

PETROVIETNAM TECHNICAL SERVICES CORPORATION

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



PETROVIETNAM TECHNICAL SERVICES CORPORATION

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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TABLE OF CONTENTS	PAGE
Corporate information	1
Statement by the Board of Management	2
Report on review of interim consolidated financial information	3
Interim consolidated balance sheet (Form B 01a – DN/HN)	5
Interim consolidated income statement (Form B 02a – DN/HN)	8
Interim consolidated cash flow statement (Form B 03a – DN/HN)	9
Notes to the interim consolidated financial statements (Form B 09a – DN/HN)	10

PETROVIETNAM TECHNICAL SERVICES CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate

No. 0103015198 dated 29 December 2006 initially issued by the Department of Planning and Investment of Ha Noi City and the 10th amendment of the Enterprise registration certificate No. 0100150577 issued by the Department of Planning and Investment of Ho Chi Minh City on 20 February 2019.

Board of Directors

Mr. Phan Thanh Tung	Chairman
Mr. Le Manh Cuong	Member
Mr. Do Quoc Hoan	Member
Mr. Nguyen Xuan Ngoc	Member
Mr. Tran Ngoc Chuong	Member
Mr. Hoang Xuan Quoc	Independent Member
Mr. Doan Minh Man	Independent Member (from 29 May 2023)

Board of Supervisors

Ms. Bui Thu Ha	Chief of the Board
Mr. Bui Huu Viet Cuong	Member
Mr. Pham Van Tien	Member

Board of Management

Mr. Le Manh Cuong	Chief Executive Officer
Mr. Nguyen Tran Toan	Vice President
Mr. Ta Duc Tien	Vice President
Mr. Nguyen Xuan Cuong	Vice President
Mr. Tran Ho Bac	Vice President
Mr. Tran Hoai Nam	Vice President
Mr. Pham Van Hung	Vice President

Legal representative

Mr. Le Manh Cuong	Chief Executive Officer
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Registered office

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

Auditor

PwC (Vietnam) Limited

PETROVIETNAM TECHNICAL SERVICES CORPORATION

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of Responsibility of the Board of Management in respect of the Interim Consolidated Financial Statements

The Board of Management of PetroVietnam Technical Services Corporation ("the parent Company") is responsible for preparing the interim consolidated financial statements of the parent Company and its subsidiaries (together, "the Corporation") which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2023 and 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 Board of Management 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 Board of Management of the Corporation 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 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 Board of Management of the Corporation is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds or errors.

Approval of the Interim Consolidated Financial Statements

We hereby approve the accompanying interim consolidated financial statements as set out on pages 5 to 88 which give a true and fair view of the interim consolidated financial position of the Corporation as at 30 June 2023 and the interim consolidated results of its operations 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.

On behalf of the Board of Management



Le Manh Cuong
Chief Executive Officer ("CEO")

Ho Chi Minh City, SR Vietnam
4 August 2023



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF PETROVIETNAM TECHNICAL SERVICES CORPORATION

We have reviewed the accompanying interim consolidated financial statements of PetroVietnam Technical Services Corporation ("the parent Company") and its subsidiaries (together, "the Corporation") which were prepared on 30 June 2023 and approved by the Board of Management on 4 August 2023. These interim consolidated financial statements comprise the interim consolidated balance sheet as at 30 June 2023, 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, as set out on pages 5 to 88.

The Board of Management's Responsibility

The Board of Management 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 Board of Management determines as necessary to enable the preparation and fair presentation of the interim consolidated 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 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 information does not present fairly, in all material respects, the interim consolidated financial position as at 30 June 2023, 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 the 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



Luong Thi Anh Tuyet
Audit Practising Licence:
No. 3048-2019-006-1
Authorised signatory

Report reference number: HCM14146
Ho Chi Minh City, 4 August 2023

INTERIM CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at	
			30.06.2023 VND	31.12.2022 VND
100	CURRENT ASSETS		17,777,752,356,120	16,388,291,606,616
110	Cash and cash equivalents	3	5,670,923,588,103	5,219,378,499,294
111	Cash		4,261,105,519,550	3,689,136,368,050
112	Cash equivalents		1,409,818,068,553	1,530,242,131,244
120	Short-term investment		5,076,799,008,117	4,837,330,575,989
123	Investments held to maturity	4(a)	5,076,799,008,117	4,837,330,575,989
130	Short-term receivables		5,572,500,872,499	5,043,467,850,735
131	Short-term trade accounts receivable	5	4,566,417,798,288	4,158,365,600,740
132	Short-term prepayments to suppliers	6(a)	535,297,645,082	305,968,148,150
134	Construction contracts-in-progress receivables	7	75,637,743,910	69,968,946,447
136	Other short-term receivables	8(a)	498,804,397,975	656,830,079,339
137	Provision for doubtful debts - short-term	9	(103,656,712,756)	(147,664,923,941)
140	Inventories	10(a)	1,047,480,458,569	1,012,219,488,343
141	Inventories		1,049,430,712,957	1,014,169,742,731
149	Provision for decline in value of inventories		(1,950,254,388)	(1,950,254,388)
150	Other current assets		410,048,428,832	275,895,192,255
151	Short-term prepaid expenses	11(a)	56,167,245,077	37,994,410,644
152	Value Added Tax ("VAT") to be reclaimed		350,460,535,438	234,819,754,830
153	Tax and other receivables from the State	19(a)	3,342,147,107	2,944,663,145
155	Other current assets	12	78,501,210	136,363,636

The notes on pages 10 to 88 are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30.06.2023 VND	31.12.2022 VND
200	NON-CURRENT ASSETS		9,279,428,556,349	9,439,480,033,302
210	Long-term receivables		121,692,319,420	123,822,830,133
212	Long-term prepayments to suppliers	6(b)	-	485,669,637
216	Other long-term receivables	8(b)	121,692,319,420	123,337,160,496
220	Fixed assets		3,074,275,058,356	3,040,183,166,385
221	Tangible fixed assets	13(a)	3,010,500,425,404	2,973,164,199,046
222	Historical cost		12,655,127,609,480	12,400,929,737,366
223	Accumulated depreciation		(9,644,627,184,076)	(9,427,765,538,320)
227	Intangible fixed assets	13(b)	63,774,632,952	67,018,967,339
228	Historical cost		188,525,048,578	187,999,064,578
229	Accumulated amortisation		(124,750,415,626)	(120,980,097,239)
230	Investment properties	14	166,762,596,843	169,130,232,771
231	Historical cost		229,280,786,454	229,280,786,454
232	Accumulated depreciation		(62,518,189,611)	(60,150,553,683)
240	Long-term assets in progress		206,266,711,010	171,959,008,908
241	Long-term work in progress	15(a)	69,815,950,708	69,815,950,708
242	Construction in progress	15(b)	136,450,760,302	102,143,058,200
250	Long-term investments		4,721,272,581,935	4,917,691,241,127
252	Investments in associates and joint ventures	4(b)	4,704,229,792,759	4,900,733,639,663
253	Investments in other entities	4(b)	31,125,000,000	31,125,000,000
254	Provision for long-term investments	4(b)	(14,082,210,824)	(14,167,398,536)
260	Other long-term assets		989,159,288,785	1,016,693,553,978
261	Long-term prepaid expenses	11(b)	662,033,573,799	647,338,421,831
262	Deferred income tax assets	16	293,901,747,119	338,197,955,965
263	Long-term spare equipment, supplies and parts	10(b)	33,223,967,867	31,157,176,182
270	TOTAL ASSETS		27,057,180,912,469	25,827,771,639,918

INTERIM CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.06.2023 VND	31.12.2022 VND
300	LIABILITIES		13,924,518,409,892	12,879,176,838,661
310	Current liabilities		10,121,965,802,049	9,198,890,888,791
311	Short-term trade accounts payable	17	4,795,744,263,022	5,301,151,233,703
312	Short-term advances from customers	18(a)	193,415,016,269	213,682,326,442
313	Tax and other payables to the State	19(b)	86,295,634,990	98,873,145,235
314	Payable to employees		555,170,567,103	620,879,890,466
315	Short-term accrued expenses	20	1,705,694,562,555	902,067,010,917
317	Construction contracts-in-progress payables	7	616,798,885,574	17,741,336,460
318	Short-term unearned revenue	21(a)	8,700,724,076	10,707,454,076
319	Other short-term payables	22(a)	655,444,153,843	593,925,466,931
320	Short-term borrowings	23(a)	763,105,095,782	752,208,505,290
321	Provision for short-term liabilities	24(a)	106,674,673,571	81,376,634,813
322	Bonus and welfare fund	25	634,922,225,264	606,277,884,458
330	Non-current liabilities		3,802,552,607,843	3,680,285,949,870
332	Long-term advances from customers	18(b)	919,187,827,662	781,044,054,435
333	Long-term accrued expenses		23,146,617	-
336	Long-term unearned revenue	21(b)	188,686,364,036	190,488,163,928
337	Other long-term payables	22(b)	69,700,220,885	69,699,115,385
338	Long-term borrowings	23(b)	592,669,812,878	623,765,467,201
341	Deferred income tax liabilities	16	704,936,839,728	764,257,125,923
342	Provision for long-term liabilities	24(b)	1,322,093,510,758	1,245,471,401,158
343	Fund for scientific and technological development	26	5,254,885,279	5,560,621,840
400	OWNERS' EQUITY		13,132,662,502,577	12,948,594,801,257
410	Capital and reserves		13,132,662,502,577	12,948,594,801,257
411	Owners' capital	27, 28	4,779,662,900,000	4,779,662,900,000
411a	- Ordinary shares with voting rights		4,779,662,900,000	4,779,662,900,000
412	Share premium	28	39,617,060,000	39,617,060,000
417	Foreign exchange differences	28	380,958,192,377	394,170,781,659
418	Investment and development fund	28	3,451,157,842,825	3,214,094,269,215
421	Undistributed earnings	28	3,770,977,106,553	3,790,999,491,754
421a	- Undistributed post-tax profits of previous years		3,341,730,237,486	2,928,678,969,182
421b	- Post-tax profit of the current period/year		429,246,869,067	862,320,522,572
429	Non-controlling interests	28, 29	710,289,400,822	730,050,298,629
440	TOTAL RESOURCES		27,057,180,912,469	25,827,771,639,918

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
President and CEO
4 August 2023

The notes on pages 10 to 88 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.06.2023 VND	30.06.2022 VND
01	Revenue from sales of goods and rendering of services	8,418,556,970,183	7,583,877,421,748
02	Less deductions	(3,042,176,972)	(4,380,901,533)
10	Net revenue from sales of goods and rendering of services	8,415,514,793,211	7,579,496,520,215
11	Cost of goods sold and services rendered	(8,024,284,330,150)	(7,242,304,695,246)
20	Gross profit from sales of goods and rendering of services	391,230,463,061	337,191,824,969
21	Financial income	303,518,063,623	230,322,284,696
22	Financial expenses	(66,329,186,820)	(51,810,256,065)
23	- Including: Interest expense	(39,310,153,413)	(21,966,665,549)
24	Profit sharing from associates and joint ventures	334,025,916,371	335,492,998,680
25	Selling expenses	(36,687,552,587)	(33,468,035,148)
26	General and administration expenses	(402,253,649,483)	(501,524,020,082)
30	Net operating profit	523,504,054,165	316,204,797,050
31	Other income	41,324,939,549	63,983,230,370
32	Other expenses	(6,993,922,074)	(6,248,563,135)
40	Net other income	34,331,017,475	57,734,667,235
50	Net accounting profit before tax	557,835,071,640	373,939,464,285
51	Corporate income tax ("CIT") - current	(110,238,708,043)	(109,247,766,410)
52	CIT - deferred	15,024,077,349	(4,076,135,006)
60	Net profit after tax	462,620,440,946	260,615,562,869
	Attributable to:		
61	Owners of the parent Company	438,781,076,582	222,996,922,899
62	Non-controlling interests	23,839,364,364	37,618,639,970
70	Basic earnings per share	798	230
71	Diluted earnings per share	798	230

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
President and CEO
4 August 2023

The notes on pages 10 to 88 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code	Notes	For the six-month period ended	
		30.06.2023 VND	30.06.2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	557,835,071,640	373,939,464,285
	Adjustments for:		
02	Depreciation and amortisation	238,608,932,403	244,481,469,435
03	Provisions	57,826,749,461	15,664,522,437
04	Unrealised foreign exchange gains	(4,134,441,779)	(44,947,664,721)
05	Profits from investing activities	(569,004,110,934)	(500,415,884,312)
06	Interest expense	39,310,153,413	21,966,665,549
08	Operating profit before changes in working capital	320,442,354,204	110,688,572,673
09	(Increase)/decrease in receivables	(565,142,103,993)	35,497,456,544
10	(Increase)/decrease in inventories	(37,327,761,911)	1,036,633,506,560
11	Increase in payables	848,708,589,375	207,074,687,217
12	Increase in prepaid expenses	(32,867,986,401)	(11,121,194,095)
14	Interest paid	(40,110,978,235)	(22,086,108,122)
15	CIT paid	(74,232,687,019)	(170,521,625,952)
17	Other payments on operating activities	(189,848,424,570)	(129,000,648,434)
20	Net cash inflows from operating activities	229,621,001,450	1,057,164,646,391
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(219,749,411,496)	(104,385,198,558)
22	Proceeds from disposals of fixed assets	2,178,499,787	59,953,459,302
23	Term deposits with maturity of more than 3 month placed at banks	(3,223,866,896,870)	(2,799,117,246,000)
24	Term deposits with maturity of more than 3 month collected	2,985,398,464,742	2,174,580,828,095
27	Interest income, dividends and profits received	705,874,797,110	785,750,417,817
30	Net cash inflows from investing activities	249,835,453,273	116,782,260,656
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	66,845,561,085	40,669,209,505
34	Repayments of borrowings	(87,583,158,335)	(93,353,177,758)
36	Dividends paid to shareholders	(22,150,527,200)	(19,759,263,100)
40	Net cash outflows from financing activities	(42,888,124,450)	(72,443,231,353)
50	Net increase in cash in the period	436,568,330,273	1,101,503,675,694
60	Cash and cash equivalents at beginning of the period	5,219,378,499,294	5,747,277,411,831
61	Effect of foreign exchange differences	14,976,758,536	31,791,237,422
70	Cash and cash equivalents at end of period	5,670,923,588,103	6,880,572,324,947

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
President and CEO
4 August 2023

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

1 GENERAL INFORMATION

Structure of ownership

PetroVietnam Technical Services Corporation (the "Corporation") is a joint stock company established in SR Vietnam pursuant to the initial Enterprise registration certificate No. 0103015198 dated 29 December 2006 issued by the Department of Planning and Investment of Ha Noi City and the amended Enterprise registration certificates No. 0100150577 issued by the Department of Planning and Investment of Ho Chi Minh City. The latest tenth amendment was issued by the Department of Planning and Investment of Ho Chi Minh City on 20 February 2019.

The shares of the Corporation have been officially listed in the Hanoi Stock Exchange since 20 September 2007 with the share code of PVS, pursuant to the Decision No.242/QĐ-TTGDHN signed by the General Director of Hanoi Stock Exchange on 12 September 2007.

The main shareholder of the parent Company is Vietnam Oil and Gas Group ("the Group"). Details of the capital contribution are presented in Note 27.

Principal activities

The business sector of the parent Company and its subsidiaries (together, "the Corporation") is to provide petroleum technical services.

The principal activities of the Corporation are comprised of:

- Supplying oil and gas technical services;
- Management, operation and supply of the technology service vessels;
- Supplying port-based services; ship services, tallying services and freight forwarding;
- Management, business, and operation of the floating storage and offloading ("FSO"), floating production storage and offloading ("FPSO");
- Supplying services for geophysical survey activities - engineering geology, diving services, ROV provision services for oil and gas exploration, exploration and exploitation and industrial and civil works;
- Management and implementation of marine engineering activities;
- Machining, assembly, fabrication of components, oil and gas equipment;
- Fabrication and installation of all types of petroleum storage tanks, liquefied gas pipelines and other types of oil and gas;
- Repairment of shipping vessels and the offshore oil and gas projects;
- Maintenance, repairment, building and conversion of floating facilities;
- Exportation and importation of equipment for oil and gas supplies;
- Production and supply of petroleum materials and equipment;
- Supplying petroleum specialized labour;
- Operation and maintenance of oil and gas exploitation projects;
- Supplying hotels, housing, office services;
- Sales of petroleum products;
- Shipping agency services and maritime brokerage;
- Chartering, shipping brokerage, towage and salvage services; and
- Producing electricity, electricity transmission and distribution, construction of industrial works and renewable energy.

