

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

**SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**



# **PETROVIETNAM TECHNICAL SERVICES CORPORATION**

## **SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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# 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 10<sup>th</sup> 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
	(from 4 January 2022)
Mr. Hoang Xuan Quoc	Independent Member
	(from 28 April 2022)
Mr. Luu Duc Hoang	Member
	(till 4 January 2022)

### 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. Nguyen Huu Hai	Vice President
	(till 1 October 2022)
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
	(from 4 October 2022)

### Legal representative

Mr. Le Manh Cuong	Chief Executive Officer
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### Registered office

5<sup>th</sup> 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

### Responsibility of the Board of Management in respect of the Separate Financial Statements

The Board of Management of PetroVietnam Technical Services Corporation ("the Corporation") is responsible for preparing the separate financial statements of the Corporation which give a true and fair view of the separate financial position of the Corporation as at 31 December 2022, of the separate results of its operations, and its separate cash flows for the year then ended. In preparing these separate 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 separate financial statements on a going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

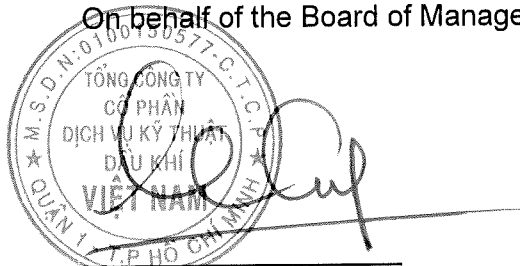
The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Corporation and which enable separate financial statements to be prepared which comply with the basis of accounting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

### Approval of the Separate Financial Statements

We hereby approve the accompanying separate financial statements as set out on pages 5 to 70 which give a true and fair view of the separate financial position of the Corporation as at 31 December 2022, of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Users of these separate financial statements of the Corporation should read them together with the consolidated financial statements of the Corporation and its subsidiaries for the year ended 31 December 2022 in order to obtain full information of the consolidated financial position, consolidated results of operations, and consolidated cash flows of the Corporation and its subsidiaries.

On behalf of the Board of Management,



Le Manh Cuong  
Chief Executive Officer ("CEO")

Ho Chi Minh City, SR Vietnam  
21 March 2023



## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PETROVIETNAM TECHNICAL SERVICES CORPORATION**

We have audited the accompanying separate financial statements of PetroVietnam Technical Services Corporation ("the Corporation") which were prepared on 31 December 2022 and were approved by CEO on 21 March 2023. These separate financial statements comprise the separate balance sheet as at 31 December 2022, the separate income statement and the separate cash flow statement for the year then ended, and explanatory notes to the separate financial statements, as set out on pages 5 to 70.

### **The Board of Management's Responsibility**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the separate financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatements of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and true and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### **Auditor's Opinion**

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Corporation as at 31 December 2022, its separate financial performance and separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

### **Other Matters**

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

### **For and on behalf of PwC (Vietnam) Limited**



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

Nguyen Vu Anh Tuan  
Audit Practising Licence No.  
3631-2021-006-1

Report reference number: HCM13020  
Ho Chi Minh City, 21 March 2023

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

**Form B 01 – DN**

**SEPARATE BALANCE SHEET**

Code	ASSETS	Note	As at 31 December	
			2022 VND	2021 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>9,074,159,335,186</b>	<b>8,856,677,708,809</b>
<b>110</b>	<b>Cash and cash equivalents</b>	<b>3</b>	<b>1,673,524,999,243</b>	<b>3,535,159,305,173</b>
111	Cash		1,300,524,999,243	1,781,159,305,173
112	Cash equivalents		373,000,000,000	1,754,000,000,000
<b>120</b>	<b>Short-term investments</b>		<b>3,692,000,000,000</b>	<b>1,639,000,000,000</b>
123	Investments held-to-maturity	4(a)	3,692,000,000,000	1,639,000,000,000
<b>130</b>	<b>Short-term receivables</b>		<b>3,643,293,264,892</b>	<b>3,497,006,594,721</b>
131	Short-term trade accounts receivable	5	3,143,799,437,764	2,923,686,138,364
132	Short-term prepayments to suppliers	6(a)	296,511,826,687	285,585,861,363
134	Construction contracts-in-progress receivables	7	69,968,946,447	79,509,916,775
136	Other short-term receivables	8(a)	297,182,134,481	375,823,461,075
137	Provision for doubtful debts – short-term	9	(164,169,080,487)	(167,598,782,856)
<b>140</b>	<b>Inventories</b>	<b>10(a)</b>	<b>33,966,134,519</b>	<b>155,492,123,219</b>
141	Inventories		34,042,498,155	155,568,486,855
149	Provision for decline in value of inventories		(76,363,636)	(76,363,636)
<b>150</b>	<b>Other current assets</b>		<b>31,374,936,532</b>	<b>30,019,685,696</b>
151	Short-term prepaid expenses	11(a)	11,151,927,364	9,709,397,045
152	Value added tax ("VAT") to be reclaimed		20,223,009,168	20,310,288,651

The notes on pages 10 to 70 are an integral part of these separate financial statements.

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**
**Form B 01 – DN**
**SEPARATE BALANCE SHEET  
(continued)**

Code	ASSETS	Note	As at 31 December	
			2022 VND	2021 VND (As restated - Note 40)
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>6,028,523,076,613</b>	<b>5,978,887,796,638</b>
<b>210</b>	<b>Long-term receivables</b>		<b>431,491,685,723</b>	<b>453,901,710,958</b>
212	Long-term prepayments to suppliers	6(b)	485,669,637	22,898,287,338
216	Other long-term receivables	8(b)	431,006,016,086	431,003,423,620
<b>220</b>	<b>Fixed assets</b>		<b>1,254,987,410,485</b>	<b>1,127,226,142,946</b>
221	Tangible fixed assets	12(a)	1,200,138,604,643	1,121,923,809,583
222	Historical cost		5,036,968,159,126	4,960,973,882,726
223	Accumulated depreciation		(3,836,829,554,483)	(3,839,050,073,143)
227	Intangible fixed assets	12(b)	54,848,805,842	5,302,333,363
228	Historical cost		93,268,577,210	42,626,364,210
229	Accumulated amortisation		(38,419,771,368)	(37,324,030,847)
<b>230</b>	<b>Investment properties</b>	13	<b>31,120,876,628</b>	<b>33,610,546,772</b>
231	Historical cost		49,793,402,682	49,793,402,682
232	Accumulated depreciation		(18,672,526,054)	(16,182,855,910)
<b>240</b>	<b>Long-term assets in progress</b>		<b>8,623,966,700</b>	<b>49,961,395,703</b>
242	Construction in progress	14(b)	8,623,966,700	49,961,395,703
<b>250</b>	<b>Long-term investments</b>		<b>3,836,172,551,316</b>	<b>3,816,138,582,256</b>
251	Investments in subsidiaries	4(b)	3,186,935,509,600	3,186,935,509,600
252	Investments in associates and joint ventures	4(b)	1,603,077,039,235	1,603,077,039,235
253	Investments in other entities	4(b)	3,000,000,000	3,000,000,000
254	Provision for long-term investments	4(b)	(956,839,997,519)	(976,873,966,579)
<b>260</b>	<b>Other long-term assets</b>		<b>466,126,585,761</b>	<b>498,049,418,003</b>
261	Long-term prepaid expenses	11(b)	424,102,195,836	397,357,978,316
262	Deferred income tax assets	15	23,864,702,443	83,565,571,486
263	Long-term substituted equipment, supplies and spare parts	10(b)	18,159,687,482	17,125,868,201
<b>270</b>	<b>TOTAL ASSETS</b>		<b>15,102,682,411,799</b>	<b>14,835,565,505,447</b>

The notes on pages 10 to 70 are an integral part of these separate financial statements.



PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 01 – DN

SEPARATE BALANCE SHEET  
(continued)

Code	RESOURCES	Note	As at 31 December	
			2022 VND	2021 VND (As restated - Note 40)
<b>300</b>	<b>LIABILITIES</b>		<b>6,665,857,956,477</b>	<b>6,521,612,869,272</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>5,155,700,618,636</b>	<b>5,059,836,931,974</b>
311	Short-term trade accounts payable	16	2,550,522,932,328	2,698,442,316,139
312	Short-term advances from customers	17(a)	129,170,583,085	142,099,942,194
313	Tax and other payables to the State	18	44,435,605,889	25,840,635,872
314	Payables to employees		357,855,209,167	350,617,318,178
315	Short-term accrued expenses	19	633,580,619,588	338,308,855,537
317	Construction contracts-in-progress payables	7	17,741,336,460	230,585,550,110
318	Short-term unearned revenue	20	-	17,272,727,261
319	Other short-term payables	21(a)	497,094,232,221	472,678,005,034
320	Short-term borrowings	22(a)	93,369,322,284	79,058,766,772
321	Provision for short-term liabilities	23(a)	391,116,809,093	363,320,179,768
322	Bonus and welfare fund	24	440,813,968,521	341,612,635,109
<b>330</b>	<b>Long-term liabilities</b>		<b>1,510,157,337,841</b>	<b>1,461,775,937,298</b>
332	Long-term advances from customers	17(b)	781,044,054,435	854,528,821,993
337	Other long-term payables	21(b)	69,473,052,000	69,473,052,000
338	Long-term borrowings	22(b)	536,945,749,532	455,394,998,407
342	Provision for long-term liabilities	23(b)	117,983,350,510	76,818,933,534
343	Fund for science and technology development		4,711,131,364	5,560,131,364
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>8,436,824,455,322</b>	<b>8,313,952,636,175</b>
<b>410</b>	<b>Capital and reserves</b>		<b>8,436,824,455,322</b>	<b>8,313,952,636,175</b>
411	Owners' capital	25, 26	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	26	39,617,060,000	39,617,060,000
418	Investment and development fund	26	2,837,437,009,213	2,712,437,009,213
421	Undistributed earnings	26	780,107,486,109	782,235,666,962
421a	- Undistributed post-tax profits of previous years		87,462,634,959	52,962,589,426
421b	- Post-tax profits of current year		692,644,851,150	729,273,077,536
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>15,102,682,411,799</b>	<b>14,835,565,505,447</b>

Duong Thi Ngoc Quy  
Preparer

Nguyen Van Bao  
Chief Accountant

Le Manh Cuong  
Chief Executive Officer  
21 March 2023



The notes on pages 10 to 70 are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT

Code		Note	Year ended 31 December	
			2022 VND	2021 VND (As restated - Note 40)
01	Revenue from sales of goods and rendering of services		5,693,520,732,072	5,555,823,903,976
02	Less deductions		-	-
10	Net revenue from sales of goods and rendering of services	28	5,693,520,732,072	5,555,823,903,976
11	Cost of goods sold and services rendered	29	(5,327,433,415,956)	(5,172,283,664,144)
20	Gross profit from sales of goods and rendering of services		366,087,316,116	383,540,239,832
21	Financial income	30	1,158,017,028,757	1,041,191,507,508
22	Financial expenses	31	(42,405,116,238)	(71,676,112,497)
23	- Including: Interest expense		(43,723,959,481)	(38,167,679,647)
25	Selling expenses	32	(40,855,510,327)	(31,834,295,959)
26	General and administration expenses	33	(549,108,137,079)	(425,231,074,131)
30	Net operating profit		891,735,581,229	895,990,264,753
31	Other income		16,540,840,892	16,096,651,069
32	Other expenses		(29,801,961,220)	(3,997,719,715)
40	Net other (expenses)/income	34	(13,261,120,328)	12,098,931,354
50	Net accounting profit before tax		878,474,460,901	908,089,196,107
51	Corporate income tax ("CIT") - current	35	(126,128,740,708)	(121,932,870,044)
52	CIT - deferred	15	(59,700,869,043)	(56,883,248,527)
60	Net profit after tax		692,644,851,150	729,273,077,536

