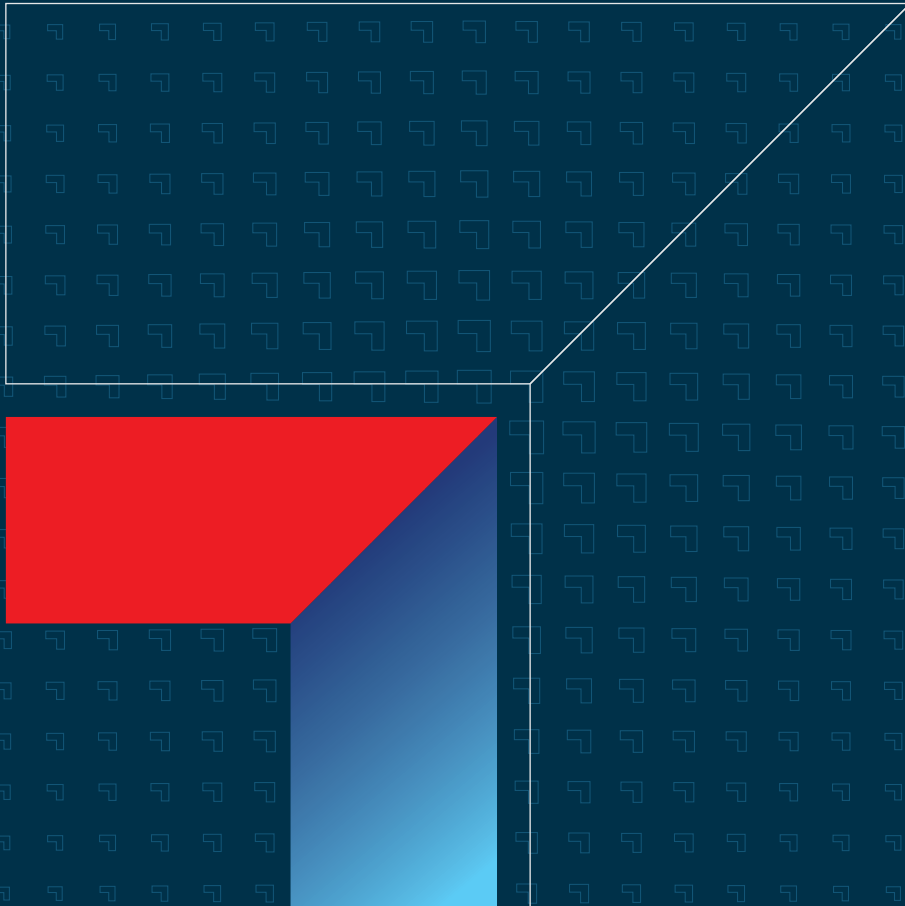


CHANGE FOR CHANCES

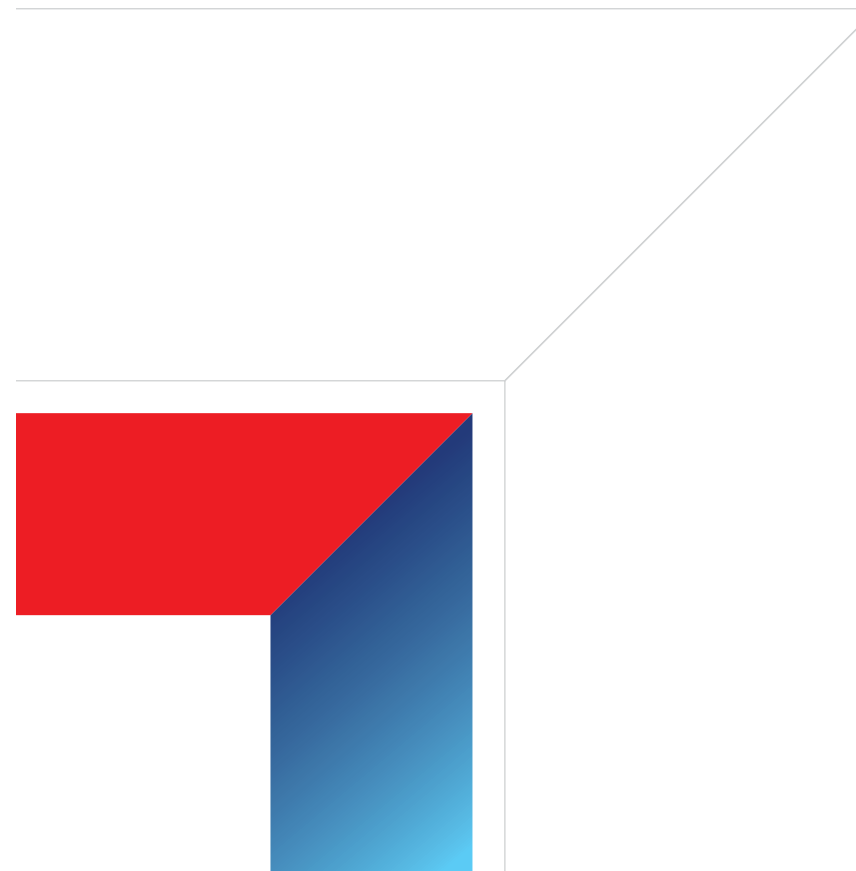
The logo for PTSC, featuring a stylized 'P' with a red and blue square on its left side, followed by the letters 'TSC' in a bold, blue, sans-serif font.

PTSC



**ANNUAL
REPORT
2021**

ANNUAL
REPORT
2021





VISION

Developing PTSC into an internationally-recognized trusted brand - a leading full-package solution provider in energy sector with focus on offshore oil and gas industry.

MISSION

Promoting benefits and trusts of investors, clients, partners, and employees, and contributing to socio-community development and environmental protection.

P: Professional
Professionalism is the top criteria that decides the success of PTSC brand.

T: Trustworthy
The trust of investors, clients, partners, and employees creates the strength and competitive advantage for PTSC.

CORE VALUES

S: Sustainable/Bền vững
Over 45 years of building up and development, PTSC has made remarkable achievements and built strong facilities and resources with multi-service advantage, affirming stable and sustainable growth in the value chain of Vietnam Oil and Gas Group.

C: Creative
Being innovative and creative at all times is a typical feature of PTSC brand. With highly-qualified human resources of international standard, PTSC is always willing to actively engage, develop, and expand new services to conquer domestic and international markets.



DEVELOPMENT OBJECTIVE

- **Long term:** Taking advantage of unique competitive advantage to grow PTSC into an internationally recognized trusted brand with focus on high-quality oil and gas services as its core and at the same time, extending business coverage to new industries and oversea markets.
- **Medium and short term:** Maintaining and stabilizing business activities while developing full services oil and gas technical solutions/service chain. Taking advantage of tough but recovering oil and gas industry along with utilizing PTSC's healthy financial capability to increase investment, fortify inner strength and be prepared for upcoming industry's tailwinds.

VISION – MISSION

CORE VALUES

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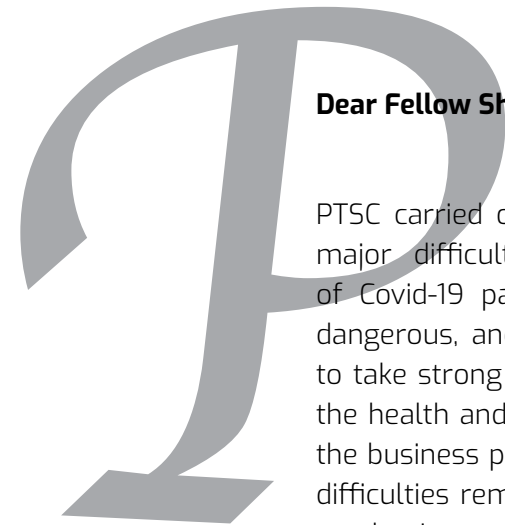


MESSAGE

FROM THE CHAIRMAN



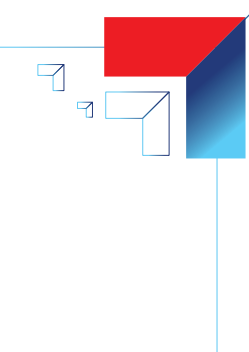
“ The Board of Directors believes that, with our strong will, drastic action, firm stature, proactiveness, flexibility, and willingness to change to embrace new opportunities, as well as our 29 years of experience in the establishment and development and traditional cultural values of PTSC, the Board of Directors, Board of Management, and our personnel will continue achieving our goals and jointly attending to sustainable development of PTSC... ”



Dear Fellow Shareholders,

PTSC carried out production and business tasks in 2021 amid countless major difficulties and challenges. The 4th wave domestic outbreak of Covid-19 pandemic in many places due to emergence of the new, dangerous, and fast spreading variants forced PTSC and its subsidiaries to take strong and drastic measures of prevention and control to protect the health and lives of all employees of PTSC, which remarkably affected the business plans of PTSC and subsidiaries. In addition, many pre-existing difficulties remained, such as no major changes in State subsidy-oriented mechanisms and policies, State management of State-owned enterprises to help their survival and development; Increase in strategic competition and even conflicts among major powers, nationalism, traditional and non-traditional security challenges, climate change, rapid and drastic energy shift, natural disasters, protectionism trends, increasing trade conflicts, etc., causing strong impacts upon the world economy, trade and investment, etc., resulting in congestion and disruption of supply chains and goods traffic, sharp surge in transport costs, commodity prices, inflation rate, etc., as well as continuous and abnormal fluctuations of oil prices while service rates still remained at low levels as in 2015 - 2020. All these difficulties increased the risks and directly affected production and business activities of oil and gas enterprises in general, and PTSC in particular. PTSC's overseas service development encountered a lot of difficulties due to limited-service volume in the region in recent years as a result of prolonged period of low oil prices and the increasing trend of energy transition and protectionism in the host countries. Outward investments became very difficult due to complicated governmental procedures at different levels while the processes, regulations, and guidelines were unclear, overlapped, and full of shortcomings.

However, thanks to efforts of PTSC's personnel as well as the solidarity, determination, proactiveness, flexibility, and creativity in an effort to seek new opportunities and markets, constantly shifting and applying a wide range of concerted and effective solutions to promote business growth and service improvement, looking for potential opportunities in onshore and offshore projects, aggressively taking solutions and measures to handle difficulties by reducing costs, adopting thrift practices, avoiding wastefulness, continuously improving business performance, ensuring job and benefit security, and maintaining stable growth of PTSC, PTSC has achieved and exceeded the 2021 business plan, with consolidated revenues and consolidated gross profits reaching VND 14,711 billion and VND 878 billion, respectively, representing 147.1% and 125.4% of the annual plan.



The year 2022 has come with pre-existing, complicated difficulties and obstacles in 2021, along with new potential difficulties such as rising oil prices, political conflicts, and constant risks of wars in many regions, escalating inflation, and persistent developments of the pandemic, etc. However, new opportunities also emerge such as policies and solutions of economic stimulus, recovery and growth of countries, deep international integration of Vietnam, growth in capital and foreign investment in Vietnam, emergence of new energy sectors, especially renewable sources such as offshore wind power with similarities to oil and gas services, for which PTSC has advantages in investment and goods and service supply, potential surge of investments in fossil energy sources such as oil and gas in the next few years that will create many work opportunities, etc. The Board of Directors believes that, with our determination, drastic action, firm stature, proactiveness, flexibility, and willingness to change to take advantage of new opportunities, as well as our 29 years of experience in the establishment and development supported by traditional cultural values of PTSC, the Board of Directors, Board of Management, and our personnel will continue achieving set goals and be jointly engaged in sustainable development with PTSC, focusing on restructuring services, upgrading the quality of management systems, applying advanced science and technology and digital transformation, promoting effective investment, maximizing service price value chain of PTSC and EVN, actively seizing the business opportunities in the trend

of energy transition in order to develop new products with determination to successfully implement and fulfill business and production tasks in 2022 assigned by the General Meeting of Shareholders and PTSC leaders, fully attending to legitimate rights and interests of our valued Shareholders and Employees.

On behalf of the Board of Directors of PTSC, I would like to express my sincere gratitude to the Board of Management, executives, and employees of PTSC for their efforts, hard work and resilience in 2021; I would like to convey our most sincere thanks to the valued Shareholders, Investors, Customers, Partners, Functional Agencies, and all employees who have always accompanied, trusted, cooperated with and supported us and I wish you good health, happiness and new successes in the year 2022 as well as subsequent years.

Chairman of the Board of Directors

Phan Thanh Tung



CORPORATE

INFORMATION

OVERVIEW INFORMATION

PetroVietnam Technical Services Corporation (PTSC) is a member of Vietnam Oil and Gas Group. PTSC established on February 1993. After more than 29 years of development, so far, PTSC has made great progress and appreciated as the leading provider in oil & gas technical, industrial services in Vietnam and also to be considered as a major brand in the regional market.

Domestic trading name: Tổng công ty Cổ phần Dịch vụ Kỹ thuật Dầu khí Việt Nam

Foreign trading name: Petrovietnam Technical Services Corporation

Trading name abbreviations: PTSC

Stock Code: PVS

Tax code: 0100150577

Charter Capital: VND 4,780 billion

Consolidated equity: VND 12,521 billion according to the 2021 audited financial statements)

Address: 5th Floor, Petrovietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1, HCM City, Vietnam

Tel: (+84).028.39102828

Fax: (+84).028.39102929

Website: ptsc.com.vn

BUSINESS ACTIVITIES

- » **EPCI for offshore facilities**
- » **FSO/FP50**
- » **Installation, Operation and Maintenance Offshore Facilities**
- » **Port & Supply Base**
- » **Offshore Support Vessels**
- » **Seismic, GEO, Survey and ROV**
- » **EPC for Industrial plants**
- » **Other services**

OUR NETWORK

HO CHI MINH CITY

Petrovietnam Technical Services Corporation (PTSC)

SOC TRANG PROVINCE

PTSC Long Phu

BA RIA - VUNG TAU PROVINCE

PTSC Marine
PTSC Supply Base
PTSC M&C
PTSC G&S
Petro Hotel
PTSC Phu My
PPS
PVSB
POS
PV Shipyard

QUANG NGAI PROVINCE

PTSC Quang Ngai

DA NANG CITY

PTSC Da Nang

QUANG BINH PROVINCE

PTSC Quang Binh

THANH HOA PROVINCE

PTSC Thanh Hoa

HAI PHONG CITY

PTSC Dinh Vu

HA NOI

PTSC Ha Noi
PV Security

MALAYSIA

PTSC Labuan
VOFT
MVOT

SINGAPORE

SEA
AP
MV12

As a member of the Vietnam National Oil and Gas Group that provides technical and industrial services for oil and gas sector in Vietnam, PTSC is a reputable brand in the oil, gas and industrial service market in the region. As of 2021, PTSC has 05 branches, 01 representative office, 12 subsidiaries, and 06 affiliates in 03 regions of the country and in Southeast Asia.

OUR NETWORK *(continued)*

BRANCHES/REPRESENTATIVE OFFICES

01

Branch of PTSC – PTSC Marine

Address: No. 73, Street 30/4, Thang Nhat Ward, Vung Tau City, Ba Ria- Vung Tau Province
Charter Capital/Investment: Directly under Parent Company
Core business: Management, operation and supply of service vessels

02

Branch of PTSC – PTSC Supply Base

Address: No. 65A, Street 30/4, Thang Nhat Ward, Vung Tau City, Ba Ria- Vung Tau Province
Charter Capital/Investment: Directly under Parent Company
Core business: Management, operation, trading and exploitation of general ports

03

Branch of PTSC – PTSC Da Nang

Address: No. 11, Street 3/2, Hai Chau District, Da Nang City
Charter Capital/Investment: Directly under Parent Company
Core business: Management, operation, trading and exploitation of general ports

04

Branch of PTSC - PTSC Quang Binh

Address: Hon La Port, Quang Dong Commune, Quang Trach District , Quang Binh Province
Charter Capital/Investment: Directly under Parent Company
Core business: Management, operation, trading and exploitation of general ports

05

Branch of PTSC - PTSC Long Phu

Address: Thanh Duc Hamlet, Long Duc Commune, Long Phu District, Soc Trang Province
Charter Capital/Investment: Directly under Parent Company
Core business: Management and performance of engineering, procurement and construction, installation, hook-up and commissioning (EPCIC) of power plant projects and industrial facilities

06

Representative Office of PTSC in Hanoi (PTSC Ha Noi)

Address: No. 142 Nguyen Khuyen, Van Mieu Ward, Dong Da District, Hanoi Capital
Charter Capital/Investment: Directly under Parent Company
Core business: Performing business development, production projects and other tasks assigned by PTSC



OUR NETWORK *(continued)*

SUBSIDIARIES

01

PTSC Mechanical & Construction Limited Company (PTSC M&C)

Address: No. 31, Street 30/4, Thang Nhat Ward, Vung Tau City, Ba Ria-Vung Tau Province (PTSC M&C)

Charter Capital/Investment: VND 628 billion

Holding percentage: 100%

Core business: Fabrication and assembly of oil, gas facilities

02

PTSC Geos and Subsea Services Company Ltd. (PTSC G&S)

Address: No. 9-11, Hoang Dieu Street, Ward 1, Vung Tau City, Ba Ria-Vung Tau Province

Charter Capital/Investment: VND 300 billion

Holding percentage: 100%

Core business: Operation seismic survey 2D, 3D; geophysical, seismic survey; ROV subsea survey and repair

03

Petro Hotel Company Limited (Petro Hotel)

Address: No. 9-11, Hoang Dieu Street, Ward 1, Vung Tau City, Ba Ria-Vung Tau Province

Charter Capital/Investment: VND 20 billion

Holding percentage: 100%

Core business: Provision of tourism and accommodation services for oil and gas companies in the country and abroad

04

PTSC Labuan Company Limited (PTSC Labuan)

Address: Unit 3A-25, U0350, 3rd Floor, Lubuan Times Square, 87007 Lubuan FT Malaysia

Charter Capital/Investment: 572,565 USD

Holding percentage: 100%

Core business: Supply of service vessels for oil and gas exploitation activities

05

PTSC Quang Ngai Joint Stock Company (PTSC Quang Ngai)

Address: Lot 4H, Ton Duc Thang Street, Le Hong Phong Ward, Quang Ngai City

Charter Capital/Investment: VND 300 billion

Holding percentage: 100%

Core business:

- » Management, operation and supply of service vessels
- » Management, operation, trading and exploitation of general port
- » Fabrication, assembly, repair and maintenance of oil & gas and industrial facilities

06

PTSC Offshore Services Joint Stock Company (POS)

Address: No. 65A, 30/4 Street, Thang Nhat Ward, Vung Tau City, Ba Ria-Vung Tau Province

Charter Capital/Investment: VND 400 billion

Holding percentage: 84,95%

Core business: Transportation, installation, hook-up, commissioning repair and maintenance, relocating and cleaning-up of oil & gas and industrial facilities



OUR NETWORK *(continued)*

SUBSIDIARIES

07

PTSC Phu My Port Joint Stock Company (PTSC Phu My)

Address: Phu My I Industrial Zone, Tan Thanh District, Ba Ria -Vung Tau Province
Charter Capital/Investment: VND 350 billion
Holding percentage: 59,61%
Core bussiness: Management, operation, trading and exploitation of general port

08

PTSC Thanh Hoa Port Joint Stock Company (PTSC Thanh Hoa)

Address: Nghi Son Commune, Tinh Gia District, Thanh Hoa Province
Charter Capital/Investment: VND 400 billion
Holding percentage: 54,69%
Core bussiness:
» Management, operation, trading and exploitation of general port
» Fabrication, assembly, repair and maintenance of oil & gas and industrial facilities

09

PTSC Production Services Joint Stock Company (PPS)

Address: 16th floor, No. 9-11, Hoang Dieu Street, Ward 1, Vung Tau City, Ba Ria-Vung Tau Province
Charter Capital/Investment: VND 200 billion
Holding percentage: 51%
Core bussiness: Management, exploitation, operation and maintenance of FPSO/F50; Provision of manpower supply services for oil and gas industry

10

Dinh Vu Petroleum Services Port Joint Stock Company (PTSC Dinh Vu)

Address: Dinh Vu Industrial Zone, Dong Hai II Ward, Hai An District, Hai Phong City
Charter Capital/Investment: VND 400 billion
Holding percentage: 51%
Core bussiness: Management, operation, trading and exploitation of general & container port

11

PetroVietnam Security Service Corporation (PV Security)

Address: G3 Floor, B4 Kim Lien Building, Pham Ngoc Thach Street, Dong Da District, Hanoi
Charter Capital/Investment: VND 30 billion
Holding percentage: 51%
Core bussiness: Provision of security services

12

Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company (PVSB)

Address: No. 65A, Street 30/4, Thang Nhat Ward, Vung Tau City, Ba Ria-Vung Tau Province
Charter Capital/Investment: VND 500 billion
Holding percentage: 51%
Core bussiness: Management, operation, trading and exploitation of general port



OUR NETWORK *(continued)*

JOINT VENTURES/AFFILIATES

01

Vietnam Offshore Floating Terminal (VOFT)

Address: B01-D-10-1 Level 10, Menara 2, Boutique Office 1 (Pillar 11), KL Eco City, No. 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia
Charter Capital/Investment: 14,640,000 USD
Holding percentage: 60%
Core bussiness: Investment and provision of Floating Production Storage Offloading vessels (FPSO)

02

PTSC South East Asia Joint – Venture Company (SEA)

Address: 600 North Bridge Road, #23-01 Parkview Square, Singapore
Charter Capital/Investment: 32,000,000 USD
Holding percentage: 51%
Core bussiness: Investment and provision of Floating Storage Offloading vessels (FSO)

03

PTSC Asia Pacific Joint – Venture Company (AP)

Address: 600 North Bridge Road, #23-01 Parkview Square, Singapore
Charter Capital/Investment: 60,000,000 USD
Holding percentage: 51%
Core bussiness: Investment and provision of Floating Storage Offloading vessels (FSO)

04

Malaysia Vietnam Offshore Terminal (MVOT)

Address: B01-D-10-1 Level 10, Menara 2, Boutique Office 1 (Pillar 11), KL Eco City, No. 3 Jalan Bangsar, 59200 Kuala Lumpur, Malaysia
Charter Capital/Investment: 35,222,268 USD
Holding percentage: 49%
Core bussiness: Investment and provision of Floating Storage Offloading vessels (FSO)

05

RongDoi Joint Venture Company (MV12)

Address: No.12, International Business Park, Unit 2-06/7 The Strategy Tower, Singapore
Charter Capital/Investment: 20,000 USD
Holding percentage: 33%
Core bussiness: Investment and provision of Floating Storage Offloading vessels (FSO)

06

Petrovietnam Marine Shipyard Joint Stock Company (PV Shipyard)

Address: 65A2, 30/4 Road, Thang Nhat Ward , Vung Tau City, Ba Ria-Vung Tau Province
Charter Capital/Investment: VND 595 billion
Holding percentage: 28,75%
Core bussiness: Fabrication, repairing, conversion oil and gas exploration, vessels, foatting unit



KEY ASSETS



PTSC currently owns and manages a oil and gas service fleet of 19 vessels of varied in capacities and types such as tug boats, anchors and transporters, dynamic positioning vessels (DP), survey diving support vessels, fire-fighting vessels, standby rescue/field support vessels,... The fleet is fully operated by Vietnamese qualified and experienced crew members. PTSC fleet details are as follows:

No.	NAME OF VESSEL	CAPACITY	No.	NAME OF VESSEL	CAPACITY
1	PTSC Sao Vang	6.500 BHP	11	PTSC 04 (Utility towing)	2.140 BHP
2	Phong Nha (AHTS DP1)	5.300 BHP	12	PTSC 05 (Tug)	3.200 BHP
3	Binh An (AHTS)	8.900 BHP	13	PTSC 06 (Tug)	3.200 BHP
4	PTSC Vung Tau (AHTS DP1)	7.080 BHP	14	PTSC 07 (Tug)	1.600 BHP
5	PTSC Hai Phong (AHTS DP1)	5.220 BHP	15	PTSC 08 (Tug)	800 BHP
6	PTSC Thai Binh (AHTS DP2)	8.080 BHP	16	PTSC 09 (Tug)	5.000 BHP
7	PTSC Thang Long (AHTS DP2)	7.200 BHP	17	PTSC 10 (Tug)	2.700 BHP
8	PTSC Tien Phong (AHTS)	7.080 BHP	18	PTSC 11 (Tug)	1.600 BHP
9	PTSC Ngan nam TLHN - 02 (Utility towing)	3.500 BHP	19	PTSC 12 (Service boat)	1.430 BHP
10	PTSC Ngan nam TLHN - 03 (Utility towing)	4.750 BHP			

» AHTS: Versatile service vessels
 » Utility towing, Tug: Towing vessels
 » DP1: With dynamic positioning system DP1
 » DP2: With dynamic positioning system DP2



FSO/FPSO supplying is one of the strategic services that are stable and long-term due to its attachment to oil field operating activities. Currently, PTSC owns/co-owns 06 FSOs/FPSOs supplied for clients operating in domestic and international fields, as followings:

No.	NAME OF FSO/FPSO	CAPACITY (Unit: Barrel)	OPERATING FIELD
1	FSO Orkid	745.000	PM3 CAA
2	FPSO Ruby II	645.000	Hong Ngoc
3	FSO PTSC Bien Dong 01	350.000	Hai Thach & Moc Tinh
4	FPSO PTSC Lam Son	350.000	Thang Long - Dong Do
5	FSO Golden Star	777.695	Sao Vang - Dai Nguyet
6	FSO Rong Doi MV12	300.000	Rong Doi

KEY ASSETS (continued)



Currently, PTSC is managing, operating and continuing to invest in expanding the system of 08 ports and supply bases in the North - Central - South of Vietnam with a total area of 360ha and over 2,700m of wharf, serving clients operating in oil and gas exploration in Vietnam as well as other economic sectors in the locality.

No.	SUPPLY BASES / PORTS	ADDRESS	SCALE
1	Vung Tau Downstream Port/ PTSC Supply Base	No. 65A, Street 30/4, Thang Nhat Ward, Vung Tau City Vung Tau, Ba Ria - Vung Tau Province	Area: 82.2 ha Number of wharf: 09 Total length of wharf: 750m Capacity: + Vessel: 10,000 DWT + Barge: 10,000 DWT Hydroelectric depth: -6.5m to -9m
2	Hon La Port	Quang Dong Ward, Quang Trach District, Quang Binh Province	Area: 11.02 ha Number of wharf: 01 Length of wharf: 215m Capacity: 10,000 DWT Hydroelectric depth: -9.2m

No.	SUPPLY BASES / PORTS	ADDRESS	SCALE
3	Son Tra Port	Yet Kieu Street, Tho Quang Ward, Son Tra District, Da Nang City	Area: 10 ha Number of wharf: 01 Length of wharf: 200m Capacity: 10,000 DWT Hydroelectric depth: -7.5m
4	Dung Quat Port	Binh Son District Quang Ngai Province	Area: 13.7 ha Number of wharf: 02 + Wharf number 1: length 210m, capacity 70,000 DWT, Hydroelectric depth -11m. + Wharf number 2: length 160m, capacity 3,000 DWT, Hydroelectric depth -4.2m. + Wharf for towing and oil and gas vessels: length 70m, capacity 3,000 DWT, Hydroelectric depth -7.0m
5	Phu My service Port	No. 3 Road, Phu My Industrial Zone, Tan Thanh District, Ba Ria - Vung Tau Province	Area: 26.5 ha Number of wharf: 04 + Wharf number 1: length 385m, capacity 80,000 DWT, Hydroelectric depth -10.5m. + Wharf number 2: length 130m, capacity 1,500 DWT, Hydroelectric depth -2.7m + Wharf number 3: length 130m, capacity 2,500 DWT, Hydroelectric depth -3.3m. + Wharf number 4: length 60m, capacity 2,500 DWT, Hydroelectric depth -4.8m.
6	Nghi Son Port	Nghi Son Ward, Tinh Gia District, Thanh Hoa Province	Area: 43.9ha Number of wharf: 02 + Wharf number 1: length 165m, (reduced) capacity 30,000 DWT, Hydroelectric depth -9.5m. + Wharf number 2: length 225m, capacity 70,000 DWT (reduced), Hydroelectric depth -12m.
7	PTSC Dinh Vu Port	Dinh Vu Industrial Zone Dong Hai II Ward, Hai An District, Hai Phong City	Area: 15.28 ha Number of wharf: 01 Length of wharf: 330m Capacity: 20,000 DWT Hydroelectric depth: -7.5m
8	Sao Mai Ben Dinh Port	No. 65A3, 30/4 Road, Thang Nhat Ward, Vung Tau City, Ba Ria - Vung Tau Province	Area: 113 ha

KEY ASSETS (continued)



Mechanical engineering, construction and installation of offshore projects is one of the important services that makes a major contribution to the revenue and profit of PTSC. In order to implement the projects, PTSC owns oil and gas projects construction site in Vung Tau, Quang Ngai and Thanh Hoa with facilities, ports, warehouses and crane equipment, towing/lifting equipment and other equipment and facilities ... always meet the client's requirements, such as:

- » Major construction site in Vung Tau covers nearly 160 hectares. In addition, PTSC also has fabrication yards in Quang Ngai and Thanh Hoa with area of over 40 hectares.
- » The wharf system in Vung Tau, Quang Ngai and Thanh Hoa is capable of meeting the demands for manufacturing and launching oil and gas components. Particularly in Vung Tau, a wharf system is nearly 1,000 meters long with 03 dedicated skid for construction and launching high end oil and gas components (6,000 tons; 15,000 tons and 25,000 tons) with distribution load on open areas over 50 tons/m².
- » The system of factories, warehouses and construction sites is invested synchronously and modernly: fitting workshop (150,000m²), covered workshop (19,000m²), cleaning/spraying workshop (8,000m²), paint workshop (3,500m²) ...
- » Series of vehicles, machinery and equipment are used for oil and gas project fabrication such as: cranes of 50 tons -550 tons, 1,200 tons, forklifts, welding machines, generators, air compressors and other specialized equipment.