The Corporation's main activities are not affected by seasonality.

1 GENERAL INFORMATION (continued)

The normal business cycle

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

The Corporation's structure

As at 30 June 2023, the Corporation has 6 branches and 1 representative office, 13 direct subsidiaries, 6 direct associates and joint ventures, 1 indirect associate. Details are presented as follows:

Branches and representative office:

No.	Name	Address
1	Branch of PetroVietnam Technical Services Corporation - PTSC Marine	No. 73, 30/4 Street, Thang Nhat Ward, Vung Tau City, Vietnam
2	Branch of PetroVietnam Technical Services Corporation - PTSC Supply Base	No. 65A, 30/4 Street, Thang Nhat Ward, Vung Tau City, Vietnam
3	Branch of PetroVietnam Technical Services Corporation - PTSC Da Nang	No. 11, 3/2 Street, Hai Chau Ward, Da Nang City, Vietnam
4	Branch of PetroVietnam Technical Services Corporation - Quang Binh General Petroleum Services Port.	Hon La Port, Quang Dong Ward, Quang Trach District, Quang Binh Province, Vietnam
5	Branch of PetroVietnam Technical Services Corporation - Long Phu Power Project Management Board	Thanh Duc Commune, Long Duc Ward, Long Phu District, Soc Trang Province, Vietnam
6	PTSC Abu Dhabi	Suite 1721, Level 17, The Offices World Trade Center, Central Market, Al Markaziya, Abu Dhabi, UAE
7	Representative office of PetroVietnam Technical Services Corporation in Ha Noi	No. 142, Nguyen Khuyen Street, Van Mieu Ward, Dong da District, Ha Noi City, Vietnam

PETROVIETNAM TECHNICAL SERVICES CORPORATION
Form B 09a – DN/HN
1 GENERAL INFORMATION (continued)
The Corporation's structure (continued)

No.	Name	Principal activities	Place of incorporation and operation	30.6.2023		31.12.2022	
				Ownership interest %	Voting power held %	Ownership interest %	Voting power held %
Directly owned subsidiaries							
1	PTSC Mechanical and Construction Services Company Limited	Maintenance and construction for oil and gas field	Vung Tau City, Vietnam	100	100	100	100
2	PTSC Geos and Subsea Services Company Limited	Operation of 2D and 3D vessels, seismic survey services, geophysical and geological survey services, diving, and subsea services by using remote operated vehicle '(ROV')	Vung Tau City, Vietnam	100	100	100	100
3	Petro Hotel Company Limited	Hotel services and related services to domestic and oversea companies in petroleum industry	Vung Tau City, Vietnam	100	100	100	100
4	PTSC Labuan Company Limited	Providing service vessels in petroleum and gas exploration	Malaysia	100	100	100	100
5	PTSC Quang Ngai Joint Stock Company	Management, operation and supply technology service vessels; supplying port-based services; mechanical, construction, repair and maintenance services of oil and gas projects, industrial buildings	Quang Ngai Province, Vietnam	95.19	95.19	95.19	95.19
6	PTSC Offshore Services Joint Stock Company	Offshore transportation, installation, hook up commissioning, modification, operation and maintenance, offshore facilities decommissioning services of oil and gas projects	Vung Tau City, Vietnam	84.95	84.95	84.95	84.95
7	PTSC Phu My Port Joint Stock Company	Supplying port-based services	Ba Ria – Vung Tau Province, Vietnam	59.61	59.61	59.61	59.61
8	PTSC Thanh Hoa Technical Services Company	Management, operation and supply technology service vessels; supplying port-based services; mechanical, construction, repair and maintenance services of oil and gas projects, industrial buildings	Thanh Hoa Province, Vietnam	54.69	54.69	54.69	54.69
9	PTSC Production Services Joint Stock Company	Management, operation and maintenance of the floating storage and offloading ("FSO"), floating production storage and offloading ("FPSO"), supply of petroleum specialized labour	Vung Tau City, Vietnam	51	51	51	51
10	Dinh Vu Petroleum Services Port Joint Stock Company	Supplying port-based services and container services	Hai Phong City, Vietnam	51	51	51	51

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

1 GENERAL INFORMATION (continued)

The Corporation's structure (continued)

No.	Name	Principal activities	Place of incorporation and operation	30.6.2023		31.12.2022	
				Ownership interest %	Voting power held %	Ownership interest %	Voting power held %
Directly owned subsidiaries (continued)							
11	PetroVietnam Security Joint Stock Company	Security services	Ha Noi City, Vietnam	51	51	51	51
12	Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company	Supplying port-based services	Vung Tau City, Vietnam	51	51	51	51
13	PTSC CGGV Geophysical Survey Company Limited ("PTSC CGGV") (*)	2D and 3D seismic data acquisition service	Vung Tau City, Vietnam	51	51	51	51
Directly owned associates and joint ventures							
1	Vietnam Offshore Floating Terminal (Ruby) Limited ("VOFT")	Management, business and operation of the floating production storage and offloading ("FPSO")	Malaysia	60	50	60	50
2	PTSC South East Asia Private Limited ("PTSC SEA")	Management, business and operation of the floating storage and offloading ("FSO")	Singapore	51	50	51	50
3	PTSC Asia Pacific Private Limited ("PTSC AP")	Management, business and operation of the floating production storage and offloading ("FPSO")	Singapore	51	50	51	50
4	Malaysia Vietnam Offshore Terminal (Labuan) Limited ("MVOT")	Management, business and operation of the floating storage and offloading ("FSO")	Malaysia	49	50	49	50
5	Rong Doi MV12 Private Limited ("MV12")	Management, business and operation of the floating storage and offloading ("FSO")	Singapore	33	33	33	33
6	PetroVietnam Marine Shipyard Joint Stock Company ("PV Shipyard")	Building, repair and conversion of drilling rigs, marine vessels	Vung Tau City, Vietnam	28.75	28.75	28.75	28.75
Indirectly owned associate							
1	Thi Vai General Port Joint Stock Company	Supplying port-based services	Vung Tau City, Vietnam	21.46	36	21.46	36

1 GENERAL INFORMATION (continued)

(*) As at the date of this interim consolidated financial statements, the Corporation is working with CGG Holding B.V. (formerly known as, "CGG Veritas Services Holding B.V.") to end the joint venture contract before its expiration and to carry out necessary procedures to dissolve PTSC CGGV's operation in accordance with official approved documents from authorities and the Resolutions of the Parent Company's Board of Directors.

Since 2018 to the date of this interim consolidated financial statements, PTSC CGGV has stopped its operation. Accordingly, the Board of Members of PTSC CGGV has evaluated and decided to prepare its interim financial statements for the 6-month period ended 30 June 2023 on liquidation basis in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim financial statements.

As at 30 June 2023, the Corporation had 7,046 employees (as at 31 December 2022: 6,935 employees)

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 and on a going concern basis except for investments in associates and joint ventures and business combinations as presented in Note 2.5, and the basis of accounting for PTSC CGGV's financial statements on liquidation basis as presented in Note 1.

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's. 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/period

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

2.3 Currency

The interim consolidated financial statements are measured and presented in Vietnamese Dong ("VND").

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.3 Currency (continued)**

On consolidating, if the currencies used in the components' interim financial statements are different from that of the parent Company, the Corporation is required to translate those interim financial statements into the currency used in the Corporation's interim consolidated financial statements under the following principles:

- Assets and liabilities are translated at actual exchange rate at the end of the reporting period;
- Owners' capital is translated at the exchange rate of contribution date;
- Net assets of those acquired companies are translated at the exchange rate of acquisition date;
- Undistributed earnings or accumulated losses incurred after acquisition date are translated based on the translation of income and expenses in the income statement;
- Profits and dividends already paid are translated at the actual exchange rate at the date of payment;
- Items of the interim income statement and the interim cash flow statement are translated at the average exchange rate of the accounting period if it approximates the actual rate at the time of the transaction;
- The accumulative amount of exchange differences arising from translation is presented in a separate component of owners' equity of the interim consolidated balance sheet. For subsidiaries, accumulated exchange differences attributable to the parent Company are presented in "Foreign exchange differences" and those attributable to non-controlling interests are allocated to "Non-controlling interests"; and
- Upon disposal, the accumulated exchange difference relating to translation of these companies' interim financial statements presented in owners' equity of the interim consolidated balance sheet is recognised as financial income or financial expense in the same reporting period.

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 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 bank(s) where the Corporation regularly transacts. Foreign currencies deposited in commercial bank(s) at the interim consolidated balance sheet date are translated at the buying exchange rate of the commercial bank(s) where the Corporation opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

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 subsidiary acquired, the difference is recognised directly in the interim consolidated income statement.

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

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Basis of consolidation (continued)

Subsidiaries (continued)

The interim financial statements of the Corporation's subsidiaries are prepared for the same accounting period. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period/fiscal year and that of the Corporation's. The length of the reporting period and differences in reporting date must be consistent between periods.

Non-controlling transactions and interests

The Corporation applies a policy for transactions with non-controlling interests as transactions with external parties to the Corporation.

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

The divestment of the Corporation's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Corporation's share of net assets of the subsidiary and any consideration paid or received from divestment of Corporation's interest in the subsidiary is recorded directly in the undistributed earnings or accumulated losses under equity.

In a divestment of the Corporation's interest in a subsidiary that results in a loss of control, the difference between the Corporation's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the interim consolidated income statement. The retained interest in the entity will be accounted for as either an investment in other entity or investment to be equity accounted for since the divestment date.

Associates and joint ventures

Contributions to joint ventures are contractual agreements under which the Corporation and the participating parties carry out economic activities on the basis of joint control. Basis of joint control is understood to mean that strategic decisions regarding the financial and operating policies of a joint venture must be made by consensus of the jointly controlling parties. Joint venture agreements involving the establishment of an independent business entity in which the parties to the joint venture contribute capital are known as jointly controlled establishments.

Associates are investments that the Group has significant influence but not control over and the Group would generally have from 20% to less than 50% of the voting rights of the investee. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Basis of consolidation (continued)

Associates and joint ventures (continued)

Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in joint ventures and associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Corporation's share of its associates' and joint ventures' 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 or joint venture equals or exceeds its interest in the associate or joint venture, the Corporation does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Accounting policies of associates and joint ventures 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 and joint ventures are eliminated to the extent of the Corporation's interest in the associates and joint ventures in accordance with the current prevailing accounting regulations.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit, and other short-term investments with an original maturity of three months or less, which are highly liquid and readily convertible to known amounts of cash and subject to an insignificant risk of changes in value at the date of the interim consolidated financial statements.

2.7 Receivables

Receivables represent trade receivables arising from sales of goods and rendering of services or non-trade receivables 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 made for each outstanding amount that is not overdue but doubtful and so the Corporation may be unable to collect the debts. Bad debts are written off when identified as uncollectible according to current prevailing accounting regulations and the Corporation's finance management policies.

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 collection date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes direct materials, direct labor costs, overhead expenses, purchase cost, 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 such as publicity, selling and distribution expenses.

The Corporation applies the perpetual system for inventories.

Provision is made, in accordance with current prevailing accounting regulations, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the period.

Inventories are classified as short-term and long-term on the interim consolidated balance sheet based on the plan for use in production and business activities of the Corporation at the date of the interim consolidated balance sheet.

2.9 Investments**(a) Investments held-to-maturity**

Investments held-to-maturity are investments which the Corporation has 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 and measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from investments held-to-maturity is recognised in the interim consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period/year 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 accounting period/fiscal year 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 long-term and short-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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Investments (continued)

(b) 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 Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the period/year end.

Provision for diminution in value of investments in other entities is made in accordance with current prevailing accounting regulations and current accounting policies when there is a diminution in value of the investments at the period/year end. Regarding investments in listed shares or those whose fair value can be determined reliably that the Corporation plans to invest in long-term, the provision for diminution in value is made when cost is higher than its expected recoverable amount. For other investments, provision for diminution in value is made when the investees make losses. Changes in the provision balance during the accounting period/fiscal year 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.

2.10 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of design, technology and functions or ultimate purpose of use.

When the outcome of a contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses, respectively. The Corporation uses the percentage of completion method to determine the appropriate amount of revenue and costs to be recognised in the accounting period. The percentage of completion is measured by reference to the proportion of actual contract costs incurred to date to the estimated total costs of each contract, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. Moreover, the percentage of completion is measured by reference to the proportion of actual completed work incurred to date to the estimated total work of each contract, the evaluation of the completed work. Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are only recognised when incurred during the period.

When a construction contract stipulates that the contractor is allowed to make payments according to the value of performed work volume, and when the contract performance result is reliably determined and certified by customers, the revenue and costs related to such contract shall be recognized by reference to the completed work volume certified by the customers in the period and reflected in the billed invoices.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Construction contracts (continued)

The aggregate of the costs incurred, and the profit or loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and profits recognised (less recognised losses) exceed progress billings, the balance is presented as construction contracts-in-progress receivables. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as construction contracts-in-progress payables.

2.11 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 their suitable conditions for their intended use, in which the historical costs of purchased fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their suitable conditions for their intended use. In regard fixed assets formed from construction investment by contractual mode or self-construction or self-generating process, the historical costs are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the historical cost is recognized at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities. 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 depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Buildings and structures	3 - 45 years
Machinery and equipment	3 - 7 years
Vehicles	6 - 12 years
Office equipment	3 - 5 years
Other tangible fixed assets	3 years
Software	3 years
Land use right	50 years
Other intangible assets	3 years

Land use rights comprise of land use rights granted by the State for which land use fees are collected. 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 straight-line basis over the terms of the land use right certificates.

Indefinite land use rights are stated at costs and not amortised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Fixed assets (continued)

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, including 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. In the event of the construction project has been completed and put into use, these expenses will be capitalized to the historical cost of fixed assets at the estimated cost based on the actual cost incurred (in case the settled costs have not been approved). According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Depreciation of these assets, on the same basis as other fixed assets, commences when they 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

Investment properties are depreciated under the straight-line method to write off the historical cost of the assets over their estimated useful lives. The estimated useful lives of investment properties are as follows:

Infrastructure

48 - 49 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Investment properties (continued)

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 consolidated income statement.

2.14 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the interim consolidated balance sheet. Short-term prepaid expenses reflect 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 prepayments. Long-term prepaid expenses reflect prepayments for services or tools that 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 prepayments. Prepaid expenses are recorded at cost and allocated on a straight-line basis over estimated useful lives.

Additionally, prepayments for land rental contracts which are effective after the effective date of the land law 2003 (ie. 1 July 2004) or which land use right certificates are not granted are recorded as prepaid expenses and allocated using the straight-line method over the terms of such land use right certificates.

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 not relating to purchases of goods and services.

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

2.16 Borrowing

Borrowings include borrowings from banks and third parties.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Borrowing (continued)

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other 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 invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period. The recognition of accrued expenses is determined based on the present obligation, which is determined reliably at the time of payment.

The accrued expenses is recorded into the interim consolidated income statement according to the matching concept between revenue and expenses incurred in the period.

2.18 Provisions

Provisions are recognised when the Corporation has a present legal or constructive obligation as a result of past events that the Corporation is obliged to settle this obligation, 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 estimated on the amount of money which may 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/fiscal year are recorded as an increase or decrease in operating expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Unearned revenue

Unearned revenue mainly comprises the amounts that customers paid in advance for one or many accounting periods for leasing assets and related services accompanied the assets. The Corporation records unearned revenue for the future obligations that the Corporation has to fulfill. Once recognition criteria have been satisfied, unearned revenue will be recognised as revenue in the interim consolidated income statement to the extent that it has met the recognition criteria.

Unearned revenue is classified into short-term and long-term on the interim consolidated balance sheet according to the portion of obligations that are satisfied for revenue recognition as at the interim consolidated balance sheet.

2.20 Capital and reserves

(a) Owners' capital

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

(b) Share premium

Share premium is the difference between the par value and the issued price of shares; the difference between the repurchased price and re-issuing price of treasury shares.

(c) Undistributed earnings

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

2.21 Appropriation of profit

Profit after CIT could be distributed to shareholders in accordance with Resolutions of the Shareholders' Annual General Meetings of the parent Company and its subsidiaries including dividend paid and appropriation to funds in accordance with the Corporation's charter and Vietnamese regulations.