Duong Thi Ngoc Quy  
Preparer

Nguyen Van Bao  
Chief Accountant

Le Manh Cuong  
Chief Executive Officer  
21 March 2023



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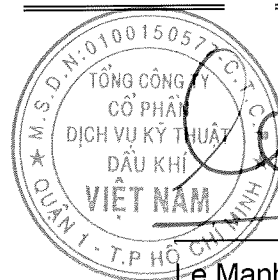
**SEPARATE CASH FLOW STATEMENT**  
(Indirect method)

Code	Note	Year ended 31 December	
		2022	2021
		VND	VND (As restated - Note 40)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Net accounting profit before tax	878,474,460,901	908,089,196,107
	Adjustments for:		
02	Depreciation and amortisation	151,957,066,386	171,101,665,824
03	Provisions	45,497,374,872	25,359,066,252
04	Unrealised foreign exchange (gains)/losses	(13,891,321,268)	37,442,401,142
05	Profits from investing activities	(1,101,584,725,542)	(1,002,008,578,068)
06	Interest expense	43,723,959,481	38,167,679,647
08	Operating profit before changes in working capital	4,176,814,830	178,151,430,904
09	(Increase)/decrease in receivables	(43,861,671,112)	47,261,957,104
10	Decrease/(increase) in inventories	120,492,169,419	(84,287,750,953)
11	Decrease in payables	(173,310,455,914)	(398,290,578,191)
12	Increase in prepaid expenses	(28,186,747,839)	(5,475,685,384)
14	Interest paid	(41,779,822,616)	(37,827,177,322)
15	CIT paid	(126,759,053,757)	(101,048,681,769)
17	Other payments on operating activities	(79,435,810,012)	(64,588,094,776)
20	Net cash outflows from operating activities	(368,664,577,001)	(466,104,580,387)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets	(249,093,860,309)	(12,534,551,818)
22	Proceeds from disposals of fixed assets	12,636,561,480	446,292,727
23	Term deposits with maturity of more than 3 months placed at banks	(5,490,000,000,000)	(3,406,000,000,000)
24	Term deposits with maturity of more than 3 months collected	3,437,000,000,000	3,838,000,000,000
27	Interest income, dividends and profits received	1,048,665,531,433	1,009,395,998,923
30	Net cash (outflows)/inflows from investing activities	(1,240,791,767,396)	1,429,307,739,832
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Proceeds from borrowings	174,920,073,409	101,481,706,082
34	Repayments of borrowings	(79,680,818,972)	(103,341,906,772)
36	Dividends paid to shareholders	(382,279,214,200)	(477,933,366,700)
40	Net cash outflows from financing activities	(287,039,959,763)	(479,793,567,390)
50	Net (decrease)/increase in cash	(1,896,496,304,160)	483,409,592,055
60	Cash and cash equivalents at beginning of year	3,535,159,305,173	3,075,293,131,127
61	Effect of foreign exchange differences	34,861,998,230	(23,543,418,009)
70	Cash and cash equivalents at end of year	1,673,524,999,243	3,535,159,305,173

Duong Thi Ngoc Quy  
Preparer

Nguyen Van Bao  
Chief Accountant

Le Manh Cuong  
Chief Executive Officer  
21 March 2023



The notes on pages 10 to 70 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 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-TTGD signed by the General Director of Hanoi Stock Exchange on 12 September 2007.

The main shareholder of the Corporation is Vietnam Oil and Gas Group ("PVN"). Details of capital contribution are presented in Note 25.

**Principal activities**

The business sector of 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; and
- Chartering, shipping brokerage, towage and salvage services; and
- Producing electricity, electricity transmission and distribution, construction of industrial works and renewable energy.

**1 GENERAL INFORMATION (continued)**

**The normal business cycle**

The normal business cycle of the Corporation is within 12 months. For construction activities, the business cycle could be over 12 months to 24 months.

**The Corporation's structure**

As at 31 December 2022, the Corporation has 5 branches, 1 representative office, 13 direct subsidiaries, 6 direct associates and joint ventures, 1 indirect associate. Details are presented as follows:

*Domestic branches and representative office:*

No.	Name	Address
1	Branch of PetroVietnam Technical Services Corporation - PTSC Marine	No. 73, 30/4 Street, Thong Nhat Ward, Vung Tau City
2	Branch of PetroVietnam Technical Services Corporation - PTSC Supply Base	No. 65A, 30/4 Street, Thong Nhat Ward, Vung Tau City
3	Branch of PetroVietnam Technical Services Corporation - PTSC Da Nang	No. 11, 3/2 Street, Hai Chau Ward, Da Nang City
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
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
6	Representative office of PetroVietnam Technical Services Corporation in Ha Noi	No. 142, Nguyen Khuyen Street, Van Mieu Ward, Dong da District, Ha Noi City

*International branch:*

On 19 July 2022, Board of Director issued Decision No 322/QD-PTSC-HDQT on the establishment of a branch of PetroVietnam Technical Services Corporation in the Middle East. At the date of these financial statements, the Corporation is completing the relevant procedures to establish a branch in accordance with regulations.

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

**Form B 09 – DN**

**1 GENERAL INFORMATION (continued)**

**The Corporation's structure (continued)**

No.	Name	Principal activities	Place of incorporation and operation	31.12.2022		31.12.2021	
				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

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## 1 GENERAL INFORMATION (continued)

### The Corporation's structure (continued)

No.	Name	Principal activities	Place of incorporation and operation	31.12.2022		31.12.2021	
				Ownership interest %	Voting power held %	Ownership interest %	Voting power held %
Directly owned subsidiaries (continued)							
11	PetroVietnam Security Joint Stock Company	Security services	Ha Noi, 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	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

As at 31 December 2022, the Corporation had 1,510 employees (as at 31 December 2021: 1,630 employees).

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

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

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

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

Users of these separate financial statements of the Corporation should read them together with the consolidated financial statements of the Corporation and its subsidiaries for the year ended 31 December 2022 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Corporation and its subsidiaries.

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

**2.2 Fiscal year**

The Corporation's fiscal year is from 1 January to 31 December.

**2.3 Currency**

The separate financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong").



**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 separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial bank(s) where the Corporation regularly trades. Foreign currencies deposited in commercial bank(s) at the separate 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 separate income statement.

**2.5 Cash and cash equivalents**

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

**2.6 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties) or made for each outstanding amount not overdue but doubtful and so the Corporation may be unable to collect the debts. Receivables are written off in accordance with the current prevailing accounting regulations and the Corporation's finance management policies.

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

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 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 labour costs, overhead expenses, purchase cost, conversion 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 fiscal year and the provision of the previous fiscal year are recognised as an increase or decrease of cost of goods sold in the year.

Inventories are classified into long-term and short-term inventories on the separate balance sheet based on planned usage in the Corporation's principal activities at the separate balance sheet date.

**2.8 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 on the trade date and measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from investments held-to-maturity is recognised in the separate 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 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 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 separate balance sheet based on remaining term from the separate balance sheet date to the maturity date.

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

**2.8 Investments (continued)**

**(b) Investments in subsidiaries**

Subsidiaries are all entities over which the Corporation has the power to govern the financial and operating policies in order to gain future benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Corporation controls another entities.

Investments in subsidiaries are initially recorded at cost of acquisition including capital contribution value plus other expenditure directly attributable to the investments. The Corporation's share of the net profit of the subsidiaries after acquisition is recognized in the separate income statement. Other distributions received other than such profit shared are deducted from the cost of the investments as recoverable amounts.

Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year-end (if any).

**(c) Investments in associates and joint ventures**

A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. Joint venture arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities.

Associates are the investments that the Corporation has significant influence but not control and would generally have from 20% to under 50% in which significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in associates and joint ventures are accounted for a cost of acquisition including purchase cost or capital contribution value plus other expenditure directly attributable to the investments. The Corporation's share of the net profit of the associates and joint ventures after acquisition is recognized in the separate income statement. Other distributions received other than such profit shared are deducted from the cost of the investments as recoverable amounts.

Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year-end (if any).

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

**2.8 Investments (continued)**

**(d) Investments in other entities**

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

**(e) Provision for investments in subsidiaries, associates and joint ventures, and other entities**

Provision for diminution in value of investments in subsidiaries, associates and joint ventures, and other entity is made in accordance with current accounting regulations and Corporation's accounting policies when there is a diminution in value of the investments at the year end.

Provision for diminution in value of investments in subsidiaries, associates and joint ventures is made when the investees make losses.

Provision for diminution in value of investments in other entity is made when whose fair value can be determined reliably. Otherwise, provision for diminution in value of investments in other entity is made in the same method as provision for diminution in value of investments in subsidiaries, associates and joint ventures.

Changes in the provision balance during the 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.

**2.9 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 their design, technology and functions or their ultimate purpose of use.

When the outcome of a contract can be estimated reliably, contract revenue and contract costs are recognised over the year 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 fiscal year. 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.

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 year.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Construction contracts (continued)

Where 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 year and reflected in the billed invoices.

The aggregate of the costs incurred, and the profit or loss recognised on each contract is compared against the progress billings up to the year 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.

### 2.10 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 separate income statement when incurred.

#### *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 separate 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 and other intangible fixed assets	3 years

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.10 Fixed assets (continued)**

Land use rights are comprised 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 the 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 states at costs and not amortised.

#### *Disposals*

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

#### *Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of reparation, expansion or technology upgradation, 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.

### **2.11 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 separate income statement on a straight-line basis over the term of the lease.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.12 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 separate income statement when incurred.

#### *Depreciation*

#### *Investment properties held for lease*

Investment properties are depreciated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciable amount equals to the historical cost of assets recorded in the separate financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Plant and buildings	20 years
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#### *Disposals*

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

### 2.13 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the separate balance sheet. Prepaid expenses are recorded at cost and allocated on a straight-line basis over estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in Note 2.10 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

### 2.14 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 short-term and long-term payables on the separate balance sheet based on remaining term from the separate balance sheet date to the maturity date.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.15 Borrowings**

Borrowings include borrowings from banks.

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

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. Other borrowing costs are charged to the separate income statement when incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets.

**2.16 Accrued expenses**

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

**2.17 Provision for liabilities**

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 fiscal year are recorded as an increase or decrease in operating expenses.

**2.18 Unearned revenue**

Unearned revenue mainly comprises the amounts that customers paid in advance for one or many fiscal years for asset leases and rendering of relevant services to the asset leases. The Corporation records unearned revenue for the future obligations that the Corporation must fulfil. Once recognition criteria have been satisfied, unearned revenue will be recognised as revenue in the separate income statement to the extent that it has met the recognition criteria.

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



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

**2.19 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 issue price of shares; the difference between the repurchase 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.

**2.20 Appropriation of profit after CIT**

Profit after CIT could be distributed to shareholders in accordance with the Resolutions of the Annual General Meeting of Shareholders including dividend distribution 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 separate financial statements in the year in which the shareholder list for dividend payment is finalised according to Resolution of Board of Directors 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 net profit after CIT of the Corporation and subject to shareholders' approval at the Annual General Meeting of Shareholders. This fund is used for expanding and developing the business of the Corporation in the form of additional capital contribution.

**(b) Bonus and welfare fund**

Bonus and welfare fund is appropriated from the Corporation's net profit after CIT and subject to shareholders' approval at the Annual General Meeting of Shareholders. This fund is presented as a liability on the separate balance sheet and is used for rewarding, encouraging the employees and rewarding executive management.

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

**2.21 Revenue recognition**

**(a) Revenue from sales of goods**

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

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

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

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

**(b) Revenue from rendering of services**

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

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

**(c) Revenue from 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 2.9.

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

**2.21 Revenue recognition (continued)**

**(d) Revenue from rendering of operating lease services**

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

**(e) Interest income**

Interest income is recognised on an earned basis.

**(f) Dividend, profit distribution income**

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

**2.22 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 year, and recorded on the basis of matching with revenue and on a prudence basis.