The investment in facilities for transportation, hook up, installation, maintenance and repair of offshore project can meet basic demand of clients with PTSC services, the major facilities are listed as follows:

No.	FACILITIES/ EQUIPMENT	SPECIFICATION
1	Accommodation Barge with 300 occupants PTSC Offshore 01	Non-self propelled barge; length 111.6 m, width 31.7m, depth 7.3m, draught 4.5m, weight of 9,582 tons, and equipped a huge crane with the lifting capacity of 300 tons
2	5000 tons barge PTSC 01	Barge uses for transportation of WHP platforms, jackets, and other components up capacity of 5,000 tons to for offshore constructing, repairing, maintaining and renovation
3	Mechanical and maintenance workshop	Workshop system in Vung Tau, Quang Ngai, Thanh Hoa province with modern facilities and equipment capable of providing service of repair, maintenance high technical equipment such as gas compressors, generators, valves, heat exchangers, technology tanks of oil and gas projects and onshore industrial projects.

KEY ASSETS (continued)



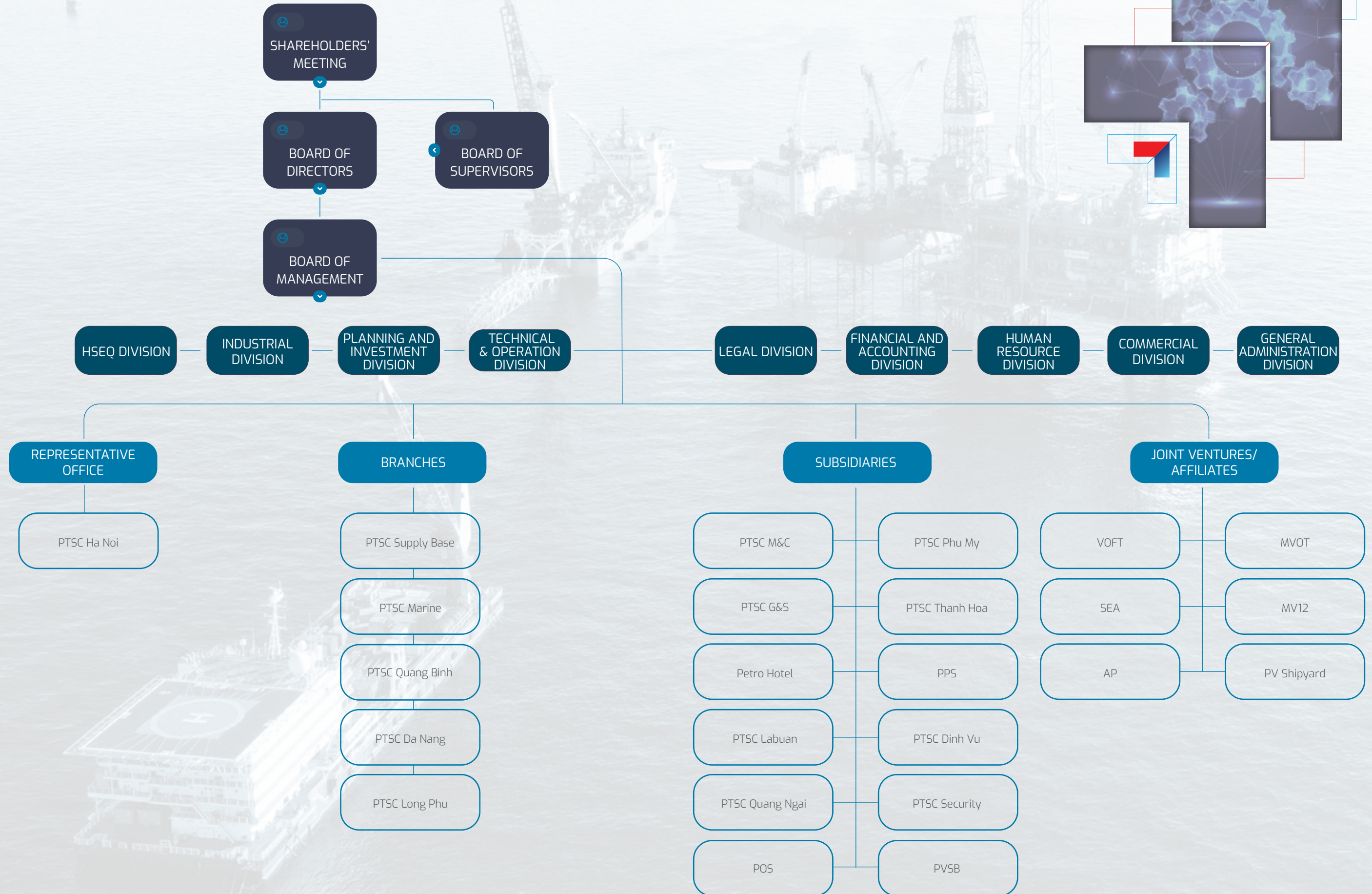
Seismic survey service, geological and geophysical survey service, and subsea services using ROV (Remote Operated Vehicle) are high and complex technology services with supply, management and operation of seismic vessels, 2D, 3D, geological survey; supplying and operating of ROV and other specialized survey vehicles:

No.	FACILITIES/ EQUIPMENT	SPECIFICATION
1	Binh Minh Geological survey vessel	Vessel with DP1, 61.0 m length, 14.95m width, water level 4.8 m, total capacity 1624 GT; Total main machine capacity 2x22753 = 5506 HP certified by VR-LR registry organization. Equipped with a drilling system for geotechnical investigation offshore projects and and a 4-point winch system.
2	Geophysical Survey Vessel - PTSC Researcher	50.3m length, 11.58m width, water level 4.27m, total capacity 798 GT; Total main machine capacity 2x1200 = 2400 HP certified by VR-LR registry organization. Equipped with a system of geophysical survey equipment including Analogue and high resolution seismic survey.

No.	FACILITIES/ EQUIPMENT	SPECIFICATION
3	Survey Vehicles ROV Observation (02 equipment)	ROV Panther Plus 911 and ROV Panther Plus 954 are used for taking surveys and repairing subsea works. The vehicles can go as deep as 2.000m - 3.000 m underwater.
4	Survey Vehicle ROV Work Class	ROV Quasar Compact 007 and ROV II-30 is remoted diving equipment used for taking surveys and repairing subsea works. The vehicle can go as deep as 2.000m - 3.000m underwater. ROV II-30 just completed investment in 2021 with 150HP capacity is currently of the most powerful and modern in Vietnam.



ORGANIZATIONAL CHART





BOARD OF DIRECTORS



Mr.
Phan Thanh Tung
CHAIR MAN

DOB: 1970 in Hai Phong City, Vietnam
Qualification: Master of Engineering (Professional), Mechanical Engineer, Bachelor of Business Management, Bachelor of English language




Mr.
Le Manh Cuong
MEMBER, PRESIDENT & CEO

DOB: 1974 in Hai Duong City, Vietnam
Qualification: Navigation Engineer



Mr.
Do Quoc Hoan
MEMBER

DOB: 1969 in Hai Phong City, Vietnam
Qualification: Master of Economics, Engineer of Maritime Transportation, Engineer of Marine Controlling



Mr.
Nguyen Xuan Ngoc
MEMBER

DOB: 1976 in Nam Dinh City, Vietnam
Qualification: Mechanical Engineer



Mr.
Luu Duc Hoang
MEMBER

DOB: 1979 in Quang Binh Province, Vietnam
Qualification: Master of corporate financial management, Bachelor of Financial and Accounting



BOARD OF MANAGEMENT



Mr.
Le Manh Cuong
PRESIDENT & CEO

DOB: 1974 in Hai Duong City, Vietnam
Qualification: Kỹ sư Điều khiển tàu biển



Mr.
Nguyen Tran Toan
VICE PRESIDENT

DOB: 1964 in Hai Phong City, Vietnam
Qualification: Marine Machinery Engineer, Bachelor of Corporate Governance



Mr.
Nguyen Huu Hai
VICE PRESIDENT

DOB: 1962 in Bac Ninh Province, Vietnam
Qualification: Engineer of Electronics and Telecommunications, Corporate Governance Engineer



Mr.
Ta Duc Tien
VICE PRESIDENT

DOB: 1968 in Thai Binh Province, Vietnam
Qualification: Marine Machinery Engineer, Bachelor of Business Administration




Mr.
Tran Ho Bac
VICE PRESIDENT

DOB: 1978 in Nam Dinh Province, Vietnam
Qualification: Master of Business Administration, Corporate Governance Engineer, Mechanical Engineer



Mr.
Nguyen Xuan Cuong
VICE PRESIDENT

DOB: 1977 in Ha Noi Capital, Vietnam
Qualification: Bachelor of Corporate Finance



Mr.
Tran Hoai Nam
VICE PRESIDENT
(Appointed on November 16th, 2021)

DOB: 1978 in Binh Dinh
Qualification: Master of of Business Administration, electricity and electronics Engineer, Bachelor of Economics

CHIEF ACCOUNTANT



Mr.

Nguyen Van Bao

CHIEF ACCOUNTANT

DOB: 1977 in Hai Duong City, Vietnam
Qualification: Bachelor of credit financing

BOARD OF SUPERVISORS



Ms.

Bui Thu Ha

CHIEF OF BOARD OF SUPERVISORS

DOB: 1980 in Thai Nguyen City, Vietnam
Qualification: Bachelor of Accounting,
Bachelor of Business Administration

Ms.

Ho Thi Oanh

SURVEYOR

(Dismissed from April 28th, 2021)

DOB: 1972 in Thai Binh Province, Vietnam
Qualification: Bachelor of Accounting



Mr.

Bui Huu Viet Cuong

SURVEYOR

DOB: 1981 in Hai Phong City, Vietnam
Qualification: Master of Operating International Business Administration,
Shipping Engineer Bachelor of Accounting

Mr.

Pham Van Tien

SURVEYOR

(From April 28th, 2021)

DOB: 1983 in Thai Binh
Qualification: Master and Bachelor of Economics



KEY AWARDS IN 2021



Top 50 best enterprises
in Vietnam



Vietnam gold star award
in 2021



Top 500 most profitable
enterprises in Vietnam

KEY EVENTS IN 2021



- 1** PTSC exceeded its production and business targets, ensured safety for its employees at all domestic and international construction sites and projects in the context of complicated developments of Covid-19 pandemic, and generated adequate income for employees.
- 2** FPSO Ruby II at Ruby Field reached the milestone of 1 year of mining operations with over 8.5 million safe work hours and zero loss time injury (ZERO LTI).
- 3** FSO PTSC Bien Dong 01 at Hai Thach - Moc Tinh Field of BIENDONG POC and FSO Golden Star at Sao Vang - Dai Nguyet Field of Idemitsu achieved maximum continuous operation rate (100%).
- 4** PTSC M&C continued to be awarded the contract by NOC (the project owner) to carry out Gallaf project – Phase 3 in Qatar after winning a fierce competition over international contractors around the world, and at the same time, was selected by Northland Power Development Services Inc. and Yushan Energy Co., Ltd. for signing an agreement with priority on design, procurement, and development of 02 transformer stations for Hai Long 2 and Hai Long 3 wind power projects offshore Taiwan.



- 5** PTSC Quang Binh achieved impressive labor productivity results with per-capita net profit of more than 824 million VND.
- 6** PTSC provided SPM maintenance services and tugboat fleet and marine support for NSRP customers, successfully received the delivery of its 111th large-sized crude oil tanker, VLCC (capacity of over 300,000 DWT), docked at SPM for serving Nghi Son petrochemical refinery.
- 7** PTSC Thanh Hoa was expected to achieve the highest cargo volume ever through PTSC's port system.
- 8** PTSC achieved 5 million safe work hours with zero accident and incident at its Southern Petrochemical Complex Project (Long Son Petrochemical Project).

HISTORY OF ESTABLISHMENT & DEVELOPMENT

1993



The Foundation of Petroleum Technical Services Company (PTSC) was a merger of 2 companies PSC & GPTS. It is the only government enterprise supplies oil and gas technical services with the initial core business are offshore support vessels; port and supply base and manpower for oil and gas contractors.

1994 - 2005



- » Separate parts of PTSC's core business to form distinctive oil and gas service companies.
- » Developed fleet of offshore support vessels and expanding PTSC Vung Tau Supply base to become modern, multipurpose base.
- » Successfully performed accommodation block LQ-CPC 99 for Vietsovpetro, laying strong foundation for the development of oil and gas mechanical fabrication and construction service.
- » Performed O&M contract for Dinh Co Gas Processing Plant, 370 km 2 phase gas pipeline and Lan Tay Technological Platform which set foundation of O&M services.
- » Signed shareholding agreement of investment in FPSO Ruby Princess by and between PTSC, PVI and PVFC. Setting stepping stones for FSO/FPSO services

2006 - 2010



- » 2006: Successfully privatized and performed IPO stock to public.
- » 01/01/2007: Officially operated business as joint stock company, a historical turning point of PTSC's development.
- » 09/2/2007: Changed organization structure in to Affiliated - Subsidiary company.
- » 20/9/2017: Official notice of PTSC's stock in HNX with stock code PVS.
- » Founded PTSC G&S; Investing in the first seismic survey vessel - 2D with ROV units, GEO vessel, improved competitive ability in marking high technology services - seismic survey, GEO Survey and Subsea Services
- » Joined with MISC to invest in FSO Orkid and FPSO Ruby, affirming ability in FSO/FPSO field.
- » 2010: Initial public offering to increase charter capital up to 2,978 billion VND via public offering;
- » Successfully played the role of EPC general contractor to perform Bien Dong project with total volume of engineering and manufacturing up to 30,000 ton and worth 1 USD billion, the biggest EPC project in Vietnam that time.

2011 - 2015



- » Performed 51% ownership investment in FSO PTSC Bien Dong 01 and FPSO Lam Son, acquire knowhow to engineer, construct and operate FSO/FPSO. Affirming position in FSO/FPSO regional market.
- » Increased charter capital up to 4,467 billion VND.
- » Winning International competitive bidding and successfully performed projects: HRD Platform for ONGC; Maharaja Lela South (MLS) in Brunei for Total E&P, continued affirmed EPCI capability and market position.
- » Received profit from oversea joint ventures.

2016 - 2019



- » Increased charter capital to 4,467 billion VND
- » As of December 31st, 2018, the total value of PTSC earned from overseas JV is 105 million USD.
- » Awarded EPC contract and successful implementing onshore oil and gas industry projects: NPK Fertilizer Plant for PVFCCo; Ca Mau Gas Processing Plant for PV Gas; Thi Vai LNG terminal project and EPC project of pipeline collection and gas transportation of Sao Vang - Dai Nguyet field for Vietnam Gas Corporation (PV GAS); Southern Vietnam petrochemical complex project - Package A1 (LSP - A1) for TPSK - joint venture (Italy - Korea).
- » Awarded and implementing projects for clients in other industries: Haiphong terminal project, Expanding Go Dau factory for Top Solvent (Thailand) and Vopak (Holland) Galaxy Expansion - Phase III; Nam Dinh Vu Aviation Fuel Warehouse for Nam Dinh Vu Aviation Fuel Port Joint Stock Company (DV Seaport); Fabrication, installation ISBL technology pipeline and installation equipment - Polypropylene plant for Hyosung Vietnam.
- » Awarded and performed project Gallaf - Al Shaheen for North Oil Company (NOC) in Qatar with a total contract value of more than 300 million USD; Completed building, launching, handing over and operating successfully and safely a fleet of 8 new built vessels for Nghi Son Refinery Plant (NSRP).
- » On October 4th, 2019, successfully installed and handed over IGP owner a Jacket of Sao Vang Central Processing Platform weight 12,500 tons in respect to Sao Vang Dai Nguyet project, confirming PTSC's capacity as EPCIC's general contractor.
- » PTSC reached the finish line ahead of the year plan objective, exceeded all targets and financial plans, stepped through the most challenging period.

2020



- » Completed Sao Vang CPP Project and officially received the first gas on Nov 16th, 2020. This Project was honorably attached with "Party's 13th National Congress Celebration Works" signboard.
- » On Nov 16th, 2020, Golden Star FSO officially received the first condensate, marking a milestone of great importance in Sao Vang - Dai Nguyet Project, together with Sao Vang CPP and intra-field pipeline system also implemented by PTSC as the general contractor.
- » Gallaf Project (Al Shaheen) in Qatar - an EPCI international project awarded to PTSC with high volume and total value of 320 million US dollars - successfully implemented the Design, Procurement, and Manufacturing phase in Vietnam and Transportation, Installation, Commissioning 3 WHP Gallaf Project 1 with over 800 PTSC employees in Qatar during the Covid-19 pandemic outbreak.
- » Despite of countless difficulties and challenges, thanks to considerable efforts and internal strength, PTSC implemented various coordinated solutions to overcome the "double crisis" triggered by oil price slump and Covid-19 pandemic to achieve impressive results and stable growth: consolidated revenues of over 21,313 billion VND, profit before tax of 1,025 billion VND, contribution to State Budget of 909 billion VND.

2021



- » PTSC added business lines: power generation; power transmission and distribution; construction of civil engineering works (construction of industrial works - renewable energy, construction of buildings other than houses) to continue to achieve development opportunity when participating directly from investment to related services supply with advantage of the leading provider in offshore and onshore industrial services in Vietnam.
- » On July 2021, PTSC continued to be awarded the contract by the NOC (the project owner) to implement the Gallaf - Phase 3 project in Qatar with a volume of over 19,000 tons after winning a fierce competition over international contractors all over the world.
- » On September 2021, PTSC was selected by Northland Power Development Services Inc. and Yushan Energy Co., Ltd. for signing an agreement with priority on design, procurement, and development of O2 transformer stations for Hai Long 2 and Hai Long 3 wind power projects offshore Taiwan.
- » PTSC exceeded its production and business targets, ensured safety for its employees at all domestic and international construction sites and projects in the context of complicated developments of Covid-19 pandemic, and generated adequate income for employees.

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MESSAGE

FROM THE PRESIDENT & CEO



“Change for Chances,” - change for welcoming new opportunities - is the key message in 2022 that has been mutually agreed and committed by the Board of Directors and all employees of PTSC.”

CHANGE FOR CHANCES

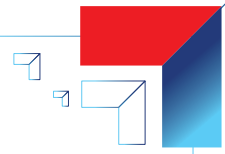
To PTSC shareholders,

You are holding in your hand the Annual Report 2021 of PTSC, a document clearly and fully reflecting the production and business operations and activities of PTSC in the past year. 2021 was full of challenges and difficulties due to the fierce outbreak of Covid-19 pandemic and production and service disruption, and the target of maintaining business and overcome the crisis became vital to all managers and employees of every company.

For PTSC, Covid-19 pandemic continued causing direct impact on PTSC's traditional services such as specialized ships, port bases, mechanical engineering, installation, maintenance and operation, etc. Demand and workload dropped while competition was becoming fiercer. Investment projects for procurement of vessels and equipment also face many difficulties in evaluating, analyzing, and updating investment efficiency due to unfavorable market conditions. Many infrastructure investment projects could not be implemented or must be extended or suspended for economic re-evaluation to ensure efficiency and cost reduction. Although the development of services abroad was improved, many difficulties and challenges still remained. Pandemic control policies and entry restriction measures of host countries greatly affected the performance of contracts for foreign customers, resulting in remarkable costs to PTSC, especially for projects in the Middle East with thousands of workers and equipment deployed and arranged for offshore construction under harsh climate conditions. Transportation, accommodation, immigration procedures, and arrangement of work schedules and safe return of workers upon project completion were also major challenges that PTSC managed to overcome.

For those reasons, 2021 has truly become the year of action for PTSC employees who ready engaged in work and projects, no matter how major or minor and domestic or foreign. The persistence, initiative, determination, and creativity with professional service spirit of PTSC continued to be tempered and strengthened through countless difficulties to record the consolidated revenues and consolidated gross profit of VND 14,711 billion and VND 878 billion, respectively, accounting for 147% and 125% of the annual plan.

More specifically, the revenue structure has changed significantly with foreign and non-industrial customers accounting for a market share of 74%. In order to achieve these spectacular figures during the long period of pandemic and social-distancing, PTSC personnel and equipment were sent to in many countries around the world such as Japan and Taiwan, Cambodia, Thailand, Malaysia, Myanmar, India, Middle East... PTSC was also step by step engaged in offshore wind power sector as both a contractor and a potential investor – its new direction/products are in line with PTSC's core competence, the global energy transition trend and Vietnam's strong commitment to



"Zero Carbon 2050" at COP 26. That action also clearly demonstrated the process of expanding the market and acquiring foreign and non-industrial customers. PTSC no longer limited itself to the traditional market, but has continuously transformed and sought opportunities to reach new markets, continuing to affirm its prestige and brand and fully conveying the **"Complete Solutions, Unconditional Faith"** message to its customers, partners, shareholders...

You can feel that spirit of PTSC on each page of our Report, in our photos, figures, news, and services spanning over the last year.

Dear Valued Shareholders,

The BOM is always concerned about PTSC's general mission on the path toward sustainable development. Satisfaction with the present will result in "stagnation" and become the enemy of development. Therefore, in order to keep going on the long road ahead with long-term goals, PTSC needs to continue transforming itself drastically to be able to adapt to any changes.

"Change for Chances" - change for welcoming new opportunities - is the key message in 2022 that has been mutually agreed and committed by BOD and all employees of PTSC. Apart from completing business targets, creating jobs, and stabilizing and maintaining the market, PTSC will drastically focus on restructuring the system, governing and boosting investment activities, maximizing the value of PTSC's service chain, making creative changes, proactively seizing business opportunities in the energy transition trend to develop new products and services. We set the goal that each individual and team must try harder to maximize their creativity, proactiveness, and especially boldness to take action, change themselves to become better and better over time.

On behalf of BOM, I would like to convey our sincere thanks PTSC BOD, executives of functional departments, subsidiaries, and affiliates, and all managers and employees of PTSC for always keeping the working fire and spirit and for every effort and devotion to PTSC's success on the development road.

We are also deeply grateful to Vietnam Oil and Gas Group as well as valued shareholders for your trust and co-operation, and to customers and partners for your care and support.

We are committed to maintaining the spirit of **"Comprehensive solutions, driven by trust"** motto.

Sincerely,

President & CEO

LE MANH CUONG





Remuneration and other benefits of BOM:

No.	Full Name	Title	Start Date	End Date	Salary (vnd)	Remuneration (vnd)	Bonuses For Bom In 2020 (vnd)	Other Benefits In Cash (vnd)	Total Remuneration And Other Benefits (Before Tax) - vnd
1	Le Manh Cuong	BOD Member and President & CEO	01/01/2021	31/12/2021	1,517,075,000	120,000,000	214,200,000	517,130,000	2,368,405,000
2	Nguyen Huu Hai	Vice President	01/01/2021	31/12/2021	1,371,964,000	-	161,426,000	446,676,000	1,980,066,000
3	Nguyen Tran Toan	Vice President	01/01/2021	31/12/2021	1,371,964,000	-	193,711,000	463,513,000	2,029,188,000
4	Ta Duc Tien	Vice President	01/01/2021	31/12/2021	1,371,964,000	-	161,426,000	405,713,000	1,939,103,000
5	Tran Ho Bac	Vice President	01/01/2021	31/12/2021	1,266,428,000	-	149,009,000	818,339,000	2,233,776,000
6	Nguyen Xuan Cuong	Vice President	01/01/2021	31/12/2021	1,266,428,000	-	149,009,000	411,119,000	1,826,556,000
7	Tran Hoai Nam	Vice President	16/11/2021	31/12/2021	93,106,000	-	-	5,000,000	98,106,000

BUSINESS PERFORMANCE OVERVIEW IN 2021

2021 was another challenging year for the global oil and gas market when it was not fully recovered from a long crisis, the Covid-19 pandemic came next with even more serious impacts. Oil and gas corporations had to focus on responding to the pandemic, resulting in low and narrow market demand. Meanwhile, the Covid-19 pandemic in Vietnam became very complicated with outbreaks in various regions across the country, new virus variants emerged one after another, causing difficulties for pandemic control. These factors seriously affected the socio-economic aspects, disrupted the supply chains and trade traffic, and stalled

the production, business and service activities. Workload in domestic projects continued to be scarce, service prices remained low and competitions were extremely fierce. In addition, offshore service development was difficult, due to low workload and stricter protection of domestic businesses by host countries.

Facing countless difficulties, PTSC made great efforts to promote its production and business activities, develop appropriate response plans and solutions for each level of the pandemic and market developments to ensure stable implementation, safety and efficiency of production and business activities, job security,

and adequate benefits for PTSC personnel. Especially, PTSC's acumen and flexibility should be highlighted when PTSC took the initiative and seized business opportunities in line with the trend of energy transition to develop new offshore wind power services.

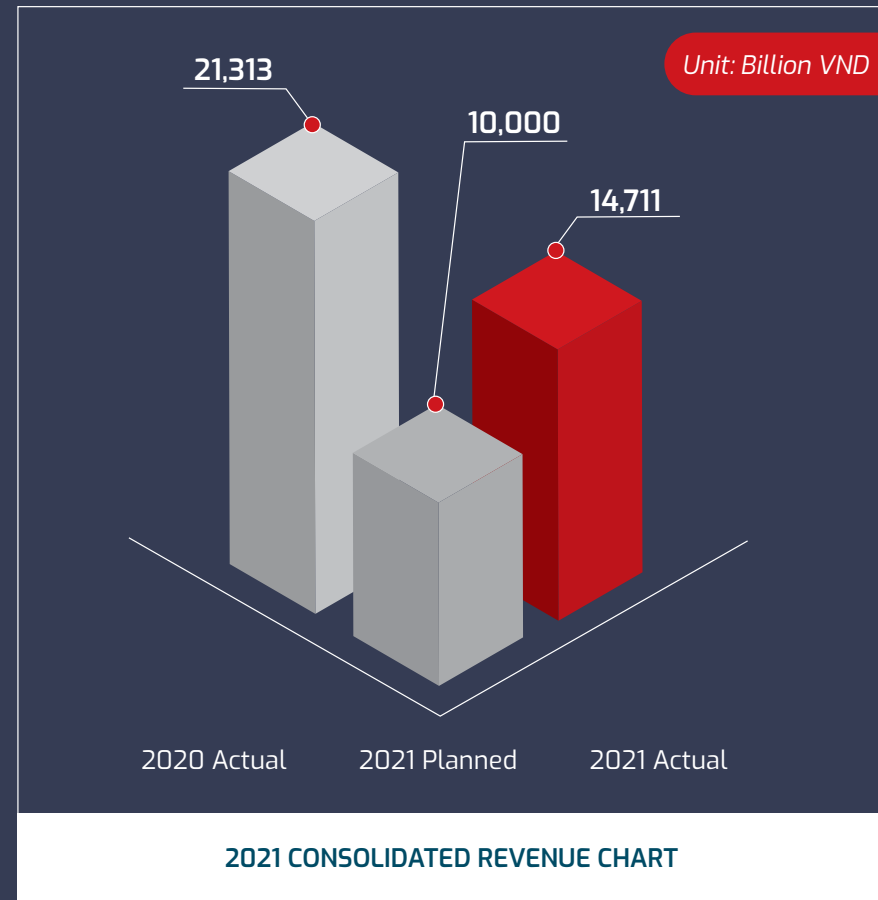
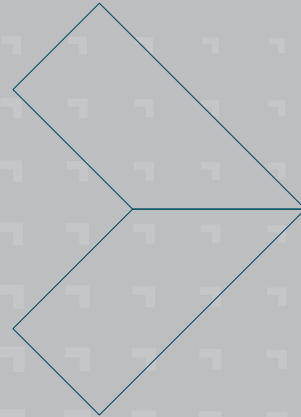
Consolidated revenue in 2021 was 14,711 billion VND, accounting for 147% of 2021 plan, down by 31% YoY. Consolidated profit before tax in 2021 was 878 billion VND, reaching 125% of 2021 plan, down by 14% YoY. Services provided by PTSC always ensured safety, quality, timeliness, and compliance with customers' requirements.