The Corporation's dividends are recognised as a liability on the interim consolidated financial statements in the period in which the shareholder list for dividend payment is finalised according to the Resolution of Board of Directors and after the dividends are approved by shareholders at the Annual General Meeting of Shareholders.

The Corporation's funds are as below:

(a) Investment and development fund

Investment and development fund is appropriated from profit after CIT of the Corporation and subject to shareholders' approval at the Annual General Meeting of the Shareholders. This fund is used for expanding and developing the business of the Corporation under the form of additional capital contribution.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Appropriation of profit (continued)

(b) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Corporation's profit after CIT and subject to shareholders' approval at the Annual General Meeting of the Shareholders. This fund is presented as a liability on the interim consolidated balance sheet and 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.

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

(b) 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition (continued)****(c) Revenue from construction contracts**

Revenues from construction contracts are comprised of the revenue initially set out in contracts; increases and/or decreases during the term of the contract; bonuses; and other payments to be received from customers or other parties to compensate for the costs not included in the contractual price; other payments that customers agreed to compensate, and other payments provided that these amounts can change the revenue and can be reliably determined. Revenue from construction contracts is recognised in accordance with the guidance presented in Note 2.10.

(d) Revenue from operating lease

Revenue from operating lease is recorded on straight line basis over the lease terms.

(e) Interest income

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

- It is probable that economic benefits will be generated;
- Income can be measured reliably.

(f) Dividend, profit distribution income

Income from dividend/profit distribution is recognised when the Corporation has established the receiving right from investees.

2.23 Cost of goods sold and services rendered

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

2.24 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, provision for diminution in value of investments in other entities, losses incurred when selling foreign currencies; and losses from foreign exchange differences.

2.25 Selling expenses

Selling expenses represent expenses that are incurred in the process of sales of goods, and rendering of services, which include: marketing expenses, product introduction, product promotion, sales commission and other sales expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes which include salary expenses of administrative staff; social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff; expenses of office materials; tools and supplies; depreciation and amortisation of fixed assets used for administration; land rental; licence tax; provision for bad debts; outside services and other expenses.

2.27 Current and deferred income tax

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

Current income tax is the amount of income tax payable or recoverable in respect of the current period taxable profits at the current period tax rates. Current and deferred 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 financial 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.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 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 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 the related party relationship with each related party, the Corporation considers the substance of the relationship not merely the legal form.

2.29 Segment reporting

A segment is a component which can be separated by the Corporation engaged in sales of goods or rendering of services ("business activity 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 understand and evaluate the Corporation's operations in a comprehensive way.

2.30 Critical accounting estimates

The preparation of interim consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements requires the Board of Management 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.

The areas involving significant estimates and assumptions are revenue, cost of sales, receivables and payables relating to construction contracts-in-progress (Note 2.10, 2.22, and 2.23);

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

3 CASH AND CASH EQUIVALENTS

	30.6.2023	31.12.2022
	VND	VND
Cash on hand	10,989,515,319	9,203,959,093
Cash in banks	4,247,842,291,511	3,679,704,682,612
Cash in transit	2,273,712,720	227,726,345
Cash equivalent (*)	1,409,818,068,553	1,530,242,131,244
	<u>5,670,923,588,103</u>	<u>5,219,378,499,294</u>

(*) Cash equivalents include term deposits in VND at banks with the original maturity of three months or less and earn interest at the average rates from 0.5% to 6% per annum (as at 31 December 2022: 1% to 6% per annum).

4 INVESTMENTS

(a) Short-term Investment held-to-maturity

	30.6.2023		31.12.2022	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	<u>5,076,799,008,117</u>	<u>5,076,799,008,117</u>	<u>4,837,330,575,989</u>	<u>4,837,330,575,989</u>

Term deposits include bank deposits in VND with the remaining maturity of not more than 12 months and above 3 months and earn interest at the rate from 3.1% to 10.3% per annum (as at 31 December 2022: from 3.5% to 10.3% per annum).

As at 30 June 2023 and 31 December 2022, investments held-to-maturity include deposits with total amount of VND 187,145,000,000 with a term of not more than 12 months at Ocean Commercial One Member Limited Liability Bank ("OceanBank") are being suspended. The Board of Management The Company assesses that the above-mentioned deposits will be traded again in the future when there are specific regulations from the State Bank.

(b) Long-term investments

	30.6.2023			31.12.2022		
	Cost VND	Book value VND	Provision VND	Cost VND	Book value VND	Provision VND
Investments in associates and joint ventures (i)	1,624,677,039,235	4,704,229,792,759	-	1,624,677,039,235	4,900,733,639,663	-
Investments in other entities (ii)	<u>31,125,000,000</u>	<u>31,125,000,000</u>	<u>(14,082,210,824)</u>	<u>31,125,000,000</u>	<u>31,125,000,000</u>	<u>(14,167,398,536)</u>
	<u>1,655,802,039,235</u>	<u>4,735,354,792,759</u>	<u>(14,082,210,824)</u>	<u>1,655,802,039,235</u>	<u>4,931,858,639,663</u>	<u>(14,167,398,536)</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investment in associates and joint ventures

Details of investments in associates and joint ventures are as follows:

No	Name	30.6.2023			31.12.2022		
		Cost VND	Book value VND	Fair value VND	Cost VND	Book value VND	Fair value VND
1	Rong Doi MV12 Private Limited (i)	106,022,400	-	(*)	106,022,400	-	(*)
2	Malaysia Vietnam Offshore Terminal (Labuan) Limited (ii)	292,324,455,887	1,998,367,593,768	(*)	292,324,455,887	1,918,999,285,578	(*)
3	Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	156,473,118,448	881,481,191,238	(*)	156,473,118,448	1,110,441,811,262	(*)
4	PTSC South East Asia Private Limited (iv)	340,800,232,500	943,469,409,511	(*)	340,800,232,500	950,599,205,954	(*)
5	PTSC Asia Pacific Private Limited (v)	641,415,780,000	853,618,830,794	(*)	641,415,780,000	886,283,700,151	(*)
6	Petro Vietnam Marine Shipyard Joint Stock Company (vi)	171,957,430,000	-	(*)	171,957,430,000	-	(*)
7	Thi Vai General Port Joint Stock Company (vii)	21,600,000,000	27,292,767,448	(*)	21,600,000,000	34,409,636,718	(*)
		<u>1,624,677,039,235</u>	<u>4,704,229,792,759</u>		<u>1,624,677,039,235</u>	<u>4,900,733,639,663</u>	

- (*) As at 30 June 2023 and 31 December 2022, the Corporation had not determined the fair value of these investments for disclosure in the interim consolidated financial statements because they do not have listed prices or listed on the market but the transaction is not significant. The fair value of such investments may be different from their book value.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investment in associates and joint ventures (continued)

Movement of investment in associates and joint ventures during the period are as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Cost of investments	1,624,677,039,235	1,624,677,039,235
Profit sharing from associates and joint ventures:		
Beginning of the period/year	3,276,056,600,428	3,199,653,580,210
Profit sharing from investments in associates and joint ventures during the year (*)	334,025,916,371	657,204,081,658
Dividends received	(517,082,400,000)	(689,932,500,000)
Exchange rate differences from translating the financial statements during the period/year	(13,447,363,275)	109,131,438,560
End of the period/year	<u>4,704,229,792,759</u>	<u>4,900,733,639,663</u>

(*) Details of profits/(losses) sharing from investments in associates and joint ventures during the period/year are as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	200,208,098,080	431,545,021,382
Malaysia Vietnam Offshore Terminal (Labuan) Limited (ii)	80,731,896,474	149,242,046,794
PTSC Asia Pacific Private Limited (v)	67,367,374,947	121,600,790,793
Thi Vai General Port Joint Stock Company (vii)	(7,116,869,270)	(613,312,886)
PTSC South East Asia Private Limited (iv)	(7,164,583,860)	(44,570,464,425)
	<u>334,025,916,371</u>	<u>657,204,081,658</u>

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investment in associates and joint ventures (continued)

- (i) Rong Doi MV12 Private Limited is a jointly controlled joint venture, established by the Corporation and its partners Modec, Inc., and Mitsui & Co., Ltd (Modec, Inc., and Mitsui & Co., Ltd was established in Japan) in 2006 to invest in floating storage and export crude oil (FSO "Rong Doi MV12") with a capacity of 300,000 barrels of oil leased to Korea National Oil Corporation ("KNOC") since 2007 to serve oil exploitation at Rong Doi - Rong Doi Tay field in Block 11-2 off the coast of Vietnam. The lease term is 07 years fixed and is renewed each year until the expiry of the FSO's useful life. As at 30 June 2023 and 31 December 2022, the Corporation's contributed capital at Rong Doi MV12 Private Limited was USD 6,600, equivalent to VND 106,022,400.
- (ii) Malaysia Vietnam Offshore Terminal (Labuan) Limited ("MVOT") is a jointly controlled venture company established between the Corporation and its partner, Malaysia International Shipping Corporation Berhard ("MISC"), in 2009 to:
 - invest in FSO to store and export oil (FSO "Orkid") with the capacity of 650,000 barrels of Repsol Oil & Gas Malaysia Limited renting for crude oil exploitation at PM-3 CAA field, offshore Malaysia in the commercial arrangement area between Malaysia and Vietnam from 2009 to 31 December 2027; and
 - invest in FSO to store and export oil (FSO "Golden Star") with the capacity of 654,717 barrels of oil to Idemitsu Gas Production Vietnam Company Limited renting for crude oil exploitation at the Sao Vang Dai Nguyet field, Blocks 05-1b & 05-1c offshore Vietnam with the 7-year duration since November 2020 to November 2027 and can be extended for another 8 years.

As at 30 June 2023 and 31 December 2022, the Corporation's capital contribution in MVOT is USD17,258,911, equivalent to VND292,324,455,887.

- (iii) Vietnam Offshore Floating Terminal (Ruby) Limited ("VOFT") is a jointly controlled venture company established by MISC, from 2009, in which, the Corporation owns 60% of the charter capital to own, manage and operate the FPSO "Ruby II" for oil processing and exportation. From June 2010, FPSO "Ruby II" was put into oil and gas exploration and production of Petronas Carigali Vietnam Limited at Blocks 01 & 02 offshore the continental shelf of Vietnam till 9 September 2017. Since 10 September 2017, Vietnam Oil and Gas Group replaced, received rights and obligations of Petronas Carigali Vietnam Limited for the contract with VOFI based on the agreement between Vietnam Oil and Gas Group and Petronas Carigali Vietnam Limited. As at 30 June 2023 and 31 December 2022, the Corporation's capital contribution in VOFI is USD8,784,000, equivalent to VND156,473,118,448.

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investment in associates and joint ventures (continued)

- (iv) PTSC South East Asia Private Limited ("PTSC SEA") is a jointly controlled venture company established by the Corporation and Yinson Holdings Berhad from 2011 under Foreign Investment Certificate No. 474/BKHDT-DTRNN issued by the Ministry of Planning and Investment dated 31 October 2011 to invest and lease FSO to store and export crude oil (FSO "PTSC Bien Dong 01") for Bien Dong POC about crude oil exploitation at Blocks 05.2 & 05.3 offshore the continental shelf of Vietnam. The total investment capital of the project is USD149,318,329, equivalent to VND3,071,478,027,530, in which the capital contributions of joint venture parties are USD37,329,582, taking up 25% of its investment capital, the remaining is borrowed capital. In 2022, following the internal reorganization within the Yinson Holdings Berhad group, Yinson Holdings Berhad already transferred all shares in PTSC SEA to Yinson Production Capital Private Limited (a sub-subsidiary company of Yinson Holdings Berhad), accordingly, Yinson Holdings Berhad already transferred all their rights and obligations in PTSC SEA to Yinson Production Capital Private Limited under the agreement among PTSC, Yinson Holdings Berhad, Yinson Production Offshore Private Limited and Yinson Production Capital Private Limited. As at 30 June 2023 and 31 December 2022, the Corporation's capital contribution in PTSC SEA is USD16,320,000, equivalent to VND340,800,232,500.

- (v) PTSC Asia Pacific Private Limited ("PTSC AP") is a jointly controlled venture company established by the Corporation and Yinson Holdings Berhad from 2012 under the Foreign Investment Certificate No. 561/BKHDT-DTRNN dated 19 October 2012 issued by the Ministry of Planning and Investment to contribute to investment capital in floating storage, exportation and processing of oil (FPSO "PTSC Lam Son") for Lam Son Joint Operating Company (Lam Son JOC) rented for development services at Thang Long - Dong Do fields, Blocks 01/97 & 02/97, in the Cuu Long basin offshore Vietnam until 30 June 2017. From 1 July 2017, Vietnam Oil and Gas Group/Petroleum Exploration and Production Corporation replaced, received rights and obligations of Lam Son JOC and continued to rent FPSO "PTSC Lam Son". The total investment capital of the project is USD429,977,481, equivalent to VND9,113,372,709,795, in which, the capital contribution of joint venture parties is USD119,996,426, accounting for 27.9% of total investment capital. In 2018, the two joint venture parties reduced the capital contribution into PTSC AP from USD100,000,000 to USD60,000,000 at the same voting right and ownership. In 2022, following the internal reorganization within the Yinson Holdings Berhad group, Yinson Holdings Berhad already transferred all shares in PTSC AP to Yinson Production Capital Private Limited (a sub-subsidiary company of Yinson Holdings Berhad), accordingly, Yinson Holdings Berhad already transferred all their rights and obligations in PTSC AP to Yinson Production Capital Private Limited under the agreement among PTSC, Yinson Holdings Berhad, Yinson Production Offshore Private Limited and Yinson Production Capital Private Limited. As at 30 June 2023 and 31 December 2022, the Corporation's contributed capital in PTSC AP is USD30,600,000 equivalent to VND641,415,780,000.

4 INVESTMENTS (continued)**(b) Long-term investments (continued)***(i) Investment in associates and joint ventures (continued)*

(vi) Petrovietnam Marine Shipyard Joint Stock Company is a joint stock company established under the Business Registration Certificate No. 3500806844 dated 9 July 2007 issued by the Planning and Investment Department of Ba Ria - Vung Tau Province granted with registered charter capital of 594,897,870,000 VND. As at 30 June 2023 and 31 December 2022, the Corporation's contributed capital in this company is VND 171,957,430,000, accounting for 28.75% of charter capital.

(vii) Thi Vai General Port Joint Stock Company ("Thi Vai General Port") is a joint stock company established under the Enterprise Registration Certificate No. 3502259121 dated 21 July 2014 issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province with the registered charter capital of VND60,000,000,000. According to Thi Vai General Port's Enterprise Registration Certificate, PTSC Phu My Port Joint Stock Company - a subsidiary, holds 36% charter capital of Thi Vai General Port. Therefore, the Corporation indirectly owns 21.46% charter capital of Thi Vai General Port. Hence, Thi Vai General Port is an associate of the Corporation according to current prevailing accounting regulations.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(ii) Investments in other entities

Details of investments in other entities are as follows:

No	Name	30.6.2023			31.12.2022		
		Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
1	Nhon Trach Shipyard Joint Stock Company	3,000,000,000	(818,867,899)	(*)	3,000,000,000	(819,246,567)	(*)
2	Duyen Hai Petro Construction Investment Joint Stock Company	28,125,000,000	(13,263,342,925)	(*)	28,125,000,000	(13,348,151,969)	(*)
		<u>31,125,000,000</u>	<u>(14,082,210,824)</u>		<u>31,125,000,000</u>	<u>(14,167,398,536)</u>	

(*) As at 30 June 2023 and 31 December 2022, the Corporation had not determined the fair value of these investments for disclosure 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.