**2.23 Financial expenses**

Financial expenses are expenses incurred in the year 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.

**2.24 Selling expenses**

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

**2.25 General and administration expenses**

General and administration expenses represent expenses for administrative purposes of the Corporation.

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

**2.26 Current and deferred income tax**

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

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, 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 separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the separate 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 separate balance sheet date.

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

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.

**2.27 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Corporation, or owning, directly or indirectly, an interest in the voting power of the Corporation that gives them significant influence over the Corporation, including key management personnel 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.28 Segment reporting**

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

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

**2.29 Critical accounting estimates**

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities; disclosures of contingent assets and liabilities at the date of the separate financial statements; and the reported amounts of revenues and expenses during the fiscal year.

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

**3 CASH AND CASH EQUIVALENTS**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	5,066,652,704	2,694,751,338
Cash at bank	1,295,458,346,539	1,778,464,553,835
Cash equivalents (*)	373,000,000,000	1,754,000,000,000
	<u>1,673,524,999,243</u>	<u>3,535,159,305,173</u>

(\*) Cash equivalents include term deposits in VND with the original maturity of three months or less at commercial banks and earn interest at the average rates from 5.9% to 6% per annum (as at 31 December 2021: 2.9% to 3.5% per annum).

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

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**4 INVESTMENTS**

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

	<b>2022</b>		<b>2021</b>	
	<b>Cost VND</b>	<b>Book value VND</b>	<b>Cost VND</b>	<b>Book value VND</b>
Term deposits	<u>3,692,000,000,000</u>	<u>3,692,000,000,000</u>	<u>1,639,000,000,000</u>	<u>1,639,000,000,000</u>

Term deposits represent the value of term deposits in VND with the remaining maturity of not more than 12 months at commercial banks and earn interest at the rate ranging from 4.1% to 10.3% per annum (as at 31 December 2021: from 3.7% to 6.7% per annum).

**(b) Long-term investments**

	<b>2022</b>		<b>2021</b>	
	<b>Cost VND</b>	<b>Provision VND</b>	<b>Cost VND</b>	<b>Provision VND</b>
Investments in subsidiaries (i)	3,186,935,509,600	(783,957,298,552)	3,186,935,509,600	(804,000,276,368)
Investments in associates and joint ventures (ii)	1,603,077,039,235	(172,063,452,400)	1,603,077,039,235	(172,063,452,400)
Investments in other entities (iii)	3,000,000,000	(819,246,567)	3,000,000,000	(810,237,811)
	<u>4,793,012,548,835</u>	<u>(956,839,997,519)</u>	<u>4,793,012,548,835</u>	<u>(976,873,966,579)</u>

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

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**4 INVESTMENTS (continued)**

**(b) Long-term investments (continued)**

*(i) Investments in subsidiaries*

Details of investments in subsidiaries are as follows:

No	Company	2022					2021				
		Ownership %	Voting right %	Cost VND	Market value/ Fair value VND	Provision VND	Ownership %	Voting right %	Cost VND	Market value/ Fair value VND	Provision VND
1	PTSC Geos and Subsea Services Company Limited	100	100	300,000,000,000	(*)	-	100	100	300,000,000,000	(*)	-
2	PTSC Mechanical and Construction Services Company Limited	100	100	628,160,788,070	(*)	-	100	100	628,160,788,070	(*)	-
3	Petro Hotel Company Limited	100	100	20,000,000,000	(*)	(20,000,000,000)	100	100	20,000,000,000	(*)	(20,000,000,000)
4	PTSC Labuan Company Limited	100	100	12,790,119,530	(*)	-	100	100	12,790,119,530	(*)	-
5	PTSC Quang Ngai Joint Stock Company	95.19	95.19	285,581,000,000	(*)	(166,140,194,552)	95.19	95.19	285,581,000,000	(*)	(186,183,172,368)
6	PTSC Offshore Services Joint Stock Company	84.95	84.95	339,807,000,000	(*)	-	84.95	84.95	339,807,000,000	(*)	-
7	PTSC Phu My Port Joint Stock Company	59.61	59.61	208,645,000,000	(*)	-	59.61	59.61	208,645,000,000	(*)	-
8	PTSC Thanh Hoa Technical Services Company	54.69	54.69	218,773,000,000	(*)	-	54.69	54.69	218,773,000,000	(*)	-
9	PTSC Production Services Joint Stock Company	51	51	102,000,000,000	(*)	-	51	51	102,000,000,000	(*)	-
10	PetroVietnam Securities Joint Stock Company	51	51	15,300,000,000	(*)	-	51	51	15,300,000,000	(*)	-
11	Dinh Vu Petroleum Services Port Joint Stock Company	51	51	204,000,000,000	(*)	-	51	51	204,000,000,000	(*)	-
12	PTSC CGGV Geophysical Survey Company Limited (**)	51	51	597,817,104,000	(*)	(597,817,104,000)	51	51	597,817,104,000	(*)	(597,817,104,000)
13	Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company	51	51	254,061,498,000	(*)	-	51	51	254,061,498,000	(*)	-
				<u>3,186,935,509,600</u>		<u>(783,957,298,552)</u>					<u>(804,000,276,368)</u>

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## 4 INVESTMENTS (continued)

### (b) Long-term investments (continued)

#### (i) Investments in subsidiaries (continued)

(\*) As at 31 December 2022 and 31 December 2021, these are long-term investments that the Corporation intends to invest in the long run. As a result, the fair value of such investments may be different from their book value.

(\*\*) As at this reporting date, PTSC CGGV has stopped its operation and has been carrying out necessary procedures to dissolve its operation in accordance with approved official documents from authorities and the Resolution of the Corporation's Board of Directors ("BOD").

#### (ii) Investment in associates and joint ventures

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

No	Company	2022					2021				
		Ownership %	Voting right %	Cost VND	Fair value VND	Provision VND	Ownership %	Voting right %	Cost VND	Fair value VND	Provision VND
1	Vietnam Offshore Floating Terminal (Ruby) Limited (i)	60	50	156,473,118,448	(*)	-	60	50	156,473,118,448	(*)	-
2	PTSC South East Asia Private Limited (ii)	51	50	340,800,232,500	(*)	-	51	50	340,800,232,500	(*)	-
3	PTSC Asia Pacific Private Limited (iii)	51	50	641,415,780,000	(*)	-	51	50	641,415,780,000	(*)	-
4	Malaysia Vietnam Offshore Terminal (Labuan) Limited (iv)	49	50	292,324,455,887	(*)	-	49	50	292,324,455,887	(*)	-
5	Rong Doi MV12 Private Limited (v)	33	33	106,022,400	(*)	(106,022,400)	33	33	106,022,400	(*)	(106,022,400)
6	PetroVietnam Marine Shipyard Joint Stock Company (vi)	28.75	28.75	171,957,430,000	(*)	(171,957,430,000)	28.75	28.75	171,957,430,000	(*)	(171,957,430,000)
				<u>1,603,077,039,235</u>	<u>(172,063,452,400)</u>				<u>1,603,077,039,235</u>	<u>(172,063,452,400)</u>	



## PETROVIETNAM TECHNICAL SERVICES CORPORATION

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### 4 INVESTMENTS (continued)

#### (b) Long-term investments (continued)

##### (ii) *Investment in associates and joint ventures (continued)*

- (\*) As at 31 December 2022 and 31 December 2021, these are long-term investments that the Corporation intends to invest in the long run. As a result, the fair value of such investments may be different from their book value.
- (i) 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 VOLT based on the agreement between Vietnam Oil and Gas Group and Petronas Carigali Vietnam Limited. As at 31 December 2022 and 31 December 2021, the Corporation's capital contribution in VOLT is USD8,784,000, equivalent to VND156,473,118,448.
- (ii) 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 supply FSO services (FSO "PTSC Bien Dong 01") for Branch of Vietnam Oil and Gas Group - 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 31 December 2022 and 31 December 2021, the Corporation's capital contribution in PTSC SEA is USD16,320,000, equivalent to VND340,800,232,500.

## PETROVIETNAM TECHNICAL SERVICES CORPORATION

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### 4 INVESTMENTS (continued)

#### (b) Long-term investments (continued)

##### (ii) *Investment in associates and joint ventures (continued)*

- (iii) 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/BKHTD-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 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 31 December 2022 and 31 December 2021, the Corporation’s contributed capital in PTSC AP is USD30,600,000 equivalent to VND641,415,780,000.
- (iv) Malaysia Vietnam Offshore Terminal (Labuan) Limited (“MVOT”) is a jointly controlled venture company established between the Corporation and its partner, Malaysia International Shipping Corporation Berhad (“MISC”), in 2009 to:
- invest in 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 “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 31 December 2022 and 31 December 2021, the Corporation's capital contribution in MVOT is USD17,258,911, equivalent to VND292,324,455,887.

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

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**4 INVESTMENTS (continued)**

**(b) Long-term investments (continued)**

*(ii) Investment in associates and joint ventures (continued)*

- (v) Rong Doi MV12 Private Limited is a jointly controlled venture company established between the Corporation and its partner, Modec Inc., and Mitsui Co., Ltd. (Both Modec, Inc. and Mitsui Co., Ltd are incorporated in Japan) in 2006 to invest in FSO “Rong Doi MV 12” with the capacity of 300,000 barrels of oil for Korea National Oil Corporation (“KNOC”) to charter from 2007; to use for oil exploitation at Rong Doi field - Rong Doi Tay Blocks 11-2 offshore Vietnam. The lease term is 07 years fixed and is renewed each year until the expiry of the FSO's useful life. As at 31 December 2022 and 31 December 2021, the Corporation's capital contribution in Rong Doi MV12 Private Limited is USD6,600, equivalent to VND106,022,400.
- (vi) PetroVietnam Marine Shipyard Joint Stock Company is a joint stock company established under Enterprise Registration Certificate No.3500806844 dated 9 July 2007 issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province with the registered charter capital of VND594,897,870,000. As at 31 December 2022 and 31 December 2021, the Corporation's contributed capital at PetroVietnam Marine Shipyard Joint Stock Company is VND171,957,430,000, accounting for 28.75% of charter capital.

*(iii) Investment in other entities*

Details of investment in other entity are as follows:

Company	2022					2021				
	Ownership %	Voting right %	Cost VND	Fair value VND	Provision VND	Ownership %	Voting right %	Cost VND	Fair value VND	Provision VND
Nhon Trach Shipyard Joint Stock Company	1.49%	1.49%	3,000,000,000	(*)	(819,246,567)	1.49%	1.49%	3,000,000,000	(*)	(810,237,811)

- (\*) As at 31 December 2022 and 31 December 2021, this is a long-term investment that the Corporation intends to invest in the long run. As a result, the fair value of such investment may be different from its book value.

