 9 July 2018, the Corporation agreed to contribute capital into Vinh Hoa Emerald Bay International Hospitality Company Limited with the charter capital contribution of VND111.2 billion accounting for 20% of the voting right and ownership in this Company. Until 30 June 2023, the Corporation has contributed VND16 billion.

(c) Commitments of credit guarantees

As at 30 June 2023, the Corporation had non-cancellable guarantee commitments for borrowings from banks granted to the Corporation's subsidiaries with a total amount of VND4,605 billion and USD10 million (as at 31 December 2022: VND5,055 billion and USD10 billion); and had non-cancellable guarantee commitments for trade accounts payable of the Corporation's subsidiaries with a total amount of VND235 billion and US\$8.2 million (as at 31 December 2022: VND235 billion and US\$8.2 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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33 SEGMENT REPORTING

Geographical segment

The Corporation does not have any operation outside the territory of Vietnam. Therefore, no geographical business segment has been presented.

Business activity segment

Total assets and liabilities by segment of the Corporation as below:

	As at 30 June 2023			
	Operating leases VND	Management services and other service VND	Electronic products VND	Total VND
Total assets by segment	573,467,945,119	-	3,904,345,189,734	4,477,813,134,853
Total liabilities by segment	-	-	2,945,107,801,027	2,945,107,801,027
	As at 31 December 2022			
	Operating leases VND	Management services and other service VND	Electronic products VND	Total VND
Total assets by segment	593,348,354,875	-	3,636,462,418,032	4,229,810,772,907
Total liabilities by segment	-	-	2,715,832,466,170	2,715,832,466,170

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33 SEGMENT REPORTING (continued)

Business activity segment (continued)

Interim separate income statement by business activity segment based on the activities of the Corporation is as follows:

	For the six-month period ended 30 June 2023			
	Operating leases VND	Management services and other services VND	Electronic products VND	Total VND
Net revenue	71,361,813,575	23,615,000,000	3,417,513,770,204	3,512,490,583,779
Cost of goods sold	(44,882,888,566)	(7,764,480,000)	(3,404,950,263,935)	(3,457,597,632,501)
Gross profit	26,478,925,009	15,850,520,000	12,563,506,269	54,892,951,278
Financial income				66,275,972,184
Financial expenses				(73,163,671,472)
Selling expenses				(880,106,662)
General and administration expenses				(22,747,647,092)
Other income				1,484,601
Other expenses				(27,905,719)
Net accounting profit before tax				24,351,077,118

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33 SEGMENT REPORTING (continued)

Business activity segment (continued)

	For the six-month period ended 30 June 2022			
	Operating leases VND	Management services and other services VND	Electronic products VND	Total VND
Net revenue	76,629,012,762	24,513,636,364	3,355,639,734,693	3,456,782,383,819
Cost of goods sold	(54,912,483,720)	(7,764,480,000)	(3,261,590,820,032)	(3,324,267,783,752)
Gross profit	21,716,529,042	16,749,156,364	94,048,914,661	132,514,600,067
Financial income				63,514,038,056
Financial expenses				(175,274,197,169)
Selling expenses				(2,630,088,250)
General and administration expenses				(4,133,208,788)
Other income				1,668,266,994
Other expenses				(218,427,769)
Net accounting profit before tax				15,440,983,141

On August 16, 2023, the Corporation completed the issuance of shares to pay the 2022 dividend in shares with a dividend payout ratio of 8%, equivalent to a ratio of 100:8. Accordingly, 7,902,834 shares were issued and increased the number of outstanding voting shares to 106,722,131 shares.

The interim separate financial statements were approved by the Chairman on 29 August 2023.

Heard

Hoang Van Vung
Preparer

[Signature]

Tran Quang Huy
Chief Accountant



Phung Tuan Ha
Chairman