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(ii) Investments in other entities

Movement of provision for diminution in value of long-term investments during the period/year was as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Beginning of period/year	14,167,398,536	24,758,595,673
Reversal of provisions (Note 35)	(85,187,712)	(61,197,137)
Written-off	-	(10,530,000,000)
End of period/year	<u>14,082,210,824</u>	<u>14,167,398,536</u>

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2023 VND	31.12.2022 VND
Third parties		
North Oil Company	811,915,328,028	226,188,814,534
TPSK Consortium	81,859,884,115	255,380,294,767
Ponticelli Upstream LLC	72,288,040,053	14,323,184,232
The Operating Office of Idemitsu Gas Production (Vietnam) Co., Ltd. in Ho Chi Minh City	70,521,689,756	101,727,334,015
The Operating Office of Premier Oil Vietnam Offshore B.V. in Ho Chi Minh City	52,225,354,225	46,479,111,718
Allianz Marine Services LLC	45,538,870,895	23,228,572,500
Japan Vietnam Petroleum Company Limited	43,693,539,717	23,910,629,839
Technip Geoproduction (M) Sdn Bhd	42,547,195,518	42,344,509,025
Hibiscus Oil & Gas Malaysia Limited	41,816,161,661	11,216,690,810
Cuu Long Joint Operating Company	28,244,785,485	17,187,538,609
Hanwha Ocean Company Limited	24,901,929,776	-
Enterprize Energy Private Limited	23,867,476,817	16,252,738,735
Baltec IES Proprietary Limited	23,342,622,493	10,713,013,657
GE Power Systems Vietnam Company Limiter	22,641,438,885	29,079,843,417
VN Manpower Joint Stock Company	22,375,637,437	6,734,888,019
Icon Ship Management Sdn Bhd	20,657,194,690	-
Sea Energy Marine Services LLC	20,063,072,300	-
Hyundai Heavies Industries	14,092,364,373	42,978,194,772
EGL Waste Services Proprietary Company	13,038,687,300	23,291,802,936
GE Global Parts & Products GmbH	12,160,002,506	19,349,756,022
Korea National Oil Corporation	10,433,165,340	18,122,645,268
Nam Song Hau Trading Investing Petroleum Joint Stock Company	10,263,556,951	19,191,122,405
Daewoo Shipbuilding & Marine Engineering Company Limited	3,936,240,000	87,381,716,912
Boilermaster Vietnam Company Limited	-	19,721,049,165
Others	407,050,985,484	444,057,142,693
	<u>1,919,475,223,805</u>	<u>1,498,860,594,050</u>
Related parties (Note 41(b))	<u>2,646,942,574,483</u>	<u>2,659,505,006,690</u>
	<u><u>4,566,417,798,288</u></u>	<u><u>4,158,365,600,740</u></u>

As at 30 June 2023 and as at 31 December 2022, the balances of short-term trade accounts receivable which were past due were made provision of doubtful debts as presented in Note 9.

6 PREPAYMENTS TO SUPPLIERS

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Third parties		
Vietnam Machinery Installation Corporation	100,613,950,134	100,613,950,134
CN Company Limited	48,125,000,000	-
Black Cat Insulation Technical Joint Stock Company	37,273,353,197	-
IQIP Singapore Private Limited	31,178,777,573	-
TH Vinasun Industrial Fans Manufacturing Company Limited	24,774,473,350	-
Shindong Brator Company Limited	23,945,630,038	-
My Dung Mechanical Company Limited	20,945,574,000	20,945,574,000
Compkoreavina Company Limited	19,707,163,850	-
Vifutech Company Limited	16,570,480,896	-
SCI E&C Joint Stock Company	13,588,401,409	13,588,401,409
Kocks Ardelt Kranbau GmbH	-	44,816,994,964
Toan Thang Engineering Corporation	-	9,542,076,250
Others	197,437,821,490	113,181,071,630
	<u>534,160,625,937</u>	<u>302,688,068,387</u>
Related parties (Note 41(b))	1,137,019,145	3,280,079,763
	<u>535,297,645,082</u>	<u>305,968,148,150</u>

As at 30 June 2023 and 31 December 2022, the Corporation do not have balances of short-term prepayments to suppliers was past due or was past due but doubtful.

(b) Long-term

	30.6.2023 VND	31.12.2022 VND
Others	-	485,669,637
	<u>-</u>	<u>485,669,637</u>

As at 30 June 2023 and 31 December 2022, the Corporation do not have balances of short-term prepayments to suppliers was past due or was past due but doubtful.

7 CONSTRUCTION CONTRACTS-IN-PROGRESS RECEIVABLES/PAYABLES

	30.6.2023 VND	31.12.2022 VND
Construction contracts-in-progress receivables	75,637,743,910	69,968,946,447
Construction contracts-in-progress payables	(616,798,885,574)	(17,741,336,460)
	<u>(541,161,141,664)</u>	<u>52,227,609,987</u>

In which:

Accumulated contract costs incurred plus recognized profits less recognized losses	8,093,828,040,610	8,090,392,632,584
Amount of progress billings	(8,634,989,182,274)	(8,038,165,022,597)
	<u>(541,161,141,664)</u>	<u>52,227,609,987</u>

Details of construction contracts-in-progress receivables/payables by projects are as follows:

	30.6.2023 VND	31.12.2022 VND
Receivables		
Sao Vang - Dai Nguyet pipeline project	72,326,230,914	66,657,433,451
NPK project	3,311,512,996	3,311,512,996
	<u>75,637,743,910</u>	<u>69,968,946,447</u>
Payables		
CHW2204 project	510,667,954,452	-
EPC Thi Vai LNG warehouse project	58,505,163,682	-
Thi Vai LPG tank project	47,625,767,440	-
Southern Petrochemical complex project	-	17,741,336,460
	<u>616,798,885,574</u>	<u>17,741,336,460</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

8 OTHER RECEIVABLES

(a) Short-term

	30.6.2023		31.12.2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Accrued revenue from rendering of service				
TPSK Consortium	53,902,929,173	-	8,967,426,540	-
Long Son Petrochemicals Company Limited	18,696,233,777	-	-	-
Japan Vietnam Petroleum Company Limited	17,629,288,580	-	889,064,640	-
Hibiscus Oil & Gas Malaysia Limited	16,126,077,641	-	22,423,561,125	-
Anh Phat Investment Construction - Trading Joint Stock Company	14,399,669,991	-	9,083,093,810	-
Nghi Son Refining and Petrochemical Company Limited	12,820,187,314	-	24,394,736,436	-
Sao Vang - Dai Nguyet pipeline project	-	-	204,294,220,794	-
Daewoo Shipbuilding & Marine Engineering Company Limited	-	-	42,917,553,000	-
Technip Geoproduction (M) SDN BHD	-	-	17,251,709,860	-
Others	84,793,823,067	-	61,429,770,431	-
Accrued interest income	123,633,578,549	-	79,626,280,883	-
Deposits	45,924,401,820	-	39,472,889,833	-
Advances	23,587,983,177	-	14,689,285,135	-
VAT not yet deducted	17,464,426,035	-	35,031,435,403	-
Receivables from contract penalties	-	-	30,702,486,737	-
Others	69,825,798,851	(1,330,535,679)	65,656,564,712	(539,678,779)
	<u>498,804,397,975</u>	<u>(1,330,535,679)</u>	<u>656,830,079,339</u>	<u>(539,678,779)</u>

As at 30 June 2023 and 31 December 2022, the balances of other short-term receivables which were past due were made provision of doubtful debts as presented in Note 9.

8 OTHER RECEIVABLES (continued)

(b) Long-term

	30.6.2023 VND	31.12.2022 VND
Deposits	110,151,769,147	111,796,610,223
Others	11,540,550,273	11,540,550,273
	<u>121,692,319,420</u>	<u>123,337,160,496</u>

Details of other receivables by type of customers are as follows:

	30.6.2023 VND	31.12.2022 VND
Short-term		
Third parties	443,088,014,961	587,586,559,959
Related parties (Note 41(b))	55,716,383,014	69,243,519,380
	<u>498,804,397,975</u>	<u>656,830,079,339</u>
Long-term		
Third parties	<u>121,692,319,420</u>	<u>123,337,160,496</u>

9 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	30.6.2023			
	Cost VND	Recoverable amount VND	Provision VND	Overdue
Short-term trade account receivable				
Third parties				
Sai Gon Offshore Fabrication and Engineering Limited	13,531,918,730	-	(13,531,918,730)	Over 3 years
Marsol Offshore Construction LLC	7,554,500,377	-	(7,554,500,377)	Over 3 years
Others	31,672,628,342	9,392,804,257	(22,279,824,085)	Over 6 months - Over 3 years
	<u>52,759,047,449</u>	<u>9,392,804,257</u>	<u>(43,366,243,192)</u>	
Related parties				
PetroVietnam Domestic Exploration Production Operating Company Limited	25,238,486,310	1,740,581,645	(23,497,904,665)	Over 6 months - Over 3 years
PetroVietnam Exploration Production Corporation Limited	15,754,819,013	918,301,202	(14,836,517,811)	Over 1 year - Over 3 years
Nghi Son Refinery and Petrochemical Complex project Management Board	15,098,497,832	-	(15,098,497,832)	Over 3 years
Others	6,768,280,437	1,241,266,860	(5,527,013,577)	Over 6 months - Over 3 years
	<u>62,860,083,592</u>	<u>3,900,149,707</u>	<u>(58,959,933,885)</u>	
	<u>115,619,131,041</u>	<u>13,292,953,964</u>	<u>(102,326,177,077)</u>	
Other short-term receivables				
Third parties	<u>32,580,500</u>	<u>17,461,650</u>	<u>(15,118,850)</u>	Over 6 months - Under 2 year
Related parties				
Duyen Hai Petrovietnam Investment and Construction Joint Stock Company	<u>3,341,560,613</u>	<u>2,026,143,784</u>	<u>(1,315,416,829)</u>	Over 1 year - Over 2 years
	<u>3,374,141,113</u>	<u>2,043,605,434</u>	<u>(1,330,535,679)</u>	
	<u>118,993,272,154</u>	<u>15,336,559,398</u>	<u>(103,656,712,756)</u>	

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

9 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM (continued)

	31.12.2022			
	Cost VND	Recoverable amount VND	Provision VND	Overdue
Short-term trade account receivable				
Third parties				
Berlanga Myanmar Private Limited	13,531,918,730	-	(13,531,918,730)	Over 3 years
Sai Gon Offshore Fabrication and Engineering Limited	11,640,833,613	-	(11,640,833,613)	Over 3 years
Marsol Offshore Construction L.L.C	7,554,500,377	-	(7,554,500,377)	Over 3 years
Others	34,897,895,336	12,391,717,124	(22,506,178,212)	Over 6 months - Over 3 years
	<u>67,625,148,056</u>	<u>12,391,717,124</u>	<u>(55,233,430,932)</u>	
Related parties				
Petrovietnam Fertilizer and Chemicals Corporation	52,771,243,442	21,424,354,455	(31,346,888,987)	Over 1 year - Over 3 years
PetroVietnam Domestic Exploration Production Operating Company Limited	24,204,947,715	431,474,670	(23,773,473,045)	Over 1 year - Over 3 years
PetroVietnam Exploration Production Corporation Limited	16,014,782,604	1,402,226,719	(14,612,555,885)	Over 6 months - Over 3 years
Nghi Son Refinery and Petrochemical Complex project Management Board	15,098,497,832	-	(15,098,497,832)	Over 3 years
Others	44,521,076,246	37,460,677,765	(7,060,398,481)	Over 6 months - Over 3 years
	<u>152,610,547,839</u>	<u>60,718,733,609</u>	<u>(91,891,814,230)</u>	
	<u>220,235,695,895</u>	<u>73,110,450,733</u>	<u>(147,125,245,162)</u>	
Other short-term receivables				
Third parties				
Operating Office of Eni Vietnam B.V. in Ho Chi Minh City	26,723,500	18,706,450	(8,017,050)	Over 6 months - Under 1 year
Related parties				
Duyen Hai Petrovietnam Investment and Construction Joint Stock Company	3,341,560,613	2,809,898,884	(531,661,729)	Over 6 months - Over 2 years
	<u>3,368,284,113</u>	<u>2,828,605,334</u>	<u>(539,678,779)</u>	
	<u>223,603,980,008</u>	<u>75,939,056,067</u>	<u>(147,664,923,941)</u>	

10 INVENTORIES

(a) Inventories

	30.6.2023		31.12.2022	
	Book value VND	Provision VND	Book value VND	Provision VND
Goods in transits	-	-	4,575,537,419	-
Raw materials	422,188,405,734	(1,950,254,388)	487,166,345,056	(1,950,254,388)
Tools and supplies	41,283,162,859	-	33,962,050,503	-
Work-in-progress (*)	582,907,027,840	-	483,780,382,516	-
Merchandise	3,052,116,524	-	4,685,427,237	-
	<u>1,049,430,712,957</u>	<u>(1,950,254,388)</u>	<u>1,014,169,742,731</u>	<u>(1,950,254,388)</u>

(*) Work in progress represents the cost incurred in relation to services and projects as below:

	30.6.2023 VND	31.12.2022 VND
Southern Petrochemical complex project	170,762,262,808	133,706,746,341
Hai Long OSS project	68,510,148,960	-
CHW2204 project	56,145,736,550	-
Repair and maintenance project for Dung Quat		
Oil Refinery and Petrochemical Plant	48,973,076,363	10,098,555,432
GE structural steel fabrication project	42,624,644,563	55,352,712,974
Thi Vai LPG tank project	41,121,900,955	-
Long Phu 1 Thermal Power Plant project	29,495,548,939	29,495,548,939
EPC Thi Vai LNG warehouse project	19,616,654,948	25,700,524,450
The mechanical project of the roof beams package	18,058,049,513	16,760,417,816
Steel structure processing project for Baltec	15,302,019,985	25,274,415,677
Designing, purchasing and manufacturing for		
SAT DSV campaign - Thailand project	19,461,600	19,213,272,854
Gallaf project - Phase 1	-	73,661,271,292
Gallaf project - Phase 3	-	25,040,610,200
Others	72,277,522,656	69,476,306,541
	<u>582,907,027,840</u>	<u>483,780,382,516</u>

10 INVENTORIES (continued)

(a) Inventories (continued)

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

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Beginning of period/year	1,950,254,388	2,191,166,161
Reversal of provision	-	(240,911,773)
End of period/year	<u>1,950,254,388</u>	<u>1,950,254,388</u>

(b) Long-term substituted equipment, supplies and spare parts

Long-term substituted equipment, supplies and spare parts represent the value of substituted equipment, supplies and spare parts used for maintenance of vehicles whose plans is more than 12 months.

11 PREPAID EXPENSES

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Insurance expenses	23,486,054,539	15,007,057,413
Tools and supplies	10,801,964,944	11,865,749,785
Land rental expenses	10,061,757,083	4,519,129,429
Others	11,817,468,511	6,602,474,017
	<u>56,167,245,077</u>	<u>37,994,410,644</u>

11 PREPAID EXPENSES (continued)

(b) Long-term

	30.6.2023	31.12.2022
	VND	VND
Office rental at Head Office, No. 1-5 Le Duan Street	259,699,901,964	263,185,980,666
Overhaul expenses	134,303,319,697	109,597,249,468
Land rental in Dinh Vu port	101,321,085,671	103,454,161,157
Site clearance cost at Son Tra port	86,381,917,884	87,625,978,026
Tools and supplies	40,876,587,665	42,809,607,265
Cost of dredging Vung Tau Port	14,652,440,408	13,935,073,219
Factory rental at Vung Tau port	5,996,290,949	6,457,544,100
Others	18,802,029,561	20,272,827,930
	<u>662,033,573,799</u>	<u>647,338,421,831</u>

12 OTHER CURRENT ASSETS

As presented in Note 2, the interim financial statements for the 6-month period ended 30 June 2023 and the financial statements for the year ended 31 December 2022 of PTSC CGGV were prepared on liquidation accounting basis accordingly. As at 30 June 2023, net realisable value of PTSC CGGV's asset was VND78,501,210 (as at 31 December 2022: VND136,363,636) and classified as other current assets on interim consolidated balance sheet.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

13 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2023	3,597,714,504,167	2,705,062,811,956	5,722,426,819,528	260,843,237,918	114,882,363,797	12,400,929,737,366
New purchases	2,019,102,486	125,610,494,072	7,053,715,962	13,549,471,682	446,000,000	148,678,784,202
Transfers from construction in progress (Note 15(b))	31,510,333,191	84,260,721,071	5,879,987,992	-	-	121,651,042,254
Others increases	-	68,332,817	-	-	-	68,332,817
Disposals	(44,090,909)	(2,970,284,774)	(9,601,667,016)	(3,198,306,223)	-	(15,814,348,922)
Reclassification	67,837,570,080	(38,500,000)	-	(26,500,000)	(67,772,570,080)	-
Others decreases	-	-	(352,039,957)	(33,898,280)	-	(385,938,237)
As at 30 June 2023	3,699,037,419,015	2,911,993,575,142	5,725,406,816,509	271,134,005,097	47,555,793,717	12,655,127,609,480
Accumulated depreciation						
As at 1 January 2023	2,530,657,798,114	2,010,563,806,184	4,628,834,590,047	210,120,895,430	47,588,448,545	9,427,765,538,320
Charge for the period	45,759,144,503	78,631,768,197	95,499,158,611	11,407,995,744	1,172,911,033	232,470,978,088
Others increases	-	144,471,848	94,443,015	-	-	238,914,863
Disposals	(44,090,909)	(2,970,284,774)	(9,601,667,016)	(3,198,306,223)	-	(15,814,348,922)
Reclassification	7,878,379,533	-	-	-	(7,878,379,533)	-
Others decreases	-	-	-	(33,898,273)	-	(33,898,273)
As at 30 June 2023	2,584,251,231,241	2,086,369,761,455	4,714,826,524,657	218,296,686,678	40,882,980,045	9,644,627,184,076
Net book value						
As at 1 January 2022	1,067,056,706,053	694,499,005,772	1,093,592,229,481	50,722,342,488	67,293,915,252	2,973,164,199,046
As at 30 June 2023	1,114,786,187,774	825,623,813,687	1,010,580,291,852	52,837,318,419	6,672,813,672	3,010,500,425,404

The historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2023 was VND7,003 billion (as at 31 December 2022: VND6,513 billion).