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**4 INVESTMENTS (continued)**

**(b) Long-term investments (continued)**

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

	<b>2022</b>			
	<b>Investments in subsidiaries VND</b>	<b>Investments in associates and joint ventures VND</b>	<b>Investments in other entities VND</b>	<b>Total VND</b>
As at 1 January 2022	804,000,276,368	172,063,452,400	810,237,811	976,873,966,579
Additional provision (Note 31)	-	-	9,008,756	9,008,756
Reversal of provisions (Note 31)	(20,042,977,816)	-	-	(20,042,977,816)
As at 31 December 2022	<u>783,957,298,552</u>	<u>172,063,452,400</u>	<u>819,246,567</u>	<u>956,839,997,519</u>
	<b>2021</b>			
	<b>Investments in subsidiaries VND</b>	<b>Investments in associates and joint ventures VND</b>	<b>Investments in other entities VND</b>	<b>Total VND</b>
As at 1 January 2021	819,971,244,459	172,063,452,400	799,729,584	992,834,426,443
Additional provision (Notes 31)	-	-	10,508,227	10,508,227
Reversal of provisions (Note 31)	(15,970,968,091)	-	-	(15,970,968,091)
As at 31 December 2021	<u>804,000,276,368</u>	<u>172,063,452,400</u>	<u>810,237,811</u>	<u>976,873,966,579</u>

**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties		
TPSK Consortium	254,999,413,327	297,761,391,378
Operating Office of Idemitsu Gas Production (Vietnam) Co., Ltd in Ho Chi Minh City	67,035,021,469	52,424,258,293
Allianz Marine Services LLC	23,228,572,500	-
Operating Office of Premier Oil Vietnam Offshore B.V. in Ho Chi Minh City	22,579,762,849	18,801,307,049
Minh Anh Construction Joint Stock Company	16,669,265,711	16,669,265,711
Lam Hong Diving Services Co., Ltd	12,953,532,326	7,910,311,531
Hoang Long Joint Operating Company	12,951,484,718	8,826,033,532
Hibiscus Oil & Gas Malaysia Limited	11,216,690,810	-
Greenstar Technical Services Joint Stock Company	10,363,250,102	-
Others	119,674,355,478	120,891,081,538
	<u>551,671,349,290</u>	<u>523,283,649,032</u>
Related parties (Note 37(b))	2,592,128,088,474	2,400,402,489,332
	<u>3,143,799,437,764</u>	<u>2,923,686,138,364</u>

As at 31 December 2022 and 31 December 2021, the balances of short-term trade accounts receivable which were past due and were made provision of doubtful debts are presented in Note 9.

**6 PREPAYMENTS TO SUPPLIERS**

**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties		
Vietnam Machinery Installation Corporation	100,613,950,134	100,613,950,134
My Dung Machine Co., Ltd	20,945,574,000	-
SCI E&C Joint Stock Company	13,588,401,409	13,728,101,409
Bach Dang Thang Long Joint Stock Company	7,880,461,392	7,880,461,392
Bach Dang Construction Corporation - JSC	7,210,821,152	7,210,821,152
Black Cat Joint Stock Company	-	16,246,344,703
Others	22,325,823,966	32,901,202,016
	<u>172,565,032,053</u>	<u>178,580,880,806</u>
Related parties (Note 37(b))	123,946,794,634	107,004,980,557
	<u>296,511,826,687</u>	<u>285,585,861,363</u>

As at 31 December 2022 and 31 December 2021, there was no balance short-term prepayments to suppliers that was past due or not past due but doubtful.

**6 PREPAYMENTS TO SUPPLIERS (continued)**

**(b) Long-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties	485,669,637	21,581,881,704
Related parties (Note 37(b))	-	1,316,405,634
	<u>485,669,637</u>	<u>22,898,287,338</u>

As at 31 December 2022 and 31 December 2021, there was no balance long-term prepayments to suppliers that was past due or not past due but doubtful.

**7 CONSTRUCTION CONTRACTS-IN-PROGRESS RECEIVABLES/PAYABLES**

	<b>2022 VND</b>	<b>2021 VND (As restated - Note 40)</b>
Construction contracts-in-progress receivables	69,968,946,447	79,509,916,775
Construction contracts-in-progress payables	(17,741,336,460)	(230,585,550,110)
	<u>52,227,609,987</u>	<u>(151,075,633,335)</u>

In which:

Accumulated contract costs incurred plus recognized profits less recognized losses	8,090,392,632,584	6,169,938,706,844
Amount of progress billings	(8,038,165,022,597)	(6,321,014,340,179)
	<u>52,227,609,987</u>	<u>(151,075,633,335)</u>

**7 CONSTRUCTION CONTRACTS-IN-PROGRESS RECEIVABLES/PAYABLES  
(continued)**

As at 31 December 2022 and 31 December 2021, the Corporation accounted for revenue, cost of sales following the accounting principles applied for construction contracts for the following projects:

	2022 VND	2021 VND (As restated - Note 40)
<b>Receivables</b>		
Sao Vang - Dai Nguyet pipeline project	66,657,433,451	-
NPK project	3,311,512,996	11,927,115,975
LNG Thi Vai warehosue EPC project	-	67,582,800,800
	<u>69,968,946,447</u>	<u>79,509,916,775</u>
<b>Payables</b>		
Southern Petrochemical complex project	17,741,336,460	107,783,812,138
Sao Vang - Dai Nguyet pipeline project	-	122,801,737,972
	<u>17,741,336,460</u>	<u>230,585,550,110</u>

**8 OTHER RECEIVABLES**

**(a) Short-term**

	2022		2021	
	Book value VND	Provision VND	Book value VND	Provision VND
Accrued revenue from rendering of services	96,629,950,266	-	231,842,952,135	-
Receivables from subsidiaries	84,648,635,877	-	79,176,968,480	-
Interest income	55,755,734,930	-	15,473,102,301	-
Receivables from contract penalties	30,702,486,737	-	6,219,161,494	-
Others	29,445,326,671	(8,017,050)	43,111,276,665	(556,197,892)
	<u>297,182,134,481</u>	<u>(8,017,050)</u>	<u>375,823,461,075</u>	<u>(556,197,892)</u>
In which:				
Third parties	176,390,722,155	(8,017,050)	78,120,124,054	-
Related parties (Note 37(b))	120,791,412,326	-	297,703,337,021	(556,197,892)
	<u>297,182,134,481</u>	<u>(8,017,050)</u>	<u>375,823,461,075</u>	<u>(556,197,892)</u>

As at 31 December 2022 and 31 December 2021, the balances of other short-term receivables which were past due and were made provision of doubtful debts are presented in Note 9.

**8 OTHER RECEIVABLES (continued)**

**(b) Long-term**

	<b>2022</b>		<b>2021</b>	
	<b>Book value VND</b>	<b>Provision VND</b>	<b>Book value VND</b>	<b>Provision VND</b>
Deposits				
North East Sea				
Petroleum Transport				
Services Joint Stock				
Company	34,736,526,000	-	34,736,526,000	-
Long SBS Vietnam				
Joint Stock Company	30,573,790,000	-	30,573,790,000	-
Others	6,804,071,437	-	6,801,478,971	-
Related parties (Note				
37(b)) (*)	358,891,628,649	-	358,891,628,649	-
	<u>431,006,016,086</u>	<u>-</u>	<u>431,003,423,620</u>	<u>-</u>

(\*) Other long-term receivables with a related party represent the value of internal receivables between the Corporation and PTSC Quang Ngai Joint Stock Company (Note 37(b)).

As at 31 December 2022 and 31 December 2021, there was no balances of other long-term receivables which were past due.



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**9 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM**

<b>2022</b>				
	<b>Cost VND</b>	<b>Recoverable amount VND</b>	<b>Provision VND</b>	<b>Overdue</b>
Third parties	8,805,135,586	5,050,708,973	3,754,426,613	Over 6 months - Over 3 years
Related parties				
PTSC CGGV Geophysical Survey Company Limited	75,067,614,298	-	75,067,614,298	Over 3 years
PetroVietnam Fertilizer and Chemicals Corporation	52,754,137,292	21,424,354,454	31,329,782,838	Over 1 year - Over 3 years
PetroVietnam Domestic Exploration Production Operating Company Limited	22,948,318,009	431,474,670	22,516,843,339	Over 6 months - Over 3 years
Management Board of Nghi Son Refinery and Petrochemical Complex Project	15,098,497,832	-	15,098,497,832	Over 3 years
Others	77,410,857,300	61,008,941,733	16,401,915,567	Over 6 months - Over 3 years
	<u>252,084,560,317</u>	<u>87,915,479,830</u>	<u>164,169,080,487</u>	
<b>2021</b>				
	<b>Cost VND</b>	<b>Recoverable amount VND</b>	<b>Provision VND</b>	<b>Overdue</b>
Third parties	66,004,848,382	62,137,362,700	3,867,485,682	Over 6 months - Over 3 years
Related parties				
PTSC CGGV Geophysical Survey Company Limited	75,067,614,298	-	75,067,614,298	Over 2 years - Over 3 years
PetroVietnam Fertilizer and Chemicals Corporation	68,416,092,099	35,162,060,575	33,254,031,524	Over 1 year - Over 3 years
PetroVietnam Domestic Exploration Production Operating Company Limited	34,991,401,253	8,865,219,165	26,126,182,088	Over 2 years - Over 3 years
Management Board of Nghi Son Refinery and Petrochemical Complex Project	15,098,497,832	-	15,098,497,832	Over 3 years
Others	93,546,335,400	79,361,363,968	14,184,971,432	Over 6 months - Over 3 years
	<u>353,124,789,264</u>	<u>185,526,006,408</u>	<u>167,598,782,856</u>	

**10 INVENTORIES**

**(a) Inventories**

	<b>2022</b>		<b>2021</b>	
	<b>Cost VND</b>	<b>Provision VND</b>	<b>Cost VND</b>	<b>Provision VND</b>
Raw materials	15,477,483,995	(76,363,636)	25,295,595,142	(76,363,636)
Tools and supplies	1,858,260,472	-	2,002,678,461	-
Work in progress (*)	12,786,495,683	-	125,375,393,076	-
Merchandise	3,920,258,005	-	2,894,820,176	-
	<u>34,042,498,155</u>	<u>(76,363,636)</u>	<u>155,568,486,855</u>	<u>(76,363,636)</u>

(\*) Work in progress represents the cost incurred from construction contracts of the following services, projects:

	<b>31.12.2022 VND</b>	<b>31.12.2021 VND</b>
Supply of FPSO service	5,834,421,896	12,575,577,235
Supply of technology service vessels	4,734,742,903	2,655,789,557
Southern Petrochemical Complex project	-	82,125,622,748
LNG Thi Vai warehouse EPC project	-	23,522,199,969
Others	2,217,330,884	4,496,203,567
	<u>12,786,495,683</u>	<u>125,375,393,076</u>

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

	<b>2022 VND</b>	<b>2021 VND</b>
Beginning of year	76,363,636	34,363,636
Provisions	-	42,000,000
End of year	<u>76,363,636</u>	<u>76,363,636</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.

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**11 PREPAID EXPENSES**
**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Tools and equipment	4,406,177,040	3,943,577,871
Insurance expense	1,773,791,463	1,519,252,968
Others	4,971,958,861	4,246,566,206
	<u>11,151,927,364</u>	<u>9,709,397,045</u>

**(b) Long-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Office rental expense at head office, No. 1-5 Le Duan street	263,185,980,666	270,158,138,070
Site clearance at Son Tra port	87,625,978,026	90,114,098,310
Repair and maintenance costs waiting to be allocated	36,688,662,260	25,816,418,428
Dredging cost at Vung Tau port	13,935,073,219	-
Tools and equipment	11,682,936,326	754,063,444
Prepayment for land rental at Son Tra port	2,984,373,691	3,068,967,463
Others	7,999,191,648	7,446,292,601
	<u>424,102,195,836</u>	<u>397,357,978,316</u>

Movement of long-term prepaid expenses during the year is as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Beginning of year	397,357,978,316	390,717,505,277
Increase	64,723,949,115	26,384,499,952
Allocation	(37,979,731,595)	(19,744,026,913)
End of year	<u>424,102,195,836</u>	<u>397,357,978,316</u>