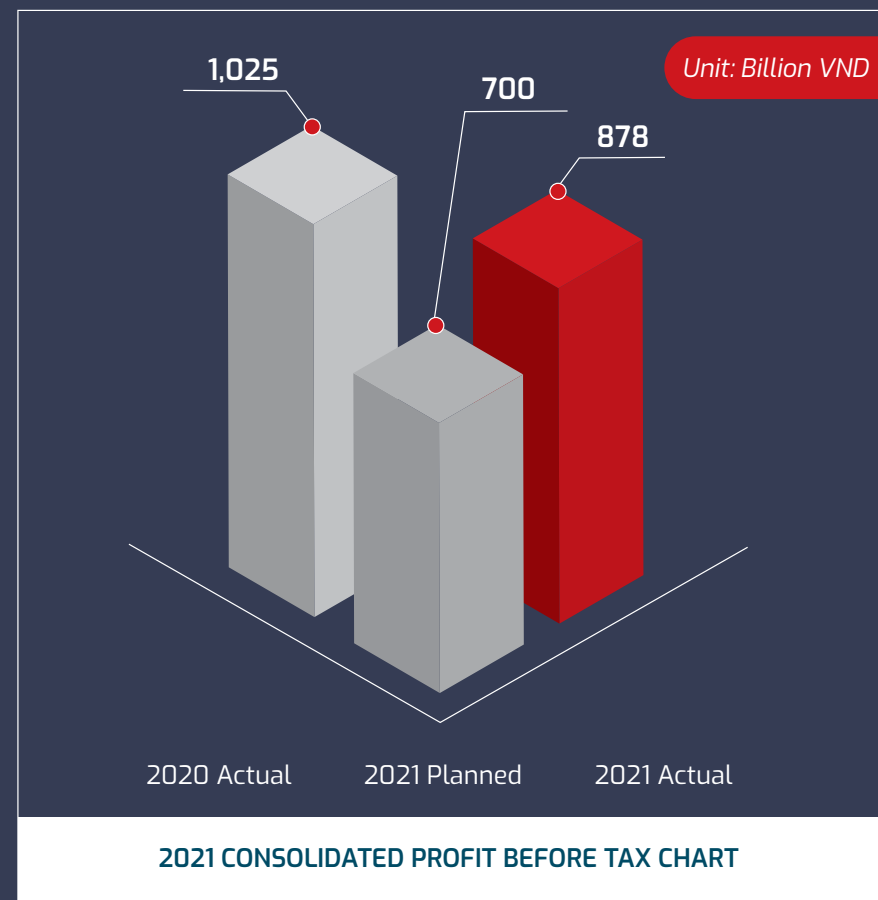
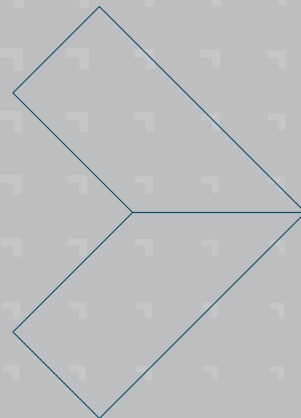
ASSESSMENT OF REVENUE AND PROFIT CRITERIA

Assessment of revenue and profit performance

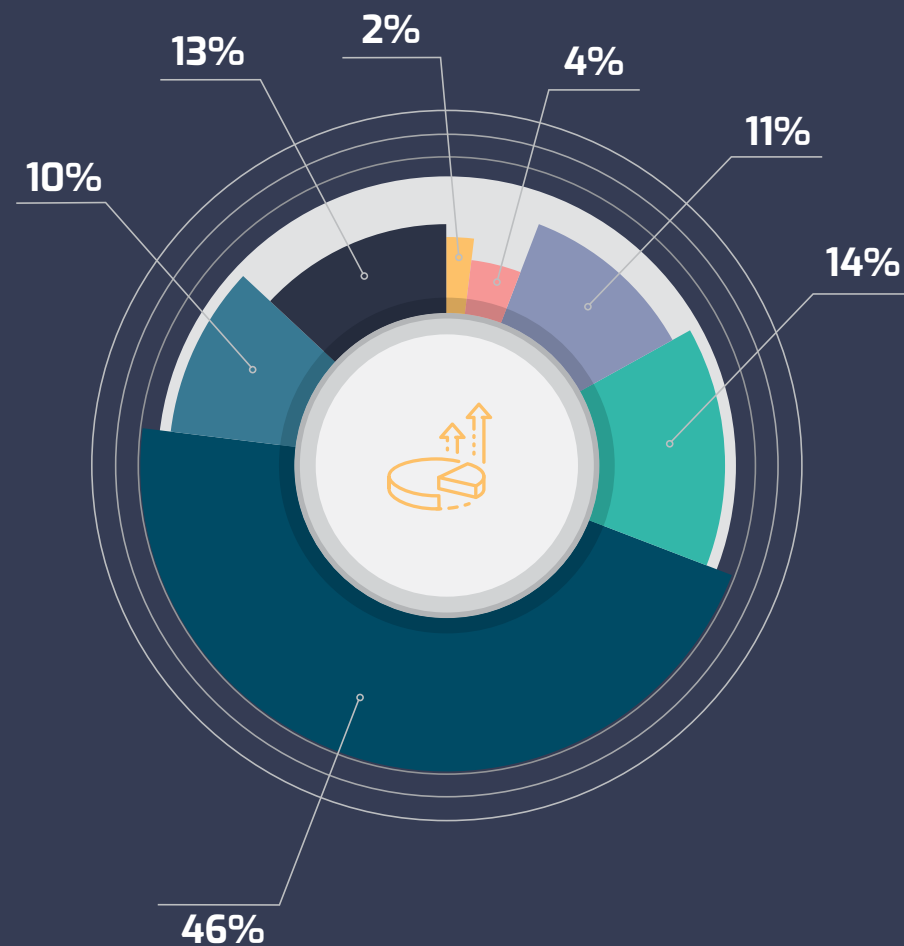
The developments of Covid-19 pandemic in the past year has been extremely complicated around the world, especially in Vietnam, from April 2021, the emergence of new variants has caused the disease to break out and spread quickly on a large scale. Many provinces had to apply social distancing measures under Directive 16/CT-TTg, especially in Ho Chi Minh City and Ba Ria - Vung Tau, the area of operation of PTSC and many subsidiaries, which has greatly affected its production and business activities. In addition, the shortage of domestic work and projects in the business scope of PTSC, low service prices and fierce competition contributed to the shrinkage of all of PTSC's service sectors compared to those in 2020. Consolidated revenue in 2021 of PTSC was down by 31% YoY.



With business activities heavily constrained by the impact of the pandemic, PTSC made best efforts to deploy many coordinated solutions, maintain strict control over expenses, including salaries in order to minimize the drop in revenue on profit, helping PTSC's consolidated profit before tax to decrease by only 14% YoY.



SERVICE ACTIVITIES ASSESSMENT



- Port & Supply Base: 1,736 billion VND, reaching 116% of the year plan
- Installation, Operation and Maintenance Offshore Facilities: 2,241 billion VND, reaching 132% of the year plan
- Seismic, GEO, Survey and ROV: 302 billion VND, reaching 76% of the year plan
- Other services: 635 billion VND, reaching 318% of the year plan
- Offshore Support Vessels: 1,802 billion VND, reaching 129% of the year plan
- FSO/FPSO: 2,370 billion VND, reaching 158% of the year plan
- EPCI for offshore facilities & EPC for Industrial plants: 7,775 billion VND, reaching 173% of the year plan

2021 contribution revenue chart by individual service

Details of the assessment of business service performance are as follows:

OFFSHORE SUPPORT VESSELS



Revenue was 1,802 billion VND, reaching 129% of the 2021 Plan, down by 15% YoY.

In 2021, the total number of operating days of PTSC's service vessels (including bareboat charter ships) was only 1,726 days, down by 22.7% YoY due to the impact of Covid-19 outbreak and its complicated developments, leading to a decrease in demand/work volume, a sharp slump in service prices. In addition, PTSC continued facing fierce competition from domestic and foreign private vessel providers with a strong increase in the number of both firms and vessels, especially for categories not available from PTSC, narrowing the market share. However, PTSC also constantly endeavored to look for new customers and services to diversify service categories and improve the efficiency of its production and business activities. As a result, PTSC Marine

signed a contract to supply support vessels to Siemens Gamesa Renewable Energy for the construction, installation, and operation of offshore wind turbine systems in Ben Tre and Tra Vinh Provinces.

PTSC effectively provided security service, fire protection, safety, towage for Dung Quat Refinery Plant and Nghi Son Petrochemical Refinery Plant, satisfying all demands of the customers. Especially, on August 22, 2021, PTSC's tugboat and maritime support fleet successfully supported the delivery of the 100th VLCC (Very Large Crude Carriers) docked at the single point mooring (SPM) for Nghi Son Petrochemical Refinery Plant, thereby demonstrating the effective coordination among PTSC, NSRP, and related entities to maintain continuous operation of Nghi Son Petrochemical Refinery Plant.

F50/FPSO



Total revenue for the whole year of 2021 was 2,370 billion VND, reaching 158% of the 2021 Plan, down by 30% YoY. The significant decrease in revenue over the past year was mainly due to the recognition of major revenue from Ca Rong Do F50 Project in 2020.

In 2021, F50/FPSO lease service provided by PTSC and co-owners met the clients' requirements (FPSO PTSC Lam Son for Block 01/97 & 02/97, FPSO Ruby II Block 01/17 & 02/17, F50 PTSC SCS 1 for Moc Tinh Hai Thach Field, F50 Orkid for PM3-CAA Malaysia, F50 Rong Doi MV12 for Rong Doi - Rong Doi Tay Field, F50 Golden Star for Sao Vang dai Nguyet Field, etc.).

In particular, PTSC is in charge of all O&M works for some projects. Vessel's uptime rate reached nearly 100%, higher than contracts' requirement. Especially on July 14, 2021, the floating refrigerated LPG storage vessel supplied by Viet Dragon 68 and operated by PTSC completed the receipt, storage, and transfer of the first shipment at the anchor point in Hai Ha transshipment anchorage area, Diem Dien, Thai Binh. In September 2021, PTSC successfully, safely carried out the annual shutdown (ASD) on schedule for FPSO PTSC Lam Son floating storage vessel.

Crew service was well provided to MODEC (F50 Rong Doi MV12), MVOT (F50 Orkid), Cuu Long JOC (FPSO Thai Binh - VN).

EPCI FOR OFFSHORE FACILITIES AND EPC FOR INDUSTRIAL PLANTS



Total revenue for the whole year of 2021 was 7,775 billion VND, reaching 173% of the 2021 Plan, down by 30% YoY. The revenue from this service sector decreased significantly as compared to 2020 because oil and gas projects passed the peak construction stage while new potential contracts/projects started to be implemented.

Despite of remarkable impact by Covid-19 pandemic, PTSC actively searched for new projects, accumulated resources and took many solutions to ensure the progress of oil and gas projects, specifically:

- » Completed the manufacture, transportation, and installation of Dai Nguyet Jacket and Dai Nguyet Topside offshore in September 2021.
- » Started the construction of Jacket (12,900 MT) under Shwe Phase 3 Jacket Project in October 2021.
- » Signed a contract in July 2021 to carry out

the Engineering, Procurement, Manufacture, Transportation, Installation and Test Run of JA and KA rigs with a total volume of over 19,000 tons under Gallaf 3 Project for North Oil Company.

- » Especially, at the end of September 2021, Hai Long Offshore Wind Power signed a Preferred Supplier Agreement (PSA) for the consortium of contractors, including Semco Maritime A/S (Denmark) and PTSC Mechanical & Construction Limited Company (PTSC M&C) to install two offshore substations under Hai Long 2 and Hai Long 3 Wind Power Projects in Taiwan. This is an extremely impressive achievement and a strategic breakthrough for PTSC M&C in particular and PTSC in general in the field of renewable energy services.

EPC for industrial plants: PTSC continued safe and effective implementation and ensured the quality and progress of LNG Thi Vai project, Southern petrochemical complex project: Package A1, EPC Tank Package.

PORT & SUPPLY BASE



TRANSPORTATION, INSTALLATION, OPERATION, AND MAINTENANCE OF OFFSHORE FACILITIES



Total revenue for the whole year of 2021 was 1,736 billion VND, reaching 116% of the 2021 Plan, down by 4% YoY.

Revenue from port service decreased over that in 2020 mainly because production and business activities at Vung Tau Downstream Port in 2021 were also severely affected by Covid-19 pandemic, port base services generally slumped on YoY basis, base services and material supply fell due to reduction in service demand.... The number of contractors implementing the drilling plan remained at a low level, about 2-3 contractors/month, same as the previous year.

Production and business activities at general ports of PTSC, including Phu My General Petroleum Service Port, Hon La Port, Wharf 1 of Dung Quat Port, and Nghi Son Port were properly maintained.

Domestic transportation route, focusing on Hai Phong City - Ho Chi Minh City, suffered from shortage of goods due to the stagnation of production activities in southern provinces; for international transport routes, shortage of containers and disruption of the supply chain caused by the pandemic led to delays in shipping schedules or cancellations, which negatively affected the operation of Dinh Vu Port. The operation of Son Tra Port continued facing many difficulties due to the lack of State investment in the access channel to the port while land rent rate was increased.

Total revenue for the whole year of 2021 was 2,241 billion VND, reaching 132% of the 2021 Plan, down by 34% YoY. The revenue and profit from this service sector decreased significantly as compared to last year because oil and gas projects passed the peak stage while new potential contracts/projects were not yet implemented.

PTSC completed providing connection, test run, and offshore conversion services for Phase 2 of Al Shaheen Project; Phase 2 of NCS2 Marine Pipeline Construction project; DH01 DISCONNECT Project: disassembling, towing, reconnecting FPU DH01 rig from Dai Hung field, Block Q5-1A offshore of Vietnam for PVEP; Transportation and installation of turbines for Phase I of Hoa Binh 5 Wind Power Project; Transportation and installation of Submarine Cable for Tan Thuan Windfarm Project.

Besides, PTSC continued providing safe and effective maintenance contracts, supply long-term/short-term human resources for oil and gas projects for customers.

SEISMIC, GEO SURVEY AND ROV



IMPROVEMENT OF ENVIRONMENTAL HEALTH SAFETY POLICY MANAGEMENT



Total revenue for the whole year of 2021 was 302 billion VND, reaching 76% of the 2021 Plan, down by 33% YoY. Revenue was low as compared to the plan and the previous year because many customers canceled bids or stopped implementing projects due to unfavorable market conditions. In addition, while a number of projects were implemented, their workload was reduced to minimize costs, etc., resulting in a sharp decrease in revenue from this service sector in 2021.

In 2021, PTSC continued maintaining and safely operating PTSC Researcher Vessels, Engineering Geological Survey Vessels and ROV Equipment for geological survey activities and repair of underground works, satisfying customers' requirements.

PTSC was actively conducting necessary procedures on dissolution of PTSC CGGV Joint Venture in compliance with regulations.

PTSC continued properly maintaining the application of health, safety, environment and quality management systems in accordance with ISO 9001, ISO 14001 and ISO 45001 standards and is developing a risk management system under ISO 31000:2018 standard.

Given the complicated and ongoing developments of Covid-19 pandemic in 2021, especially during the period of social distancing, PTSC has improved its HSEQ management policy on environmental protection with efficient and economical use of raw materials and input energy. As compared with 2020, energy consumption indicators in 2021 decreased significantly as follows: electricity down by 20%; industrial gas down by 21%; DO oil down by 34%; water down by 18%.

Up to now, occupational safety, environmental protection, fire prevention and fighting operations are regularly and strictly inspected to ensure absolute safety in production, business and services while Covid-19 epidemic control measures are still maintained to ensure safety and efficiency of PTSC's production and business activities.

INVESTMENT ACTIVITIES ASSESSMENT



Investment activities of Parent Company - PTSC

In 2021, the parent company - PTSC continued implementing investment projects according to the approved 2021 plan. Investment projects carried out in 2021 mostly involved investment preparation procedures, engagement of survey consultants, preparation of feasibility study reports of investment projects for Wharf 2 of Dung Quat Port, PTSC office building project, wharf extension project at Vung Tau Downstream Port, carrying out procurement bidding for 160-180 ton crane trucks, and purchasing small vehicles, facilities, IT equipment, and software for its production and business activities during the year. In addition, as for investments in relay service vessels from 2020, PTSC could not sign and negotiate contracts because as it was impossible to organize field inspection of vessels due to travel restrictions. The disbursement result in 2021 of the Parent Company - PTSC was 14.2 billion VND, only representing 15.2% of the Plan.

Investment performance was low as compared to the plan because of complicated developments of Covid-19 pandemic, social distancing measures, and travel restrictions in Ho Chi Minh City and other provinces, which affected the progress and performance of construction investment consulting units as well as the receipt and processing of information submitted by PTSC to competent authorities for approval, resulting in delays and difficulties. Similarly, investment projects for procurement of vessels and equipment also faced many difficulties in evaluating, analyzing, and updating investment performance due to unfavorable market conditions. Consequently, many investment projects could not be implemented and had to be rescheduled or suspended to ensure efficiency and cost reduction amid countless difficulties.

Investment activities of subsidiaries - PTSC

PTSC subsidiaries have well implemented investment projects for infrastructure, equipment and facilities in support of production and business activities as planned, such as: Completing the conversion of Binh Minh vessel to replace PTSC Surveyor geological survey vessel; investing in 01 ROV work-class equipment (with offshore connection and test run completed), container cargo crane with reach of 37m for PTSC Dinh Vu Port (with advance payment made under the contract signed with the contractor and expected to be transported to the port in early 2022), bulk cargo conveyor for PTSC Phu My Port (completing the acceptance test and putting in operation), two 5-ton cranes for PTSC M&C, 8-12 ton crane trucks of POS, 25-ton forklifts, profile cutters, 7-ton wheel forklifts, etc. as well as other investments in factories, other machinery and equipment serving production and business activities of the subsidiaries Total disbursement value of PTSC subsidiaries in 2021 reached over 240 billion VND.

FINANCIAL STATUS ASSESSMENT

Based on the audited financial statements for 2021, PTSC's financial position is safe and stable with solvency ratios of higher than 1. Cash and cash equivalents include cash on hand, demand deposits with banks, cash in transit, and other short-term investments with maturity not over three months from the investment date that are readily convertible into certain amounts of cash, and without any risk of conversion into cash as of the financial statement date. Notably, despite the difficult context of global oil and gas businesses due to the impact of Covid-19 pandemic, PTSC's total assets in 2021 reached 24.845 billion VND, only a slight decrease as compared with 2020 (down by 5.4%) mainly due to the value of fixed assets and trade receivables.

Financial indicators

No.	Item	UNIT	2020	2021	% increase/ decrease
1	Total asset	Billion VND	26,279	24,845	94.54%
2	Net revenue	Billion VND	20,180	14,198	70.36%
3	Profit from operating activities	Billion VND	310	664	214.27%
4	Other profit	Billion VND	715	214	29.93%
5	Profit before tax	Billion VND	1,025	878	85.66%
6	Profit after tax	Billion VND	710	677	95.40%
7	Dividend payout rate	%	10%		

Key financial ratios

No.	Item	Unit	2020	2021
1	<i>Liquidity Ratios</i>			
	+ Current ratio:	Times	1.69	1.76
	+ Quick ratio:	Times	1.48	1.52
2	<i>Financial leverage</i>			
	+ Debt-to-asset ratio	Times	0.51	0.50
	+ Debt-to-equity ratio	Times	1.04	0.98
3	<i>Efficiency ratios</i>			
	+ Inventory turnover ratio:	Times	10.72	6.40
	+ Revenue/Assets:	Times	0.54	0.79
4	<i>Profitability ratios</i>			
	+ Net profit after tax/ revenue.	%	5.00%	3.36%
	+ Net profit after tax/Equity.	%	5.51%	5.40%
	+ Net profit after tax/Assets.	%	2.70%	2.73%
	+ Profit margin from operating/ revenue	%	2.18%	3.29%
5	<i>State budget contribution</i>	Billion VND	909	916

CHANGES FOR CHANCES

DEVELOPMENT STRATEGY UP TO 2035



- » **Long term:** Taking advantage of unique competitive advantage to grow PTSC into an internationally recognized trusted brand with focus on high-quality oil and gas services as its core and at the same time, extending business coverage to new industries and oversea markets, including offshore wind power.
- » **Medium and short term:** Maintaining stable production and business activities, promoting package service solutions/ service chains, consolidating PTSC's main service areas, and increasing service value for customers; Taking advantage of tough but still recovering oil and gas industry in order to develop and complete development scenario and capital mobilization plans along with utilizing PTSC's healthy financial capability to increase investment, fortify inner strength and be prepared for upcoming industry's tailwinds.

BUSINESS ACTION PLAN 2022

According to the development strategy up to 2035, it is forecast that oil and gas market in general and oil and gas services in particular are showing signs of recovery but still negatively affect the market due to the pandemic. Basing on the results achieved in 2021 and assessment of market opportunities in 2022, PTSC develops its planned targets in 2022 in accordance with practical conditions as follows:

Consolidated bussiness indicators of PTSC

INDICATOR	Planned 2022	INDICATOR	Planned 2022
01 Consolidated revenue	10,000 billion VND	02 Profit before tax	610 billion VND
03 Profit after tax	488 billion VND	04 Taxes and payables to State Budget	460 billion VND

Business indicators of Parent Company - PTSC

INDICATOR	Planned 2022	INDICATOR	Planned 2022
01 Charter capital	4,780 billion VND	02 Indicator	3,800 billion VND
03 Profit before tax	460 billion VND	04 Profit after tax	410 billion VND
05 Taxes and payables to State Budget	200 billion VND	06 Actual investment	490 billion VND

SPECIFIC

- 1 Optimizing resources, building service solutions in value chains basing on PTSC's scale and multi-service advantages. Promoting core services with PTSC's unique competitive advantages to customers outside the industry and abroad. Focusing on the research, participating in the Group's value chains to promote the strengths of subsidiaries in the industry in line with the strengths of PTSC.
- 2 Strictly managing the investment according to approved plan, focusing on investment in core activities. Thoroughly reviewing and evaluating market and customer needs, closely following actual situations to ensure efficiency and performance for improvement of competitiveness. Focusing on final settlement of projects on schedule.
- 3 Continuing formulating PTSC's overall restructuring plan in accordance with actual conditions and ensure PTSC's sustainable development. Completing the procedures on dissolution of CGGV, proactively handling financial issues, partially settling PTSC's financial responsibilities at CGGV.
- 4 Maintaining training activities to improve human resource quality to promptly meet the requirements for high-level development of oil and gas engineering services according to the development strategy and orientations of PTSC.
- 5 Strengthening the inspection and supervision to enhance the responsibility of the Representative of PTSC's capital in the subsidiaries, ensuring the effectiveness, sustainability, and growth of PTSC's capital. Speeding up internal control to promote saving practices, reduce service costs, and enhance the competitiveness. Conducting financial supervision over subsidiaries with losses and taking measures to support them overcome their financial difficulties and resume business.
- 6 Continuing building up a risk management system, maintaining and developing the application of quality, health safety and environment management systems throughout PTSC. Promoting scientific research, innovation, and application of initiatives in business. Upgrading and expanding the effective use of modern IT applications in the business management and governance.

OBJECTIVES

- 7 Frequently organizing the provision of safety work practices, fire and explosion prevention, personal protective equipment, and assurance of working environment; training and raising the awareness of occupational safety and health in accordance with laws and requirements for business activities.
- 8 Implementing digital transformation and investing in ERP system, ensuring the consistency and synchronization of PTSC's implementation of digital transformation and ERP.
- 9 Properly preparing the conditions, getting ready to deploy and provide services for dismantling oil rigs/pipes and construction services of wind power projects.
- 10 Strengthening training activities, improving human resource quality to promptly meet the requirements for high-level development of oil and gas engineering services according to the development strategy and orientations of PTSC.
- 11 Continuing the implementation of social security plan and cost saving and reduction practices on annual basis. Maintaining and ensuring sustainable development and associating business activities to national security and sovereignty and environmental protection.
- 12 Continuing the development of solutions to prevent and control Covid-19 pandemic, ensuring the health and safety of employees, and maintaining stable production and business activities throughout PTSC.
- 13 Continuing handling outstanding and overdue debts; balancing the cash flow; ensuring the solvency in the production and business activities.
- 14 Performing other tasks assigned by PetroVietnam.





Remuneration and other benefits of BOD

No.	Full name	Title	Start date	End date	Salary (vnd)	Remuneration (vnd)	Bonuses for bom in 2020 (vnd)	Other benefits in cash (vnd)	Total remuneration and other benefits (before tax) - vnd
1	Phan Thanh Tung	Chairman of the BOD	01/01/2021	31/12/2021	1,648,994,000	-	232,825,000	407,024,000	2,288,843,000
2	Le Manh Cuong	Member of the BOD, President & CEO	01/01/2021	31/12/2021	1,517,075,000	120,000,000	214,200,000	517,130,000	2,368,405,000
3	Do Quoc Hoan	Member of the BOD	01/01/2021	31/12/2021	1,371,964,000	-	161,426,000	313,900,000	1,847,290,000
4	Nguyen Xuan Ngoc	Member of the BOD	01/01/2021	31/12/2021	1,266,428,000	-	149,009,000	270,477,000	1,685,914,000
5	Luu Duc Hoang	Member of the BOD	01/01/2021	31/12/2021	974,662,000	-	149,009,000	252,245,000	1,375,916,000

THE BOARD OF DIRECTORS' REPORT *(continued)*



Assessment of activities of the Board of Directors

The outbreak of the 4th wave of Covid-19 pandemic in many areas, coupled with unprecedented and drastic pandemic control measures of the Prime Minister, Ministries, and local authorities in 2021; besides, quick and complicated developments of international and regional situation with both advantages and disadvantages, increased trade protectionism, fierce competition among powerful countries, complex conflicts and geopolitical competitions; the global energy industry getting mired in difficulties as the energy crisis pushing natural gas and coal prices to record highs, threatening to disrupt the already distressed supply chains and stir up geopolitical tensions... caused countless adverse impacts, forcing projects and work to be extended or suspended, shrinking

and affecting business activities of PTSC and its subsidiaries and affiliates. However, the BOD organized, implemented, and carried out activities in accordance with the Charter, Internal Regulations on Corporate Governance, Regulation on Operation of BOD in the most compliant, suitable, and effective manner.

In 2021, the BOD tried to work with the BOM and leaders of PTSC to closely instruct, organize, develop action plans, deploy and implement business activities, tasks, solutions and series of solutions in a flexible manner to cope with constant changes. The members of BOD performed their duties fully and promptly through following main activities:

Operating principles

The BOD works on the principle of collective leadership through the Resolutions of the BOD. The BOD members are personally responsible for their work and are jointly responsible for the General Meeting of Shareholders and the law for their resolutions and decisions relating to the development of PTSC. The BOD assigned responsibilities to the President to organize and execute the Resolutions and Decisions of the BOD.

Agenda and results of meetings

The BOD held 04 regular meetings on first months of the quarters and 68 meeting sessions for discussion and taking written vote opinions of Board members to make resolutions and decisions on matters under BOD's authority, specifically:

No.	Member of BOD	Meeting/opinion taking	Participation ratio	Reason
1	Mr. Phan Thanh Tung	72/72	100%	
2	Mr. Le Manh Cuong	71/72	98.6%	On business travel
3	Mr. Do Quoc Hoan	72/72	100%	
4	Mr. Nguyen Xuan Ngoc	72/72	100%	
5	Mr. Luu Duc Hoang	72/72	100%	

The BOD effectively and regularly made use of information technology system in its activities, thereby mitigating negative impacts from Covid-19 pandemic.