13 FIXED ASSETS (continued)

(a) Tangible fixed assets (continued)

As at 30 June 2023, the historical cost of tangible fixed assets formed from borrowings pledged as collateral assets for the borrowings of the Corporation (as presented in Note 23) is VND1,837 billion (as at 31 December 2022: VND1,772 billion).

(b) Intangible fixed assets

	Land use right VND	Software VND	Others VND	Total VND
Historical cost				
As at 1 January 2023	51,264,099,029	134,575,703,835	2,159,261,714	187,999,064,578
New purchases	-	321,964,000	204,020,000	525,984,000
As at 30 June 2023	<u>51,264,099,029</u>	<u>134,897,667,835</u>	<u>2,363,281,714</u>	<u>188,525,048,578</u>
Accumulated amortisation				
As at 1 January 2023	432,008,650	118,602,160,201	1,945,928,388	120,980,097,239
Charge for the period	13,102,200	3,696,242,852	60,973,335	3,770,318,387
As at 30 June 2023	<u>445,110,850</u>	<u>122,298,403,053</u>	<u>2,006,901,723</u>	<u>124,750,415,626</u>
Net book value				
As at 1 January 2023	<u>50,832,090,379</u>	<u>15,973,543,634</u>	<u>213,333,326</u>	<u>67,018,967,339</u>
As at 30 June 2023	<u>50,818,988,179</u>	<u>12,599,264,782</u>	<u>356,379,991</u>	<u>63,774,632,952</u>

The historical cost of the Corporation of fully amortised intangible fixed assets but still in use as at 30 June 2023 was VND112 billion (as at 31 December 2022: VND111 billion).

14 INVESTMENT PROPERTIES

Details of investment properties are presented as follows:

	30.6.2023 VND	31.12.2022 VND
Investment properties hold for leasing:		
Infrastructure project - 39.8 hectare	95,549,746,794	96,923,514,168
Infrastructure project - 23 hectare	71,212,850,049	72,206,718,603
	<u>166,762,596,843</u>	<u>169,130,232,771</u>

14 INVESTMENT PROPERTIES (continued)

Investment properties represent the amount of wharfs for leasing:

- Infrastructure Project - 39.8 square hectare with historical cost of VND131,881,668,267 being depreciated under straight line method over rental period of 48 years; and
- Infrastructure Project- 23 square hectare with historical cost of VND97,399,118,187 being depreciated under straight line method over rental period of 49 years.

For the six-month period ended 30 June 2023, revenue incurred from investment properties is VND2,601,899,892 (for the six-month period ended 30 June 2022: VND2,601,899,892). Direct expenses incurred from investment properties leasing for the six-month period ended 30 June 2023 (including tools and supplies, utilities, management fee) are VND2,367,635,928 (for the six-month period ended 30 June 2022: VND2,367,635,928).

Movement of investment properties during the period is as follows:

	Infrastructure VND
Historical cost	
As at 1 January 2023 and 30 June 2023	229,280,786,454
Accumulated depreciation	
As at 1 January 2023	60,150,553,683
Charge for the period	2,367,635,928
As at 30 June 2023	62,518,189,611
Net book value	
As at 1 January 2023	169,130,232,771
As at 30 June 2023	166,762,596,843

The Corporation does not have sufficient information of similar investment properties as the basis to compare fair value of these investment properties so the fair value as at 30 June 2023 is not presented on interim consolidated financial statements.

15 CONSTRUCTION IN PROGRESS

(a) Long-term work in progress

Details of long-term work-in-progress are as follows:

	2023		2022	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
Long Phu 1 Thermal Power Plant project (i)	301,308,440,489	-	301,308,440,489	-
Bio Ethanol project (ii)	69,815,950,708	69,815,950,708	69,815,950,708	69,815,950,708
	<u>371,124,391,197</u>	<u>69,815,950,708</u>	<u>371,124,391,197</u>	<u>69,815,950,708</u>

- (i) Long-term work-in-progress of Long Phu 1 Thermal Power Plant Project represents the foreign design costs performed by Black & Veatch International ("the Contractor"). By the time of preparing the interim consolidated financial statements, the Corporation and the Vietnam Oil and Gas Group ("the investor") have not finalised the value of this cost. The Corporation has assessed the cost of long-term work-in-progress in the Inventory Assessment Minutes No. 07/BB-PTSCLP of the Inventory Assessment Council – Work-in-progress established under Decision No.0934/QD-PTSCLP dated 21 December 2017 and made provision for net realisable value with total amount of VND301,308,440,489.
- (ii) Long-term work-in-progress of Bio Ethanol Project represents the work-in-progress of Dung Quat Bio-Ethanol Fuel Factory Project. The construction of infrastructure has been completed and handed over to its investor - Vietnam Central Biofuels Joint Stock Company. By the reporting date of this interim consolidated financial statement, both parties are working to finalise the value of the contract. As at 30 June 2023, the balance of long-term work-in-progress of VND69,815,950,718, equivalent to 5% of contract value, will be recognised in the interim consolidated income statements after completion of finalisation and remaining revenue will be recognised at the same time. Accordingly, the recoverable value will depend on the finalisation of the contract. By the time of the interim consolidated financial statements, the Corporation and the investor have not completed the finalisation of the contract.

15 CONSTRUCTION IN PROGRESS (continued)

(b) Construction in progress

Details of construction in progress are presented as follows:

	30.06.2023 VND	31.12.2022 VND
Construction of marine service base at Sao Mai - Ben Dinh	39,784,847,594	39,077,291,806
Building for operation and expansion of Nghi Son port project	28,503,913,746	14,205,945,582
Expansion project in Vung Tau port	13,081,813,382	869,298,935
Mechanical workshop expansion project in Dung Quat	8,996,682,333	8,948,032,336
Warehouse construction at Hon La port, Quang Binh province	8,712,487,050	287,935,740
Number One warehouse construction	7,711,094,210	1,723,716,777
Project to embellish the landscape in front of Dung Quat General Petroleum Service area	5,831,705,440	5,880,355,437
System of Generator at PTSC M&C	-	8,405,832,400
Cargo yard at Phu My port	-	7,195,094,533
Others	23,828,216,547	15,549,554,654
	<u>136,450,760,302</u>	<u>102,143,058,200</u>

Movement in construction in progress during the period/year is as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Beginning of period/year	102,143,058,200	113,954,359,628
New purchases	155,958,744,356	55,290,544,588
Transfers to tangible fixed assets (Note 13(a))	(121,651,042,254)	(14,597,966,987)
Transfers to intangible fixed assets	-	(52,503,879,029)
End of period/year	<u>136,450,760,302</u>	<u>102,143,058,200</u>

16 DEFERRED INCOME TAX

Details of deferred income tax are presented as follows:

	30.06.2023 VND	31.12.2022 VND
Deferred income tax assets:		
Deferred income tax assets to be recovered after 12 months	<u>293,901,747,119</u>	<u>338,197,955,965</u>
Deferred income tax liabilities:		
Deferred income tax liabilities to be repaid after 12 months	(671,640,674,981)	(716,322,166,782)
Deferred income tax liabilities to be repaid within 12 months	<u>(33,296,164,747)</u>	<u>(47,934,959,141)</u>
	<u>(704,936,839,728)</u>	<u>(764,257,125,923)</u>

Movements in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction during the period/year, were as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Deferred income tax assets	338,197,955,965	477,030,804,692
Deferred income tax liabilities	<u>(764,257,125,923)</u>	<u>(832,810,743,790)</u>
Beginning of period/year	(426,059,169,958)	(355,779,939,098)
Charge to consolidated income statement	<u>15,024,077,349</u>	<u>(70,279,230,860)</u>
End of period/year	<u>(411,035,092,609)</u>	<u>(426,059,169,958)</u>
In which:		
Deferred income tax assets	293,901,747,119	338,197,955,965
Deferred income tax liabilities	<u>(704,936,839,728)</u>	<u>(764,257,125,923)</u>

16 DEFERRED INCOME TAX (continued)

Deferred income tax mainly arises from the temporary differences of the following items:

	30.6.2023	31.12.2022
	VND	VND
Accruals and provisions	221,477,257,910	268,165,211,724
Tax losses not yet utilised	47,719,919,639	33,732,254,026
Profit sharing from associates and joint ventures	(479,737,913,067)	(525,118,026,591)
Reversal of provision for investments	(191,902,761,914)	(191,204,140,191)
Unrealised foreign exchange difference	(3,893,768,690)	(7,764,134,455)
Others	(4,697,826,487)	(3,870,334,471)
	<u>(411,035,092,609)</u>	<u>(426,059,169,958)</u>

The Corporation uses tax rate of 20% to determine deferred income tax.

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.

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

Year of tax losses	Losses incurred	Losses utilised	Losses carried forward
	VND	VND	VND
Year 2018	1,147,561,954,381	590,269,295	1,146,971,685,086
Year 2019	572,038,836,697	356,725,976	571,682,110,721
Year 2020	152,088,082,779	-	152,088,082,779
Year 2021	7,019,175,537	1,680,165,582	5,339,009,955
Year 2022	275,638,608,080	2,878,188,787	272,760,419,293
Six-month period ended 30.6.2023	<u>154,547,634,409</u>	<u>-</u>	<u>154,547,634,409</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

17 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2023		31.12.2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Heerema Marine Contractors Nederland SE	168,506,250,000	168,506,250,000	15,305,850,000	15,305,850,000
AH&M Energy Services Private Limited	149,829,715,224	149,829,715,224	55,455,621,084	55,455,621,084
CGG Services SA Private Limited	117,849,813,488	117,849,813,488	117,750,571,539	117,750,571,539
CGG Veritas Services (Singapore) Private Limited	113,448,374,188	113,448,374,188	113,352,838,715	113,352,838,715
Technip Energies (M) Sdn Bhd	105,044,463,050	105,044,463,050	-	-
Velocity Energy Private Limited	100,636,662,787	100,636,662,787	439,549,116,086	439,549,116,086
CGG Marine B.V.	89,186,865,450	89,186,865,450	89,111,760,721	89,111,760,721
Hai Duong Petroleum and Marine Corporation	69,000,872,870	69,000,872,870	99,000,847,583	99,000,847,583
Black Cat Insulation Technical Joint Stock Company	60,655,405,387	60,655,405,387	19,456,152,162	19,456,152,162
Ocean Works Asia Private Limited	60,089,784,203	60,089,784,203	28,646,155,965	28,646,155,965
Vietnam Machinery Installation Corporation	59,836,450,988	59,836,450,988	59,992,827,687	59,992,827,687
Shelf Subsea Solutions Private Limited	53,193,362,823	53,193,362,823	73,818,277,611	73,818,277,611
Thien Nam Offshore Joint Stock Company	46,278,266,711	46,278,266,711	50,212,235,694	50,212,235,694
SCI E&C Joint Stock Company	45,772,580,686	45,772,580,686	45,772,580,686	45,772,580,686
Asia Investment and Asset Management JSC (Ashico)	34,872,257,299	34,872,257,299	49,625,646,410	49,625,646,410
Sarens Vietnam Company Limited	34,122,685,300	34,122,685,300	2,691,037,620	2,691,037,620
Petroleum Technology Company W.L.L	32,810,566,100	32,810,566,100	62,038,525,499	62,038,525,499
Ultra Deep Van Gogh Private Limited	32,707,108,833	32,707,108,833	32,707,108,833	32,707,108,833
North East Sea Petroleum Transport Services Joint Stock Company	29,482,062,500	29,482,062,500	41,563,025,000	41,563,025,000
Asia Pacific Marine Contractor Company Limited	27,671,393,375	27,671,393,375	-	-
Fecon Corporation	23,028,036,135	23,028,036,135	23,028,036,135	23,028,036,135
Lam Hong Diving Service Company Limited	22,670,524,001	22,670,524,001	15,595,152,897	15,595,152,897
Duong Tien Phat Trading And Mechanical Company Limited	22,605,071,013	22,605,071,013	23,781,533,011	23,781,533,011
Vietnam Taka Company Limited	21,413,822,735	21,413,822,735	11,578,627,607	11,578,627,607

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

17 SHORT-TERM TRADE ACCOUNTS PAYABLE (continued)

	30.6.2023		31.12.2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties (continued)				
Mico Machinery And Equipment For Heavy Industries Company Limited	19,812,800,000	19,812,800,000	-	-
APDS Vietnam Limited	19,177,008,054	19,177,008,054	6,583,947,429	6,583,947,429
Tumpuan Megah Development Sdn Bhd	18,197,293,225	18,197,293,225	-	-
East Sea Oil & Gas Service and Trading Company Limited	17,151,563,069	17,151,563,069	25,113,935,356	25,113,935,356
Vu Trinh Gia Bao Service and Trading Joint Stock Company	16,846,318,551	16,846,318,551	24,513,822,825	24,513,822,825
Trelleborg Singapore Private Limited	15,886,467,625	15,886,467,625	29,586,257,883	29,586,257,883
Black & Veatch International Co.	14,900,630,063	14,900,630,063	14,888,082,164	14,888,082,164
Hoang Lien Son Construction Company Limited	14,620,181,974	14,620,181,974	14,340,535,272	14,340,535,272
Kinergy Limited	13,656,492,250	13,656,492,250	74,365,505,885	74,365,505,885
Tan Cang Offshore Service Joint Stock Company	13,299,627,010	13,299,627,010	16,066,278,518	16,066,278,518
BGI Group Joint Stock Company	12,724,557,401	12,724,557,401	18,768,214,672	18,768,214,672
Minh Anh Construction Joint Stock Company	12,412,981,569	12,412,981,569	12,412,981,569	12,412,981,569
Toisa Limited	12,003,187,300	12,003,187,300	11,993,079,353	11,993,079,353
Sai Gon Shipyard Company Limited	11,359,913,266	11,359,913,266	42,062,400,000	42,062,400,000
Toan Thang Engineering Corporation	11,115,783,010	11,115,783,010	44,118,148,594	44,118,148,594
Thien Nam Subsea Services Joint Stock Company	-	-	51,147,820,449	51,147,820,449
Technip Vietnam Company Limited	-	-	26,826,934,604	26,826,934,604
Others	1,331,867,604,825	1,331,867,604,825	1,649,689,139,627	1,649,689,139,627
	<u>3,075,744,804,338</u>	<u>3,075,744,804,338</u>	<u>3,532,510,612,745</u>	<u>3,532,510,612,745</u>
Related parties (Note 41(b))	1,719,999,458,684	1,719,999,458,684	1,768,640,620,958	1,768,640,620,958
	<u>4,795,744,263,022</u>	<u>4,795,744,263,022</u>	<u>5,301,151,233,703</u>	<u>5,301,151,233,703</u>

As at 30 June 2023 and 31 December 2022, the Board of Management believes that the Corporation have sufficient finance to be able to fully repay all short-term trade accounts payable when they fall due.