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**12 FIXED ASSETS**

**(a) Tangible fixed assets**

	<b>Buildings and structures VND</b>	<b>Machinery and equipment VND</b>	<b>Vehicles VND</b>	<b>Office equipment VND</b>	<b>Others VND</b>	<b>Total VND</b>
<b>Historical cost</b>						
As at 1 January 2022	1,230,673,164,922	142,207,699,778	3,504,774,811,156	80,761,987,796	2,556,219,074	<b>4,960,973,882,726</b>
New purchases	-	574,545,455	245,761,711,233	3,838,055,636	-	<b>250,174,312,324</b>
Transfers from construction in progress (Note 14(b))	-	490,941,200	-	-	-	<b>490,941,200</b>
Disposals	-	(1,527,137,381)	(148,660,514,500)	-	-	<b>(150,187,651,881)</b>
Other decrease	-	-	(24,483,325,243)	-	-	<b>(24,483,325,243)</b>
Reclassification	(12,699,211,386)	-	-	12,699,211,386	-	<b>-</b>
As at 31 December 2022	<u>1,217,973,953,536</u>	<u>141,746,049,052</u>	<u>3,577,392,682,646</u>	<u>97,299,254,818</u>	<u>2,556,219,074</u>	<b><u>5,036,968,159,126</u></b>
<b>Accumulated depreciation</b>						
As at 1 January 2022 (As restated - Note 40)	882,442,255,283	135,124,704,368	2,741,138,662,362	78,333,609,326	2,010,841,804	<b>3,839,050,073,143</b>
Charge for the year	19,836,653,537	4,050,252,086	122,230,161,268	1,577,691,711	272,374,619	<b>147,967,133,221</b>
Disposals	-	(1,527,137,381)	(148,660,514,500)	-	-	<b>(150,187,651,881)</b>
Reclassification	(12,699,211,386)	-	-	12,699,211,386	-	<b>-</b>
As at 31 December 2022	<u>889,579,697,434</u>	<u>137,647,819,073</u>	<u>2,714,708,309,130</u>	<u>92,610,512,423</u>	<u>2,283,216,423</u>	<b><u>3,836,829,554,483</u></b>
<b>Net book value</b>						
As at 1 January 2022 (As restated - Note 40)	<u>348,230,909,639</u>	<u>7,082,995,410</u>	<u>763,636,148,794</u>	<u>2,428,378,470</u>	<u>545,377,270</u>	<b><u>1,121,923,809,583</u></b>
As at 31 December 2022	<u>328,394,256,102</u>	<u>4,098,229,979</u>	<u>862,684,373,516</u>	<u>4,688,742,395</u>	<u>273,002,651</u>	<b><u>1,200,138,604,643</u></b>

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 31 December 2022 was VND3.324 billion (as at 31 December 2021: VND3.104 billion).

**12 FIXED ASSETS (continued)**

**(a) Tangible fixed assets (continued)**

As at 31 December 2022, the Corporation has pledged its tangible fixed assets formed from borrowings as collateral assets for the borrowings of the Corporation (Note 22) whose historical cost is VND1,092 billion (as at 31 December 2021: VND1,200 billion).

**(b) Intangible fixed assets**

	Land use rights VND	Software VND	Other VND	Total VND
<b>Historical cost</b>				
As at 1 January 2022	1,310,220,000	41,184,144,210	132,000,000	42,626,364,210
New purchases	-	1,583,050,000	-	1,583,050,000
Other increase (Note 14(b)) (*)	49,463,685,500	-	-	49,463,685,500
Disposals	-	(404,522,500)	-	(404,522,500)
As at 31 December 2022	50,773,905,500	42,362,671,710	132,000,000	93,268,577,210
<b>Accumulated amortisation</b>				
As at 1 January 2022	405,804,250	36,786,226,597	132,000,000	37,324,030,847
Charge for the year	26,204,400	1,474,058,621	-	1,500,263,021
Disposals	-	(404,522,500)	-	(404,522,500)
As at 31 December 2022	432,008,650	37,855,762,718	132,000,000	38,419,771,368
<b>Net book value</b>				
As at 1 January 2022	904,415,750	4,397,917,613	-	5,302,333,363
As at 31 December 2022	50,341,896,850	4,506,908,992	-	54,848,805,842

(\*) This is the payment of long-term land use fee of Lot 1838.9m<sup>2</sup> at 266 Le Loi Street, Ward 7, Vung Tau based on the transfer of cadastral information No. 130/VPĐKQSDĐ dated February 22, 2011 of the Land Use Right Registration Office of Ba Ria Vung Tau province, the Land-Use Change No. 236/QĐ-UBND on January 25th, 2021, the decision approving the specific land price No. 3879A/QĐ-UBND dated November 12th, 2021 of the People's Committee of Ba Ria Vung Tau province and the notice of payment of house and land registration fee on November 29th, 2021 of the Tax Department in Ba Ria Vung Tau province.

The historical cost of intangible fixed assets that were fully amortised but still in use as at 31 December 2022 was VND35 billion (as at 31 December 2021: VND35 billion).

**13 INVESTMENT PROPERTIES**

	<b>Buildings and structures VND</b>
<b>Historical cost</b>	
As at 1 January 2022 and 31 December 2022	49,793,402,682
<b>Accumulated depreciation</b>	
As at 1 January 2022	16,182,855,910
Charge for the year	2,489,670,144
As at 31 December 2022	18,672,526,054
<b>Net book value</b>	
As at 1 January 2022	33,610,546,772
As at 31 December 2022	31,120,876,628

Investment properties represent the value of wharfs being constructed and held for lease.

In the year ended 31 December 2022, revenue from investment properties is VND5,256,000,000 (in 2021: VND4,788,000,000). Direct expenses incurred from investment properties relating to revenue from leasing in 2022 and in 2021 is VND2,489,670,139.

The Corporation has not been able to collect sufficient information of similar properties as a basis for fair value comparison, therefore fair value of the investment properties as at 31 December 2022 has not been disclosed in the separate financial statements. However, given the occupancy rate of these properties, in the view of the Board of Management, the market value of these properties is likely higher than the net book values at the separate balance sheet date.

**14 LONG-TERM ASSETS IN PROGRESS**

**(a) Long-term work in progress**

	<b>2022</b>		<b>2021</b>
	<b>Cost VND</b>	<b>Recoverable amount VND</b>	<b>Cost VND</b>
			<b>Recoverable amount VND</b>
Long Phu 1 Thermal Power Plant Project	301.308.440.489	-	301.308.440.489
	-		-

**14 LONG-TERM ASSETS IN PROGRESS (continued)**

**(a) Long-term work in progress (continued)**

Long-term work in progress represents the work in progress of Long Phu 1 Thermal Power Plant Project for foreign design by Black & Veatch International ("the Contractor"). By the time of preparing the interim separate financial statements, the Corporation and the investor have not finalized the value of this item. 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 were established pursuant to Decision NO.0934/QD-PTSCLP dated 21 December 2017 and decided to make provision for net realizable value of the cost with total amount of VND301,308,440,489.

**(b) Construction in progress**

Details of construction in progress are as below:

	2022 VND	2021 VND
Land use right of Lot 1838.9m <sup>2</sup> at 266 Le Loi, Vung Tau City	-	49,463,685,500
Expenses for vessels	5,921,600,651	-
Others	2,702,366,049	497,710,203
	<u>8,623,966,700</u>	<u>49,961,395,703</u>

Movements of construction in progress during the year are as follows:

	2022 VND	2021 VND
Beginning of year	49,961,395,703	119,595,260,187
Increase	8,617,197,697	62,845,266,584
Transferred to tangible fixed assets (Note 12(a))	(490,941,200)	(132,479,131,068)
Transferred to intangible fixed assets (Note 12(b))	(49,463,685,500)	-
End of year	<u>8,623,966,700</u>	<u>49,961,395,703</u>

**15 DEFERRED INCOME TAX ASSETS**

The details of deferred income tax assets were as follows:

	2022 VND	2021 VND
Deferred income tax assets:		
Deferred income tax assets to be recovered after more than 12 months	<u>23,864,702,443</u>	<u>83,565,571,486</u>

In which, deferred income tax mainly arises from the temporary differences of the following items:

The movement in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, during the year is as follows:

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

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 is subject to review and approval of the tax authorities and may be different from the figures presented. The estimated amount of tax losses available for offset against the Corporation's future taxable income is:

The Corporation did not recognise deferred income tax assets relating to the above tax losses carried forward due to the Board of Management assessed that the realisation of the sufficient related tax benefit through future taxable income from the main operating activities currently cannot be assessed as probable.



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**16 SHORT-TERM TRADE ACCOUNTS PAYABLE**

	<b>2022</b>		<b>2021</b>	
	<b>Value VND</b>	<b>Able-to-pay amount VND</b>	<b>Value VND</b>	<b>Able-to-pay amount VND</b>
Third parties				
Hai Duong Petroleum and Marine Corporation	82,840,477,412	82,840,477,412	44,197,707,828	44,197,707,828
Vietnam Machinery Installation Corporation - Joint Stock Company	59,992,827,687	59,992,827,687	59,992,827,687	59,992,827,687
Asia Investment and Asset Management Joint Stock Company	49,357,246,410	49,357,246,410	35,831,702,252	35,831,702,252
SCI E&C Joint Stock Company	45,772,580,686	45,772,580,686	45,912,280,686	45,912,280,686
Saigon Shipyard Company Limited	42,062,400,000	42,062,400,000	42,062,400,000	42,062,400,000
North East Sea Petroleum Transport Services Joint Stock Company	41,563,025,000	41,563,025,000	24,827,000,000	24,827,000,000
Fecon Corporation	23,028,036,135	23,028,036,135	33,924,635,591	33,924,635,591
Technip VietNam Company Limited	18,762,236,392	18,762,236,392	-	-
Black Cat Joint Stock Company	18,153,966,725	18,153,966,725	8,416,821,755	8,416,821,755
Long SBS Vietnam Joint Stock Company	16,019,674,857	16,019,674,857	5,711,287,613	5,711,287,613
Lam Hong Diving Service Company Limited	15,595,152,897	15,595,152,897	13,708,162,384	13,708,162,384
Black & Veatch International Co.	14,888,082,164	14,888,082,164	14,379,892,254	14,379,892,254
Hoang Lien Son Construction Company Limited	14,340,535,272	14,340,535,272	8,437,118,973	8,437,118,973
Tan Cang Offshore Services Joint Stock Company	13,883,420,945	13,883,420,945	9,607,374,852	9,607,374,852
Minh Anh Construction Joint Stock Company	12,412,981,569	12,412,981,569	12,412,981,569	12,412,981,569
Nam Tien Thinh Trading and Manufacture Company Limited	12,348,105,750	12,348,105,750	-	-
Toisa Limited	11,993,079,353	11,993,079,353	11,583,707,491	11,583,707,491
Regulus Offshore Sdn Bhd	11,469,509,888	11,469,509,888	-	-
South Viet New Spring Corporation	-	-	58,549,339,456	58,549,339,456
Others	285,407,910,918	285,407,910,918	318,243,871,493	318,243,871,493
	<u>789,891,250,060</u>	<u>789,891,250,060</u>	<u>747,799,111,884</u>	<u>747,799,111,884</u>
Related parties (Note 37(b))	1,760,631,682,268	1,760,631,682,268	1,950,643,204,255	1,950,643,204,255
	<u>2,550,522,932,328</u>	<u>2,550,522,932,328</u>	<u>2,698,442,316,139</u>	<u>2,698,442,316,139</u>

**17 ADVANCES FROM CUSTOMERS**

**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties		
Anh Phat Investment Construction - Trading Joint Stock Company	20,878,500,000	-
Yunnan (HongKong) Logistics Development Limited	16,117,443,493	17,540,255,268
Phu bia Mining Limited	13,819,167,108	8,030,885,544
Vientiane Hongshi Saythirath Cement Company Limited	6,107,570,056	6,107,570,056
TPSK Consortium	-	54,408,599,849
Others	9,832,877,819	18,217,039,298
	<hr/>	<hr/>
	66,755,558,476	104,304,350,015
Related parties (Note 37(b))	62,415,024,609	37,795,592,179
	<hr/>	<hr/>
	<u>129,170,583,085</u>	<u>142,099,942,194</u>

**(b) Long-term**

Long-term advances from customers are mainly comprised 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 31 December 2022 and 31 December 2021 of VND781,044,054,435 (Note 37(b)).