The BOD's decisions were made in compliance with regulations and actual business conditions, providing important directions that helped the Board of Management in the governance, coordination, and facilitation of activities of the organization and associations.

The BOD issued a total of 264 documents, including 90 Resolutions, Decisions and 174 others for handling business affairs of PTSC.

Training in governance

Members of the Board of Directors of PTSC participated in training programs organized by the State Securities Commission and other relevant agencies, in addition to training programs on "Corporate governance by best practice: International Experience Lessons for State-Owned Enterprises", "Digital Transformation In Oil and Gas Enterprises", "Taking the Leadership Role in a Changing World", "Finance and Accounting for Non-financial Staff in the Oil and Gas Industry", etc. organized by EVN and relevant training institutions.

Restructuring

PTSC continued carrying out corporate restructuring under the approved plan to streamline the organizational structure and operate effectively. Depending on new market needs and situations, PTSC continued reviewing and evaluating in order to adjust the restructuring plan in line with PTSC's strategic orientation in a streamlined and efficient manner, affirming its role as the focal point (completed the improvement of organizational structure, functions and tasks of functional committees and units) to maximize the resources for business activities of its subsidiaries and for sustainable development.

THE BOARD OF DIRECTORS' REPORT *(continued)*

Assessment of activities of BOD members

The BOD of PTSC always complied with policies, regulations and laws to ensure transparency, fairness, and compliance with the Charter, Internal Governance Regulations of PTSC, Regulation on Operation of BOD, and the Law on Enterprises with high responsibility under the principles of independence and prudence for benefits of Shareholders and the development of PTSC.

The BOD members were assigned to implement tasks under the authority of the BOD and issue Resolutions/Decisions, and supervise, direct, and speed up the implementation thereof. The BOD members actively discussed and implemented tasks in strict compliance with the annual plan with following results:

- » BOD Chairman has directed the organizing of and chaired meetings, discussions for collecting written opinions, and issuing Resolutions, Decisions, and other documents of the BOD; directing and supervising the BOM on implementing Resolutions and Decisions of GMS and BOD; directing, supporting and promoting the performance of assigned tasks of the BOD members.
- » BOD members have well-performed the responsibilities related to the management and administration of PTSC; deploying business plans, market development solutions, marketing and technology, making an important contribution to exceeding the overall business plan in 2021 of PTSC.
- » Full-time members of the BOD have made positive contributions to the process of developing and completing the Charter, Internal Rules and Regulations; monitoring and supervising the implementation and compliance with corporate governance standards; supervising and evaluating risk management, improving management systems, improve capacity, competitiveness, market development, transactions and relationships with shareholders, investors and related parties; approving and supervising the contracts and transactions with related parties as prescribed.

Assessment of activities of the BOM

The Board of Management was united, determined, dynamic and creative in taking the most out of its capacities and sense of responsibility to overcome the Covid-19 pandemic and fluctuating difficulties and challenges faced by the oil and gas industry and to manage PTSC as directed by the BOD and achieve the following results:

- » Promptly provided coordinated instructions, and properly implemented Covid-19 control solutions, ensuring safety and maintained stability of production and business activities, thereby exceeding the key targets of the business plan in 2021 as approved by the GMS and BOD;
- » Proactively developed and proposed plans to handle difficulties and shortcomings of projects and subsidiaries under the BOD's authority, contributing to minimizing risks and ensuring the rights and benefits of PTSC.
- » Conducted effective and rational use of available resources; drastically cut down costs to reduce costs but still maintaining stable product and service quality; improved the competitiveness, maintained market share as well as ensured long-term benefits of PTSC.
- » Accounting and financial management were in conformity with standards and transparency as prescribed by law;
- » Continued maintaining the movement of innovations, updates, improvements, upgraded the management system to improve the capacity and competitiveness, and effectively applied information technology and science into management and business; implemented the proposed restructuring plan, which confirms the leading and direct role of the Parent Company in business activities of the whole Corporation.
- » Actively implemented market expansion, developed new products and services, expanded and implemented many EPC projects, industrial and non-industry, broadened participation in operation, exploitation and maintenance, repairing FSO, FPSO, factories, linking service ports, etc. Promoted risk management in jobs, projects and businesses.
- » Carried out social security activities, supported Vaccine Fund of the Government and localities, and provided support and contribution to the prevention of Covid-19 pandemic in localities and hospitals in 2021 in an amount of 78 billion VND.



THE BOARD OF DIRECTORS' REPORT *(continued)*

The global economy in 2022 is forecast to remain complicated and unpredictable, especially with the emergence of new Covid-19 variants, which may prolong and require more time for the global economic recovery. International situation is full of complicated developments, including increasing competition among major oil and gas producing and consuming countries, ongoing and unusual fluctuations in oil prices in recent and upcoming years. All these factors will increase risks and directly affect production and business activities of oil and gas enterprises in general and PTSC in particular.

PTSC is forecast to continue confronting countless challenges, fierce competition issues for oil & gas services, projects, domestic and foreign works, risks of diminishing service market and work demands due to impact of Covid-19 pandemic, oil price fluctuations. Besides, the

trend of shifting to alternative clean energy sources such as wind, solar, biomass power, etc. is expected to gradually narrow the market share and slow down production and development projects in traditional energy sources, especially fossil energy. Moreover, the oil and gas service sector currently has many competing private companies with unique competitive advantages, especially regarding the ownership nature, legal environment, flexibility in making investment decisions and solutions. In addition, offshore service development is difficult, due to low volume of work and stricter protection of domestic businesses by host countries.... Therefore, in order to complete the business plan in 2022, apart from regularly inspecting and supervising under responsibilities and duties, in the coming time the BOD will focus on directing the implementation of the following tasks:

1. Continue directing flexible and effective implementation of Covid-19 prevention and control measures; protect the health of employees of PTSC and determine to successfully implement the comprehensive targets and tasks of the 2022 business plan, thereby creating a solid foundation for sustainable development of PTSC.
2. Duly ensure legal/legislative compliance, including but not limited to updating, archival, communication, usage, training and application. On this basis, make sure that all tasks and activities of PTSC properly comply with applicable regulations; coordinate, handle, and properly carry out inspections and investigations (if any), audit, supervision, and control; properly maintain and resolve economic and civil disputes, complaints, claims, and conflicts (if any).

3. Properly carry out financial, accounting, payment, and debt collection activities to ensure a sound, stable and healthy financial situation and capital and cash flow; effectively use capital resources and preserve and grow the capital base of PTSC.
4. Promote business development, expansion of domestic and foreign markets, non-oil and gas markets, new product development, revenue growth; properly implement the cooperation and development of prestige and brand.
5. Direct and supervise the implementation of projects, works and activities that have been and will be implemented to ensure absolute safety, environmental protection, occupational health and quality, progress, and efficiency of the projects and work at the highest level; then, successfully and effectively meet the targets, tasks, programs, plans and activities set out and approved in the 2022 Business Plan (Appendix 1).
6. Promote the implementation and application of the systems, prepare coordinated solutions, and continuously improve, upgrade, and enhance the competence and competitiveness.
7. Develop and improve, upgrade, and complete the risk management system for business activities and corporate risk management.
8. Duly comply with applicable regulations on benefits, policies, care, remuneration, reward and discipline for the employees, rights and interests of Shareholders and Owners of PTSC. Simultaneously, coordinate in carrying out activities of associations, socio-political organizations, Trade Unions, Youth Unions, Veteran Association, emulation, and promotion of organization performance.
9. Apply advanced progress in information technology, science, engineering, technology and management practice to operations, continuously improve and promote initiatives and inventions.
10. Drastically carry out the ongoing, medium- and long-term restructure; review, evaluate, adjust and allocate resources, facilities and personnel appropriately and effectively; apply various types of training to continuously enhance the quality of human resources;

ACTION

PLAN IN 2022





REMUNERATION AND OTHER BENEFITS OF BOS

No.	Full name	Title	Start date	End date	Salary (vnd)	Remuneration (vnd)	Bonuses for bom in 2020 (vnd)	Other benefits in cash (vnd)	Total remuneration and other benefits (before tax) - vnd
1	Bui Thu Ha	Chief of BOS	01/01/2021	31/12/2021	1,088,336,000	-	112,533,000	261,884,000	1,462,753,000
2	Ho Thi Oanh	Surveyor	01/01/2021	28/04/2021	-	-	135,039,000	-	135,039,000
3	Bui Huu Viet Cuong	Surveyor	01/01/2021	31/12/2021	903,649,000	-	106,324,000	188,117,000	1,198,090,000
4	Pham Van Tien	Surveyor	28/04/2021	31/12/2021	635,702,000	-	-	24,917,000	660,619,000

BOARD OF SUPERVISORS' REPORT (continued)



As the Board of Supervisors (BOS) is tasked with protecting legitimate interests of shareholders, investors and PTSC, the BOS has closely followed and implemented the inspection and supervision plan approved by the General Meeting of Shareholders in 2020, ensuring progress, ethics and law compliance.

Assessment of activities of the BOS

In 2021, the Board of Supervisors carried out inspection and supervision activities with a high sense of responsibility, independence and prudence, in strict compliance with the Law on Enterprises, PTSC's Charter, and other relevant legal provisions and resolutions of the GMS, specifically as follows:

- » Carried out the duties of inspecting and supervising business management according to the functions and duties prescribed by the Law on Enterprises and PTSC's Charter;
- » Monitored the compliance with the laws and PTSC's Charter, the implementation of Regulations, Resolutions and Decisions of the GMS and BOD of PTSC;
- » Inspected and supervised PTSC's implementation of business activities and effective performance and progress of investment, bidding, and procurement projects of PTSC;
- » Inspected and supervised the preparation of economic and technical norms and cost-cutting measures to reduce product costs;
- » Appraised annual and quarterly financial statements; Evaluated business operating efficiency and solvency of debts, capital management and usage, preservation and development of owners' equity;
- » Supervised the capital balance and cash flow management; Supervised the mobilization and use of capital and evaluated capital usage efficiency of PTSC;
- » Supervised the implementation of PTSC re-structure plan;
- » Evaluated the performance of internal audit system and made proposals and recommendations (if any) to improve internal audit system performance;
- » Supervised and evaluated transactions between PTSC, subsidiaries and companies having 50% or above of their charter capital held by PTSC with members of the BOD, President & CEO, other executives of PTSC and their related persons; transactions between PTSC with companies whose founders or managers are members of the BOD, President & CEO or other executives of PTSC for the last 03 years from the transaction date;
- » Coordinated with functional agencies of the State, inspection teams, internal auditors of Major Shareholders and PTSC in inspecting and supervising management and business activities at the subsidiaries, supervise the implementation of recommendations in the Minutes of inspection and audit delegations;
- » Performed other tasks of the BOS according to the 2021 action plan. Every quarter, reviewed and reported on the assessment of the compliance with PTSC's Charter, Resolutions of the General Meeting of Shareholders, and regulations of the State.

The inspection and supervision activities of the BOS were carried out continuously and systematically in order to promptly grasp actual situ-

ation and operation efficiency of PTSC and its subsidiaries/affiliates.

Results of the Board of Supervisors' activities

Based on the authority, tasks and action plan in 2021, the Board of Supervisors has achieved the following results:

Management, investment in fixed assets and capital construction

The investment of PTSC has been implemented in accordance with current regulations of the State and internal regulations of PTSC. The investment projects on capital construction and procurement of fixed assets after being handed over have been put into use, management, classification and depreciation of fixed assets in accordance with regulations of the Ministry of Finance, the operation has brought practical economic efficiency through annual business results of PTSC.

The Parent Company - PTSC has carried out the preparation and implementation of investment procedures for projects in accordance with the approved investment plan. The disbursement result in 2021 of the Parent Company - PTSC was 14.2 billion VND, representing 4.93% of the investment plan. The reason for low performance as compared to the action plan was due to complicated developments of Covid-19 pandemic and difficulties in the implementation of investment procedures. In addition, regarding the investment in relay service vessels from 2020, PTSC has not yet been able to sign and negotiate contracts because as it was unable to organize field inspections of those vessels due to travel restrictions.

Restructuring, financial management and capital investment in other businesses

As of December 31, 2021, total capital investment made by PTSC was 4,793 billion VND. In this total amount, investments in subsidiaries were VND 3,187 billion, investments in joint ventures and affiliates were 1,603 billion VND, and other long-term investments were 3 billion VND. Provisions for financial investments were 977 billion VND.

Dividends and profits distributed to the Parent Company - PTSC as recorded in 2021 were

868.39 billion VND, accounting for 18.12% of the investments, of which:

- » Dividends and profits distributed from subsidiaries were 324.27 billion VND, accounting for 10.17% of total investments in subsidiaries;
- » Dividends and profits distributed from joint ventures and affiliates were 544.13 billion VND, accounting for 33.94% of total investments in ventures and affiliates;

In 2021, PTSC established the Operating Office for FSO Golden Star Project of Malaysia Vietnam Offshore Terminal (L) Ltd. in Vietnam; streamlined the functions, tasks and organizational structure of PTSC's functional departments; re-structured and streamlined the organizational structure of 5 subsidiaries/affiliates; currently carrying out legal procedures on terminating the Joint Venture Contract and dissolving PTSC CGGV Geophysical Survey Co., Ltd; continued monitoring the market for solutions of divestment from Nhon Trach Petroleum Shipbuilding and Repairing JSC and PetroVietnam Marine Shipyard JSC.

Implementing the dividend payment plan in 2020

Implementing the Resolution of the Annual General Meeting in 2021, on September 13, 2021, PTSC's BOD issued Resolution No. 246/NQ-PTSC-HDQT on payment of 2020 dividend in cash. PTSC completed paying the dividends of 2020 with payout ratio of 10% of Charter Capital, in cash, according to the Resolution of the GMS.

Results of monitoring the governance of the BOD

In 2021, the governance of PTSC's Board of Directors complied with the Law on Enterprises, PTSC's Charter, the Resolution of the GMS, and relevant laws and regulations.

The BOD held 04 regular meetings and 68 meeting sessions, discussed and collected written votes; issued a total of 264 documents, in-

BOARD OF SUPERVISORS' REPORT (continued)

cluding 90 Resolutions/Decisions and 174 others to manage the activities of PTSC. The BOD regularly monitored the implementation of issued resolutions and decisions, supervised the operations of the subsidiaries through periodic reports of the Representatives and direct meetings with the subsidiaries.

The Board of Directors has fully exercised its rights, obligations and responsibilities in PTSC management, actively directed, supported and facilitated the BOM, the BOS and the socio-political organizations of PTSC in performing their prescribed functions and duties.

In 2021, the Board of Directors amended and promulgated the Charter of PTSC, Internal Governance Regulations, Regulation on Operations of the BOD, and Internal Audit Regulations and implemented the dissemination and application thereof at PTSC and its subsidiaries.

Results of monitoring the governance of the President & CEO and other executives of PTSC

In 2021, the President & CEO and other executives of PTSC have complied with the Law on Enterprises, PTSC's Charter, Internal Governance Regulations of PTSC, Resolutions, Decisions, and directives of the BOD and relevant law regulations.

The President & CEO and other executives of PTSC always worked actively with a high sense of responsibility; analyzed, promptly and fully evaluated the advantages and disadvantages; acutely, flexibly and closely managed all activities of PTSC; proactively researched, implemented solutions and promptly deployed decisions to solve difficulties; actively expanded and preserved markets, diversified products and services, and promoted service development abroad; organized many action programs, launched emulation movements, mobilized and improved the efficiency of using all resources, optimized the business and production process; promoted the application of modern technology in management and administration in order to improve the effectiveness and efficiency of the management organization, contributed to cost reduction and saving; PTSC leaders maintained and achieved business results in 2021 and exceeded the annual plan.

Results of evaluating financial statements, business performance reports

In 2021, the BOS has cooperated closely with the relevant departments to appraise the financial statements for the fiscal year ended on 12/31/2021. Through the evaluation of the financial statements audited by PwC (Vietnam) Co., Ltd, the BOS found that:

- » The 2021 financial statements were audited in accordance with the provisions of PTSC's Charter and the Resolution of GSM in 2021.
- » The 2021 financial statements have presented a true and fair view, in all material aspects, of financial position of the Parent Company and consolidated financial position of PTSC as at December 31, 2021, as well as results of operations and cash flows for the financial year ended on the same date in accordance with Vietnamese Enterprise Accounting Standards and System and regulations related to the presentation of financial statements.
- » The BOS agreed on the audited consolidated financial statements and the audited separate financial statements for the fiscal year ended on December 31, 2021.

Evaluation of the coordination between the BOS with the BOD, BOM and Shareholders

The BOS has cooperated with the BOD and President & CEO on the principle of ensuring maximum legitimate interests for PTSC and its Shareholders in accordance with PTSC's Charter and the law.

The BOS has closely cooperated with the BOD and President & CEO in performing its assigned functions and duties. The BOD and President & CEO have created favorable conditions for the BOS to perform its duties; fully provided the BOS with information and materials related to activities of PTSC; invited the BOS to fully participate in meetings of the BOD, shift hand-over sessions of PTSC, and other meetings.

In 2021, the BOS has not received any request, complaint, or claim from any individual shareholder or group of shareholders holding 5% or higher of total ordinary shares of PTSC.

Action Plan in 2022



The action plan in 2022 of the BOS will focus on the following activities:

1. Inspect and supervise the implementation of and compliance with PTSC's Charter, the Law on Enterprises, and state laws; the implementation of and compliance with the Regulations, Resolutions, Decisions and Directives of the GSM and the BOD;
2. Inspect/supervise and evaluate the implementation of Resolutions of the 2022 GSM; financial situation, capital balance and cash flow management, operational efficiency and debt solvency, capital management and usage; capital preservation and development; implementation of quarterly production and business plan; inspect/supervise the implementation, progress and efficiency of investment projects;
3. Review contracts and transactions with related persons under the approval authority of the BOD or GSM and make recommendations on contracts and transactions requiring approval of the BOD or GSM; supervise entities regarding the disclosure of information on related persons and transactions with related persons;
4. Coordinate with functional State agencies, inspection teams, internal auditors of Major Shareholders and PTSC in inspecting and supervising management and business activities at the subsidiaries, supervise the implementation of recommendations in the Minutes of inspection and auditing teams;
5. Prepare the report on activities in 2022 and action plan in 2023 of the BOS, submit them to the GSM for approval and organize the implementation thereof;
6. Submit the following reports to the annual GSM: Review of the 2022 financial statements, annual report on business activities and evaluation report on management in 2022 of the BOD of PTSC;
7. Inspect the rationality, legitimacy, truthfulness and prudence in business management; the systematization, uniformity and appropriateness of accounting, statistics production and preparation of financial statements;
8. Review accounting books, records and other documents of PTSC, the management of PTSC's operations when deeming it necessary;
9. Check/supervise the implementation of corporate restructuring and innovation;
10. Review, examine and evaluate the effectiveness and efficiency of PTSC's internal control, internal audit, risk management and early warning systems; make recommendations and proposals to improve and enhance operational performance of the internal control system;
11. Conduct appraisal of annual and quarterly financial statements;
12. Inspect/supervise the implementation and handling of recommendations from competent state agencies and functions at PTSC;
13. Supervise year-end inventory of assets at PTSC;
14. Perform other duties of the BOS as required by the GSM and applicable regulations.

03

CORPORATE GOVERNANCE

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- » Market Risk
- » Policy Risk
- » Pandemic, Safety, Quality and Environment Risks
- » Credit, Interest and Exchange Rate Risks



OVERVIEW OF PTSC'S CORPORATE GOVERNANCE

One of the key factors in PTSC's long-term development strategy during over 29 years of establishment and development is the focus on building a corporate governance system to maximize internal resources, optimize resources, ensure production and business efficiency, increase brand value, generate trust and maximize the benefits for shareholders and investors, thereby contributing to the overall development of the society and community. During 16 years of operation under

the governance model of Parent Company - Subsidiaries, PTSC has constantly reviewed and improved its management system based on international management practices and in strict compliance with Vietnamese law, which clearly specifies the rights and responsibilities of the Parent Company and its subsidiaries, the rights and responsibilities of BOD and BOM in the Charter, Regulations on Internal Governance of PTSC and Regulation on operation of the BOD.

Relationship and operating mechanisms between the Parent Company and Subsidiaries

Mối quan hệ của Công ty Mẹ và các Công ty con, Công ty liên doanh, liên kết chặt chẽ, hỗ trợ nhau trong hoạt động cung cấp dịch vụ cốt lõi của PTSC. Mỗi đơn vị thành viên trong Tổng công ty thực hiện chính một loại hình dịch vụ chính trong chuỗi các loại hình dịch vụ trên cơ

sở Công ty Mẹ định hướng, chính sách điều phối, đặc biệt là chính sách ưu tiên sử dụng dịch vụ nội bộ nhưng vẫn đảm bảo nguyên tắc bình đẳng giữa các đơn vị đảm bảo hiệu quả hoạt động ở mức cao nhất và đem lại ưu thế cạnh tranh,

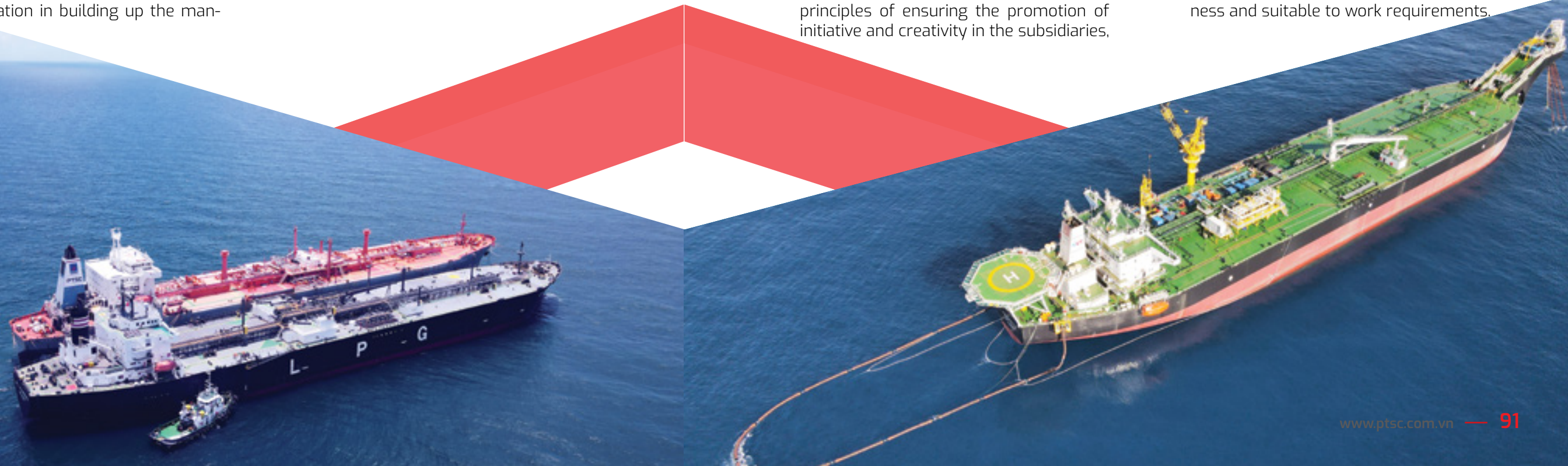
Perfecting the corporate governance system

PTSC is constantly building and applying many advanced governance models of the world and the region. In 2021, PTSC has made an effort to build and perfect the corporate management system to cover the Parent Company and its Subsidiaries, Joint Ventures, and Affiliates to enhance the capabilities and competitiveness in the technical service market and promote the application of information technology and digital transformation in building up the man-

agement system of PTSC that rivals the best regional standards, specifically:

1. Completed the preparation, updating and revision of the Charter, Regulations on internal governance of PTSC, Regulation on operation of the BOD and BOS in compliance with applicable regulations.

2. Completed the supplementation of lines of business, including: power generation; power transmission and distribution; construction of civil engineering works (industrial-renewable energy works, non-residential buildings) to expand business opportunities in line with the global trend in energy transition, and contribute to boosting the business efficiency.
3. Upgraded and applied software systems for management: Human Resource Management System (HRM); Financial Accounting Management; Work Information Management; Property Management.
4. Effectively carried out corporate restructuring according to PetroVietnam plan for stronger development, focused on main business lines, improved the efficiency and competitive strength, and sustainable development on the basis of maintaining the development strategy approved by PetroVietnam. Strengthened the coordination between PTSC and its subsidiaries and among the subsidiaries; utilized/optimized the resources in accessing new markets and services.
5. Stabilized the operations of PTSC, improved existing regulations and rules to adapt to actual situations and standardized those regulations and rules in compliance with international standards in various fields of management, decentralized the organization of production, business and investment management on the principles of ensuring the promotion of initiative and creativity in the subsidiaries, and ensured the ability to manage and deploy resources to carry out strategic tasks of PTSC.
6. Perfected and improved the organization of internal inspection and control as an important tool in the management and administration of the Parent Company - Subsidiary model of PTSC.
7. Strengthened, perfected, and disseminated PTSC's culture of "unity, dynamism, creativity and professionalism" to each working position and employee, motivating them to maximize their potential.
8. Developed a method of management, administration, and organization of production and business at grassroots level suitable to each type of service, increased the initiative for managers at all levels, and associated benefits with individual responsibilities and work performance.
9. Maintained, improved and effectively applied quality management systems of international standards to production and business activities to maximize the effects of these management systems on the production and business performance of PTSC and its subsidiaries.
10. Reviewed and built a comprehensive system of economic and technical norms across PTSC, improved working processes to reduce management costs, streamlined the management team for compactness and suitable to work requirements.



Human Resources In 2021



As of December 31, 2021, total number of employees of PTSC is **7,115**

Understanding that human resources always play an important role as an indispensable element and great resource to create successes and bring profits to businesses, in recent years PTSC has regularly standardized its operations and management activities, built the capacities and human resource development to meet international standards.

Human Resource Fluctuation In 2021

The global competition and outstanding development of information technology have led to an increase in personnel fluctuations in businesses and cause significant impacts on their management and governance. In 2021, personnel turnover rate of PTSC was about 12% {quitting employees (900 people) / average number of employees in 2021 (7,300 people)}, which was higher than the standard turnover rate of 4%-6%. Reasons for fluctuations in PTSC:

(i) Production and business activities of the Corporation are multi-disciplinary, mainly involving serving customers and partners; as a result, personnel fluctuations are normal;

(ii) The shortage of workloads and projects in the fields of PTSC while service prices remain low and competition is fierce resulted in uncompetitive, unattractive salary and benefits to the employees;

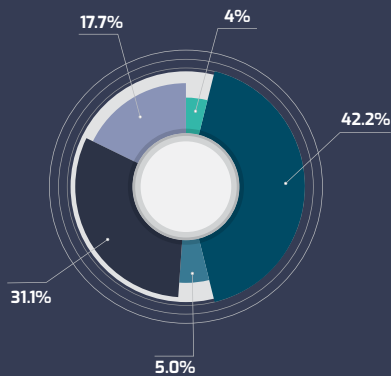
(iii) PTSC embarked on restructuring to become more streamlined and effective;

(iv) The complicated developments of Covid-19 pandemic affected and disrupted the supply chain and suspended production, business and service activities of PTSC.

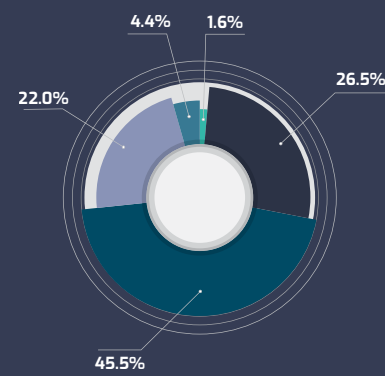


Human resources demographics

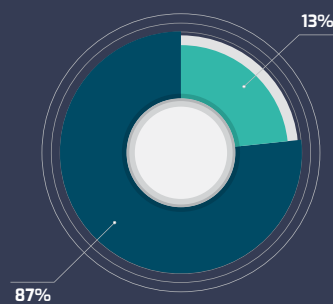
By education level



By age



By gender



- Postgraduate
- University
- College
- Technical workers and intermediate
- Blue collar workers

- Under 25
- Age 25-35
- Age 35-45
- Age 45-55
- Over 55

- Male
- Female

HUMAN RESOURCE DEVELOPMENT

Facing personnel fluctuations in 2021, difficulties caused by Covid-19 pandemic, and the gloomy forecast of the oil and gas market in 2022 due to the ongoing pandemic and oil price fluctuations, PTSC has focused on providing training courses for key personnel from sales, trading and projects divisions on the following topics: Corporate governance under best practices, Leadership in a fluctuating world, Energy shift, Digital transformation, Update of new laws/codes; Root-cause analysis for floating storage operation management, Safety of storage and LNG vessels, Information technology system management, etc., as well as focused on building the system, promoting the exchange and internal training such as seminars on exchange of experiences as a part of preparing and implementing onshore/offshore projects of PTSC, regularly drawing out and presenting the lessons learned from project implementation. In addition, PTSC regularly provided specialized training and fostering courses to improve professional and operation knowledge, working skills for support staff; project participants were provided with training on safety, environment, health and quality.