18 ADVANCES FROM CUSTOMERS

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Third parties		
Gasoil Department - Ministry of Defense	34,335,000,000	23,804,431,928
Yunnan (HongKong) Logistics Development Limited	16,117,443,493	16,117,443,493
Phu bia Mining Limited	12,218,739,743	13,819,167,108
Sea Energy Marine Services LLC	7,857,000,000	-
Vientiane Hongshi Saythirath Cement Company Limited	6,107,570,056	6,107,570,056
Anh Phat Investment Construction - Trading Joint Stock Company	4,491,624,701	20,878,500,000
Others	21,050,140,523	22,166,271,431
	<u>102,177,518,516</u>	<u>102,893,384,016</u>
Related parties (Note 41(b))	<u>91,237,497,753</u>	<u>110,788,942,426</u>
	<u><u>193,415,016,269</u></u>	<u><u>213,682,326,442</u></u>

(b) Long-term

Long-term advances from customers is mainly comprised of the value of:

- The advances from Long Phu 1 Power Plant Project Management Board for the Long Phu 1 Thermal Plant project with the balance as at 30 June 2023 and 31 December 2022 of VND781,044,054,435 (Note 41(b)). As of the date of the interim consolidated financial statements, the Corporation and the investor – Vietnam Oil and Gas Group have been working to finalise the minutes, therefore, the netting-off of receivable and payable balance of the investor has not been done yet; and
- The advances from PetroVietnam Gas Joint Stock Corporation for Thi Vai LPG Tank project with the balance as at 30 June 2023 of VND138.143.773.227 (Note 41(b)).

19 TAX AND OTHER RECEIVABLES/PAYABLES FROM/TO THE STATE

(a) Receivables

	30.6.2023 VND	31.12.2022 VND
Personal income tax ("PIT") overpaid	1,879,034,636	1,880,109,440
CIT overpaid	978,812,533	580,253,767
Others overpaid	484,299,938	484,299,938
	<u>3,342,147,107</u>	<u>2,944,663,145</u>

(b) Payables

	30.6.2023 VND	31.12.2022 VND
CIT	66,858,246,745	30,453,666,955
PIT	8,912,071,732	14,740,232,966
VAT	6,927,615,501	27,309,383,811
Others	3,597,701,012	26,369,861,503
	<u>86,295,634,990</u>	<u>98,873,145,235</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

19 TAX AND OTHER RECEIVABLES/PAYABLES FROM/TO THE STATE (continued)

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

	As at 1.1.2023 VND	Payables during the year VND	Paid during the year VND	As at 30.6.2023 VND
CIT	29,873,413,188	110,238,708,043	(74,232,687,019)	65,879,434,212
PIT	12,860,123,526	134,233,788,778	(140,060,875,208)	7,033,037,096
VAT on domestic goods	26,831,183,947	77,468,894,268	(97,850,662,578)	6,449,415,637
VAT on import goods	-	8,028,222,229	(8,028,222,229)	-
Others	26,363,761,429	33,309,613,069	(56,081,773,560)	3,591,600,938
	<u>95,928,482,090</u>	<u>363,279,226,387</u>	<u>(376,254,220,594)</u>	<u>82,953,487,883</u>
In which:				
Tax and other receivables from the State	2,944,663,145			3,342,147,107
Tax and other payables to the State	<u>98,873,145,235</u>			<u>86,295,634,990</u>

20 SHORT-TERM ACCRUED EXPENSES

	30.6.2023 VND	31.12.2022 VND
Cost of Gallaf project - Phase 3	1,030,013,594,507	78,727,903,847
Cost of Southern Petrochemical complex project	154,946,671,963	162,402,290,044
Cost of Sao Vang Dai Nguyet pipeline project	73,229,970,175	112,369,105,600
Cost of EPC Thi Vai LNG warehouse project	53,413,404,011	36,282,719,944
Cost of Hai Long offshore substation project	40,429,532,511	207,594,771,162
Cost of DBN PWM project	29,694,107,991	34,872,836,686
Cost of Dung Quat Bio Ethanol project	27,726,930,636	27,726,930,636
Cost of SHWE Phase 3 Jacket project	22,188,373,649	32,016,538,543
Cost of Thang Long wind power project	10,677,581,429	9,135,846,496
Cost of PVN15 project	10,560,739,303	10,868,089,857
Cost of Gallaf project - Phase 1	9,463,442,693	7,024,940,053
Cost of Nam Con Son 2 gas pipeline project	-	10,552,489,986
Cost of Tank cleaning project	-	9,009,397,500
Cost of supply technology service vessels	28,476,047,567	20,942,243,973
Cost of operation of FPSO Ruby II, FPSO Lam Son, FSO Bien Dong 01 and FSO Golden Star	27,605,777,817	11,200,588,561
Cost of supply FSO refrigerated LPG in the North of Vietnam	4,867,800,000	8,327,628,744
Cost of yard rental at Nghi Son	47,500,000,000	45,000,000,000
Cost of land rental in Phu My Industrial Park, Vung Tau Port	39,782,215,630	-
Cost of building rental at Petro Hotel	15,073,500,116	10,049,000,000
Others	80,044,872,557	67,963,689,285
	<u>1,705,694,562,555</u>	<u>902,067,010,917</u>

21 UNEARNED REVENUE

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Infrastructure leasing services at Sao Mai Ben Dinh (i)	5,203,799,784	5,203,799,784
Office leasing (ii)	1,376,100,000	2,752,200,000
Others	2,120,824,292	2,751,454,292
	<u>8,700,724,076</u>	<u>10,707,454,076</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION
Form B 09a – DN/HN
21 UNEARNED REVENUE (continued)
(b) Long-term

	30.6.2023	31.12.2022
	VND	VND
Infrastructure leasing services at Sao Mai		
Ben Dinh (i)	178,062,464,036	180,664,363,928
Office leasing (ii)	10,623,900,000	9,823,800,000
	<u>188,686,364,036</u>	<u>190,488,163,928</u>

In which:

- (i) Unearned revenue for leasing of infrastructure Sao Mai - Ben Dinh represents the advanced amount received for leasing the infrastructure and land at Infrastructure Project - 39.8 square hectare and Infrastructure Project – 23 square hectare of Sao Mai - Ben Dinh Marine Petroleum Services Base in Vung Tau City. This unearned revenue is allocated into the consolidated financial statements with under the straight-line method over the rental period of 48 years and 49 years, respectively.
- (ii) Office leasing represents the amount of the advance payment for office leasing at Petro Hotel Company Limited which would be allocated to the Corporation's results of operation for the leasing period ranging from 10 to 15 years.

22 OTHER PAYABLES
(a) Short-term

	30.6.2023	31.12.2022
	VND	VND
Vietnam Shipbuilding Industry Corporation (i)	430,536,920,176	430,146,510,262
Salary payables	79,356,011,880	39,979,099,469
Dividend payables (ii)	30,558,005,519	17,990,739,344
Fines penalty	22,443,048,139	24,483,325,243
Compulsory insurance	4,345,119,246	2,044,665,969
Others	88,205,048,883	79,281,126,644
	<u>655,444,153,843</u>	<u>593,925,466,931</u>

- (i) Payable to Vietnam Shipbuilding Industry Corporation represents the last payment for the project of building FSO5, in which, the Corporation is the project's investor and Vietnam Shipbuilding Industry Corporation is the constructor. As at the date of the interim consolidated financial statements, both parties are carrying out the procedures to finalise the contract for payment of this amount.
- (ii) The dividend payable to shareholders is the dividend of previous years that the shareholders have not deposited and have not carried out the procedures to receive.

22 OTHER PAYABLES (continued)

(b) Short-term (continued)

Details of other short-term other payables by type of vendors are as follows:

	30.6.2023	31.12.2022
	VND	VND
Third parties	623,359,580,407	560,671,556,356
Related parties (Note 41(b))	32,084,573,436	33,253,910,575
	<u>655,444,153,843</u>	<u>593,925,466,931</u>

(c) Long-term

Other long-term payables mainly represent the deposit of the Branch of PetroVietnam Gas Corporation – Joint Stock Company – Gas Trading Company for the supply of ships and operation services of LPG storage vessels for 3 years in the Northern region in accordance with the Contract No. 36/HDKN/2021/KDK-PTSC/04 dated 31 March 2021 with total amount of VND69,473,052,000.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

23 BORROWINGS

(a) Short-term

Details of short-term borrowings of the Corporation are as follows:

	As at 1.1.2023 VND	Drawdown during the period VND	Repaid during the period VND	Current portion of long-term borrowings VND	Revaluation VND	As at 30.6.2023 VND
(i) Borrowings from banks						
Short-term borrowings	-	26,687,695,457	(26,687,695,457)	-	-	-
Current portion of long-term borrowings (Note 23(b))	113,238,604,596	-	(60,895,462,878)	71,253,519,951	-	123,596,661,669
(ii) Borrowings from third party (*)	638,969,900,694	-	-	-	538,533,419	639,508,434,113
	<u>752,208,505,290</u>	<u>26,687,695,457</u>	<u>(87,583,158,335)</u>	<u>71,253,519,951</u>	<u>538,533,419</u>	<u>763,105,095,782</u>

(*) This is borrowing of PTSC CGGV from CGG Holding B.V. represents the difference between the capital amount that CGG Holding B.V. should have been contributed to PTSC CGGV, corresponding to 49% of PTSC CGGV's charter capital, and the value of CGG Holding B.V.'s contributed assets to PTSC CGGV at the time of establishment in 2012, the term is 60 months. This borrowing is free of interest, arrangement fee, commissions, or any other related fees. Both parties agreed to extend the loan repayment term to 31 December 2023 according to appendix J signed on 15 July 2023. The borrowing is guaranteed by the parent Company for liabilities of PTSC CGGV equivalent to 51% of this borrowing balance.

As presented in Note 1, the interim financial statements for six-month period ended 30 June 2023 and financial statements for the year ended 31 December 2022 of PTSC CGGV were prepared on liquidation accounting basis, accordingly, PTSC CGGV's liabilities are classified as short-term liabilities on the interim consolidated financial statements.

23 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2023 VND	Drawdown during the year VND	Repaid during the year VND	Current portion of long-term borrowings VND	Revaluation VND	As at 30.6.2023 VND
Borrowings from banks (*)	623,765,467,201	40,157,865,628	-	(71,253,519,951)	-	592,669,812,878

(*) Long-term borrowings represent 7 credit facilities from commercial banks in Vietnam, in which:

- Credit facility 1 is in VND with the credit limit of more than VND3 billion and will be matured in 36 months since 2020;
- Credit facility 2 is in VND with the credit limit of more than VND1.5 billion and will be matured in 36 months since 2020;
- Credit facility 3 is in VND with the credit limit of more than VND65 billion and will be matured in 120 months since 2017;
- Credit facility 4 is in VND with the credit limit of more than VND70 billion and will be matured in 84 months since 2020;
- Credit facility 5 is in USD with the credit limit of more than USD675 million and will be matured in 120 months since 2018;
- Credit facility 6 is in USD with the credit limit of more than VND640 billion and will be matured in 96 months since 2021;
- Credit facility 7 is in USD with the credit limit of more than VND19 billion and will be matured in 84 months since 2022; and
- Credit facility 8 is in USD with the credit limit of more than VND90 billion and will be matured in 84 months since 2022.

The interest of long-term borrowings in VND ranged from 7% per annum to 12.17% per annum for the six-month period ended 30 June 2023 (year 2022: from 5.57% per annum to 12.17% per annum).

The Corporation used assets formed in the future from these long-term borrowings as its mortgaged assets.

23 BORROWINGS (continued)

(b) Long-term (continued)

The purpose of the long-term borrowings is to invest in long-term assets such as supply bases, service vessels, specialised equipment used in petroleum technical services.

The repayment schedule of borrowings is as follows:

	30.6.2023 VND	31.12.2022 VND
Within one year	763,105,095,782	752,208,505,290
In the second year	120,258,047,576	114,955,708,297
In the third to fifth year	356,170,221,403	343,370,223,565
After five years	116,241,543,899	165,439,535,339
	<u>1,355,774,908,660</u>	<u>1,375,973,972,491</u>

24 PROVISIONS FOR LIABILITIES

(a) Short-term

	30.6.2023 VND	31.12.2022 VND
Provision of operation and maintenance of FPSO Lam Son (i)	41,579,866,001	41,579,866,001
Warranty provision for construction contracts (ii):	-	-
Sao Vang Dai Nguyet project	10,146,140,249	10,146,140,249
NH3 project	8,968,271,611	9,817,750,067
NPK project	1,909,520,862	2,844,543,670
Provision for repair costs of machinery, equipment and maintenance of FSO and FPSO	14,863,095,924	-
Provision of periodic overhaul of service vessels (iii)	11,000,000,000	11,000,000,000
Others	18,207,778,924	5,988,334,826
	<u>106,674,673,571</u>	<u>81,376,634,813</u>

24 PROVISIONS FOR LIABILITIES (continued)

(b) Long-term

	30.6.2023	31.12.2022
	VND	VND
Warranty provision for construction contracts (ii):		
Sao Vang Dai Nguyet project	755,278,385,854	660,337,559,260
Gallaf project - Phase 1	245,081,072,773	251,386,169,293
Gallaf project - Phase 3	111,229,679,449	100,664,990,072
Sao Vang - Dai Nguyet pipeline project	66,621,273,873	66,621,273,873
EPC Thi Vai LNG warehouse project	51,362,076,637	51,362,076,637
Hai Long offshore substation project	26,618,411,932	26,618,411,932
SHWE Phase 3 Jacket project	16,971,609,387	14,564,674,921
Su Tu Trang Fullfield project	-	32,750,000,000
Other projects	29,442,974,022	22,916,692,891
Provision of period overhaul of service vessels (iii)	19,488,026,831	18,249,552,279
	<u>1,322,093,510,758</u>	<u>1,245,471,401,158</u>

- (i) Provision for operation and maintenance for FPSO Lam Son service vessel mainly represents the value that the Corporation may be payable to Petrovietnam Exploration and Development Corporation ("PVEP") in relation to the Termination Agreement for the contract signed between the Corporation and Lam Son Joint Operating Company, a joint venture between PVEP and Petronas.
- (ii) Warranty provision for construction contracts is made for warranty obligations according to the terms and conditions of EPC service contracts with customers, at 1% - 5% of the contract value.
- (iii) Provisions for periodic overhaul of service vessels represents the provision made annually based on the approved budget cost until the year when the overhaul is expected to occur. In the year when the overhaul occurs, if the actual overhaul cost is greater than the approved budget cost or vice versa, the difference is recorded in the consolidated income statement of respective accounting period.

25 BONUS AND WELFARE FUND

	For the six-month period ended 30.6.2023	For the year ended 31.12.2022
	VND	VND
Beginning of period/year	606,277,884,458	561,376,579,143
Appropriation from undistributed earnings (Note 28)	226,166,400,344	284,155,299,404
Utilisation	(197,522,059,538)	(239,253,994,089)
End of period/year	<u>634,922,225,264</u>	<u>606,277,884,458</u>

26 FUND FOR SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Beginning of period/year	6,409,621,840	8,410,271,840
Appropriation	326,100,000	1,199,900,000
Fund utilisation	(1,480,836,561)	(1,764,716,667)
Reversal of unused fund	-	(2,284,833,333)
End of period/year	<u>5,254,885,279</u>	<u>5,560,621,840</u>

27 OWNERS' CAPITAL

(a) Number of shares

	30.6.2023		31.12.2022	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	<u>477,966,290</u>	<u>-</u>	<u>477,966,290</u>	<u>-</u>
Number of shares issued	<u>477,966,290</u>	<u>-</u>	<u>477,966,290</u>	<u>-</u>
Number of shares in circulation	<u>477,966,290</u>	<u>-</u>	<u>477,966,290</u>	<u>-</u>

(b) Details of owners' shareholding

	30.6.2023		31.12.2022	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Vietnam Oil and Gas Group	245,565,000	51.38	245,565,000	51.38
Other shareholders	<u>232,401,290</u>	<u>48.62</u>	<u>232,401,290</u>	<u>48.62</u>
Number of shares issued	<u>477,966,290</u>	<u>100</u>	<u>477,966,290</u>	<u>100</u>

(c) Movement of share capital

	Number of shares	Ordinary shares VND	Total VND
As at 1 January 2022	<u>477,966,290</u>	<u>4,779,662,900,000</u>	<u>4,779,662,900,000</u>
As at 31 December 2022	<u>477,966,290</u>	<u>4,779,662,900,000</u>	<u>4,779,662,900,000</u>
As at 30 June 2023	<u>477,966,290</u>	<u>4,779,662,900,000</u>	<u>4,779,662,900,000</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

27 OWNERS' CAPITAL (continued)

(c) Movement of share capital (continued)

The par value of each share is VND10,000. The Corporation does not have any preference shares.