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**18 TAX AND OTHER PAYABLES TO THE STATE**

	<b>2022 VND</b>	<b>2021 VND (As restated - Note 40)</b>
CIT	13,321,091,721	13,951,404,770
Value added tax ("VAT")	20,977,842,437	2,903,245,999
Personal income tax ("PIT")	3,032,551,965	3,620,544,729
Others	7,104,119,766	5,365,440,374
	<u>44,435,605,889</u>	<u>25,840,635,872</u>

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

	<b>As at 1.1.2022 VND (As restated - Note 40)</b>	<b>Payables during the year VND</b>	<b>Paid during the year VND</b>	<b>As at 31.12.2022 VND</b>
CIT	13,951,404,770	126,128,740,708	(126,759,053,757)	13,321,091,721
VAT	2,903,245,999	81,036,475,800	(62,961,879,362)	20,977,842,437
PIT	3,620,544,729	73,729,363,491	(74,317,356,255)	3,032,551,965
Others	5,365,440,374	80,297,087,581	(78,558,408,189)	7,104,119,766
	<u>25,840,635,872</u>	<u>361,191,667,580</u>	<u>(342,596,697,563)</u>	<u>44,435,605,889</u>

**19 SHORT-TERM ACCRUED EXPENSES**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
Cost of Southern Petrochemical Complex project	352,855,685,517	180,846,215,896
Cost of Sao Vang - Dai Nguyet pipeline project	81,238,827,456	-
Cost of LNG Thi Vai warehouse EPC project	59,091,658,260	4,729,162,365
Cost of PVN 15 project	42,235,003,605	45,709,917,243
Cost of supply technology service vessels	20,942,243,973	10,791,924,390
Cost of vessels for Nghi Son Refinery and Petrochemicals Complex project	12,575,757,105	11,219,101,243
Cost of Long Phu Thermal Power Plant 1 project	10,332,910,546	5,482,085,962
Cost of NPK project	8,717,038,500	2,222,461,257
Cost of supply FSO refrigerated LPG in the North of Vietnam	8,327,628,744	48,325,341,906
Cost of packages of services for Nghi Son Refinery and Petrochemicals Plant	4,019,948,372	1,519,736,590
Others	33,243,917,510	27,462,908,685
	<u>633,580,619,588</u>	<u>338,308,855,537</u>

**20 UNEARNED REVENUE**

The unearned revenue represents the advanced amount received from Nghi Son Refinery and Petrochemical Company Limited according to the Contract No. 037/2016/NSRP.OPE-PTSC dated 7 October 2016 on shipbuilding, using ships and maritime services in 15 years since 2019. The balance of this unearned revenue was completely allocated in the year ended 31 December 2022.

**21 OTHER PAYABLES**

**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Vietnam Shipbuilding Industry Corporation (i)	430,146,510,262	414,334,908,728
Dividend payables to non-custodial shareholders (ii)	8,638,864,374	8,545,046,574
Payable to employees	3,946,999,180	11,751,163,404
Others	16,631,264,976	23,080,491,351
Related parties (Note 37(b))	37,730,593,429	14,966,394,977
	<u>497,094,232,221</u>	<u>472,678,005,034</u>

(i) Payable to Vietnam Shipbuilding Industry Corporation is 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. Currently, both parties are carrying out the procedures to finalize the contract for payment of this amount.

(ii) Dividend payables to non-custodial shareholders represent the dividends of the previous years which these shareholders have not yet proceeded to receive.

**(b) Long-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Related parties (Note 37(b)) (*)	69,473,052,000	69,473,052,000

(\*) Long-term other payables to related party represent the deposit of the Branch of PetroVietnam Gas Corporation - Gas Trading Company for the supply of vessels and operation services of LPG storage vessels in the Northern region in 3 years in accordance with the Contract No. 36/HDKN/2021/KDK-PTSC/04 dated 31 March 2021.

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**22 BORROWINGS**

**(a) Short-term**

	<b>As at 1.1.2022 VND</b>	<b>New drawdowns during the year VND</b>	<b>Repaid during the year VND</b>	<b>Current portion of long-term borrowings VND</b>	<b>Revaluation VND</b>	<b>As at 31.12.2022 VND</b>
Current portion of long-term banks borrowings (Note 22(b))	79,058,766,772	-	(79,680,818,972)	93,369,322,284	622,052,200	93,369,322,284

**(b) Long-term**

	<b>As at 1.1.2022 VND</b>	<b>New drawdowns during the year VND</b>	<b>Repaid during the year VND</b>	<b>Current portion of long-term borrowings VND</b>	<b>Revaluation VND</b>	<b>As at 31.12.2022 VND</b>
Long-term banks borrowing	455,394,998,407	174,920,073,409	-	(93,369,322,284)	-	536,945,749,532

Long-term borrowings represent 3 credit facilities from commercial banks in Vietnam, in which:

- Credit facility 1 is in VND with the credit limit of more than VND675 billion and will be matured in 120 months since 2018;
- Credit facility 2 is in VND with the credit limit of more than VND640 billion and will be matured in 96 months since 2021; and
- Credit facility 3 is in VND with the credit limit of more than VND19 billion and will be matured in 84 months since 2022.

**22 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, specialized equipment used in petroleum technical services.

The interest of long-term borrowings in VND ranged from 7% per annum to 12.17% per annum in the year ended 31 December 2022 (in the year ended 31 December 2021: from 2.92% per annum to 8.1% per annum).

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

The repayment schedule of long-term borrowing are as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Within one year	93,369,322,284	79,058,766,772
In the second year	96,146,380,985	71,157,799,069
In the third to fifth year	288,439,142,956	213,473,397,208
After five years	152,360,225,591	170,763,802,130
	<hr/>	<hr/>
Payment within 12 months	93,369,322,284	79,058,766,772
	<hr/>	<hr/>
	<b>630,315,071,816</b>	<b>534,453,765,179</b>

**23 PROVISIONS FOR OTHER LIABILITIES**

**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Provision for:		
Guarantee obligation (ii)	325,874,649,355	314,751,241,602
Operation and maintenance of FPSO Lam Son (iii)	41,579,866,001	41,579,866,001
Provision for construction warranty of (i):		
NH3 project	9,817,750,067	-
NPK project	2,844,543,670	-
Provision for periodic overhaul of service vessels (iv)	11,000,000,000	6,989,072,165
	<hr/>	<hr/>
	<b>391,116,809,093</b>	<b>363,320,179,768</b>

**23 PROVISIONS FOR OTHER LIABILITIES (continued)**

**(b) Long-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Provision for construction warranty (i) of:		
Sao Vang - Dai Nguyet pipeline project	66,621,273,873	66,621,273,873
LNG Thi Vai warehouse EPC project	51,362,076,637	-
NPK project	-	5,369,614,670
NH3 project	-	4,828,044,991
	<u>117,983,350,510</u>	<u>76,818,933,534</u>

- (i) Provision for construction warranty is made for warranty obligations according to the terms and conditions of EPC contracts with customers, from 1% to 3% of the contract value.
- (ii) Provisions for guarantee obligations are made against the Corporation's guarantee obligations for PTSC CGGV's borrowing balance with CGG Holding BV, a foreign company that contributes capital to the establishment of PTSC CGGV. As at 31 December 2022, the borrowing balance of PTSC CGGV is USD 26,926,670.91. As described in Note 4(b), PTSC CGGV has ceased its operations and is implementing the necessary procedures for dissolution. The Corporation assesses the possibility that this subsidiary can repay the above borrowing is uncertain.
- (iii) Provision for operation and maintenance costs of FPSO Lam Son is the value that the Corporation may be payable to PetroVietnam Exploration and Development Corporation ("PVEP") in relation to the Settlement Agreement for the contract signed between the Corporation and Lam Son Joint Operating Company ("Lam Son JOC"), a joint venture between PVEP and Petronas.
- (iv) 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 income statement of respective fiscal year.

**24 BONUS AND WELFARE FUND**

	<b>2022 VND</b>	<b>2021 VND</b>
Beginning of year	341,612,635,109	197,674,753,005
Appropriation from undistributed earnings (Note 26)	187,400,000,003	215,000,000,000
Utilisation	(88,198,666,591)	(71,062,117,896)
End of year	<u>440,813,968,521</u>	<u>341,612,635,109</u>



**25 OWNERS' CAPITAL**

**(a) Number of shares**

	<b>2022</b>		<b>2021</b>	
	<b>Ordinary shares</b>	<b>Preference shares</b>	<b>Ordinary shares</b>	<b>Preference shares</b>
Number of shares registered	477,966,290	-	477,966,290	-
Number of shares issued	477,966,290	-	477,966,290	-
Number of existing shares in circulation	477,966,290	-	477,966,290	-

**(b) Details of owners' shareholding**

	<b>2022</b>		<b>2021</b>	
	<b>Ordinary shares</b>	<b>%</b>	<b>Ordinary shares</b>	<b>%</b>
Vietnam Oil and Gas Group	245,565,000	51.38	245,565,000	51.38
Others	232,401,290	48.62	232,401,290	48.62
Number of shares	477,966,290	100	477,966,290	100

**(c) Movement of share capital**

	<b>Number of shares</b>	<b>Ordinary shares VND</b>	<b>Total VND</b>
As at 1 January 2021	477,966,290	4,779,662,900,000	4,779,662,900,000
As at 31 December 2021	477,966,290	4,779,662,900,000	4,779,662,900,000
As at 31 December 2022	477,966,290	4,779,662,900,000	4,779,662,900,000

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

**PETROVIETNAM TECHNICAL SERVICES CORPORATION**

**Form B 09 – DN**

**26 MOVEMENTS IN OWNERS' EQUITY**

	<b>Owners' capital VND</b>	<b>Share premium VND</b>	<b>Investment and development fund VND</b>	<b>Post-tax undistributed earnings VND</b>	<b>Total VND</b>
As at 1 January 2021	4,779,662,900,000	39,617,060,000	2,636,503,189,630	821,862,409,010	<b>8,277,645,558,640</b>
Net profit for the year (As restated - Note 40)	-	-	-	729,273,077,535	<b>729,273,077,535</b>
Appropriation to investment and development fund	-	-	75,933,819,583	(75,933,819,583)	-
Appropriation to bonus and welfare fund (Note 24)	-	-	-	(215,000,000,000)	<b>(215,000,000,000)</b>
Dividends paid	-	-	-	(477,966,000,000)	<b>(477,966,000,000)</b>
As at 31 December 2021	4,779,662,900,000	39,617,060,000	2,712,437,009,213	782,235,666,962	<b>8,313,952,636,175</b>
Net profit for the year	-	-	-	692,644,851,150	<b>692,644,851,150</b>
Appropriation to investment and development fund (*)	-	-	125,000,000,000	(125,000,000,000)	-
Appropriation to bonus and welfare fund (Note 24) (*)	-	-	-	(187,400,000,003)	<b>(187,400,000,003)</b>
Dividends paid (*)	-	-	-	(382,373,032,000)	<b>(382,373,032,000)</b>
As at 31 December 2022	4,779,662,900,000	39,617,060,000	2,837,437,009,213	780,107,486,109	<b>8,436,824,455,322</b>

(\*) According to the Resolution 188/NQ-PTSC-DHĐCĐ dated 28 April 2022 of the Corporation's Shareholders Annual General Meeting, the shareholders approved the dividend of 2021 with the rate of 8% in cash equivalent to VND382,373,032,000; and appropriation to bonus and welfare fund; appropriation to reward fund for Board of Management with the amount of VND187,400,000,003 and investment and development fund of VND125,000,000,000, respectively.

**27 OFF SEPARATE BALANCE SHEET ITEMS**

**(a) Foreign currencies**

As at 31 December 2022 and 31 December 2021, included in cash and cash equivalents are balances held in following foreign currencies:

	31.12.2022	31.12.2021
US Dollar (USD)	38,777,585	60,731,750
British Pound (GBP)	244,701	244,708
Russian Rubble (RUB)	1,531,537	1,532,395

**(b) Commitments under operating leases**

The future minimum lease receipts/payments under non-cancellable operating leases were presented in Note 38.