Together with human resource development and training, PTSC has reviewed, improved and restructured the management system and organizational structure to adapt to actual conditions and situations in a streamlined and effective manner and promoting the focal role of PTSC (completed the improvement of organizational structure, functions and tasks of functional units such as: streamlined the functions and duties of Trade Division, Industry Division; adjusted the organizational structure of PTSC Marine, PTSC Long Phu, PTSC Quang Binh, PTSC M&C, PTSC G&S, PPS, POS, PTSC Thanh Hoa).

Total budget spent by PTSC for training in 2021 was 22.1 billion VND and 11,400 participants were trained. In addition, PTSC regularly offered specialized training and fostering courses to update professional and operation knowledge, and working skills for the support staff; project participants were provided with training on safety, environment, health and quality.

MEMBERS AND STRUCTURE OF THE BOD

The Board of Directors of PTSC comprises of 05 members, including 04 full-time members and 01 member as the President. In 2021, the Board of Directors of PTSC included 01 independent member.

Information on members of the BOD of PTSC, number of PVS shares held by each member as of December 31, 2021 is as follows;

No.	List of members of the BOD	Title	Number of members of BOD titles held by each member at other companies	Number of shares with voting rights and other securities issued by the Company	Ratio of shares represented for the Parent Company - PVN	Note
1	Phan Thanh Tung	Chairman (from May 25, 2018)	0	48,551 (0.0102%)	26.38%	Full-time
2	Le Manh Cuong	Member/ President & CEO (from May 25, 2018)	0	55,424 (0.0116%)	15.00%	Concurrent
3	Do Quoc Hoan	Member (from 08/11/2016)	0	11,427 (0.0024%)	0	Full-time
4	Nguyen Xuan Ngoc	Member (from 5/25/2018)	0	0	10.00%	Full-time
5	Luu Duc Hoang	Member (from May 25, 2018 to January 04, 2022)	0	0	0	Independent member



PTSC has built, implemented and systematized risk management throughout its history of development towards international practices and standards under ISO 31000:2018, but ensured the compliance with the corporate governance model and business and operating environment of PTSC. On the basis of the assessment of risks affecting general operations in 2021, PTSC has identified following significant risks and assessed and applied appropriate response measures.

- » **Market risk**
- » **Policy risk**
- » **Pandemic, safety, quality and environment risks**
- » **Credit, interest and exchange rate risks**

MARKET RISK

Identification of risk:

- » Dual impact of Covid-19 pandemic and oil price fluctuations has remarkably affected the countries in the world in general and Vietnam in particular. The progress of many key oil and gas projects in Vietnam, such as Block B - O Mon, Ca Voi Xanh has been delayed and extended.
- » It is estimated that the global oil demand growth has been recovered to 5.7 million barrels per day in 2021. Non-OECD region saw an increase of 3.2 million barrel per day while OECD region saw an increase of 2.5 million barrel per day. This increase was fueled by stable recovery of economic activities and improved consumption of fuel for transportation, regardless of the increase in Covid-19 positive cases and prevention measures.
- » One year ago on March 04, 2021, crude oil price was 63.81 USD/barrel, and now one year later, on March 04, 2022, it nearly doubled when WTI oil price was 115 USD/barrel. This sent a warning about an imminent economic recession.

- » Besides, recent political events have been causing the imbalance of general supply and demand in crude oil market.
- » Vietnam's participation in agreements such as the Regional Comprehensive Economic Partnership (RCEP) and the EU-Vietnam Free Trade Agreement (EVFTA) (previously, Vietnam joined CPTPP and has signed many FTAs with important partners such as Japan, South Korea, etc.) and the imminent new FTAs (with United Kingdom, Israel, etc.) will attract investment capital, projects, and opportunities for service sector. However, this will also face increasingly fierce competition from domestic and foreign businesses, especially domestic private companies that are compact, flexible, and large and potential corporations from foreign countries (South Korea, Japan, Italy, Thailand, Singapore, etc.)

Risk management measures

- » Synchronously implementing formulated solutions, focusing on optimizing resources, promoting services along the value chain based on advantages of scale and multi-service business, and emphasizing on core services.
- » Continuously innovating and improving to increase the capability and competitiveness as well as considering and developing new services and clients; conducting investment research and executing onshore projects to supplement ongoing offshore projects.
- » Maintaining the working style, environment and professional culture throughout PTSC;
- » Improving corporate governance, applying advanced management principles and practices of the world
- » Innovating recruitment, training, and employment processes and aligning employees' interest with PTSC's growth.



Policy risk

Identification of risk

- » From January 1, 2021, Law on Enterprises 2020 and many other legal documents such as Law on Investment 2020, Law on Public Investment, Law on Securities 2019, and Law on Construction 2020, have come into effect with many amendments and additions affecting and governing PTSC's operations. The Government and ministries also continued improving the legal framework and issued a series of decrees and guiding documents. Newly amended and supplemented regulations cover many aspects, ranging from enterprises, public companies, investment to auditing, accounting, fees and charges, state budget, etc., aimed at improving the competitive environment between domestic and foreign enterprises, state-owned and non-state-owned enterprises, etc. Besides, the impact of international agreements on the implementation of the State's macro policies has become more and more obvious.
- » Nevertheless, the policy of protecting and prioritizing domestic oil and gas services has not been duly focused by policy planners. Vietnam has no specific and clear regulations that may create technical barriers to encourage and increase the competitiveness for domestic service providers and workers. Outbound investment activities continued facing a lot of difficulties due to the

procedures prescribed by law. Businesses had limited opportunities and less competitive advantages because they failed to promptly meet the schedule and requirements of bidding packages and projects. Some projects still got mired in complicated procedures leading to delayed approval/confirmation of settlement resulting in large overdue debts, causing difficulties in operation, giving rise to legal issues, lawsuits, provisions, etc.

- » Covid-19 pandemic, force majeure events, economic uncertainties, political instability, embargoes, blockades, quarantine, pandemic prevention and social distancing measures adopted in 2021 by many countries have directly affected market participation of domestic and foreign oil and gas enterprises.

Risk management measures

- » During production and business activities, PTSC always ensured compliance with provisions of law, guidelines and policies of the State in general and regulations, directions and development strategies of the oil and gas industry in particular.
- » With changes of legal policies, it is necessary to research, review, update, and provide internal training about new regulations to get better prepared for changes, ensuring compliance and preventing legal risks.

Besides, PTSC prepare suitable plans to save time and management costs and become more proactive, increase the efficiency in management, administration, and business and market development.

- » In order to ensure the compliance throughout the system, in 2021, PTSC drastically implemented the restructuring and established a dedicated legal department. On quarterly basis, PTSC and its subsidiaries jointly reviewed, updated and reported on their compliance with regulations on production and business activities. At the same time, PTSC also strengthened the supervision and compliance in all important projects and bidding packages.
- » PTSC also focused on reviewing, updating, and improving the system of internal management documents, internal regulations and processes to ensure the compliance with legal regulations, creating solid legal basis for management and administration. Up to now, this system has been built relatively fully, uniformly, closely and with high efficiency by PTSC. In 2021, PTSC has updated, amended and supplemented many internal regulations, including the Charter and regulations on internal governance, Regulations on operation of the BOD, Regulations on operation of the BOS, Regulations on staff management, Regulations on internal audit, etc.

» Besides, PTSC has also firmly strengthened the mechanism of decentralization, authorization, assignment of tasks, and continued providing internal training on legal aspects.

» PTSC has also paid special attention to participating in the formulation of laws, actively contributed opinions on legal documents related to its production and business activities, including important legal documents such as the draft Law on Petroleum, draft of the Decree governing outbound investment in oil and gas activities, etc.

» In 2022, PTSC will continue improving the system of internal regulations, restructuring its functional divisions, completing and firmly establishing and consolidating the mechanisms for decentralization, authorization, and assignment of "right tasks to right people"; educating and disseminating legal regulations in different manners; participating in the formulation of legal policies; actively contributing opinions on legal documents related to production and business activities of PTSC; and making proposals on policies to help facilitate PTSC in growing business more favorably at home and abroad and in non-oil sectors, as well as contribute to developing laws and submitting proposals to competent authorities regarding special incentives for oil and gas services.



Pandemic, safety, quality and environment risks

Identification of risks

» PTSC's workforce as of December 31, 2021 consisted of 7,115 employees with a diversified service delivery model from upstream to downstream activities and from offshore to onshore operations. PTSC constantly faces high risks of occupational and maritime accidents, fire and explosion incidents, environmental incidents, natural disasters, storms and floods, etc. Especially, during 2020 - 2022, the Covid-19 pandemic outbreak has lasted and turned complicated, intensifying risks of damage to human life, health, production interruption, loss to property and environment.

Risk management measures

» Developed, maintained, applied, and continuously improved the Health, Safety, and Environmental Quality Management System for years in compliance with international standards (ISO 9001:2015 - Quality Management System; ISO 14001:2015 - Environmental Management System; ISO 45001:2018 - Occupational Health and Safety Management System) as well as other safety and security management systems in accordance with international regulations such as International Safety Management Code (ISM Code), International Ship and Port Facility Security Code (ISPS Code).

» Developed and applied the system of documents on policies, regulations, internal rules, processes and production instructions; recruited, trained and educated human resources to ensure adequate capacities to meet the job requirements; promoted the investment in and application of technical solutions to prevent accidents and incidents; carried out inspection and maintenance of vehicles, equipment and machinery; conducted periodic and irregular inspections, supervisions and assessments; raised the awareness and encouraged employees to promote safe work culture; offered insurance policy for employees' health care and accident, properties, and production activities.

» In order to minimize the pandemic impact, issued documents on regulations, guidelines and procedures on disease prevention: directives, response plans, medical declarations, remote working plans; consistently monitored and updated disease information to all employees and leaders of subsidiaries and regularly and closely monitored the compliance with regulations on Covid-19 prevention and control throughout PTSC.



Credit risk

Identification of risk

» Credit risk occurs when a client or partner fail to perform their contractual or debt payment obligations, leading to financial losses to PTSC.

» PTSC has mobilized capital in domestic and foreign currencies from domestic and foreign credit institutions to meet its investment needs and production and business activities, so there is interest rate risk.

» PTSC's customers come from various geographical areas and most of them involve foreign elements, so the revenue in foreign currency accounts for a significant proportion and, in addition, PTSC also has loans in foreign currencies and, therefore, is always exposed to exchange rate risk that should be properly managed.

Risk management measures

» Regarding credit risk, before participating in a bidding package or implementing any contract, PTSC evaluates the financial position and operation of its customers and partners to ensure the feasibility of contract performance and develop an appropriate

credit policy. Periodically, PTSC performs debt reconciliation, assessment of credit history and send letters of confirmation and notices to remind the customers and partners of debt payment; for those with high credit risk, PTSC will require payment guarantee from a reputable credit institution.

» Regarding interest rate risk, PTSC has mobilized capital from domestic and international capital markets in both domestic and foreign currencies to diversify its capital sources and avoid sudden impacts from one market. In addition, to minimize risks from interest rate fluctuations, PTSC has performed derivative transactions to fix interest rates and maintain a reasonable level of fixed and floating interest rate loans.

» The exchange rate risk is managed by the policy to minimize exchange rate risks, whereby revenues and expenditures involving foreign currency are balanced by matching the contracts signed with clients to the amount payable to suppliers. In addition, PTSC always maintains a minimum balance in foreign currencies equivalent to its debt obligations in foreign currencies to avoid risks of exchange rate and foreign currency liquidity.

04 SUSTAINABLE DEVELOPMENT REPORT

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- » Report Formulation
- » Objectives of Sustainable development
- » Related Stakeholder's Participation in PTSC's Activities

110 Sustainable Development Goals (SDG) Progress Report 2021

- » Economy
- » Environment
- » Society



OVERVIEW OF SUSTAINABLE DEVELOPMENT

Message of sustainable development

If the world economy has experienced a glooming year in 2020 with the emergence of Covid-19 pandemic, in 2021, with the introduction of Covid-19 vaccines, the world economy in general and oil and gas market in particular has gradually recovered. In particular, the "reconstruction" of many industries after the pandemic has led to a great demand for energy, leading to a stable increase in oil prices. Under such favorable circumstances, PTSC has completed the planned targets ahead of schedule, and, at the same time, successfully implemented the economic growth target, thereby creating a solid foundation in the sustainable development strategy, generating benefits to its customers and long-term benefits to PTSC, successfully achieving social and environmental goals and ensured the harmony of interests to all stakeholders.

Report formulation

The integrated PTSC Sustainability Report 2021 is formulated on basis of Global Reporting Organization (GRI) standards guidelines; Decision No. 622/QĐ-TTg promulgating the National Action Plan for the implementation of the 2030 Agenda for Sustainable Development, issued on May 10, 2017; Strategy for sustainable development of Vietnam's marine economy to 2030 with vision to 2045, issued by the 12th Central Committee of the Party under Resolution 36-NQ/TW dated October 22, 2018.

Objectives of sustainable development

● ECONOMY

- » Maximize resources and fully promote the economic performance

● SOCIETY

- » Human resource development
- » Salary, remuneration, and welfare policy
- » Contribute to community development

● ENVIRONMENT

- » Safely operating and continuously improving the Safety, Health, and Environmental Quality Management System according to international standards.
- » Ensuring compliance with environmental protection standards, strictly controlling and managing waste and raw materials.



RELATED STAKEHOLDER'S PARTICIPATION IN PTSC'S ACTIVITIES

	EXPECTATIONS	SATISFYING EXPECTATIONS	PTSC'S ACTIVITIES IN 2021
 Government and State management agencies	<p>Complying with the law, applying and implementing the guidelines, policies and regulations of the State.</p>	<ul style="list-style-type: none"> » Fully fulfilling the obligations and implementing the guidelines and policies of the State; complying with the law. » Reviewing legal issues; complying with and obtaining safety and environmental permits, ensuring safe and efficient business operations. 	<ul style="list-style-type: none"> » Reviewing and educating about new laws in 2021, specifically: updating and amending the Charter, Regulations on internal governance, Regulations on operation of the BOD and the BOS in accordance with the amendments to Labor Code, Law on Enterprises, Law on Securities, Investment Law and guiding Circulars and Decrees issued and taking effect from January 1, 2021. » Synchronously implementing the Health, Safety, and Environmental Quality Management System throughout PTSC in accordance with international standards and other safety and security management systems in accordance with international regulations such as International Safety Management Code (ISM Code).
 Employees	<ul style="list-style-type: none"> » Ensuring jobs, growth in income and good benefits and remuneration policies. » Recognizing, fairly evaluating employees' contributions and achievements. » Professional training to improve competence. » Working environment and conditions to comply with HSE regulations. 	<ul style="list-style-type: none"> » Competitive salary policy based on competence and work performance; income, remuneration and benefits commensurate with dedication and contributions. » Regulations on work performance assessment to evaluate the employees. » Training and developing human resources, and successor workforce. » Ensuring a good working environment; fully implementing the health and safety program for employees. 	<ul style="list-style-type: none"> » In the circumstance of post-Covid 19 recovery of the economy, PTSC has properly operated its system, increased labor efficiency, and increased income for employees. » Continuously improving and applying the Regulations on work performance assessment to pay salaries commensurate with competence, work performance, dedication and contribution. » Carrying out practical and highly effective human resource development training programs. » Launching pandemic prevention programs and actions while maintaining safe and effective production and business activities in the period of Covid-19 pandemic. » Providing regular health care for employees, especially for Covid-19 cases.
 Shareholders and investors	<ul style="list-style-type: none"> » Ensuring business efficiency. » Ensuring public, transparent and timely disclosure of information. » Continuously improving corporate governance capacity. » Providing equal treatment and ensuring shareholders' interests. 	<ul style="list-style-type: none"> » Good business performance result » Disclosure of information » Improvement of management capability and brand name value. » Guaranteeing to pay dividends. 	<ul style="list-style-type: none"> » Exceeding the targets and the business plan in 2021 approved by the General Meeting of Shareholders. » Using the information disclosure system through IDS, CIMS, PTSC website, updating and providing the most complete information on PTSC's activities. » PTSC has invested in and applied information technology in accordance with the best regional standards to build up and complete the corporate governance system to improve its competitiveness. » Fulfilling the commitment of dividend payment.

RELATED STAKEHOLDER'S PARTICIPATION IN PTSC'S ACTIVITIES *(continued)*



Client

EXPECTATIONS

- » Ensuring safe operations, service quality, reasonable prices.
- » Reliable and advanced technology, operational capacity.
- » Professional team.

SATISFYING EXPECTATIONS

- » Investing in Health, Safety and Environmental Quality Management System in accordance with international standards.
- » Quality service, competitive price.
- » Implementing projects/services safely and timely.
- » Maintaining and increasing customers' trust.
- » Good customer service.

PTSC'S ACTIVITIES IN 2021

- » Synchronously applying Health, Safety, and Environmental Quality Management System of PTSC certified in accordance with international standards by BSI.
- » Promoting development of design and technical capacity to enhance the grey matter value and added value in products and services at competitive prices.
- » Carrying out and organizing production plans and solutions to provide services and ensuring safety, quality, and progress.
- » Developing true competence, taking advantage of PTSC's strengths of brand name, resources, management system, experience.
- » Improving the capacity of marketing and customer care teams.



Partners

- » Transparency of corporate governance system and enterprise financial management system.
- » Operational performance and professionalism.
- » Cooperation for development.

- » Partner and supplier evaluation and selection process is strict, transparent, fair, and compliant with the law.
- » Contract is fulfilled, checked, and controlled in accordance with law and regulations.
- » Payment is guaranteed.

- » Completing the corporate governance system, upgrading and applying Human Resource Management System (HRM) and Financial and Accounting Management.
- » Continuously updating, improving, and implementing the process of purchasing goods, evaluating and selecting suppliers to ensure compliance with the law.
- » Updating, improving, and implementing partner evaluation process. Legal and commercial departments check signed contracts to ensure the compliance with the law.
- » Closely cooperating, saving input costs.
- » Successful cooperation relationship for mutual benefits.



Press and media

- » Ensuring accurate and timely provision of information.
- » Cooperating in the development of communication and brand promotion.

- » Approaching PTSC's information promptly and conveniently
- » Collaborating with media agencies.

- » Periodic information of business performance results of PTSC is always reviewed and posted publicly and transparently.
- » Signing media cooperation with the mainstream media agencies.
- » Cooperating with media agencies to support organizing charitable programs, social security, environmental protection.



Community, local authorities

- » Carrying out corporate responsibilities to the community and society.

- » Committed to supporting and contributing to local community.

- » Contributing to the development of education, health and training with a total support worth 32.6 billion VND.

SUSTAINABLE DEVELOPMENT GOALS (SDG) PROGRESS REPORT 2021

ECONOMY

Still facing the difficulties caused by Covid-19 pandemic, however, with the introduction of vaccines, the economy has gradually recovered with increasing demand for energy, resulting in many positive fluctuations in oil prices. In that circumstance, PTSC has maximized its economic efficiency by successfully completing and exceedingly impressive targets set out in

the 2021 business plan:

PTSC achieved the consolidated revenue of 14,711 billion VND, accounting for 147% of the annual plan, consolidated pre-tax profit of 878 billion VND, representing 125% of the annual plan. Contribution to state budget reached 916 billion VND.

SOCIETY

Jobs

PTSC has 18 subsidiaries and affiliates from North to South (excluding 05 joint ventures abroad) and 7,115 employees. In 2021, despite of huge impacts caused by Covid-19 pandemic on all aspects of the economy and society, production and business activities of PTSC, the Corporation still ensured and maintained jobs, adopted a flexible working regime, safely adapted to the situation of Covid-19 pandemic, ensured salaries, income and other welfare benefits for employees to enable them to work wholeheartedly and dedicate themselves to overcoming the difficulties and

contributing to the completion of 2021 business plan.

Average income in 2021 of PTSC employees is 23,257,000 VND/person/month, accounting for about 88% of average income of employees in 2020.

Compensation policies

Salary policy: PTSC treats all employees equally, without discrimination of gender, ethnicity, marital status, or religion. PTSC ensures compliance with the principle of equality in recruitment, appointment and salary increase. PTSC has been constantly improving and applying the regulations on assessing the level of work completion as the basis to pay employees fairly, employees receive pay

commensurate with their competence and quality of work. In addition, the results, work efficiency of employees considered as a basis for consideration of pay rise, bonuses, etc.

Insurance and healthcare policies: In addition to ensuring the rights and regimes, benefit policy under the Labor Code and Labor Collective Agreement, PTSC has paid premiums of mandatory social insurance for employees on their monthly title-based salary in order to ensure better retirement, sick and severance benefits according to regulations; while purchasing high quality health insurance package for employees (PVI care) and supporting insurance package for their relatives.

Welfare policies

Employees are entitled to allowances on public holidays, Lunar New Year, Anniversary Day of PTSC, Woman's Day of March 8th, October 20th; events; uniform events; PTSC organized in-shift meals for employees, complying with regulations on food safety and hygiene to help employees work with peace of mind; Employees' children may join sport and cultural festivals on occasion of Lunar New Year, public holidays, etc.

Training policy

In 2021, PTSC spent approximately 22.1 billion VND on training of 11,400 participants.

PTSC has focused on offering training courses

for key personnel from sales division (trading and projects) on the following topics: Corporate governance under best practices, Leadership in a fluctuating world, Energy shift, Digital transformation, Update of new laws/codes; Root-cause analysis for floating storage operation management, Safety of storage and LNG vessels, information technology system management, etc.,

PTSC also held seminars on experience exchange in the course of preparing and implementing onshore/offshore projects of PTSC, and regularly drew out and presented the lessons learned from project implementation. In addition, PTSC regularly offered specialized training and fostering courses to update professional operation knowledge and working skills for the support staff; project participants were provided with training on safety, environment, health and quality.

The relationship between employees and employers

The view that business development must



go hand in hand with working condition improvement, life quality improvement, right and benefit assurance for employee is both a target and motivation of sustainable development. Besides offering multiple solutions to strengthen the management and enhance business efficiency, PTSC has built professional working environment and harmonious relations between employees and employer. In addition to signing the Collective Labor Agreement, harmonious democratic regulations between the employee representatives and the employer, PTSC has established the relationship between leaders and employees through the following activities:

- » Employees may directly contributed to preparing Internal Labor Rules, Collective Labor Agreement, Democratic Regulation, Dialogue Regulation, Reward and Discipline Policies, Salary Regulation through giving their opinions to PTSC's Labor Union. Implementing Democratic Regulation at grassroots level, improving negotiation quality and signing the Collective Labor Agreement have been coordinated and performed effectively by PTSC's Labor Union.
- » Periodic dialogue at workplace are held on quarterly and annual basis during employee conference in order to promptly notify employees of difficult or favorable situation in

all PTSC's activities as well as to directly answer employees' inquiries. Employees' questions, opinions have always been answered publicly, reasonably and implemented in a positive way. In 2021, PTSC had no dispute between employees and employers.

Social Security

In addition to focusing on improving and enhancing welfare benefits for its employees, PTSC also carried out social security activities for the community, especially the underprivileged and poor localities across the country. In 2021, PTSC also donated 5 billion VND to the Government's Vaccine Fund and 2.5 billion VND to support Covid-19 prevention and control measures of local authorities.

In addition, PTSC provided direct support for disease prevention and control such as: donating 5 ambulances to provinces affected by Covid-19 pandemic with total value of 5.88 billion VND, providing the Ministry of Health with 30 high-flow ventilators worth 12.6 billion VND in total, supporting 500 million VND to children with liver transplant at HCMC University Medical Center, funding the Great Solidarity Houses for the poor in Hoa Binh Province with total value of 500 million VND.

Total support budget of PTSC for Social Security in 2021 was approximately 32.6 billion VND.

ENVIRONMENT

Energy, water, electricity, raw materials

PTSC's specific business field is to provide oil and gas technical services from upstream to downstream, so it mainly uses manpower and equipment to create products and services in the production process. The sources of raw materials used to produce products and services are mainly semi-finished iron and steel, materials for mechanic operation, fuels (power, industrial gas, oil and gasoline, etc.).

Specific actions

Program to manage, save energy and materials:

The management, efficient and economical use of raw materials and energy is strictly controlled through:

- » The quality management system aimed at efficiently using input materials and fuels as well as minimizing the emission of waste to the environment.
- » Equipping power-saving lighting and air-

conditioning systems; installing inverters for fan system, industrial pumps; installing solar energy system for domestic water system and using it as partial substitute for the national electricity grid.

- » Due to the peculiarities of the service fleet of vessels using DO fuel, PTSC is currently applying the energy efficiency management system in accordance with the provisions of the World Maritime Organization (IMO) and periodically is checked by a third party to issue a Certificate of Energy Efficiency for each vessel;
- » The system of technical norms and quality management system is strictly applied together with the implementation of modern energy-saving technical solutions, recycling of water sources and production materials;
- » Installing and equipping efficient water use equipment such as installing hydrometers according to local standards at all of PTSC's subsidiaries and affiliates, monitoring monthly statistical data and encouraging the employees to save water in their daily lives.



Processing noise, vibration and emission

PTSC has invested in, maintained and strictly operated waste treatment works and regularly measured environmental indicators at frequency from 2 to 4 times a year to ensure compliance with environmental protection standards.

For production operations of oil and gas service fleet, the application of Energy Efficiency Management System is inspected by a third party to issue a Certificate of Conformity (according to IMO regulations). This is also one of the most effective solutions to reduce greenhouse gas emissions.

Realizing serious harm of discarding batteries into the environment, according to the assessment of the Ministry of Natural Resources and Environment of the impact of batteries, chemicals contained in batteries such as mercury, lead and cadmium, may

cause environmental pollution and have direct impacts on human health in the production process. To join hands to protect the environment, build green habits from the smallest deeds, PTSC's subsidiaries have installed used battery collection boxes, and at the same time mobilized and encouraged their employees to collect used batteries and transfer them to a licensed treatment area in accordance with regulations on waste treatment.

With complicated developments of Covid-19 pandemic lasting from 2020 to 2022 and, especially during the period of isolation/social distancing for pandemic control in 2021, effective use and saving of raw materials and input energy have always been maintained and promoted, leading to a significant reduction in consumption indicators compared to those in 2020: power down by 20%; industrial gas down by 21%; DO oil down by 34%; water down by 18%.

OCCUPATIONAL HEALTH SAFETY

PTSC is always committed to providing adequate resources to implement the proposed Health, Safety, Environment and Quality Policy, in order to pursue the purpose of bringing core values to all of production activities of PTSC:

- » Preventing accidents, protecting human life and safety and improving health of employees;
- » Minimizing negative impacts on the surrounding environment; protecting the integrity of assets and ensuring full compliance with legal requirements and satisfaction of the requirements of customers and stakeholders.

To achieve the above goal in a scientific and systematic way, PTSC has built and continuously improved to perfect the integrated Quality, Safety, Environment and Health Management System in compliance with international standards, including: ISO 9001:2015 - Quality management system; ISO14001:2015 - Environmental management system; ISO 45001:2018 - Occupational health and safety management system; and had them annually evaluated and reviewed by BSI (British Standards Institute), and international certification organization, to maintain the recognition of the above international standards.

In addition, the prevention of Covid-19 pandemic has been maintained to ensure the safety and efficiency in production and business activities

and adaption to specific conditions of PTSC. Despite facing many obstacles due to the pandemic in 2021, PTSC has also achieved some typical results in environmental health and safety as follows:

- » No labor accident causing lost time injury (LTI) for employees;
- » No incident causing serious property damage; no environmental incident, no administrative penalty for environmental violations;
- » Implemented projects with 100% safe working hours in the year: Southern Petrochemical Complex Project - Package A1 reached the milestone of 05 million safe working hours; Thi Vai LNG Project reached the milestone of 01 million safe working hours.
- » Vaccination for employees was carried out fully and promptly, ensuring the health of employees and becoming an important factor contributing to the accomplishment of PTSC's business and production goals.