28 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Investment and development fund VND	Foreign exchange differences VND	Post-tax undistributed earnings VND	Total VND	Non-controlling interests VND	Total owners' capital VND
As at 1 January 2022	4,779,662,900,000	39,617,060,000	3,081,668,462,592	284,397,049,341	3,694,279,582,577	11,879,625,054,510	728,139,533,603	12,607,764,588,113
Net profit for the year	-	-	-	-	883,636,252,979	883,636,252,979	60,815,684,266	944,451,937,245
Dividends paid	-	-	-	-	(382,373,032,000)	(382,373,032,000)	(46,867,485,000)	(429,240,517,000)
Appropriation to bonus and welfare fund	-	-	-	-	(272,117,865,164)	(272,117,865,164)	(12,037,434,240)	(284,155,299,404)
Appropriation to investment and development fund	-	-	132,425,446,638	-	(132,425,446,638)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	109,773,732,318	-	109,773,732,318	-	109,773,732,318
Others	-	-	359,985	-	-	359,985	-	359,985
As at 31 December 2022	4,779,662,900,000	39,617,060,000	3,214,094,269,215	394,170,781,659	3,790,999,491,754	12,218,544,502,628	730,050,298,629	12,948,594,801,257
Net profit for the period	-	-	-	-	438,781,076,582	438,781,076,582	23,839,364,364	462,620,440,946
Dividends paid (*)	-	-	-	-	-	-	(39,173,750,000)	(39,173,750,000)
Appropriation to bonus and welfare fund (Note 25) (*)	-	-	-	-	(221,739,888,173)	(221,739,888,173)	(4,426,512,171)	(226,166,400,344)
Appropriation to investment and development fund (*)	-	-	237,063,573,610	-	(237,063,573,610)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	(13,212,589,282)	-	(13,212,589,282)	-	(13,212,589,282)
As at 30 June 2023	4,779,662,900,000	39,617,060,000	3,451,157,842,825	380,958,192,377	3,770,977,106,553	12,422,373,101,755	710,289,400,822	13,132,662,502,577

(*) Dividends paid and appropriation to funds of the parent Company and its subsidiaries was made in accordance to Resolution No. 308/NQ-PTSC-ĐHĐCĐ dated 29 May 2023 of the parent Company's Shareholders Annual General Meeting and resolutions of subsidiaries' Shareholders Annual General Meeting.

29 NON-CONTROLLING INTEREST

Details of non-controlling interest are as follows:

	30.6.2023 VND	31.12.2022 VND
Owners' capital	1,523,361,857,420	1,523,361,857,420
Investment and development fund	143,981,249,147	140,249,285,726
Accumulated losses	(957,053,705,745)	(933,560,844,517)
	<u>710,289,400,822</u>	<u>730,050,298,629</u>

Movement of non-controlling interest was as follows:

	For the six-month period ended 30.6.2023 VND	For the year ended 31.12.2022 VND
Beginning of period/year	730,050,298,629	728,139,533,603
Net profit attributed to non-controlling interests (Note 28)	23,839,364,364	60,815,684,266
Dividends paid (Note 28)	(39,173,750,000)	(46,867,485,000)
Appropriation to bonus and welfare fund (Note 28)	(4,426,512,171)	(12,037,434,240)
End of period/year	<u>710,289,400,822</u>	<u>730,050,298,629</u>

30 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 and preferred share dividend 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. The details were as follows:

	For the six-month period ended 30.6.2023	For the six-month period ended 30.6.2022
Net profit attributable to shareholders (VND)	438,781,076,582	222,996,922,899
Less amount allocated to bonus and welfare funds (VND) (*)	(57,246,207,524)	(113,083,200,172)
Net profit attributable to shareholders (VND)	<u>381,534,869,058</u>	<u>109,913,722,727</u>
Weighted average number of ordinary shares in issue (shares)	477,966,290	477,966,290
Basic earnings per share (**)	<u>798</u>	<u>230</u>

30 EARNINGS PER SHARE (continued)

(a) Basic earnings per share (continued)

(*) Estimated amounts appropriated to bonus and welfare funds for the 6-month period ended 30 June 2023 are determined based on the plan for 2023 profit distribution of the Corporation approved by shareholders at the Shareholders Annual General Meeting for the year 2023.

(**) Earning per share for the six-month period ended 30 June 2022 was recalculated according to the actual appropriation of bonus and welfare funds of the Corporation in 2022 approved by the shareholders according to the Annual General Meeting of Shareholders in 2023 as below:

	Period ended 30 June 2022		
	Previously reported	Adjustment	As restated
Net profit attributable to shareholders (VND)	222,996,922,899	-	222,996,922,899
Appropriation to bonus and welfare fund	(66,427,391,439)	(46,655,808,733)	(113,083,200,172)
	<u>156,569,531,460</u>		<u>109,913,722,727</u>
Weighted average number of ordinary shares in issue (shares)	<u>477,966,290</u>		<u>477,966,290</u>
Basic earning per share (VND)	<u>329</u>		<u>230</u>

(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 did not have any ordinary shares potentially diluted during the period and up to the date of this interim consolidated financial statements. So diluted earnings per share is equal to basic earnings per share.

31 OFF INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currencies

As at 30 June 2023 and 31 December 2022, included in cash and cash equivalents are balances held in following foreign currencies:

	For the six-month period ended 30.6.2023	For the year ended 31.12.2022
United States Dollar ("USD")	152,504,670	122,567,651
Euro ("EUR")	148,294	1,932
Pound sterling ("GBP")	244,698	244,701
Russian rouble ("RUB")	<u>1,531,157</u>	<u>1,531,537</u>

31 OFF INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(b) Operating lease assets

The future minimum lease receipts under non-cancellable operating leases were presented in Note 43(a).

32 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 sales of goods	48,478,537,874	52,706,273,967
Revenue from rendering of services	3,438,405,209,570	3,773,513,422,241
Revenue from construction contracts (*)	4,931,673,222,739	3,756,291,070,540
	<u>8,418,556,970,183</u>	<u>7,582,510,766,748</u>
 Trade discounts	 (3,042,176,972)	 (4,380,901,533)
	<u></u>	<u></u>
Net revenue from sales of goods and rendering of services		
Net revenue from sales of goods	48,474,999,924	52,706,273,967
Net revenue from rendering of services	3,435,366,570,548	3,770,499,175,708
Net revenue from construction contracts (*)	4,931,673,222,739	3,756,291,070,540
	<u>8,415,514,793,211</u>	<u>7,579,496,520,215</u>

(*) In which, the accumulated revenue from major projects:

Accumulated revenue from completed construction contracts during the period	28,523,781,348	-
Accumulated revenue from in progress construction contracts during the period	<u>50,621,758,283,311</u>	<u>41,072,549,396,530</u>

33 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Cost of goods sold	43,669,085,391	46,422,904,749
Cost of services rendered	3,140,832,884,985	3,483,355,154,545
Cost of construction contracts	4,839,782,359,774	3,712,526,635,952
	<u>8,024,284,330,150</u>	<u>7,242,304,695,246</u>

34 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Interest income	232,799,694,776	104,969,426,330
Foreign exchange gains	70,718,154,647	125,352,102,516
Other	214,200	755,850
	<u>303,518,063,623</u>	<u>230,322,284,696</u>

35 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Interest expense	39,310,153,413	21,966,665,549
Foreign exchange losses	27,104,221,119	29,706,021,465
Reversal of provision (Note 4(b))	(85,187,712)	(326,430,949)
Others	-	464,000,000
	<u>66,329,186,820</u>	<u>51,810,256,065</u>

36 SELLING EXPENSES

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Advertising and marketing	24,167,298,578	20,472,116,795
Staff costs	2,721,280,741	2,241,264,207
Others	9,798,973,268	10,754,654,146
	<u>36,687,552,587</u>	<u>33,468,035,148</u>

37 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Staff costs	233,827,036,918	317,647,233,644
Depreciation and amortisation	14,550,029,953	9,805,015,554
Outside services	115,841,178,040	84,970,380,523
(Reversal of provision)/provisions	(31,401,514,173)	3,842,173,701
Others	69,436,918,745	85,259,216,660
	<u>402,253,649,483</u>	<u>501,524,020,082</u>

38 NET OTHER INCOME

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
Other income		
Reversals of warranty provision for construction contracts (*)	34,293,945,975	685,800,000
Net gain from disposals of fixed assets	2,178,499,787	59,953,459,302
Income from contracts' breach	2,859,568,036	2,933,391,265
Others	1,992,925,751	410,579,803
	<u>41,324,939,549</u>	<u>63,983,230,370</u>
Other expenses		
Penalties	(2,464,014,330)	(1,163,177,028)
Others	(4,529,907,744)	(5,085,386,107)
	<u>(6,993,922,074)</u>	<u>(6,248,563,135)</u>
Net other income	<u>34,331,017,475</u>	<u>57,734,667,235</u>

(*) The reversals of warranty provision for construction contracts represents reversal of the balance of warranty provision after the Corporation has fulfilled all warranty obligations under the scope of work and warranty period in accordance with terms on those construction contracts and confirmed by the investors.

39 CORPORATE INCOME TAX (CIT)

The 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% under the current regulations as follows:

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Accounting profit before tax	557,835,071,640	373,939,464,285
Accounting profit before CIT	557,835,071,640	381,672,839,946
Accounting losses before CIT	-	(7,733,375,661)
	<hr/>	<hr/>
Increase adjustments	557,835,071,640	373,939,464,285
Decrease adjustments	198,252,991,441	367,297,897,184
Loss transferred	(285,507,832,180)	(385,503,893,981)
	<hr/>	<hr/>
Total taxable income	465,074,881,261	337,205,178,832
In which:		
Taxable income	619,622,515,670	611,798,790,490
Taxable losses	(154,547,634,409)	(274,593,611,658)
	<hr/>	<hr/>
CIT at tax rate of 20%	123,924,503,134	122,359,758,124
CIT incentive	(3,659,495,407)	(3,189,034,962)
Over provision	421,069,946	350,802,540
CIT paid overseas	(10,447,369,630)	(10,273,759,292)
	<hr/>	<hr/>
CIT current charge (*)	110,238,708,043	109,247,766,410
	<hr/>	<hr/>

(*) The CIT current charge is temporarily calculated on the taxable income for the first six-month period in 2023 of the Corporation and may be adjusted when Corporation make CIT finalisation at the end of fiscal year 2023.

40 COSTS OF OPERATION BY FACTOR

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

	For the six-month period ended	
	30.6.2023	30.6.2022
	VND	VND
Raw materials	1,835,219,735,964	1,831,458,649,121
Staff costs	1,480,787,509,733	1,425,608,339,032
Depreciation and amortisation	238,608,932,403	244,481,469,435
Related cost of construction contracts	2,433,805,676,319	2,272,514,298,417
Outside services	2,159,476,553,625	1,657,540,439,669
Others	315,327,124,176	330,768,711,371
	<hr/>	<hr/>
	8,463,225,532,220	7,762,371,907,045
	<hr/>	<hr/>

41 RELATED PARTY DISCLOSURES

The largest shareholder of the Corporation is PVN which owns 51.38% of the Corporation's share capital (Note 27).

Accordingly, PVN, fellow PVN group subsidiaries, associates and joint ventures of the Corporation are considered the Corporation's related parties. Apart from associates and joint ventures disclosed in Note 1 and 4, during the period/year, the Corporation has balances and transactions with below parties:

Name	Relationship
Vietnam Oil and Gas Group	Parent company
PetroVietnam Exploration Production Corporation	Company in PVN Group
PetroVietnam Drilling and Well Services Corporation	Company in PVN Group
PetroVietnam Transportation Corporation	Company in PVN Group
PetroVietnam Construction Joint Stock Company	Company in PVN Group
PetroVietnam Fertilizer and Chemicals Corporation	Company in PVN Group
Vietnam - Russia Joint Venture Vietsovpetro	Company in PVN Group
PetroVietnam Oil Corporation	Company in PVN Group
PetroVietnam Power Corporation	Company in PVN Group
Binh Son Oil Refinery Company Limited	Company in PVN Group
PVI Insurance Corporation	Company in PVN Group
Petroleum Design Consulting Corporation	Company in PVN Group
PetroVietnam Maintenance - Repair Corporation	Company in PVN Group
Nghi Son Refining and Petrochemical Company Limited	Company in PVN Group
Nghi Son Refinery and Petrochemical Complex Project Management Board	Company in PVN Group
Bien Dong Petroleum Operating Company	Company in PVN Group
Long Phu 1 Power Plant Project Management Board	Company in PVN Group
PetroVietnam Domestic Exploration Production Operating Company Limited	Company in PVN Group
PetroVietnam Gas Corporation	Company in PVN Group
Foreign Petroleum Exploration and Exploitation Operations One Member LLC	Company in PVN Group
PetroVietnam Ca Mau Fertilizer Joint Stock Company	Company in PVN Group

41 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

The primary transactions with related parties incurred in the period are:

		For the six-month period ended	
		30.6.2023	30.6.2022
		VND	VND
i)	Sales of goods and rendering of services		
	PetroVietnam Gas Joint Stock Corporation	466,584,682,500	458,151,171,185
	PetroVietnam Exploration Production Corporation Limited	433,924,071,355	383,669,381,159
	Bien Dong Petroleum Operating Company	237,136,833,483	214,379,780,560
	Nghi Son Refining and Petrochemical Company Limited	235,269,937,316	195,929,600,037
	Binh Son Refining and Petrochemical JSC	159,419,283,853	164,452,196,826
	Vietnam Offshore Floating Terminal (Ruby) Limited	143,654,267,395	132,362,371,781
	Malaysia Vietnam Offshore Terminal (Labuan) Limited	92,456,981,484	182,137,735,340
	PetroVietnam Drilling and Well Services Corporation	30,392,812,039	12,534,300,290
	PetroVietnam Fertilizer and Chemicals Corporation	18,981,243,625	25,545,130,036
	Vietnam - Russia Joint Venture Vietsovpetro	13,764,822,156	15,339,536,680
	Others	46,848,500,184	106,170,234,840
		1,878,433,435,390	1,890,671,438,734
ii)	Purchases of goods and services		
	PTSC Asia Pacific Private Limited	212,838,808,000	207,343,376,000
	PTSC South East Asia Private Limited	99,533,045,975	84,032,667,450
	PetroVietnam Marine Shipyard Joint Stock Company	82,020,503,123	36,702,309,925
	PetroVietnam Oil Corporation	77,106,897,011	65,324,486,545
	PVI Insurance Corporation	63,390,754,798	65,978,864,657
	Petro Vietnam Construction Joint Stock Corporation	61,818,195,944	33,772,548,363
	PetroVietnam Drilling and Well Services Corporation	22,202,931,482	62,246,128,935
	PetroVietnam Gas Joint Stock Corporation	9,478,199,691	54,277,905,541
	Others	31,607,145,253	83,394,608,200
		659,996,481,277	693,072,895,616

PETROVIETNAM TECHNICAL SERVICES CORPORATION
Form B 09a – DN/HN
41 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 for key management		
Gross salaries and other benefits	<u>29,425,801,000</u>	<u>26,773,053,000</u>
in which:		
Mr. Phan Thanh Tung - Chairman of BOD	2,771,772,000	2,350,149,000
Mr. Le Manh Cuong - Chief Executive Officer	2,646,433,000	2,266,550,000
Mr. Do Quoc Hoan - Member of BOD	2,178,513,000	1,953,382,000
Mr. Nguyen Xuan Ngoc - Member of BOD	2,016,057,000	1,812,313,000
Mr. Tran Ngoc Chuong - Member of BOD	1,452,566,000	1,590,977,000
Others	<u>18,360,460,000</u>	<u>16,799,682,000</u>