**28 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES**

	2022 VND	2021 VND (As restated - Note 40)
<b>Revenue</b>		
Revenue from rendering of services	3,767,453,455,532	3,918,840,951,420
Revenue from construction contracts	1,922,522,064,724	1,634,496,209,475
Revenue from sales of merchandise	3,545,211,816	2,486,743,081
	<u>5,693,520,732,072</u>	<u>5,555,823,903,976</u>
<b>Sales deductions</b>	<u>-</u>	<u>-</u>
<b>Net revenue from sales of goods and rendering of services</b>		
Net revenue from rendering of services	3,767,453,455,532	3,918,840,951,420
Net revenue from sales of construction contracts (*)	1,922,522,064,724	1,634,496,209,475
Net revenue from sales of merchandise	3,545,211,816	2,486,743,081
	<u>5,693,520,732,072</u>	<u>5,555,823,903,976</u>

(\*) In which:

	2022 VND	2021 VND
Accumulated revenue from completed construction contracts during the year	-	-
Accumulated revenue from in progress construction contracts during the year	<u>7,955,481,873,300</u>	<u>5,864,314,585,598</u>

**29 COST OF GOODS SOLD AND SERVICES RENDERED**

	<b>2022 VND</b>	<b>2021 VND (As restated - Note 40)</b>
Cost of services rendered	3,530,089,525,601	3,613,389,380,706
Cost of construction contracts	1,794,618,406,333	1,556,499,605,353
Cost of merchandise sold	2,725,484,022	2,394,678,085
	<u>5,327,433,415,956</u>	<u>5,172,283,664,144</u>

**30 FINANCIAL INCOME**

	<b>2022 VND</b>	<b>2021 VND</b>
Dividend and profit distributed (Note 37(a))	922,646,582,583	868,393,421,511
Interest income	166,301,581,479	133,168,863,830
Foreign exchange gains	69,068,108,845	39,629,222,167
Other	755,850	-
	<u>1,158,017,028,757</u>	<u>1,041,191,507,508</u>

**31 FINANCIAL EXPENSES**

	<b>2022 VND</b>	<b>2021 VND</b>
Interest expense	43,723,959,481	38,167,679,647
Foreign exchange losses	16,519,218,691	48,602,939,150
Reversal of provision for diminution in value of investments (Note 4(b))	(20,033,969,060)	(15,960,459,863)
Other	2,195,907,126	865,953,563
	<u>42,405,116,238</u>	<u>71,676,112,497</u>

**32 SELLING EXPENSES**

	<b>2022 VND</b>	<b>2021 VND</b>
Marketing expenses	15,737,416,579	11,522,588,283
Others	25,118,093,748	20,311,707,676
	<u>40,855,510,327</u>	<u>31,834,295,959</u>

**33 GENERAL AND ADMINISTRATION EXPENSES**

	<b>2022 VND</b>	<b>2021 VND</b>
Staff costs	247,636,545,780	236,197,956,988
Outside services	149,179,042,152	109,689,458,100
Provision for guarantee obligation and doubtful debts	7,693,705,384	9,962,228,832
Depreciation and amortisation	7,722,019,410	12,917,710,920
Others	136,876,824,353	56,463,719,291
	<u>549,108,137,079</u>	<u>425,231,074,131</u>

**34 NET OTHER (EXPENSES)/INCOME**

	<b>2022 VND</b>	<b>2021 VND</b>
<b>Other income</b>		
Gain on disposal of fixed assets	12,636,561,480	446,292,727
Compensation	562,574,351	2,538,248,898
Reversal of provision warranty of construction contract	-	12,933,752,687
Others	3,341,705,061	178,356,757
	<u>16,540,840,892</u>	<u>16,096,651,069</u>
<b>Other expenses</b>		
Fine	(24,483,325,243)	-
Other Penalties	(685,605,245)	(776,253,379)
Others	(4,633,030,732)	(3,221,466,336)
	<u>(29,801,961,220)</u>	<u>(3,997,719,715)</u>
	<u>(13,261,120,328)</u>	<u>12,098,931,354</u>

### 35 CORPORATE INCOME TAX (“CIT”)

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

	2022 VND	2021 VND (As restated - Note 40)
Accounting profit before tax	878,474,460,901	908,089,196,107
Adjustment decreases accounting profit before tax	(1,037,812,052,944)	(917,171,749,568)
Adjustment increases accounting profit before tax	62,042,740,647	75,688,012,067
(Loss)/Gain from normal business activities	(97,294,851,396)	66,605,458,606
Tax rate	20%	20%
CIT from normal business activities	-	13,321,091,721
Taxable income from profit sharing from overseas investments	682,012,500,000	569,726,467,732
Tax rate	20%	20%
	136,402,500,000	113,945,293,546
Adjustment for under-provision previous year	-	3,121,401,431
Adjustment for tax paid overseas	(10,273,759,292)	(8,454,916,654)
CIT from profit sharing from overseas investments	126,128,740,708	108,611,778,323
CIT (*)	126,128,740,708	121,932,870,044

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

### 36 COST OF OPERATION BY FACTOR

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

	2022 VND	2021 VND (As restated - Note 40)
Raw materials	370,079,216,563	198,485,249,867
Staff costs	718,089,196,577	707,019,047,861
Depreciation and amortisation expenses	151,957,066,386	171,101,665,824
Cost of construction contracts	1,794,618,406,333	2,845,191,905,001
Outside services	2,651,698,396,005	1,565,721,691,177
Others	260,756,742,718	145,827,194,219
	5,947,199,024,582	5,633,346,753,949

**37 RELATED PARTY DISCLOSURES**

The largest shareholder of the Corporation is PVN which owns 51.38% of the Corporation's share capital (Note 25).

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

<b>Name</b>	<b>Relationship</b>
Vietnam Oil and Gas Group	Parent company
PTSC Ca Rong Do Limited	Company in PVN Group
PetroVietnam Domestic Exploration Production Operating Company Limited	Company in PVN Group
Foreign Petroleum Exploration and Exploitation Operations One Member LLC	Company in PVN Group
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 Gas Corporation	Company in PVN Group

**37 RELATED PARTY DISCLOSURES (continued)**

**(a) Related party transactions**

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

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
<b>i) Revenue from sale of goods and rendering of services</b>		
PetroVietnam Gas Joint Stock Corporation	1,141,645,348,822	887,908,105,435
PetroVietnam Exploration Production Corporation	804,025,853,349	1,126,047,295,608
Bien Dong Petroleum Operating Company	445,926,119,233	455,630,863,621
Nghi Son Refinery and Petrochemical Limited Liability Company	396,424,346,251	318,002,400,483
Malaysia Vietnam Offshore Terminal (Labuan) Limited	92,001,858,798	81,348,607,725
PetroVietNam Drilling and Well Services Joint Stock Company	78,670,996,214	27,743,504,420
PTSC Ca Rong Do Limited	-	167,778,181,818
Other PVN Group companies	124,887,747,295	135,460,072,957
Subsidiaries:		
PTSC Mechanical & Construction Co., Ltd	103,690,986,223	75,371,598,149
PTSC Offshore Services Joint Stock Company	32,074,728,007	51,599,542,082
PTSC Thanh Hoa Technical Services Company	12,415,972,098	14,632,480,297
PTSC Quang Ngai Joint Stock Company	11,773,488,428	12,935,263,084
PTSC Geos & Subsea Services Co., Ltd	4,708,666,030	9,554,366,511
Other subsidiaries	18,459,995,492	15,301,555,402
	<u>3,266,706,106,240</u>	<u>3,379,313,837,592</u>

**ii) Income from dividends and profit distribution (Note 30)**

Vietnam Offshore Floating Terminal (Ruby) Limited	414,900,000,000	275,760,000,000
PTSC Asia Pacific Pte. Ltd	174,496,500,000	175,873,500,000
PTSC South East Asia Private Limited	92,616,000,000	92,493,600,000
Subsidiaries:		
PTSC Mechanical and Construction Services Company Limited	166,960,617,583	170,731,445,474
PTSC Offshore Services Joint Stock Company	23,786,490,000	50,971,050,000
PTSC Production Services Joint Stock Company	20,400,000,000	30,600,000,000
Other subsidiaries	29,486,975,000	71,963,826,037
	<u>922,646,582,583</u>	<u>868,393,421,511</u>



**37 RELATED PARTY DISCLOSURES (continued)**

**(a) Related party transactions (continued)**

	<b>2022 VND</b>	<b>2021 VND</b>
<b>iii) Purchase of goods and services</b>		
PTSC Asia Pacific Private Limited	458,154,365,699	600,250,419,680
PTSC South East Asia Private Limited	173,111,066,645	182,314,152,025
Other PVN Group companies	150,951,726,307	118,793,727,602
Subsidiaries:	-	-
PTSC Thanh Hoa Technical Services Company	399,990,363,620	343,758,784,843
PTSC Production Services Joint Stock Company	390,502,395,331	383,372,935,945
PTSC Offshore Services Joint Stock Company	293,790,708,103	451,956,739,257
PTSC Quang Ngai Joint Stock Company	287,220,221,234	349,143,851,445
Other subsidiaries	43,873,141,593	41,527,284,206
	<u>2,197,593,988,532</u>	<u>2,471,117,895,003</u>
<b>iv) Compensation of key management</b>		
Gross salaries and other benefits	<u>36,802,489,400</u>	<u>21,950,121,000</u>
In which:		
Mr. Phan Thanh Tung - Chairman of BOD	3,159,513,000	2,008,745,000
Mr. Le Manh Cuong - Chief Executive Officer - Member of BOD	3,072,405,000	2,110,718,000
Mr. Do Quoc Hoan - Member of BOD	2,627,957,000	1,614,248,000
Mr. Nguyen Xuan Ngoc - Member of BOD	2,435,920,000	1,470,798,000
Mr. Tran Ngoc Chuong - Member of BOD	2,216,434,000	-
Others	<u>23,290,260,400</u>	<u>14,745,612,000</u>

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Year end balances with related parties**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
<b>i) Short-term trade accounts receivable (Note 5)</b>		
PetroVietnam Exploration Production Corporation	1,659,555,532,848	1,615,173,949,593
PetroVietnam Gas Joint Stock Corporation	282,200,432,347	122,240,604,869
PetroVietnam Long Phu 1 Power Project Management Board	157,176,228,387	156,738,176,730
Nghi Son Refinery and Petrochemical Limited Liability Company	64,546,738,628	76,679,225,589
Bien Dong Petroleum Operating Company	61,125,875,502	60,024,745,241
PetroVietnam Fertilizer and Chemicals Corporation	52,769,664,452	68,416,092,099
Nghi Son Refinery and Petrochemical Complex Project Management Board	37,203,110,659	37,203,110,659
PetroVietnam Domestic Exploration Production Operating Co., Ltd	32,786,473,484	35,269,427,044
PetroVietnam Drilling and Well Services Joint Stock Company	26,995,413,657	43,139,763,224
Malaysia Vietnam Offshore Terminal (Labuan) Limited	26,587,256,702	19,621,379,368
Other PVN Group companies	30,037,242,189	14,382,120,450
Subsidiaries:		
PTSC CGGV Geophysical Survey Co., Ltd	75,067,614,298	75,067,614,298
PTSC Offshore Services Joint Stock Company	33,975,342,038	42,462,454,960
PTSC Mechanical & Construction Co., Ltd	24,581,025,494	11,727,628,772
PTSC Quang Ngai Joint Stock Company	8,859,882,764	6,749,866,393
PTSC Geos & Subsea Services Co., Ltd	8,737,210,174	9,148,268,930
PTSC Thanh Hoa Technical Services Company	5,207,599,531	3,431,615,376
Other subsidiaries	4,715,445,320	2,926,445,737
	<u>2,592,128,088,474</u>	<u>2,400,402,489,332</u>
<b>ii) Short-term prepayments to suppliers (Note 6(a))</b>		
PetroVietnam Marine Shipyard Joint Stock Company	1,165,458,676	2,225,926,853
Subsidiaries:		
PTSC Offshore Services Joint Stock Company	72,826,191,875	64,452,016,395
PTSC Thanh Hoa Technical Services Company	27,484,137,308	10,558,204,310
PTSC Quang Ngai Joint Stock Company	22,471,006,775	29,768,832,999
	<u>123,946,794,634</u>	<u>107,004,980,557</u>
<b>iii) Long-term prepayments to suppliers (Note 6(b))</b>		
PTSC Thanh Hoa Technical Services Company	-	1,316,405,634