05

OUR STOCK (PVS)

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OUR STOCK - PVS

OVERVIEW

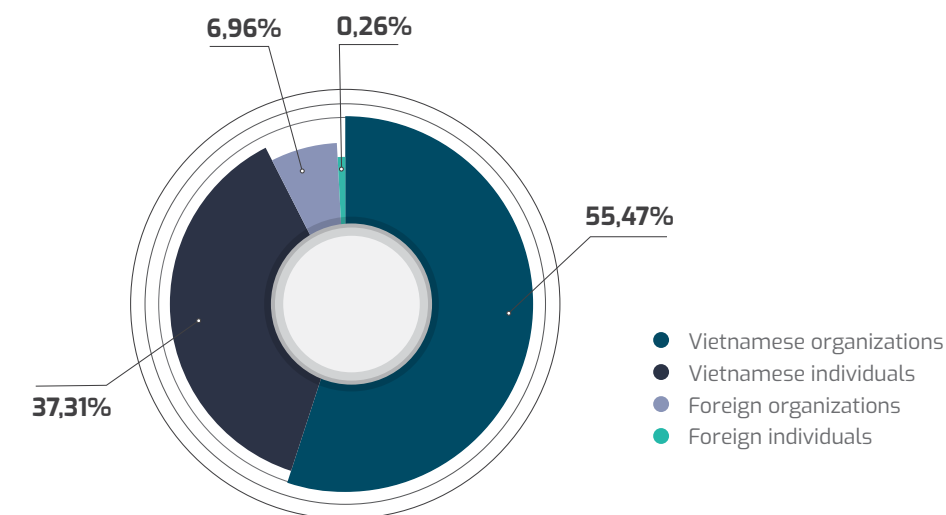
INVESTORS

Current shares volume (Share)	477,966,290
Listed shares volume (Share)	477,966,290
Treasury shares (Share)	0
Market capitalization (billion VND)	16,633.23
Room of foreign investors (%)	40,10 (%)
Basic EPS (thousand VND)	1,26
P/E	27,63
Book value per share (thousand VND)	24,67
Highest stock price in 2020 (thousand VND)	13,3
Lowest stock price in 2020 (thousand VND)	31,5

(Historical data as of March 15th, 2022)

Shareholder Structure

The amount of shares is based on the List of ordinary shareholders exercising the right to attend 2021 Extraordinary shareholders' meeting, the last registration date of November 30th, 2021



LIST OF MAJOR SHAREHOLDERS (HOLDING MORE THAN 5%)

The amount of shares is based on the List of ordinary shareholders exercising the right to attend 2021 Extraordinary shareholders' meeting, the last registration date of November 30th, 2021

No.	NAME	NUMBER OF SHARES (SHARE)	HOLDING PERCENTAGE (%)	DOMESTIC/ FOREIGN	INDIVIDUAL/ GROUP
1	Vietnam Oil and Gas Group	245,565,000	51.38%	1	Vietnam Oil and Gas Group

Transaction of internal shareholders in this period

The amount of ordinary shares is based on the List of ordinary shareholders exercising the right to attend 2021 Extraordinary shareholders' meeting, the last registration date of November 30th, 2021 and transaction reports received from Corporate representatives and Related person until December, 31st 2021.

No.	Full name	Title	Current holding (Share)	Percentage holding at the end of this period (%)	Transaction in this period		Reason	Full name
					Sell (share)	Buy (share)		
1	PHAN THANH TUNG	Chairman of the BOD	48,551	0.01016%	-	-		
2	LÊ MANH CUONG	Member of the BOD, President & CEO	55,424	0.01160%	-	-		
3	ĐO QUOC HOAN	Member of the BOD	11,427	0.00239%	-	-		
4	NGUYEN XUAN NGOC	Member of the BOD	-	0.00000%	-	-		
5	LUU DUC HOANG	Member of the BOD	-	0.00000%	-	-		
6	BUI THU HA	Chief of BOS	-	0.00000%	-	-		
7	HO THI OANH	Surveyor	93	0.00002%	-	-		Dismissed from April 28 th , 2021
8	BUI HUU VIET CUONG	Surveyor	1,667	0.00035%	-	-		
9	PHAM VAN TIEN	Surveyor	-	-	-	-		Elected by AGM from April 28 th , 2021
10	TA DUC TIEN	Vice President	1,637	0.00034%	-	-		
11	NGUYEN TRAN TOAN	Vice President	3,794	0.00079%	-	-		
12	NGUYEN HUU HAI	Vice Presiden	54,643	0.01143%	-	-		
13	NGUYEN XUAN CUONG	Vice Presiden	5,019	0.00105%	-	-		
14	TRAN HO BAC	Vice Presiden	2,149	0.00045%	-	-		
15	TRAN HOAI NAM	Vice Presiden	01	-	-	-		
16	NGUYEN VAN BAO	Chief accountant	79	0.00002%	-	-		
17	NGUYEN DUC THUY	Information Publisher	-	-	-	-		

INVESTOR RELATION



PTSC has always considered professional Investor Relation as an important factor in building the image and brand value of PTSC. With obligations and responsibilities of a company listed on the stock exchange, PTSC always protects the legitimate rights and interests of its Shareholders and Investors with transparency in information, disclosing full and timely information to its shareholders and investors in compliance with provisions of the law on information disclosure, as well as maintains regular interaction with Shareholders. The motto of PTSC in shareholder relations is: promoting communication, ensuring information transparency, protecting shareholders' rights and maintaining equal treatment for all shareholders, specifically:

Promotion of communication:

Right of shareholder to access information

In 2021, PTSC hosted several meetings with Investors in order to provide information and update quarterly activities. In addition, PTSC also met many Investors from leading security and fund management companies in Vietnamese and foreign fund management companies. Before the annual GMS, PTSC held a meeting with the Investors to provide information and answer any question raised by the Shareholders. In addition, information on PTSC's operations is fully disclosed on a timely manner and in compliance with regulations.

Discussion and inquiries at the Annual GMS, Extraordinary GMS, and Investor Meeting

From the beginning of 2021, PTSC organized "Investor Meeting" event fully attended directly/indirectly by investors to keep them informed of financial situation, business results, prospects of oil and gas market, as well as oil and gas service market and development strategy of PTSC in the future.

At the Annual/Extraordinary GMS and "Investor Meeting", investors and shareholders directly raised questions to the Presidium and the BOM of PTSC. The issues raised by investors and shareholders were answered with transparent and accurate information. The entire comments and recommendations of investors and shareholders at the meeting have been well received and examined to implement appropriately.

Transparency of information:

In 2021, facing complicated developments of Covid-19 pandemic, and realizing that the Investors and Shareholders required more transparent and timely information on PTSC's operation. PTSC proactively disclosed full and accurate information in compliance with Circular No. 155/2015/TT-BTC and applied IT solutions in information disclosure such as: using the information disclosure system through the State Securities Commission's IDS, CIMS of

the Stock Exchange; uploading and updating published information on PTSC's website; using stock market information service - EzSearch. At the same time, PTSC also cooperated with securities companies and mass media to update and provide latest information on PTSC's activities as detailed and clear as possible.

Protection of shareholders' rights and equal treatment for all shareholders:

To achieve the objective of "Maximum protection of shareholders' rights, equal treatment between minority and majority of shareholders,

between domestic and foreign shareholders, between internal and external shareholders of PTSC", PTSC's Investor Relation department always works with the highest sense of responsibility, meeting highest requirements, flexibly and promptly processing all requests from shareholders on the implementation of shareholders' rights such as: ownership registration, stock transfer, additional shares issuance, access to information related to Corporation's activities, participation and voting rights at the Annual General Meeting, granting authority to obtain the rights of shareholders, Corporation's profit enjoyment, etc.

Published information in 2021

No.	Disclosure date	Contents of information disclosure
1	January 29 th , 2021	Published Notes to the differences between Consolidated Financial Statements for Q4/2020 vs. Q4/2019
2	January 29 th , 2021	Published Notes to the differences between Financial Statements of Parent Company for Q4/2020 vs. Q4/2019
3	January 29 th , 2021	Published Financial Statements of Parent Company for Q4/2020
4	January 29 th , 2021	Published Consolidated Financial Statements for Q4/2020
5	November 17 th , 2021	Announced the last date for registration and confirmation of the list of stock holders
6	February 1 st , 2021	Published the corporate governance report 2020
7	March 4 th , 2021	Announced the Resolution on approval of the list of shareholders attending the 2021 Annual General Meeting of Shareholders
8	March 4 th , 2021	Announced the last date for registration to exercise the right to attend the 2021 Annual General Meeting of Shareholders
9	March 16 th , 2021	Announced the Decision on Human Resource
10	March 3 rd , 2021	Published Notes to the differences between Financial Statements of Parent Company for 2020 vs. 2019
11	March 26 th , 2021	Published Audited Financial Statements of Parent Company for 2020
12	March 30 th , 2021	Published Notes to the differences between Consolidated Financial Statements for 2020 vs. 2019
13	March 30 th , 2021	Published Audited Consolidated Financial Statements for 2020
14	July 4 th , 2021	Announced the Meeting agenda and draft documents of the Annual General Meeting of Shareholders 2021
15	July 4 th , 2021	Notice of the Annual General Meeting of Shareholders 2021
16	April 19 th , 2021	Published Annual Report 2020
17	April 26 th , 2021	Invitation to attend the 2021 Annual General Meeting of Shareholders of Petrovietnam Technical Service Joint Stock Corporation

OUR STOCK - PVS (continued)

No.	Disclosure date	Contents of information disclosure
18	April 26 th , 2021	Published the Resolution on agenda and documents presented to GMS at the 2021 Annual GMS of PTSC
19	April 29 th , 2021	Published Notes to the differences between Financial Statements of Parent Company for Q1/2021 vs. Q1/2020
20	April 29 th , 2021	Published Notes to the differences between Consolidated Financial Statements for Q1/2021 vs. Q1/2020
21	April 29 th , 2021	Published Financial Statements of Parent Company for Q1/2021
22	April 29 th , 2021	Published Consolidated Financial Statements for Q1/2021
23	April 29 th , 2021	Published Resolution of the 2021 Annual General Meeting of Shareholders
24	May 13 th , 2021	Published Resolution to elect the Head of Board of Supervisors of PTSC
25	May 14 th , 2021	Published PTSC's Charter, regulations on internal governance of PTSC
26	June 11 th , 2021	Declaration on execution of the auditor contract and review of 2021 Financial Statements prepared in accordance with Vietnamese Accounting Standards
27	July 28 th , 2021	Published Financial Statements of Parent Company for Q2/2021
28	July 28 th , 2021	Published Notes to the differences between Financial Statements of Parent Company for Q2/2021 vs. Q2/2020
29	July 28 th , 2021	Published Consolidated Financial Statements for Q2/2021
30	July 28 th , 2021	Published Notes to the differences between Consolidated Financial Statements for Q2/2021 vs. Q2/2020
31	July 29 th , 2021	Published Corporate Governance Report (for six (06) beginning months of 2021)
32	August 25 th , 2021	Published the reviewed 2021 Semi-Annual Financial Statements of Parent Company

No.	Disclosure date	Contents of information disclosure
33	August 26 th , 2021	Published Notes to the differences in the figures of the Consolidated Financial Statements for the first 6 months of 2021
34	August 26 th , 2021	Published the reviewed 2021 Semi-Annual Financial Statements
35	August 31 st , 2021	Delayed the submission of printed copies of 2021 Semi-Annual Financial Statements after reviewed
36	September 13 th , 2021	Published Resolution on 2020 dividend cash payout
37	September 15 th , 2021	Announced the last date for registration to exercise the right to receive 2020 dividends in cash
38	October 29 th , 2021	Published Notes to the differences between Financial Statements of Parent Company for Q3/2021 vs. Q3/2020
39	October 29 th , 2021	Published Financial Statements of Parent Company for Q3/2021
40	October 29 th , 2021	Published Notes to the differences between Consolidated Financial Statements for Q3/2021 vs. Q3/2020
41	October 29 th , 2021	Published Consolidated Financial Statements for Q3/2021
42	November 11 th , 2021	Published the Resolution on convention and approval of the list of shareholders attending the 2021 Annual General Meeting of Shareholders
43	November 15 th , 2021	Announced the last date for registration to exercise the right to attend the 2021 Extraordinary General Meeting of Shareholders
44	November 16 th , 2021	Published the Decision on appointment of PTSC's Vice President
45	December 8 th , 2021	Notice of Invitation to the Extraordinary General Meeting of Shareholders in 2021
46	December 30 th , 2021	Published the Resolution of the 2021 Extraordinary General Meeting of Shareholders



OUR STOCK - PVS (continued)



PVS STOCK REVIEW

In 2021, oil and gas stocks skyrocketed with the Stock Market

Vietnam's economy was remarkably affected by the 4th wave of Covid-19 outbreak. For the whole year of 2021, Vietnam's GDP increased by only 2.58%, lower than 2.91% in 2020, which was also the lowest increase in the last 10 years. Prolonged social distancing in many localities caused negative growth in the service sector; wholesale and retail activities decreased by 0.2% YoY; transportation and storage slumped by more than 5% YoY; accommodation and catering services down by 20.8% YoY.

With the goods and service markets in disruption, the stock market became a channel attracting great attention from investors. In 2021, domestic investors opened over 1.5

million new stock accounts, more than all accounts opened in 4 years of 2017, 2018, 2019 and 2020 combined (1.04 million accounts). VN-Index constantly conquered new peak records. As of December 31, 2021, VN-Index increased by 394.41 points, equivalent to an increase of 35.73% compared to the beginning of the year. The stock market capitalization reached 7.77 million billion VND, equivalent to 123% of GDP. Along with the success of the stock market and the recovery of the crude oil market, the prices of oil and gas stocks such as: GAS, PVD, PVS, DPM, DCM, BSR, etc. had quite good growth, meeting the expectations of the majority of investors.

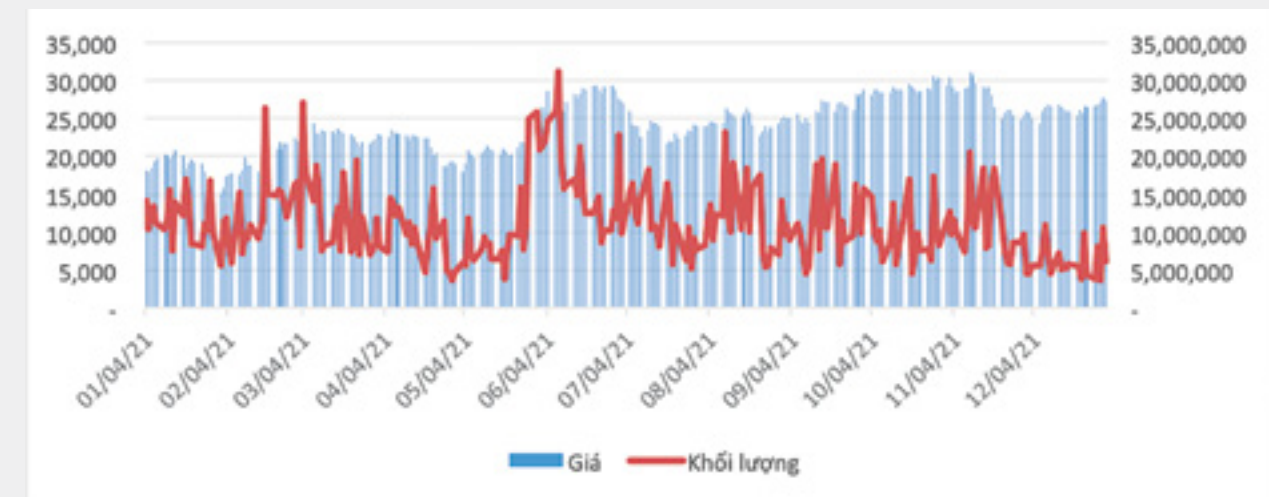
Crude oil price chart in 2021

Source: Bloomberg



Value and trading volume of PVS in 2021 chart

Source: Bloomberg





PVS STOCK REVIEW

Oil and Gas Industry in 2022:

Oil and Gas stocks, skyrocketing wave continues

Oil prices in the first months of 2022 recorded an impressive growth while Covid-19 prevention campaign achieved positive progress, restrictive measures were gradually lifted along with rapid recovery of socio-economic activities in most major economies, leading to a rapid increase in energy consumption demand. Besides, political instability related to Russia and Ukraine conflict along with the decline in investment in oil and gas production activities in recent years raised concerns about supply shortage, further driving crude oil prices, at some point hitting 140 USD/barrel. According to OPEC, the total number of operating rigs in 2021 has surpassed those 2020 but still lower than in 2019, as a part of investment activities has been shifted to green fuels, investment in fossil fuels decreased in the past two years. The impacts from Russia and Ukraine conflict with a series of economic sanctions against each other, which broke old relationship structures and greatly affected crude oil supply, are forecast to be unlikely to

be balanced in the short term. Therefore, oil prices in 2022 are likely to continue fluctuating and remain at high levels.

For Vietnam's oil and gas industry, oil prices above 60-65 USD/barrel will promote E&P activities in the long term. Along with the long-term stability of high oil price, the key projects in the Oil and Gas industry such as Block B O Mon, Su Tu Trang - phase 2B, Lac Da Vang, Dai Hung Phase 3... are most likely to be deployed in 2022, this will create a large volume of work and opportunities for oil and gas enterprises in the upstream stage such as GAS, PVD, PVS, etc. In addition, as the energy shift is being strongly promoted in Vietnam with the construction of infrastructure for gas power, offshore wind power, etc., this will open up more development opportunities for PVS when directly involved from investment to providing related services as the leading service provider for industrial - marine works in Vietnam.

HISTORY OF INCREASE OF PTSC'S CHARTERED CAPITAL

Year	Method	Number of shares offering (share)	Chartered capital (billion VND)
2006	Initial Public Offering (IPO)	100,000,000	1,000.00
2008	Issued to current shareholders	73,803,431	1,738.03
2009	Offering to existing shareholders	25,000,000	1,988.03
2010	Issued to current shareholders	98,998,663	2,978.02
2012	Issued to current shareholders	148,898,327	4,467.00
2018	Offering to strategic shareholders	31,269,002	4,779.66



DIVIDEND HISTORY

No.	Year	Cut-off date	Charter capital	Payment ratio (%)	Payment value (thousand VND)
1	2007	14/3/2008	1,000,000,000	14%	140,000,000
2	2008 (1 st tranche)	20/11/2008	1,000,000,000	10%	100,000,000
3	2008 (2 nd tranche)	25/6/2009	1,738,034,310	5%	86,901,715
4	2009	12/5/2010	1,988,034,310	20%	397,606,862
5	2010	13/12/2010	1,988,034,310	15%	298,205,146
6	2011	25/5/2012	2,978,020,940	20%	595,604,188
7	2012 (1 st tranche)	17/01/2013	2,978,020,940	10%	297,802,094
8	2012 (2 nd tranche)	5/9/2013	4,467,004,210	5%	223,350,210
9	2013	28/7/2014	4,467,004,210	12%	536,040,505
10	2014	31/7/2015	4,467,004,210	12%	536,040,505
11	2015	22/7/2016	4,467,004,210	12%	536,040,505
12	2016 (1 st tranche)	07/12/2016	4,467,004,210	5%	223,350,210
13	2016 (2 nd tranche)	29/9/2017	4,467,004,210	5%	223,350,210
14	2017 (1 st tranche)	26/02/2018	4,467,004,210	5%	223,350,210
15	2017 (2 nd tranche)	31/10/2018	4,467,004,210	5%	223,350,210
16	2017 (by share)	31/10/2018	4,467,004,210	100:7	312,690,295
17	2019	30/9/2019	4,779,662,900	7%	334,576,403
18	2019	23/11/2020	4,779,662,900	10%	477,966,290
	2020	28/9/2021	4,779,662,900	10%	477,966,290
Total					6,244,191,848

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CORPORATE INFORMATION

Enterprise registration certificate

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

Board of Directors

Mr, Phan Thanh Tung	Chairman
Mr, Le Manh Cuong	Member
Mr, Do Quoc Hoan	Member
Mr, Luu Duc Hoang	Member (till 4 January 2022)
Mr, Nguyen Xuan Ngoc	Member
Mr, Tran Ngoc Chuong	Member (from 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 (from 28 April 2021)
Ms, Ho Thi Oanh	Member (till 28 April 2021)

Board of Management

Mr, Le Manh Cuong	President and Chief Executive Officer
Mr, Nguyen Tran Toan	Vice President
Mr, Nguyen Huu Hai	Vice President
Mr, Ta Duc Tien	Vice President
Mr, Nguyen Xuan Cuong	Vice President
Mr, Tran Ho Bac	Vice President
Mr, Tran Hoai Nam	Vice President (from 16 November 2021)

Legal representative

Mr, Le Manh Cuong	President and Chief Executive Officer
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Registered office

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

Auditor

PwC (Vietnam) Limited

STATEMENT OF BOARD OF DIRECTORS

THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of PetroVietnam Technical Services Corporation ("the parent Company") is responsible for preparing the consolidated financial statements of the parent Company and its subsidiaries (together, "the Corporation") which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2021 and the consolidated results of its operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

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

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 5 to 83 which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2021 and the consolidated results of its operations and its consolidated 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 consolidated financial statements.

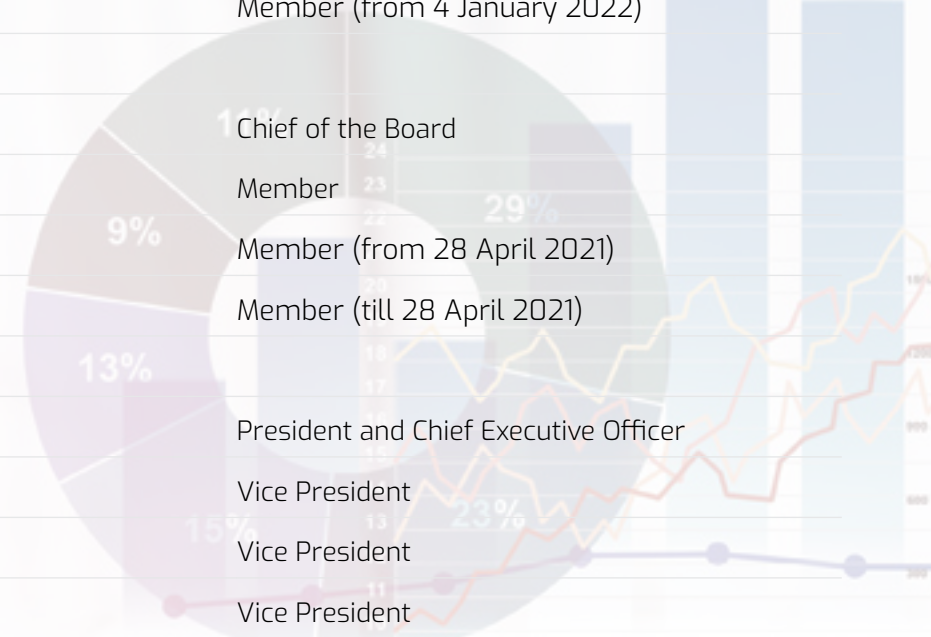
On behalf of the Board of Management



Le Manh Cuong

President and Chief Executive Officer ("CEO")

Ho Chi Minh City, SR Vietnam
29 March 2022



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PETROVIETNAM TECHNICAL SERVICES CORPORATION

We have audited the accompanying consolidated financial statements of PetroVietnam Technical Services Corporation ("the parent Company") and its subsidiaries (together, "the Corporation") which were prepared on 31 December 2021 and approved by the Board of Management on 28 March 2022. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements, as set out on pages 138 to 222.

The Board of Management's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and true and fair presentation of the consolidated 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 controls. 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 consolidated financial statements.

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

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at 31 December 2021, its consolidated financial performance and consolidated 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 consolidated 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,
0875-2018-006-1
Authorised signatory

Report reference number: HCM11950
Ho Chi Minh City, 29 March 2022

Nguyen Vu Anh Tuan

Audit Practising Licence No,
3631-2021-006-1

CONSOLIDATED BALANCE SHEET

Form B 01 – DN/HN

Code	ASSETS	Note	As at	
			31,12,2021	31,12,2020
			VND	VND
100	CURRENT ASSETS		15,378,378,675,062	16,603,118,184,269
110	Cash and cash equivalents	3	5,747,277,411,831	5,212,155,694,269
111	Cash		3,483,868,789,231	3,387,221,129,416
112	Cash equivalents		2,263,408,622,600	1,824,934,564,853
120	Short-term investment		2,676,700,567,303	3,310,783,914,291
123	Investments held to maturity	4(a)	2,676,700,567,303	3,310,783,914,291
130	Short-term receivables		4,642,453,246,540	5,662,418,361,322
131	Short-term trade accounts receivable	5	4,005,773,767,806	5,073,158,592,886
132	Short-term prepayments to suppliers	6(a)	291,253,241,235	372,545,963,728
134	Construction contracts-in-progress receivables	7	79,509,916,775	85,720,543,145
136	Other short-term receivables	8(a)	435,483,138,153	265,280,299,858
137	Provision for doubtful debts - short-term	9	(169,566,817,429)	(134,287,038,295)
140	Inventories	10(a)	2,086,094,175,564	2,111,275,628,447
141	Inventories		2,088,285,341,725	2,173,327,952,701
149	Provision for decline in value of inventories		(2,191,166,161)	(62,052,324,254)
150	Other current assets		225,853,273,824	306,484,585,940
151	Short-term prepaid expenses	11(a)	38,205,702,547	31,676,397,728
152	Value Added Tax ("VAT") to be reclaimed		153,427,456,145	199,858,428,385
153	Tax and other receivables from the State	19(a)	8,606,598,768	49,336,243,463
155	Other current assets	12	25,613,516,364	25,613,516,364
200	NON-CURRENT ASSETS		9,466,598,388,289	9,676,158,942,668
210	Long-term receivables		175,179,801,036	153,709,968,223
212	Long-term prepayments to suppliers	6(b)	22,898,287,338	62,278,452,310

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)

Form B 01 – DN/HN

Code	ASSETS	Note	As at	
			31,12,2021	31,12,2020
			VND	VND
216	Other long-term receivables	8(b)	152,281,513,698	91,431,515,913
220	Fixed assets		2,981,748,785,565	3,135,205,849,581
221	Tangible fixed assets	13(a)	2,968,414,845,549	3,113,723,499,166
222	Historical cost		12,118,345,721,437	11,840,246,850,059
223	Accumulated depreciation		(9,149,930,875,888)	(8,726,523,350,893)
227	Intangible fixed assets	13(b)	13,333,940,016	21,482,350,415
228	Historical cost		127,255,860,720	136,664,574,783
229	Accumulated amortisation		(113,921,920,704)	(115,182,224,368)
230	Investment properties	14	173,865,504,627	178,600,776,483
231	Historical cost		229,280,786,454	229,280,786,454
232	Accumulated depreciation		(55,415,281,827)	(50,680,009,971)
240	Long-term assets in progress		183,770,310,336	235,819,369,525
241	Long-term work in progress	15(a)	69,815,950,708	69,815,950,708
242	Construction in progress	15(b)	113,954,359,628	166,003,418,817
250	Long-term investments		4,841,227,023,772	4,960,766,192,708
252	Investments in associates and joint ventures	4(b)	4,824,330,619,445	4,941,851,498,906
253	Investments in other entities	4(b)	41,655,000,000	41,655,000,000
254	Provision for long-term investments	4(b)	(24,758,595,673)	(22,740,306,198)
260	Other long-term assets		1,110,806,962,953	1,012,056,786,148
261	Long-term prepaid expenses	11(b)	610,779,207,619	647,959,290,807
262	Deferred income tax assets	16	477,030,804,692	337,988,470,122
263	Long-term spare equipment, supplies and parts	10(b)	22,996,950,642	26,109,025,219
270	TOTAL ASSETS		24,844,977,063,351	26,279,277,126,937

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)