(b) Period/year end balances with related parties

	30.6.2023	31.12.2022
	VND	VND
i) Short-term trade account receivables (Note 5)		
PetroVietnam Exploration Production Corporation Limited	1,673,604,372,180	1,674,097,577,097
PetroVietnam Gas Joint Stock Corporation	341,600,246,838	289,178,126,432
PetroVietnam Long Phu 1 Thermal Power Project Management Board	160,999,734,380	157,176,228,387
Vietnam Offshore Floating Terminal (Ruby) Limited	88,494,982,974	87,004,855,241
Bien Dong Petroleum Operating Company	75,549,828,612	61,921,861,414
Nghi Son Refining and Petrochemical Company Limited	63,621,961,432	78,601,214,063
Nghi Son Refinery and Petrochemical Complex Project Management Board	37,203,110,659	37,203,110,659
PetroVietnam Domestic Exploration Production Operating Company Limited	36,593,810,658	42,333,538,764
Binh Son Refining and Petrochemical JSC	35,583,338,995	42,018,944,002
Malaysia Vietnam Offshore Terminal (Labuan) Limited	35,183,368,811	55,521,290,635
Vietnam - Russia Joint Venture Vietsovpetro	31,909,734,796	21,134,066,548
PetroVietnam Drilling and Well Services Corporation	26,319,589,449	27,422,792,587
PetroVietnam Fertilizer and Chemicals Corporation	10,818,695,772	58,047,251,404
Others	29,459,798,927	27,844,149,457
	<u>2,646,942,574,483</u>	<u>2,659,505,006,690</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION
Form B 09a – DN/HN
41 RELATED PARTY DISCLOSURES (continued)
(b) Period/year end balances with related parties (continued)

	30.6.2023 VND	31.12.2022 VND
ii) Short-term prepayment to suppliers (Note 6(a))		
Others	1,137,019,145	3,280,079,763
iii) Other short-term receivables (Note 8(a))		
Nghi Son Refinery and Petrochemical Limited Liability Company	12,820,187,314	24,394,736,436
Vietnam Oil and Gas Group	10,632,042,898	10,632,042,898
Malaysia Vietnam Offshore Terminal (Labuan) Limited	7,059,610,795	10,201,866,972
Duyen Hai Petro Construction Investment Joint Stock Company	4,843,774,595	4,843,774,595
Binh Son Refining and Petrochemical JSC	3,900,000,000	-
Bien Dong Petroleum Operating Company	3,716,603,463	50,371,760
PetroVietnam Overseas Exploration Production Operating Company Limited	1,743,254,646	10,061,561,353
Others	11,000,909,303	9,059,165,366
	<u>55,716,383,014</u>	<u>69,243,519,380</u>
iv) Short-term trade account payables (Note 17)		
PTSC Asia Pacific Private Limited	1,524,306,849,938	1,524,200,231,117
PTSC South East Asia Private Limited	56,738,631,250	14,789,841,150
PetroVietnam Drilling and Well Services Corporation	33,337,119,286	120,981,575,780
PetroVietnam Marine Shipyard Joint Stock Company	27,209,100,465	25,172,836,075
PetroVietnam Construction Joint Stock Corporation	19,249,210,564	31,472,096,144
PetroVietnam Oil Joint Stock Corporation	18,973,784,915	18,563,245,744
Nghi Son Refining and Petrochemical Company Limited	11,564,360,779	10,192,872,876
Others	28,620,401,487	23,267,922,072
	<u>1,719,999,458,684</u>	<u>1,768,640,620,958</u>

PETROVIETNAM TECHNICAL SERVICES CORPORATION
Form B 09a – DN/HN
41 RELATED PARTY DISCLOSURES (continued)
(b) Period/year end balances with related parties (continued)

	30.6.2023 VND	31.12.2022 VND
v) Short-term advance from customers (Note 18(a))		
Binh Son Refining and Petrochemical JSC	45,816,725,642	45,816,725,642
PetroVietnam Gas Corporation	32,751,503,323	51,514,955,821
PetroVietnam Oil Joint Stock Corporation	10,900,068,788	10,900,068,788
Others	1,769,200,000	2,557,192,175
	<u>91,237,497,753</u>	<u>110,788,942,426</u>
vi) Long-term advance from customers (Note 18(b))		
PetroVietnam Long Phu 1 Thermal Power		
Project Management Board	781,044,054,435	781,044,054,435
PetroVietnam Gas Corporation	138,143,773,227	-
	<u>919,187,827,662</u>	<u>781,044,054,435</u>
vii) Other short-term payable (Note 22)		
Nghi Son Refinery and Petrochemical LLC	22,447,587,705	24,515,340,677
Malaysia Vietnam Offshore Terminal		
(Labuan) Limited	5,977,154,193	5,977,154,193
PetroVietnam Construction Joint Stock		
Corporation	1,669,212,234	1,669,212,234
Others	1,990,619,304	1,092,203,471
	<u>32,084,573,436</u>	<u>33,253,910,575</u>

42 SEGMENT REPORTING

Geographical segment

The Corporation operates mainly in Vietnam. Therefore, the Corporation does not present geographic segment reports.

Business activity segment

For management purpose, the Corporation's structure is separated into seven business segments with the following principal activities:

Business segment	Operation
Petroleum technical vessels services	Management, business and operation the technology service vessels
Floating storage and offloading (FSO), Floating production storage and offloading (FPSO) services	Supply of Floating storage and offloading (FSO), Floating production storage and offloading (FPSO)
Seismic survey, geophysical and geological survey and subsea by using ROV	Supply of management and operation of 2D, 3D seismic survey vessels; Geophysical and geological survey services, diving, and subsea services by using ROV
Supply base services	Supply base services, offices rental, logistic, supply chain management and other related services
Mechanical, hook-up and instalment services	Fabrication, engineering, construction, transportation and installation, hook-up and recycled energy
Repair, maintenance and instalment offshore services	Supply of maintenance, repair, building and conversion of petroleum exploiting facilities
Other services	Supply other oil and gas services

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

42 SEGMENT REPORTING (continued)

Business activity segment (continued)

The Corporation prepared business activity segment reporting by assets and liabilities as follows:

	30.06.2023								
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND	Elimination VND	Total VND
Segment assets	2,593,614,612,259	5,645,450,130,745	957,617,603,163	3,253,808,364,952	9,800,798,427,223	2,021,006,054,994	1,716,974,705,586	(4,130,858,957,322)	21,858,410,941,600
Profit from investments in associates and joint ventures									3,079,552,753,524
Unallocated assets									2,119,217,217,345
Total assets									27,057,180,912,469
Segment liabilities	1,630,165,282,738	2,537,967,373,670	1,663,655,603,655	1,144,501,002,203	6,799,682,943,957	800,636,985,328	473,896,902,391	(2,055,423,960,279)	12,995,082,113,863
Deferred tax liabilities arise from profit sharing from associates and joint ventures									479,737,913,067
Unallocated liabilities									449,698,383,162
Total liabilities									13,924,518,409,892

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

42 SEGMENT REPORTING (continued)

Business activity segment (continued)

	31.12.2022								
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND	Elimination VND	Total VND
Segment assets	2,597,948,026,597	5,149,693,712,210	1,063,541,041,183	3,151,000,002,046	8,578,193,624,756	1,947,086,006,264	1,379,934,270,566	(4,415,753,877,557)	19,451,642,806,065
Profit from Investments in associates and joint ventures									3,276,056,600,426
Unallocated assets									3,100,072,233,427
Total assets									25,827,771,639,918
Segment liabilities	1,764,123,025,566	2,471,666,639,338	1,742,193,723,706	1,077,434,807,294	5,694,232,609,273	755,650,434,495	464,623,555,969	(2,114,742,297,826)	11,855,182,497,815
Deferred tax liabilities arise from profit sharing from associates and joint ventures									525,118,026,591
Unallocated liabilities									498,876,314,255
Total liabilities									12,879,176,838,661

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

42 SEGMENT REPORTING (continued)

Business activity segment (continued)

The Corporation prepared business activity segment reporting by revenue and cost of goods sold as follows:

	For the six-month period ended 30.6.2023								
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND	Elimination VND	Total VND
Net revenue from external sales	726,249,043,310	970,485,197,923	67,435,845,292	662,121,713,396	4,965,995,600,965	744,660,347,067	278,567,045,258	-	8,415,514,793,211
Net revenue from internal sales	167,066,992,671	200,105,278,555	39,106,152,593	105,732,789,490	126,462,976,186	78,185,877,609	70,631,570,348	(787,291,637,452)	-
	893,316,035,981	1,170,590,476,478	106,541,997,885	767,854,502,886	5,092,458,577,151	822,846,224,676	349,198,615,606	(787,291,637,452)	8,415,514,793,211
Net cost from external sales	(643,495,148,355)	(911,563,525,325)	(71,566,265,664)	(543,370,603,580)	(4,866,399,227,641)	(714,467,103,116)	(273,422,456,469)	-	(8,024,284,330,150)
Net cost from internal sales	(167,066,992,671)	(200,105,278,555)	(32,441,762,398)	(112,230,491,051)	(153,636,926,800)	(78,185,877,609)	(43,218,990,566)	786,886,319,650	-
	(810,562,141,026)	(1,111,668,803,880)	(104,008,028,062)	(655,601,094,631)	(5,020,036,154,441)	(792,652,980,725)	(316,641,447,035)	786,886,319,650	(8,024,284,330,150)
Gross segment profit from external sales	82,753,894,955	58,921,672,598	(4,130,420,372)	118,751,109,816	99,596,373,324	30,193,243,951	5,144,588,789	-	391,230,463,061
Selling and administration expenses									(438,941,202,070)
Net income from financing activities									237,188,876,803
Profit sharing from associates and joint ventures									334,025,916,371
Profit from operating service									523,504,054,165
Net income from other activities									34,331,017,475
Net accounting profit before tax									557,835,071,640
CIT - current									(110,238,708,043)
CIT - deferred									15,024,077,349
Net profit after tax									462,620,440,946

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09a – DN/HN

44 SEGMENT REPORTING (continued)

Business activity segment (continued)

For the six-month period ended 30.6.2022									
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND	Elimination VND	Total VND
Net revenue from external sales	724,449,529,212	898,987,937,775	247,938,659,197	696,418,126,246	3,786,549,072,443	865,101,414,992	360,051,780,350	-	7,579,496,520,215
Net revenue from internal sales	158,635,871,078	185,512,586,437	-	53,589,598,049	221,008,050,395	133,543,184,343	54,998,990,774	(807,288,281,076)	-
	883,085,400,290	1,084,500,524,212	247,938,659,197	750,007,724,295	4,007,557,122,838	998,644,599,335	415,050,771,124	(807,288,281,076)	7,579,496,520,215
Net cost from external sales	(679,575,729,316)	(839,895,210,793)	(250,345,946,195)	(536,418,364,800)	(3,739,806,895,921)	(853,028,552,583)	(343,233,995,638)	-	(7,242,304,695,246)
Net cost from internal sales	(156,847,163,918)	(188,139,682,520)	-	(53,477,551,049)	(225,666,336,722)	(133,543,184,343)	(36,852,322,929)	794,526,241,481	-
	(836,422,893,234)	(1,028,034,893,313)	(250,345,946,195)	(589,895,915,849)	(3,965,473,232,643)	(986,571,736,926)	(380,086,318,567)	794,526,241,481	(7,242,304,695,246)
Gross segment profit from external sales	44,873,799,896	59,092,726,982	(2,407,286,998)	159,999,761,446	46,742,176,522	12,072,862,409	16,817,784,712	-	337,191,824,969
Selling and administration expenses									(534,992,055,230)
Net income from financing activities									178,512,028,631
Profit sharing from associates and joint ventures									335,492,998,680
Profit from operating service									316,204,797,050
Net income from other activities									57,734,667,235
Net accounting profit before tax									373,939,464,285
CIT - current									(109,247,766,410)
CIT - deferred									(4,076,135,006)
Net profit after tax									260,615,562,869

43 COMMITMENTS

(a) Operating lease Commitments

(i) The Corporation as a lessee

The future minimum lease payments under non-cancellable operating leases were as follows:

	30.6.2023	31.12.2022
	VND	VND
Under 1 year	127,096,805,145	447,849,951,123
From 1 to 5 years	210,088,124,558	174,682,663,939
More than 5 years	1,098,129,817,771	991,830,548,983
Total minimum payments	1,435,314,747,474	1,614,363,164,045

As at 30 June 2023 and 31 December 2022, the Corporation has entered into non-cancellable operating lease commitment contracts of vessels rental, FSO/FPSO rental, land rental in Vung Tau City and land rental at Son Tra port for its operating activities, in which:

- Vessels rental contracts were signed with duration of 5 years;
- Land lease in Vung Tau City was signed with the term of 50 years since 2002;
- Land rental contract at Son Tra port was signed with the term of 50 years since 2008; and
- Land rental contract at Hon La port was signed with the term of 50 years since 2014.

(ii) The Corporation as a lessor

The future minimum lease receipts under non-cancellable operating leases are as follows:

	30.6.2023	31.12.2022
	VND	VND
Under 1 year	1,124,167,988,264	1,335,503,855,724
From 1 to 5 years	3,154,123,943,806	2,743,163,308,151
More than 5 years	1,060,951,066,940	1,204,373,573,382
Total minimum receipts	5,339,242,999,010	5,283,040,737,257

As at 30 June 2023 and 31 December 2022, the Corporation has entered into non-cancellable operating lease commitment contracts of leasing service vessels with the term of 15 years and FSO/FPSO with the term of from 1 to 5 years.

43 COMMITMENTS

(b) Capital commitments

Commitments on expenditures on creation of contracted fixed assets at the end of the accounting period/fiscal year but not yet accounted for in the consolidated financial statements are as follows:

	30.6.2023 VND	31.12.2022 VND
Steel building at Vung Tau port	66,542,779,417	-
Expansion project in Vung Tau port	21,283,641,428	41,257,369,065
Building for operation and expansion of Nghi Son port project	17,164,361,839	29,896,337,125
Construction of marine service base at Sao Mai - Ben Dinh	9,532,886,577	400,000,000
Warehouse construction at Hon La port, Quang Binh province	1,838,183,447	10,262,734,717
Dung Quat Berth No.3 Project, Quang Ngai province	-	859,512,144
	<u>116,361,852,708</u>	<u>82,675,953,051</u>

44 CONTINGENT LIABILITIES

Long Phu 1 Thermal Power Project

On 23 August 2019, JSC Power Machines Company ("PM") - Leader of Contractor consortium of Long Phu 1 Thermal Power Project, sent a notice to Singapore International Arbitration Center about the unresolved dispute with the Vietnam Oil and Gas Group regarding the EPC Contract No. 9488/HD-DKVN dated on 27 December 2013 between the consortium of PM – the Corporation and Vietnam Oil and Gas Group. At the date of this report, the lawsuit is still being reviewed by the Singapore International Arbitration Center. As a result, the Corporation has not made any provision for this lawsuit in the interim consolidated financial statements for the six-month period ended 30 June 2023.

Sao Mai Ben Dinh Port Project

As at 30 June 2023, Sao Mai Ben Dinh Petroleum Investment Joint Stock Company – a subsidiary of the Corporation is in the process of continuing to apply for an adjustment to the investment license so that the Sao Mai Ben Dinh port project is recognised as a seaport projects in the list of special investment incentives as prescribed in Decree 118/2015/ND-CP ("Decree 118") issued on 12 November 2015 and replaced by Decree No. 31/2021/ND-CP ("Decree 31") dated 26 March 2021. According to the provisions of Decree 46/2014/ND-CP ("Decree 46") issued on 15 May 2014, the special preferential investment projects are exempted from land rental fee for the next 11 years after being exempted from land rental fee for up to 3 years during the capital construction period (from 12 February 2015 to 11 February 2018). Therefore, the Company did not record the land rental fee according to the notices of the Tax Department of Vung Tau - Con Dao area for the period from 12 February 2018 to the present.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

44 CONTINGENT LIABILITIES (continued)

Sao Mai Ben Dinh Port Project (continued)

The Board of Management of the Corporation evaluated and determined that the Sao Mai Ben Dinh Port project which Sao Mai Ben Dinh Petroleum Investment Joint Stock Company is implementing will be recognised as a special preferential investment project in accordance with the Decree 118 (replaced by Decree 31 dated 26 March 2021) and be exempt from land rent fee under Decree 46.

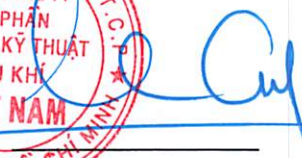
The interim consolidated financial statements were approved by the Board of Management on 4 August 2023.



Duong Thi Ngoc Quy
Preparer



Nguyen Van Bao
Chief Accountant



Le Manh Cuong
President and CEO