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Year end balances with related parties (continued)**

	<b>2022 VND</b>	<b>2021 VND</b>
<b>iv) Other short-term receivables (Note 8(a))</b>		
Nghi Son Refinery and Petrochemical Limited Liability Company	15,063,414,896	11,974,889,962
Vietnam Oil and Gas Group	10,632,042,898	10,632,042,898
Malaysia Vietnam Offshore Terminal (Labuan) Limited	3,284,748,295	4,291,319,436
PetroVietnam Exploration Production Corporation	44,602,700	10,047,098,575
PTSC Ca Rong Do Limited	-	167,778,181,818
Other PVN Group companies	7,117,967,660	13,802,835,852
Subsidiaries:		
PTSC Quang Ngai Joint Stock Company	30,347,798,221	30,315,308,221
Petro Hotel Company Limited	28,756,343,577	24,601,517,301
PTSC Thanh Hoa Technical Services Company	18,689,555,874	18,507,484,206
PTSC Mechanical & Construction Co., Ltd	6,162,555,597	238,057,735
PTSC Offshore Services Joint Stock Company	563,555,754	4,953,710,119
Other subsidiaries	128,826,854	560,890,898
	<u>120,791,412,326</u>	<u>297,703,337,021</u>
<b>v) Other long-term receivables (Note 8(b))</b>		
PTSC Quang Ngai Joint Stock Company	<u>358,891,628,649</u>	<u>358,891,628,649</u>
<b>vi) Short-term trade accounts payable (Note 16)</b>		
PTSC Asia Pacific Private Limited	1,524,200,231,117	1,506,278,128,866
PTSC South East Asia Private Limited	14,789,841,150	56,218,405,200
Other PVN Group companies	18,959,802,127	27,137,816,667
Subsidiaries:		
PTSC Production Services Joint Stock Company	87,304,130,843	113,714,246,536
PTSC Thanh Hoa Technical Services Company	57,584,800,458	74,404,778,363
PTSC Quang Ngai Joint Stock Company	23,797,092,934	86,672,493,306
PTSC Offshore Services Joint Stock Company	19,656,613,741	68,966,497,197
Other subsidiaries	14,339,169,898	17,250,838,120
	<u>1,760,631,682,268</u>	<u>1,950,643,204,255</u>
<b>vii) Short-term advances from customers (Note 17(a))</b>		
PetroVietnam Gas Joint Stock Corporation	51,514,955,821	37,791,032,173
PetroVietnam Oil Joint Stock Corporation	10,900,068,788	-
Malaysia Vietnam Offshore Terminal (Labuan) Limited	-	4,560,006
	<u>62,415,024,609</u>	<u>37,795,592,179</u>

**37 RELATED PARTY DISCLOSURES (continued)**

**(b) Year end balances with related parties (continued)**

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
<b>viii) Long-term advances from customers (Note 17(b))</b>		
PetroVietnam Long Phu 1 Power Project Management Board	781,044,054,435	781,044,054,435
PetroVietnam Gas Joint Stock Corporation	-	65,986,958,343
	<u>781,044,054,435</u>	<u>847,031,012,778</u>
<b>ix) Other short-term payables (Note 21(a))</b>		
Nghi Son Refinery and Petrochemical Limited Liability Company	24,483,325,243	-
Malaysia Vietnam Offshore Terminal (Labuan) Limited	3,284,928,591	-
PetroVietnam Exploration Production Corporation	-	6,536,414,822
Other PVN Group companies	2,108,414,332	2,576,054,892
Subsidiaries:		
PTSC Production Services Joint Stock Company	5,820,702,240	5,820,702,240
PTSC Mechanical & Construction Co., Ltd	2,000,000,000	-
Other subsidiaries	33,223,023	33,223,023
	<u>37,730,593,429</u>	<u>14,966,394,977</u>
<b>x) Other long-term payables (Note 21(b))</b>		
PetroVietnam Gas Joint Stock Corporation	<u>69,473,052,000</u>	<u>69,473,052,000</u>
<b>xi) Short-term accrued expenses</b>		
Vietnam Oil and Gas Group	10,049,000,000	656,106,616
Other PVN Group companies	8,950,898,236	8,416,868,382
Subsidiaries:		
PTSC Offshore Services Joint Stock Company	101,651,813,199	107,889,986,369
PTSC Thanh Hoa Technical Services Company	76,497,697,631	39,379,437,004
PTSC Quang Ngai Joint Stock Company	69,988,024,060	17,646,711,817
PTSC CGGV Geophysical Survey Co., Ltd	42,235,003,605	45,709,917,243
Other subsidiaries	7,432,429,801	201,485,680
	<u>316,804,866,532</u>	<u>219,900,513,111</u>

**38 COMMITMENTS UNDER OPERATING LEASES**

**(a) The Corporation as a lessee**

The Corporation had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Within one year	417,251,569,281	864,235,068,896
Between one and five years	143,405,038,655	1,413,613,395,503
Over five years	946,980,658,882	1,147,968,211,923
Total minimum payments (*)	<u>1,507,637,266,818</u>	<u>3,425,816,676,322</u>

(\*) As at 31 December 2022 and 31 December 2021, the Corporation has entered into a non-cancellable operating lease commitment contract of vessels rental, FSO/FPSO rental, land rental in Vung Tau City, land rental at Son Tra Port, and land rental at Hon La Port for its operating activities. In which:

- FSO/FPSO, vessels rental contracts were signed with duration of 1 year;
- Land lease in Vung Tau City was signed with the term of 50 years since year 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.

**(b) The Corporation as a lessor**

The future minimum lease receivables under operating leases were as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Within one year	1,328,915,639,940	1,388,833,085,235
Between one and five years	2,718,335,965,015	3,049,355,405,025
Over five years	1,037,914,619,590	2,129,574,700,069
Total minimum receipts	<u>5,085,166,224,545</u>	<u>6,567,763,190,329</u>

As at 31 December 2022 and 31 December 2021, the Corporation has entered into a non-cancellable operating lease commitment contract of leasing service vessels with the term of 15 years and FSO/FPSO with the term of from 1 to 5 years.

**39 CONTINGENT LIABILITIES**

**Long Phu 1 Thermal Power Project**

On 23 August 2019, Power Machines Company ("PM") - the main contractor 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 General Contractor Power Machines – PetroVietnam Technical Services 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. The Board of Management of the Corporation assesses and believes that the case would not have significant effect on the Corporation's operation. As a result, the Corporation has not made any provision for this lawsuit in the separate financial statements for the year ended 31 December 2022.

**Expenses relating to the Sao Vang – Dai Nguyet gas collection and transportation pipeline project**

During the implementation of the project Gas collection and transportation pipeline from Sao Vang - Dai Nguyet field under the contract signed between Vietnam Gas Corporation - JSC (Investor) and the Corporation (main contractor), some subcontractors of the Corporation occurred additional costs outside the contract relating to implement the measures to prevent the COVID-19 pandemic in 2020 following Vietnam Government's requirements during the social distancing time. In 2020, the subcontractors requested to reimburse the above expenses from the Corporation. However, until now, the above expenses have not yet reached any agreement between the Investor and the Corporation as well as the Corporation and the subcontractors. As a result, at the date of these separate financial statements, the Corporation has not recognized any obligations or provisions relating to subcontractors' claims for payment.

**40 RESTATEMENTS**

According to the Inspection Minute of Financial Ministry Inspector ("FMI") on 16 November 2022 in relation to the separate financial inspection of the Company for the year ended 31 December 2021, the Board of Management has decided to restate a few items on the separate financial statements for the year ended 31 December 2021 in accordance with the Decision of FMI. According to the impact of those restatements on the separate financial statements for the year ended 31 December 2021 are presented as below:

**40 RESTATEMENTS (continued)**

**(a) The separate balance sheet**

		As at 31 December 2021		
Code		As previously reported VND	Adjustments VND	Restated VND
<b>200</b>	<b>LONG-TERM ASSETS</b>	<b>5,973,829,211,747</b>	<b>5,058,584,891</b>	<b>5,978,887,796,638</b>
<b>220</b>	<b>Fixed assets</b>	<b>1,122,167,558,055</b>	<b>5,058,584,891</b>	<b>1,127,226,142,946</b>
221	Tangible fixed assets	1,116,865,224,692	5,058,584,891	1,121,923,809,583
223	Accumulated depreciation	(3,844,108,658,034)	5,058,584,891	(3,839,050,073,143)
<b>270</b>	<b>TOTAL ASSETS</b>	<b>14,830,506,920,556</b>	<b>5,058,584,891</b>	<b>14,835,565,505,447</b>
<b>300</b>	<b>LIABILITIES</b>	<b>6,569,838,651,267</b>	<b>(48,225,781,995)</b>	<b>6,521,612,869,272</b>
<b>310</b>	<b>Short-term liabilities</b>	<b>5,108,062,713,969</b>	<b>(48,225,781,995)</b>	<b>5,059,836,931,974</b>
313	Tax and other payables to the State	12,519,544,151	13,321,091,721	25,840,635,872
317	Construction contracts-in-progress payables	292,132,423,826	(61,546,873,716)	230,585,550,110
<b>400</b>	<b>OWNERS' EQUITY</b>	<b>8,260,668,269,289</b>	<b>53,284,366,886</b>	<b>8,313,952,636,175</b>
<b>410</b>	<b>Capital and reserves</b>	<b>8,260,668,269,289</b>	<b>53,284,366,886</b>	<b>8,313,952,636,175</b>
421	Undistributed earnings	728,951,300,076	53,284,366,886	782,235,666,962
421b	- Post-tax profit of current year	675,988,710,649	53,284,366,887	729,273,077,536
<b>440</b>	<b>TOTAL RESOURCES</b>	<b>14,830,506,920,556</b>	<b>5,058,584,891</b>	<b>14,835,565,505,447</b>

40 RESTATEMENTS (continued)

(b) The separate income statement

Code		Year ended 31 December 2021		
		As previously reported VND	Adjustments VND	Restated VND
01	Revenue from sales of goods and rendering of services	5,494,277,030,260	61,546,873,716	5,555,823,903,976
10	Net revenue from sales of goods and rendering of services	5,494,277,030,260	61,546,873,716	5,555,823,903,976
11	Cost of goods sold and services rendered	(5,177,342,249,036)	5,058,584,892	(5,172,283,664,144)
20	Gross loss from sales of goods and rendering of services	316,934,781,224	66,605,458,608	383,540,239,832
30	Net operating profit	829,384,806,145	66,605,458,608	895,990,264,753
50	Net accounting profit before tax	841,483,737,499	66,605,458,608	908,089,196,107
51	CIT - current	(108,611,778,323)	(13,321,091,721)	(121,932,870,044)
60	Net profit after tax	675,988,710,649	53,284,366,887	729,273,077,536

(c) The separate cash flow statement

Code		Year ended 31 December 2021		
		As previously reported VND	Adjustments VND	Restated VND
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Net accounting profit before tax	841,483,737,499	66,605,458,608	908,089,196,107
	Adjustments for:			
02	Depreciation and amortisation	176,160,250,715	(5,058,584,891)	171,101,665,824
08	Operating profit before changes in working capital	116,604,557,187	61,546,873,717	178,151,430,904
11	Increase in payables	(336,743,704,474)	(61,546,873,717)	(398,290,578,191)

The separate financial statements were approved by the Board of Management on 21 March 2023.

Duong Thi Ngoc Quy  
Preparer

Nguyen Van Bao  
Chief Accountant

Le Manh Cuong  
Chief Executive Officer