Form B 01 – DN/HN

Code	RESOURCES	Note	As at	
			31,12,2021	31,12,2020
			VND	VND
300	LIABILITIES		12,310,655,145,782	13,395,159,975,310
310	Current liabilities		8,735,376,980,582	9,802,865,550,700
311	Short-term trade accounts payable	17	4,281,695,231,480	6,177,990,507,244
312	Short-term advances from customers	18(a)	221,767,130,827	437,994,312,232
313	Tax and other payables to the State	19(b)	184,438,171,379	103,970,046,811
314	Payable to employees		577,014,632,663	603,839,251,744
315	Short-term accrued expenses	20	1,211,808,399,603	449,917,173,426
317	Construction contracts-in-progress payables	7	292,132,423,826	63,945,055,438
318	Short-term unearned revenue	21(a)	57,765,278,437	46,175,228,624
319	Other short-term payables	22(a)	586,729,643,125	630,736,118,353
320	Short-term borrowings	23(a)	711,101,884,029	734,645,866,948
321	Provision for short-term liabilities	24(a)	49,547,606,070	193,714,837,216
322	Bonus and welfare fund	25	561,376,579,143	359,937,152,664
330	Non-current liabilities		3,575,278,165,200	3,592,294,424,610
332	Long-term advances from customers	18(b)	854,528,821,993	927,215,112,203
333	Long-term accrued expenses		143,375,872	127,030,620
336	Long-term unearned revenue	21(b)	187,553,913,712	222,072,690,757
337	Other long-term payables	22(b)	69,697,498,385	155,419,885
338	Long-term borrowings	23(b)	534,043,674,869	473,725,620,270
341	Deferred income tax liabilities	16	832,810,743,790	804,489,461,046
342	Provision for long-term liabilities	24(b)	1,088,089,864,739	1,125,912,729,833

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)

Form B 01 – DN/HN

Code	RESOURCES	Note	As at	
			31,12,2021	31,12,2020
			VND	VND
343	Fund for scientific and technological development	26	8,410,271,840	38,596,359,996
400	OWNERS' EQUITY		12,534,321,917,569	12,884,117,151,627
410	Capital and reserves		12,534,321,917,569	12,884,117,151,627
411	Owners' capital	27, 28	4,779,662,900,000	4,779,662,900,000
411a	- Ordinary shares with voting rights		4,779,662,900,000	4,779,662,900,000
412	Share premium	28	39,617,060,000	39,617,060,000
417	Foreign exchange differences	28	284,397,049,341	360,314,913,497
418	Investment and development fund	28	3,081,668,462,592	2,995,104,942,632
421	Undistributed earnings	28	3,620,836,912,033	3,970,850,786,921
421a	- Undistributed post-tax profits of previous years		3,035,884,533,418	3,379,724,046,817
421b	- Post-tax profit of the current year		584,952,378,615	591,126,740,104
429	Non-controlling interests	28, 29	728,139,533,603	738,566,548,577
440	TOTAL RESOURCES		24,844,977,063,351	26,279,277,126,937

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
President and CEO
29 March 2022

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT

Form B 02 – DN/HN

Code	Note	For the year then ended 31 December	
		2021	2020
		VND	VND
01	Revenue from sales of goods and rendering of services	14,215,477,732,078	20,179,913,749,667
02	Less deductions	(17,036,288,370)	-
10	Net revenue from sales of goods and rendering of services	14,198,441,443,708	20,179,913,749,667
11	Cost of goods sold and services rendered	(13,422,789,092,617)	(19,401,747,769,545)
20	Gross profit from sales of goods and rendering of services	775,652,351,091	778,165,980,122
21	Financial income	277,549,431,638	399,913,306,190
22	Financial expenses	(94,374,867,465)	(142,818,222,582)
23	- Including: Interest expense	(45,619,511,092)	(55,755,530,102)
24	Profit sharing from associates and joint ventures	506,796,118,343	190,645,361,065
25	Selling expenses	(89,440,083,792)	(118,646,294,100)
26	General and administration expenses	(712,481,910,717)	(797,515,784,603)
30	Net operating profit	663,701,039,098	309,744,346,092
31	Other income	234,883,459,609	732,982,368,598
32	Other expenses	(20,975,713,140)	(18,194,821,894)
40	Net other income	213,907,746,469	714,787,546,704
50	Net accounting profit before tax	877,608,785,567	1,024,531,892,796
51	Business income tax ("BIT") - current	(311,065,619,548)	(140,634,037,204)
52	BIT - deferred	110,721,051,886	(173,998,846,299)
60	Net profit after tax	677,264,217,905	709,899,009,293
Attributable to:			
61	Owners of the parent Company	601,160,329,023	623,996,082,965
62	Non-controlling interests	76,103,888,882	85,902,926,328
70	Basic earnings per share	30(a) 911	824
71	Diluted earnings per share	30(b) 911	824

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
President and CEO
29 March 2022

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

Form B 03 – DN/HN

Code	Notes	For the year then ended 31 December	
		2021	2020
		VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	877,608,785,567	1,024,531,892,796
Adjustments for:			
02	Depreciation and amortisation	500,368,315,798	538,662,164,792
03	Reversals of the provisions	(204,553,185,724)	(423,842,121,977)
04	Unrealised foreign exchange (gains)/ losses	18,690,777,026	(42,646,834,137)
05	Profits from investing activities	(719,915,705,425)	(460,160,812,465)
06	Interest expense	45,619,511,092	55,755,530,102
07	Other adjustments	(26,892,519,520)	8,310,000,000
08	Operating profit before changes in working capital	490,925,978,814	700,609,819,111
09	Decrease/(increase) in receivables	995,270,619,983	(839,767,732,446)
10	Decrease/(Increase) in inventories	88,154,685,553	(657,550,333,992)
11	(Decrease)/increase in payables	(1,352,896,958,995)	619,964,676,677
12	Decrease/(Increase) in prepaid expenses	30,650,778,369	(62,962,052,028)
14	Interest paid	(45,200,893,212)	(60,618,632,183)
15	BIT paid	(155,145,199,635)	(221,031,189,145)
17	Other payments on operating activities	(189,737,172,438)	(158,198,117,172)
20	Net cash outflows from operating activities	(137,978,161,561)	(679,553,561,178)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(252,646,370,694)	(501,920,801,056)
22	Proceeds from disposals of fixed assets	13,065,790,259	8,274,108,381
23	Term deposits with maturity of more than 3 months	(4,170,534,557,415)	(3,727,696,085,455)
24	Term deposits with maturity of more than 3 months collected	4,804,617,904,403	3,156,760,419,478

The notes on pages 145 to 222 are an integral part of these consolidated financial statements

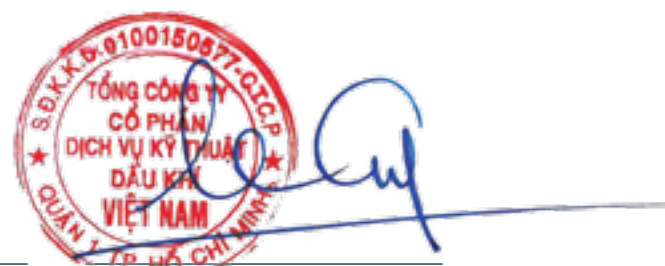
Code	Notes	For the year then ended 31 December	
		2021	2020
		VND	VND
26	Proceeds from divestment in other entities	-	9,375,000,000
27	Interest, dividend and profit received	767,385,371,602	657,419,691,956
30	Net cash inflows/(outflows) from investing activities	1,161,888,138,155	(397,787,666,696)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from short-term and long-term borrowings	309,865,823,081	91,739,026,003
34	Repayments of borrowings	(264,564,420,982)	(238,489,371,633)
36	Dividends paid, profits distributed to owners	(554,033,686,700)	(526,178,124,864)
40	Net cash outflows from financing activities	(508,732,284,601)	(672,928,470,494)
50	Net decrease in cash	515,177,691,993	(1,750,269,698,368)
60	Cash and cash equivalents at beginning of year	5,212,155,694,269	6,949,116,096,040
61	Effect of foreign exchange differences	19,944,025,569	13,309,296,597
70	Cash and cash equivalents at end of year	5,747,277,411,831	5,212,155,694,269



Duong Thi Ngoc Quy
Preparer



Nguyen Van Bao
Chief Accountant



Le Manh Cuong
President and CEO
29 March 2022

1. GENERAL INFORMATION

Structure of ownership

TPetroVietnam Technical Services Corporation ("the parent Company", the parent Company and its subsidiaries together as "the Corporation") is a joint stock company established in SR Vietnam pursuant to the initial Enterprise registration certificate No. 0103015198 which was issued by the Department of Planning and Investment of Ha Noi City dated 29 December 2006 and the amended Enterprise registration certificates No. 0100150577 issued by the Department of Planning and Investment of Ho Chi Minh City. The latest 10th amendment was issued by the Department of Planning and Investment of Ho Chi Minh City on 20 February 2019.

The stocks of the parent Company have been officially listed in the Hanoi Stock Exchange since 20 September 2007 with the stock 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 is Vietnam Oil and Gas Group ("the Group"). Details of capital contribution are presented in Note 27.

Principal activities

The principal activities of the Corporation are comprised of:

- » Supplying oil and gas services;
- » Management, operation and supply of the technology service vessels;
- » Supplying port-based services;
- » Supplying ship services, tallying services and freight forwarding;
- » Management, business and operation of the floating storage and offloading ("FSO"), floating production storage and offloading (FPSO);
- » 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;
- » Repair shipping vessels and the offshore oil and gas projects;
- » Seismic survey services, geophysical and geological survey services, diving, and subsea services by using remote operated vehicles ("ROV") for oil and gas exploration, exploitation, production and industrial buildings, civil;
- » Maintenance, repair, building and conversion of floating facilities;
- » Exportation and importation of equipment for oil and gas supplies;
- » Supply of petroleum specialized labour;
- » Operation and maintenance of oil and gas exploitation projects;
- » Supplying hotels, housing, office services;
- » Sales of petroleum products;
- » Shipping agency services and maritime brokerage;
- » Chartering, shipping brokerage, towage and salvage services; and
- » Manufacturing, trading of petroleum products, fertilizer and chemicals for agriculture (except chemicals banned by the State).
- » Producing electricity, electricity transmission and distribution, construction of industrial works and renewable energy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(continued)

Form B 09 – DN/HN

The normal business cycle

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

The Corporation's structure

As at 31 December 2021, the Corporation has 1 representative office, 5 branches, 13 direct subsidiaries, 6 direct associates and joint ventures, and 1 indirect associate (as at 31 December 2020, the Corporation has 6 branches, 13 direct subsidiaries, 6 direct associates and joint ventures, and 1 indirect associate). Details are presented as follows:

Representative office and branches

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 at Hanoi	No. 142, Nguyen Khuyen Street, Van Mieu Ward, Dong da District, Ha Noi City

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(continued)

Form B 09 – DN/HN

No	Name	Principal activities	Place of incorporation and operation	31.12.2021		31.12.2020	
				Ownership (%)	Voting Right (%)	Ownership (%)	Voting Right (%)
I. Direct 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(continued)

Form B 09 – DN/HN

No	Name	Principal activities	Place of incorporation and operation	31,12,2021		31,12,2020	
				Ownership (%)	Voting Right (%)	Ownership (%)	Voting Right (%)
8	PTSC Thanh Hoa Port Joint Stock Company	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
11	PetroVietnam Security Joint Stock Company	Security services	Ha Noi City Vietnam	51	51	51	51
12	Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company	Supplying port-based services	Vung Tau City Vietnam	51	51	51	51
13	PTSC CGGV Geophysical Survey Company Limited ("PTSC CGGV") (*)	2D and 3D seismic data acquisition service	Vung Tau City Vietnam	51	51	51	51

II. Direct 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
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(continued)

Form B 09 – DN/HN

No	Name	Principal activities	Place of incorporation and operation	31,12,2021		31,12,2020	
				Ownership (%)	Voting Right (%)	Ownership (%)	Voting Right (%)
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

III. Indirect associate

1	PetroVietnam Marine Shipyard Joint Stock Company ("PV Shipyard")	Supplying port-based services	Ba Ria - Vung Tau Province, Vietnam	21,46	36	21,46	36
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(*) As at the date of this consolidated financial statements, the parent Company is working with CGG Holding B.V. (formerly known as, "CGG Veritas Services Holding B.V.") to end the joint venture contract before its expiration and to carry out necessary procedures to dissolve PTSC CGGV's operation in accordance with official approved documents from authorities and the Resolutions of the parent Company's Board of Directors.

Since 2018 to the date of this consolidated financial statements, PTSC CGGV has stopped its operation. Accordingly, the Board of Members of PTSC CGGV has evaluated and decided to prepare its financial statements for the year ended 31 December 2021 on liquidation basis in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements.

As at 31 December 2021, the Corporation had 7,115 employees (as at 31 December 2020: 7,514 employees).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention and on a going concern basis except for investments in associates and joint ventures and business combinations as presented in Note 2.5, and the basis of accounting for PTSC CGGV's financial statements on liquidation basis as presented in Note 1.

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

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

2.2. Fiscal year

The Corporation's fiscal year is from 1 January to 31 December. Consolidated financial statement are prepared for fiscal year from 1 January to 31 December.

2.3. Currency

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

The Corporation determines their accounting currencies based on the currencies which are mainly used in sales of goods and rendering

of services, which have a significant impact on selling prices of goods and services, which are normally used to list selling prices and receive payments; which are mainly used in purchases of goods or services, which have a significant impact on cost of labour, materials, merchandise, and other production or operating costs and normally used as payments for those costs.

Additionally, the Corporation also uses these currencies to raise financial resources and/or regularly collects these currencies from business operation and savings.

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

- » Assets and liabilities are translated at actual exchange rate at the end of the reporting year;
- » Capital contribution of the Corporation are translated at the exchange rate of contribution date;
- » Net assets of those acquired companies are translated at the exchange rate of acquisition date;
- » Undistributed earnings or accumulated losses incurred after acquisition date are translated based on the translation of income and expenses in the income statement;
- » Profits and dividends already paid are translated at the actual exchange rate at the date of payment;
- » Items of the income statement and the cash flow statement are translated at the average exchange rate of the fiscal year if it approximates the actual rate at the time of the transaction;
- » The accumulative amount of exchange differences arising from translation is presented in a separate component of owners' equity of the consolidated balance sheet. For subsidiaries,

accumulated exchange differences attributable to the parent Company are presented in "Foreign exchange differences" and those attributable to non-controlling interests are allocated to "Non-controlling interests"; and

- » Upon disposal, the accumulated exchange difference relating to translation of these companies' financial statements presented in owners' equity of the consolidated balance sheet is recognised as financial income or financial expense in the same reporting year.

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 consolidated income statement.

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

2.5. Basis of consolidation

Subsidiaries

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Corporation. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Corporation's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

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

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

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

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

Non-controlling transactions and interests

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

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's

identifiable net assets at date of acquisition.

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

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

Associates and joint ventures

Joint ventures are contractual arrangements whereby two or more parties undertake an economic activity which 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 using the equity method of accounting and are initially recognised at cost. The Corporation's investment in associates and joint ventures includes goodwill identified on acquisition, net of any accumulated impairment loss.

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

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

Unrealised gains and losses on transactions between the Corporation and its associates and joint ventures are eliminated to the extent of the Corporation's interest in the associates and joint ventures in accordance with the current prevailing accounting regulations.

2.6. Cash and cash equivalents

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

2.7. Receivables

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

finance management policies.

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

2.8. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes direct materials, direct labor costs, overhead expenses, purchase cost, 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 year and the provision of the previous 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 consolidated balance sheet based on planned usage in the Corporation's principal activities at the consolidated balance sheet date.

2.9. Investments

(a) Investments held-to-maturity

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

Investments held-to-maturity include bank term deposits and other held-to-maturity investments. Those investments are initially accounted for at cost and measured at acquisition price plus

directly attributable transaction costs. Post-acquisition interest income from investments held-to-maturity is recognised in the consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the 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 consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

(b) Investments in other entities

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

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

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investment. 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.

2.10. Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of 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 financial 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.

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.

2.11. Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable conditions for their intended use, in which the historical costs of purchased fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their suitable conditions for their intended use. In regard fixed assets formed from construction investment by contractual mode or self-construction or self-generating process, the historical costs are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the historical cost is recognized at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred.

Depreciation and amortisation

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

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

Land use rights are comprised of land use rights with a definite useful life are recorded in accordance with the terms indicated in the land use rights certificate issued by Department of Planning and Investment of Ho Chi Minh City on 29 December 2006 and amortised using the straight-line method over 50 years in accordance with such land use rights certificate.

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 consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, including construction costs, costs of tools and equipment, construction consulting expenditures, and capitalised borrowing costs for qualifying assets in accordance with the Corporation's accounting policies. In the event of the construction project has been completed and put into use, these expenses will be capitalized to the historical cost of fixed assets at the estimated cost based on the actual cost incurred (in case the settled costs have not been approved). According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.12. Operating leases

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

2.13. Investment properties

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

Depreciation

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

Infrastructure	48 - 49 years
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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 consolidated income statement.

2.14. Prepaid expenses

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

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useful lives.

Additionally, prepayments for land rental contracts, which became effective after 2003, are also recorded as prepaid expenses in accordance with the guidance of Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by Ministry of Finance and, allocated using the straight-line method in accordance with such land use right certificates.

2.15. Payables

Classifications of payables are based on their nature as follows:

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

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

2.16. Borrowing

Borrowings include borrowings from banks, related parties and third parties.

Borrowings are classified into long-term and short-term borrowings on the consolidated balance sheet based on their remaining period from the consolidated 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. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Corporation determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on that assets. The capitalisation rate is the weighted average of the interest rates applicable to the Corporation's borrowings that are outstanding during the year, other than borrowings made specifically for the

purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.17. 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.

2.18. Provisions

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

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

2.19 Unearned revenue

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

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

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consolidated balance sheet.

2.20. Capital and reserves

(a) Owners' capital

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

(b) Share premium

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

(c) Undistributed earnings

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

2.21. Appropriation of net profit after BIT

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

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

The Corporation's funds are as below:

(a) Investment and development fund

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

(b) Bonus and welfare fund

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

2.22. Revenue recognition

(a) Revenue from sales of goods

Revenue from sale of goods is recognised in the consolidated income statement when all five (5) of the 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 consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of

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the total services to be provided. Revenue from rendering of services is only recognised when all four (4) of the 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 consolidated balance sheet date can be measured reliably; and
- » The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Revenue from construction contracts

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

(d) Revenue from operating lease

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

(e) Interest income

Interest income is recognised on 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.

2.23. Cost of goods sold and services rendered

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

2.24. Financial expenses

Financial expenses are expenses incurred in the 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 on selling foreign currencies; and losses from foreign exchange differences.

2.25. Selling expenses

Selling expenses represent expenses that are incurred in the process of selling goods, and rendering services, which mainly include publicity, promotions, advertising expenses, and sales commission and other expenses.

2.26. General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staff; compulsory insurances of administrative staff; expenses of office materials; tools and supplies; depreciation and amortisation of fixed assets used for administration; land rental; provision for bad debts; outside services and other expenses.

2.27. Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current 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.

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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 consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

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

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

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

2.28. Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Corporation, 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, the Corporation considers the substance of the relationship not merely the legal form.

2.29. Segment reporting

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

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

2.30. Critical accounting estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated 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 financial impacts on the Corporation and that are believed to be reasonable under the circumstances by the Board of Management.

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3. CASH AND CASH EQUIVALENTS

	2021	2020
	VND	VND
Cash on hand	8,081,845,815	10,492,190,937
Cash in banks	3,475,359,795,561	3,376,348,015,847
Cash in transit	427,147,855	380,922,632
Cash equivalent (*)	2,263,408,622,600	1,824,934,564,853
	5,747,277,411,831	5,212,155,694,269

(*) Cash equivalents include term deposits in VND at banks with the original maturity of three months or less, and earn interest at the average rates ranging from 2% to 4.6% per annum (as at 31 December 2020: 2.9% to 4.25% per annum).

4. INVESTMENTS

(a) Investment held-to-maturity

	2021		2020	
	Cost	Book value	Cost	Book value
	VND	VND	VND	VND
Term deposits	2,676,700,567,303	2,676,700,567,303	3,310,783,914,291	3,310,783,914,291

Term deposits include bank deposits in VND with the remaining maturity of not more than 12 months and earn interest at the rate ranging from 2.8% to 6.55% per annum (as at 31 December 2020: from 3.3% to 6.7% per annum).

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Long-term investments

	2021		2020	
	Cost	Book value	Cost	Book value
	VND	VND	VND	VND
Investments in associates and joint ventures (i)	1,624,677,039,235	4,824,330,619,445	4,941,851,498,906	-
Investments in other entities (ii)	41,655,000,000	41,655,000,000	41,655,000,000	(22,740,306,198)
	1,666,332,039,235	4,865,985,619,445	4,983,506,498,906	(22,740,306,198)

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(i) Investment in associates and joint ventures

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

No	Name	2021		2020	
		Cost	Fair value	Cost	Fair value
		VND	VND	VND	VND
1	Rong Doi MV12 Private Limited (i)	106,022,400	(*)	106,022,400	(*)
2	Malaysia Vietnam Offshore Terminal (Labuan) Limited (ii)	292,324,455,887	(*)	292,324,455,887	(*)
3	Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	156,473,118,448	(*)	156,473,118,448	(*)
4	PTSC South East Asia Private Limited (iv)	340,800,232,500	(*)	340,800,232,500	(*)
5	PTSC Asia Pacific Private Limited (v)	641,415,780,000	(*)	641,415,780,000	(*)
6	Petro Vietnam Marine Shipyard Joint Stock Company (vi)	171,957,430,000	(*)	171,957,430,000	(*)
7	Thi Vai General Port Joint Stock Company (vii)	21,600,000,000	(*)	21,600,000,000	(*)
		1,624,677,039,235	4,824,330,619,445	1,624,677,039,235	4,941,851,498,906

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Movement of investment in associates and joint ventures during the year were as follows:

	2021	2020
	VND	VND
Cost of investments	1,624,677,039,235	1,624,677,039,235
Profit sharing from associates and joint ventures:		
Beginning of year	3,317,174,459,671	3,555,692,688,555
Profit sharing from investments in associates and joint ventures during the year (*)	506,796,118,343	190,645,361,065
Dividends received	(548,447,100,000)	(380,154,000,000)
Exchange rate differences from translating the financial statements during the year	(75,869,897,804)	(49,009,589,949)
End of year	4,824,330,619,445	4,941,851,498,906

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

	2021	2020
	VND	VND
Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	417,834,486,284	436,725,789,824
Malaysia Vietnam Offshore Terminal (Labuan) Limited (ii)	165,778,622,729	140,222,538,542
PTSC Asia Pacific Private Limited (v)	(50,059,813,719)	(238,961,037,002)
Thi Vai General Port Joint Stock Company (vi)	10,705,651,494	6,011,703,543
PTSC South East Asia Private Limited (iv)	(37,462,828,445)	(28,799,894,978)
Rong Doi MV12 Private Limited (i)	-	(124,553,738,864)
	506,796,118,343	190,645,361,065

(*) As at 31 December 2021 and 31 December 2020, 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.

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(i) 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 F50 "MV 12" with the capacity of 300,000 barrels of oil, operating at Rong Doi field for Korea National Oil Corporation ("KNOC") to charter from 2007. The fixed lease term is 7 years and can be extended each year until the expired using time of F50. As at 31 December 2021 and 31 December 2020, the Corporation's capital contribution in Rong Doi MV12 Pte. Ltd. is USD6,600, equivalent to VND106,022,400.

(ii) Malaysia Vietnam Offshore Terminal (Labuan) Limited ("MVOT") is a jointly controlled venture company established between the Corporation and its partner, Malaysia International Shipping Corporation Berhad, in 2009

» to invest in F50 "Orkid" with the capacity of 650,000 barrels of oil for Talisman Malaysia Limited to rent for the purpose of serving offshore oil exploitation in the overlapping commercial trade area PM-3 between Vietnam and Malaysia from 2019 to 31 December 2027; and

» invest in F50 "Golden Star" with the capacity of 654,717 barrels of oil for crude oil exploitation at the Sao Vang Dai Nguyet Mine offshore of Vietnam with the 7-year duration since November 2020 to November 2027. The contract can be extended for another 8 years.

As at 31 December 2021 and 31 December 2020, the Corporation's capital contribution in MVOT is USD17,258,911, equivalent to VND292,324,455,887.

(iii) Vietnam Offshore Floating Terminal (Ruby) Limited ("VOFT") is a jointly controlled venture company established by the Corporation and its partner, Malaysia International Shipping Corporation Berhad, from 2009, in which, the Corporation owns 60% of the charter capital to own, manage and operate the FPSO "Ruby II" for oil exploration and production of Petronas Carigali Vietnam Limited. Since 10 September 2017, Vietnam Oil and Gas Group replaced, received rights and obligations of Petronas Carigali Vietnam Limited for the contract with VOFB based on the agreement between Vietnam Oil and Gas Group and Petronas Carigali Vietnam Limited. Since June 2020, FPSO "Ruby II" has started oil exploitation operations. As at 31 December 2021 and 31 December 2020, the Corporation's capital contribution in VOFB is

USD8,784,000, equivalent to VND156,473,118,448.

(iv) PTSC South East Asia Private Limited ("PTSC SEA") is a jointly controlled venture company established in September 2011 by the Corporation with Yinson Holdings Berhad under Foreign Investment Certificate No. 474/BKHDT-DTRNN issued by the Ministry of Planning and Investment dated 31 October 2011 to invest and supply F50 services for Branch of Vietnam Oil and Gas Group - Bien Dong POC about crude oil exploitation at Lot 05.2 and Lot 05.3 at Vietnamese coastline. 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. As at 31 December 2021 and 31 December 2020, the Corporation's capital contribution in PTSC SEA is USD16,320,000, equivalent to VND340,800,232,500.

(v) PTSC Asia Pacific Private Limited ("PTSC AP") is a jointly controlled venture company established in 2012 by the Corporation and Yinson Holdings Berhad under the Foreign Investment Certificate No. 561/BKHDT-DTRNN dated 19 October 2012 issued by the Ministry of Planning and Investment to contribute to investment capital in floating storage, production and processing of oil ("FPSO") for PetroVietnam Exploration Production Corporation to rent to develop Lot 01/97 and Lot 02/97 of Cuu Long area in Vietnamese coastline. 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, the remaining is borrowed capital. The Corporation registered to contribute the capital obligation of USD61,198,177, equivalent to VND1,272,922,081,600, taking up 51% of its chartered capital. The Corporation had contributed capital to PTSC AP with total amount of USD51,000,000, equivalent to VND1,069,026,300. As at 31 December 2021 and 31 December 2020, the Corporation's contributed capital in PTSC AP is USD30,600,000 equivalent to VND641,415,780,000.

(vi) PetroVietnam Marine Shipyard Joint Stock Company is a joint stock company established under the 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

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Planning and Investment of Ba Ria - Vung Tau Province with the registered charter capital of VND60,000,000,000. According to Thi Vai General Port's Enterprise Registration Certificate, PTSC Phu My Port Joint Stock Company - a subsidiary, holds 36% charter capital of Thi Vai General Port. Therefore, the Corporation indirectly owns 21.46% charter capital of Thi Vai General Port. Hence, Thi Vai General Port is an associate of the Corporation according to current prevailing accounting regulations.

charter capital of VND594,897,870,000. As at 31 December 2021 and 31 December 2020, the Corporation's contributed capital at PetroVietnam Marine Shipyard Joint Stock Company is VND171,056,430,000, accounting for 28.75% of charter capital.

(vii) Thi Vai General Port Joint Stock Company ("Thi Vai General Port") is a joint stock company established under the Enterprise Registration Certificate No. 3502259121 dated 21 July 2014 issued by the Department of

(ii) Investments in other entities

Details of investments in other entities are as follows:

No	Name	2021			2020		
		Cost	Provision	Fair value	Cost	Provision	Fair value
		VND	VND	VND	VND	VND	VND
1	Nhon Trach Shipyard Joint Stock Company	3,000,000,000	(810,237,811)	(*)	3,000,000,000	(799,729,584)	(*)
2	Duyen Hai Petro Construction Investment Joint Stock Company	28,125,000,000	(13,418,357,862)	(*)	28,125,000,000	(11,410,576,614)	(*)
3	High Tech Concrete Investment Joint Stock Company	10,530,000,000	(10,530,000,000)	(*)	10,530,000,000	(10,530,000,000)	
		41,655,000,000	(24,758,595,673)		41,655,000,000	(22,740,306,198)	

(*) As at 31 December 2021 and 31 December 2020, this is a long-term investment. As a result, the fair value of such investment may be different from its book value.

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

	2021	2020
	VND	VND
Beginning of year	22,740,306,198	23,759,623,481
Provision/(reversal of provisions) (Note 35)	2,018,289,475	(1,019,317,283)
End of year	24,758,595,673	22,740,306,198

5. SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2021	2020
	VND	VND
Third parties		
TPSK Consortium	297,761,391,378	126,303,173,163
Operating Office of Idemitsu Gas Production (Vietnam) Co., Ltd. in Ho Chi Minh City	252,496,624,027	276,393,454,606
Chevron Thailand Exploration and Production Ltd., Chevron Offshore (Thailand) Ltd.	195,017,834,095	-
North Oil Company	84,382,055,890	251,384,978,063
Sapura Fabrication Sdn.Bhd,	33,969,673,393	31,414,661,012
GE Power Systems Vietnam Company Limited	32,902,457,057	27,552,836,256
Cuu Long Joint Operating Company	24,999,950,417	69,058,976,793
Geolantic Sdn,Bhd,	22,064,361,020	-
Thoresen Vinama Logistics Company Limited	21,000,209,718	818,707,051
Operating Office of Premier Oil Vietnam Offshore B.V. in Ho Chi Minh City	18,934,669,505	19,744,909,233
Korea National Oil Corporation	17,799,964,620	16,437,116,305
Minh Anh Construction Joint Stock Company	16,669,265,711	16,669,265,711
Marsol Offshore Construction LLC	13,606,079,660	15,340,739,884
Cong Thanh Cement Joint Stock Company	13,175,104,138	19,767,290,454
Operating Office of ENI Vietnam B.V in Ho Chi Minh City	4,944,322,402	59,292,669,720
Technip Geoproduction (M) Sdn Bhd	357,961,449	471,868,864,531
Japan Vietnam Petroleum Co., Ltd	-	24,270,049,121

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	2021	2020
Others	483,144,569,954	443,896,703,203
	1,533,226,494,434	1,870,214,395,106
Related parties (Note 41(b))	2,472,547,273,372	3,202,944,197,780
	4,005,773,767,806	5,073,158,592,886

As at 31 December 2021 and 31 December 2020, the balances of short-term trade accounts receivable were past due which were considered for provision of doubtful debts - short-term are presented in Note 9.

6. PREPAYMENTS TO SUPPLIERS

(a) Short-term

	2021	2020
	VND	VND
Third parties		
Vietnam Machinery Installation Corporation	100,613,950,134	100,613,950,134
No 7 Vietnam Construction Joint Stock Company	13,812,212,195	19,972,677,529
Black Cat Insulation Technical Joint Stock Company	16,246,344,703	9,986,485,202
SCI E&C Joint Stock Company	13,728,101,409	22,869,818,022
Gulf Agency Company Qatar W.L.L,	-	13,728,101,409
Phu Xuan Construction and Consultant Joint Stock Company	-	12,790,191,429
Others	144,626,705,941	191,551,323,507
	289,027,314,382	371,512,547,232
Related parties (Note 41(b))	2,225,926,853	1,033,416,496
	291,253,241,235	372,545,963,728

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(b) Long-term

	2021	2020
	VND	VND
Third parties		
South Viet New Spring Corporation	14,526,732,593	34,628,991,731
Hoang Lien Son Construction Company Limited	5,377,755,690	9,504,119,961
Others	2,993,799,055	18,145,340,618
	22,898,287,338	62,278,452,310

As at 31 December 2021 and 31 December 2020, there was no balance of short-term and long-term prepayments to suppliers that was past due or not past due but doubtful.

7. CONSTRUCTION CONTRACTS-IN-PROGRESS RECEIVABLES/PAYABLES

	2021	2020
	VND	VND
Construction contracts-in-progress receivables	79,509,916,775	85,720,543,145
Construction contracts-in-progress payables	(292,132,423,826)	(63,945,055,438)
	(212,622,507,051)	21,775,487,707
In which:		
Accumulated contract costs incurred plus recognized profits less recognized losses	6,108,391,833,128	4,561,355,289,968
Amount of progress billings	(6,321,014,340,179)	(4,539,579,802,261)
	(212,622,507,051)	21,775,487,707

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

	2021	2020
	VND	VND
Receivables		
NPK project	11,927,115,975	74,459,687,366
NH3 project	-	10,829,184,856
LNG Thi Vai warehouse EPC project	67,582,800,800	431,670,923
	79,509,916,775	85,720,543,145
Payables		

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	2021	2020
Sao Vang Dai Nguyet pipeline project	184,348,611,688	33,961,929,987
Southern Petrochemical complex project	107,783,812,138	29,983,125,451
	292,132,423,826	63,945,055,438

8. OTHER RECEIVABLES

(a) Short-term

	2021		2020	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Accrued revenue from rendering of service				
PTSC Ca Rong Do Ltd	167,778,181,818	-	-	-
PetroVietnam Exploration Production Corporation Limited	10,047,098,575	-	627,920,218	-
Nghi Son Refinery and Petrochemical Complex LLC	12,188,084,868	-	6,606,181,257	-
LONGSBS Joint Stock Company	15,352,971,376	-	-	-
PTTEP International Limited	16,498,055,302	-	-	-
Operating Office of Idemitsu Gas Production (Vietnam) Co., Ltd. in Ho Chi Minh City	-	-	420,328,500	-
PetroVietnam Overseas Exploration Production Operating Company Limited	-	-	10,061,561,353	-
Others	44,631,384,892	-	50,460,024,863	-
Accrued interest income	37,174,931,265	-	54,823,326,949	-

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	2021		2020	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Deposits	33,416,954,634	-	18,782,979,836	-
Advances	13,955,469,103	-	14,059,454,917	-
VAT not yet deducted	30,237,827,359	-	33,487,826,939	-
Others	54,202,178,961	(3,339,526,892)	75,950,695,026	(1,755,167,920)
	435,483,138,153	(3,339,526,892)	265,280,299,858	(1,755,167,920)

As at 31 December 2021 and 31 December 2020, the balances of other short-term receivables were past due which were considered for provision of doubtful debts - short-term are presented in Note 9.

(b) Long-term

	2021	2020
	VND	VND
Deposits	72,111,794,971	77,906,965,640
	63,680,518,499	-
Others	16,489,200,228	13,524,550,273
	152,281,513,698	91,431,515,913

Details of other receivables type of customers are as follows:

	2021	2020
	VND	VND
Short-term		
Third parties	303,229,345,490	206,187,697,923
Related parties (Note 41(b))	132,253,792,663	59,092,601,935
	435,483,138,153	265,280,299,858
Long-term		
Third parties	152,281,513,698	91,431,515,913

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9. PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	2021		Overdue
	Recoverable amount	Provision	
	VND	VND	VND
Short-term trade account receivable			
Third parties			
Marsol Offshore Construction L.L.C	11,641,505,712	672,099	(11,640,833,613) Over 1 year - Under 3 years
Berlanga Myanmar Private Limited	13,606,079,660	6,759,006,477	(6,847,073,183) Over 3 years
Sai Gon Offshore Fabrication and Engineering Limited	13,531,918,730	-	(13,531,918,730) Over 3 years
Others	112,750,975,972	74,944,030,837	(37,806,945,135) Over 6 months - Over 3 years
	151,530,480,074	81,703,709,413	(69,826,770,661)
Related parties			
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	37,369,296,504	8,865,219,165	(28,504,077,339) Over 2 year - Over 3 years

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	2021		
	Cost	Recoverable amount	Provision
	VND	VND	VND
Nghi Son Refinery and Petrochemical Complex project Management Board	15,098,497,832	-	(15,098,497,832)
PetroVietnam Exploration Production Corporation Limited	8,060,004,136	20,618,966	(8,039,385,170)
Others	88,864,849,954	77,360,321,944	(11,504,528,011)
	217,808,740,525	121,408,220,650	(96,400,519,876)
Other short-term receivables			
Related parties			
Duyen Hai Petrovietnam Investment and Construction Joint Stock Company	3,642,003,000	858,674,000	(2,783,329,000)
Others	971,195,501	414,997,609	(556,197,892)
	4,613,198,501	1,273,671,609	(3,339,526,892)
	373,952,419,100	204,385,601,672	(169,566,817,429)

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	2020		
	Cost	Recoverable amount	Provision
	VND	VND	VND
Short-term trade account receivable			
Third parties			
Marsol Offshore Construction L.L.C	15,340,739,884	8,245,885,496	(7,094,854,388)
Berlanga Myanmar Private Limited	13,645,734,640	2,004,901,027	(11,640,833,613)
Sai Gon Offshore Fabrication and Engineering Limited	13,531,918,730	-	(13,531,918,730)
Others	26,571,428,705	9,574,749,153	(16,996,679,552)
	69,089,821,959	19,825,535,676	(49,264,286,283)
Related parties			
Petrovietnam Fertilizer and Chemicals Corporation	53,338,719,355	39,796,924,579	(13,541,794,776)
PetroVietnam Domestic Exploration Production Operating Company Limited	43,311,997,427	15,354,802,493	(27,957,194,934)
Nghi Son Refinery and Petrochemical Complex project Management Board	15,098,497,832	-	(15,098,497,832)
PetroVietnam Exploration Production Corporation Limited	13,887,083,418	299,701,973	(13,587,381,445)

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	2020		Overdue
	Recoverable amount	Provision	
	VND	VND	
PTSC Ca Rong Do Ltd.	9,902,752,259	(6,931,926,581)	Over 2 years - Under 3 years
Others	24,764,334,931	(6,150,788,524)	Over 6 months - Over 3 years
	160,303,385,222	(83,267,584,092)	
	229,393,207,181	(132,531,870,375)	
Other short-term receivables			
Third parties			
Others	12,969,200	(1,320,000)	Over 1 year - Over 3 years
	12,969,200	(1,320,000)	
Related parties			
Duyen Hai Petrovietnam Investment and Construction Joint Stock Company	3,612,011,000	(1,741,106,500)	Over 6 months - Over 3 years
Others	147,497,500	(12,741,420)	Over 6 months - Under 1 years
	3,772,477,700	(1,755,167,920)	
	233,165,684,881	(134,287,038,295)	

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10. INVENTORIES

(a) Inventories

	2021		2020	
	Book value	Provision	Book value	Provision
	VND	VND	VND	VND
Goods in transits	17,459,964,469	-	3,724,288,759	-
Raw materials	317,084,388,344	(2,114,802,525)	413,216,663,457	(2,198,714,129)
Tools and supplies	39,612,745,455	-	46,212,166,349	-
Work-in-progress (*)	1,710,624,217,836	-	1,708,281,322,513	(59,853,610,125)
Merchandise	3,504,025,621	(76,363,636)	1,893,511,623	-
	2,088,285,341,725	(2,191,166,161)	2,173,327,952,701	(62,052,324,254)

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

	2021	2020
	VND	VND
Sao Vang - Dai Nguyet project	629,049,507,394	473,270,914,557
Gallaf project - Phase 1	491,631,126,125	1,032,257,768,113
Sao Vang - Dai Nguyet pipeline project	202,475,155,036	-
Southern Petrochemical complex project	153,653,341,964	42,339,674,713
LNG Thi Vai warehouse EPC project	86,116,992,560	66,262,114,568
GE structural steel fabrication project	34,975,771,970	-
Supply of FPSO services	12,575,577,235	7,441,011,158
Repair and maintenance STG package	-	26,956,980,263
Others	100,146,745,552	59,752,859,141
	1,710,624,217,836	1,708,281,322,513

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

	2021	2020
	VND	VND
Beginning of year	62,052,324,254	2,338,041,333
(Reversal of provision)/Provision	(59,861,158,093)	59,714,282,921
End of year	2,191,166,161	62,052,324,254

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

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

11. PREPAID EXPENSES

(a) Short-term

	2021	2020
	VND	VND
Insurance	15,374,902,246	9,256,596,275
Tools and supplies	11,777,860,629	11,320,202,470
Land rental	4,787,092,096	-
Repair and maintenance	559,300,792	7,248,743,096
Others	5,706,546,784	3,850,855,887
	38,205,702,547	31,676,397,728

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(b) Long-term

	2021	2020
	VND	VND
Office rental at Head Office, No. 1-5 Le Duan Street	270,158,138,070	277,130,295,474
Land rental in Dinh Vu port	107,720,312,129	98,921,421,059
Site clearance cost at Son Tra port	90,114,098,310	92,602,218,595
Repair and maintenance	84,130,616,375	97,303,319,783
Tools and supplies	31,981,257,533	34,339,724,654
Factory rental at Vung Tau port	13,522,045,426	21,734,547,751
Others	13,152,739,776	25,927,763,491
	610,779,207,619	647,959,290,807

12. OTHER CURRENT RECEIVABLES

As presented in Note 1, the financial statements for the year ended 31 December 2021 and the financial statements for the year ended 31 December 2020 of PTSC CGGV were prepared on liquidation accounting basis, accordingly, PTSC CGGV's fixed assets are revalued and recorded

at their net realisable value. As at 31 December 2021, net realisable value of PTSC CGGV's fixed asset is VND25,613,516,364 (as at 31 December 2020: VND25,613,516,364) and classified as other current assets on consolidated balance sheet.

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13. FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
As at 1 January 2021	3,558,840,724,468	2,447,141,582,490	5,508,195,812,777	211,612,885,698	114,455,844,626	11,840,246,850,059
New purchases	851,028,870	39,398,962,216	10,361,626,539	10,088,460,363	668,828,936	61,368,906,924
Transfers from construction in progress (Note 15)	501,281,818	113,883,463,375	166,988,195,766	-	-	281,372,940,959
Disposals	(3,038,547,015)	(6,174,027,838)	(36,651,451,274)	(18,566,915,359)	(55,000,000)	(64,485,941,486)
Others	645,725,416	(3,933,387,564)	2,408,506,303	1,318,321,545	(596,200,719)	(157,035,019)
As at 31 December 2021	3,557,800,213,557	2,590,316,592,679	5,651,302,690,111	204,452,752,247	114,473,472,843	12,118,345,721,437

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	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Accumulated depreciation						
As at 1 January 2021	2,360,475,533,547	1,711,827,141,923	4,428,092,131,990	188,083,946,463	38,044,596,970	8,726,523,350,893
Charge for the year	99,007,633,132	161,013,383,752	204,681,578,530	15,173,146,366	5,285,765,175	485,161,506,955
Disposals	(305,715,121)	(6,174,027,838)	(36,611,190,671)	(18,566,915,359)	(55,000,000)	(61,712,848,989)
Others	-	(189,552,458)	217,696,231	(69,276,744)	-	(41,132,971)
As at 31 December 2021	2,459,177,451,558	1,866,476,945,379	4,596,380,216,080	184,620,900,726	43,275,362,145	9,149,930,875,888
Net book value						
As at 1 January 2021	1,198,365,190,921	735,314,440,567	1,080,103,680,787	23,528,939,235	76,411,247,656	3,113,723,499,166
As at 31 December 2021	1,098,622,761,999	723,839,647,300	1,054,922,474,031	19,831,851,521	71,198,110,698	2,968,414,845,549

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2021 was VND5,653 billion (as at 31 December 2020: VND 5,997 billion).

As at 31 December 2021, the historical cost of tangible fixed assets formed from borrowings pledged as collateral assets for the borrowings of the Corporation (as presented in Note 23) is VND1,590 billion (as at 31 December 2020: VND1,643 billion).

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	Land use right		Software		Others		Total	
	VND	VND	VND	VND	VND	VND	VND	VND
Historical cost								
As at 1 January 2021	1,310,220,000	133,515,093,069	1,839,261,714	136,664,574,783				
New purchases	-	2,650,320,000	-	2,650,320,000				
Disposal	(327,193,412)	(140,550,000)	-	(467,743,412)				
Others increase/(decrease) (*)	490,193,529	(12,081,484,180)	-	(11,591,290,651)				
As at 31 December 2021	1,473,220,117	123,943,378,889	1,839,261,714	127,255,860,720				
Accumulated amortisation								
As at 1 January 2021	379,599,850	112,963,362,804	1,839,261,714	115,182,224,368				
Charge for the year	26,204,400	10,445,332,587	-	10,471,536,987				

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	Land use right		Software		Others		Total	
	VND	VND	VND	VND	VND	VND	VND	VND
Disposal	-	(140,550,000)	-	(140,550,000)				
Others increase/(decrease) (*)	-	(11,591,290,651)	-	(11,591,290,651)				
As at 31 December 2021	405,804,250	111,676,854,740	1,839,261,714	113,921,920,704				
Net book value								
As at 1 January 2021	930,620,150	20,551,730,265	-	21,482,350,415				
As at 31 December 2021	1,067,415,867	12,266,524,149	-	13,333,940,016				

The historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2021 was VND103 billion (as at 31 December 2020: VND81 billion).

(*) Others decrease: the Corporation does not continue to renew the rights of use for some Software Copyrights that have expired.

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14. INVESTMENT PROPERTIES

Details of investment properties are presented as follows:

	2021	2020
	VND	VND
Investment properties hold for leasing:		
Infrastructure project - 39.8 hectare	98,911,251,276	101,658,786,027
Infrastructure project - 23 hectare	74,954,253,351	76,941,990,456
	173,865,504,627	178,600,776,483

Investment properties mainly include:

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

For the year ended 31 December 2021, revenue incurred from investment properties is VND5,203,799,784 (in year 2020: VND5,203,799,784). Direct expenses incurred from investment properties leasing in 2021 (including tools and supplies, utilities, management fee) are VND4,735,271,856 (in year 2020: VND4,735,271,856).

Movement of investment properties during the year is as follows:

	Infrastructure
	VND
Historical cost	
As at 1 January 2021 and 31 December 2021	229,280,786,454
Accumulated depreciation	
As at 1 January 2021	50,680,009,971
Charge for the year	4,735,271,856
As at 31 December 2021	55,415,281,827
Net book value	
As at 1 January 2021	178,600,776,483
As at 31 December 2021	173,865,504,627

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The Corporation has not been collected sufficient information of similar properties as a basis for fair value comparison, therefore fair value of the investment properties as at 31 December 2021 has not been disclosed in the consolidated 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 higher than the net book values at the consolidated balance sheet date.

15. CONSTRUCTION IN PROGRESS

(a) Long-term work in progress

Details of work in progress are presented as follows:

	2021		2020	
	Cost	Recoverable amount	Giá trị gốc	Giá trị có thể thu hồi
	VND	VND	VND	VND
Long Phu 1 Thermal Power Plant project (i)	301,308,440,489	-	301,308,440,489	-
Bio Ethanol project (ii)	69,815,950,708	69,815,950,708	69,815,950,708	69,815,950,708
	371,124,391,197	69,815,950,708	371,124,391,197	69,815,950,708

(i) Long-term work-in-progress of Long Phu 1 Thermal Power Plant project represents the foreign design costs performed by Black & Veatch International ("the Contractor"). By the reporting date of this consolidated financial statements, the Corporation and the investor have not finalized the value of this cost. The Corporation has assessed the cost of long-term work-in-progress in the Inventory Assessment Minutes No. 07/BB-PTSCLP of the Inventory Assessment Council – Work-in-progress established under Decision No.0934/QD-PTSCLP dated 21 December 2017 and decided to make provision for net realizable value with total amount of VND301,308,440,489.

(ii) Long-term work-in-progress of Bio Ethanol project represents the work-in-progress of Dung Quat Bio-Ethanol fuel factory project.

The construction of infrastructure has been completed and handed over to its investor - Vietnam Central Biofuels Joint Stock Company. By the reporting date of this consolidated financial statement, both parties are working to finalize the value of the contract. As at 31 December 2021, the balance of long-term work-in-progress of VND69,815,950,718, equivalent to 5% of contract value, will be recognized in the income consolidated financial statements after completion of finalisation and remaining revenue will be recognized at the same time. Accordingly, the recoverable value will depend on the finalisation of the contract. As at the date of the consolidated financial statements, the Corporation and the investor have not completed the finalisation.

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(b) Long-term construction in progress

Details of construction in progress are presented as follows:

	2021	2020
	VND	VND
Construction of marine service base at Sao Mai - Ben Dinh	35,101,032,941	31,147,753,732
Land use right of Lot 1838.9 square meter at 266 Le Loi, Vung Tau City	49,463,685,500	-
Landscape embellishment project in Dung Quat	5,880,355,437	5,880,355,437
MP Manuever vessel	-	119,042,319,850
Others	23,509,285,750	9,932,989,798
	113,954,359,628	166,003,418,817

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

	2021	2020
	VND	VND
Beginning of year	166,003,418,817	129,796,562,372
New purchases	229,323,881,770	174,144,547,730
Transfers to tangible fixed assets (Note 13(a))	(281,372,940,959)	(137,937,691,285)
End of year	113,954,359,628	166,003,418,817

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16. DEFERRED INCOME TAX

Details of deferred income tax are presented as follows:

	2021	2020
	VND	VND
Deferred income tax assets:		
Deferred income tax assets to be recovered after 12 months	477,030,804,692	337,988,470,122
	477,030,804,692	337,988,470,122
Deferred income tax liabilities:		
Deferred income tax liabilities to be repaid after 12 months	(749,280,589,891)	(785,723,496,716)
Deferred income tax liabilities to be repaid within 12 months	(83,530,153,899)	(18,765,964,330)
	(832,810,743,790)	(804,489,461,046)

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

	2021	2020
	VND	VND
Deferred income tax assets	337,988,470,122	494,919,804,855
Deferred income tax liabilities	(804,489,461,046)	(787,421,949,479)
Beginning of year	(466,500,990,924)	(292,502,144,624)
Charge to consolidated income statements	110,721,051,826	(173,998,846,300)
End of year	(355,779,939,098)	(466,500,990,924)
In which:		
Deferred income tax assets	477,030,804,692	337,988,470,122
Deferred income tax liabilities	(832,810,743,790)	(804,489,461,046)

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

	2021	2020
	VND	VND
Accruals and provisions	381,018,014,842	319,830,419,359
Profit sharing from associates and joint ventures	(554,067,854,137)	(583,216,464,535)
Reversal of provision for investments	(195,212,735,754)	(198,406,939,372)
Unrealised foreign exchange difference	9,821,024,379	(4,333,057,037)
Others	2,661,611,572	(374,949,339)
	(355,779,939,098)	(466,500,990,924)

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

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

The Corporation's tax losses can be carried for-

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

Year of tax losses	Losses incurred	Losses utilised	Losses carried forward
	VND	VND	VND
Year 2017	120,559,346,350	-	120,559,346,350
Year 2018	1,148,231,854,546	-	1,148,231,854,546
Year 2019	572,038,836,697	-	572,038,836,697
Year 2020	152,088,082,779	-	152,088,082,779
Year 2021	7,152,378,442	-	7,019,175,537

The Corporation did not recognise deferred income tax assets relating to the above tax losses carried forward, as the realisation of the

related tax benefit through future taxable income currently cannot be assessed as probable.

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17. SHORT-TERM TRADE ACCOUNTS PAYABLE

	2020		2021	
	Value	Able-to-pay amount	Value	Able-to-pay amount
	VND	VND	VND	VND
Third parties				
Ultra Deep Van Gogh Pte., Ltd	-	-	121,008,007,292	121,008,007,292
CGG Services SAS	115,195,091,374	115,195,091,374	113,731,272,637	113,731,272,637
CGG Services (Singapore) Pte Ltd	110,892,800,285	110,892,800,285	109,483,652,058	109,483,652,058
CGG Marine B.V.	87,177,813,955	87,177,813,955	86,070,019,205	86,070,019,205
Shelf Subsea Solutions Pte Ltd	116,075,000	116,075,000	70,141,248,588	70,141,248,588
Velocity Energy Pte Ltd	225,317,311,051	225,317,311,051	68,588,751,616	68,588,751,616
Vietnam Machinery Installation Corporation - Joint Stock Company	59,992,827,687	59,992,827,687	59,992,827,687	59,992,827,687
South Viet New Spring Corporation	-	-	58,549,339,456	58,549,339,456
Technip Marine (M) Sdn Bhd	-	-	49,444,658,196	49,444,658,196
SCI E&C Joint Stock Company	50,408,108,196	50,408,108,196	45,912,280,686	45,912,280,686
Hai Duong Petroleum and Marine Corporation	-	-	44,197,707,828	44,197,707,828
Sai Gon Shipyard Company Limited	42,062,400,000	42,062,400,000	42,062,400,000	42,062,400,000

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	2021		2020	
	Value	Able-to-pay amount	Value	Able-to-pay amount
	VND	VND	VND	VND
Asia Investment and Asset Management JSC (Ashico)	35,831,702,252	35,831,702,252	56,980,231,521	56,980,231,521
Ocean Works Asia Pte Ltd	27,668,347,860	27,668,347,860	113,759,693,066	113,759,693,066
Toan Thang Engineering Corporation	22,170,483,295	22,170,483,295	41,240,415,887	41,240,415,887
Fecon Joint Stock Company	33,924,635,591	33,924,635,591	34,657,770,927	34,657,770,927
Tan Cang Offshore Services Joint Stock Company	20,989,306,110	20,989,306,110	92,067,982,287	92,067,982,287
Thien Nam Offshore Services Joint Stock Company	4,856,271,853	4,856,271,853	278,764,993,071	278,764,993,071
Hai Duong Company Limited	-	-	234,217,190,351	234,217,190,351
Marinia LLC	-	-	207,006,073,775	207,006,073,775
Others	1,592,811,142,690	1,592,811,142,690	2,302,638,671,079	2,302,638,671,079
Related parties (Note 41(b))	2,607,434,054,900	2,607,434,054,900	4,052,495,449,512	4,052,495,449,512
	1,674,261,176,580	1,674,261,176,580	2,125,495,057,732	2,125,495,057,732
	4,281,695,231,480	4,281,695,231,480	6,177,990,507,244	6,177,990,507,244

As at 31 December 2021 and 31 December 2020, the Board of Management believes that the Corporation is able to fully repay all short-term trade accounts payable as and when they fall due.

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18. ADVANCES FROM CUSTOMERS

(a) Short-term

	2021	2020
	VND	VND
Third parties		
North Oil Company	-	171,463,269,795
TPSK Consortium	54,408,599,849	149,587,366,234
Yunnan (HongKong) Logistics Development Limited	17,540,255,268	-
Main contractor of Vien An Wind Power Plant	19,190,325,000	-
Others	44,593,366,025	48,711,877,673
Related parties (Note 41(b))	135,732,546,142	369,762,513,702
	86,034,584,685	68,231,798,530
	221,767,130,827	437,994,312,232

(b) Long-term

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

- » The advances from Long Phu 1 Power Plant Project Management Board for the Long Phu Thermal Plant Project with the balance as at 31 December 2021 of VND 781,044,054,435 (as at 31 December 2020: VND778,479,407,707) (Note 41(b)). As at the date of this consolidated financial statements, the Corporation and the investor have been working for finalisation minutes, therefore, the netting-off of receivable and payable balance of the investor has not been done yet; and
- » The advances from PetroVietnam Gas Joint Stock Corporation for EPC warehouse LNG Thi Vai project and Sao Vang – Dai Nguyet pipeline project with the balance as at 31 December 2021 of VND65,986,958,343 (as at 31 December 2020: VND141,237,895,281) (Note 41(b)).

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

(a) Receivables

	2021	2020
	VND	VND
BIT overpaid	6,114,531,893	48,935,885,088
Personal income tax ("PIT") overpaid	2,427,238,283	335,529,783
Others overpaid	64,828,592	64,828,592
	8,606,598,768	49,336,243,463

(b) Payables

	2021	2020
	VND	VND
VAT	10,545,280,024	33,130,342,705
BIT	144,261,539,737	31,576,243,205
PIT	9,893,805,640	28,424,007,490
Others	19,737,545,978	10,839,453,411
	184,438,171,379	103,970,046,811

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

	As at 1.1.2021	Payables during the year	As at 31.12.2021
	VND	VND	VND
VAT on domestic goods	33,130,342,705	127,439,261,711	10,545,280,022
VAT on import goods	-	54,575,703,311	-
Import duties	-	18,471,548,621	-
BIT	(17,359,641,883)	311,065,619,548	138,560,778,030
PIT	28,088,477,707	159,575,922,479	7,466,567,357
Others	10,774,624,819	244,792,845,501	19,258,947,202
	54,633,803,348	915,920,901,171	175,831,572,611
In which:			
Tax and other receivables from the State	49,336,243,463		8,606,598,768
Tax and other payables to the State	103,970,046,811		184,438,171,379

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20. SHORT-TERM ACCRUED EXPENSES

	2021	2020
	VND	VND
Cost of Gallaf 3 project - Phase 3	767,489,265,772	-
Cost of SHWE project	72,615,143,923	-
Cost of supply FSO refrigerated LPG in the North of Vietnam	48,325,341,906	-
Cost of designing, purchasing and manufacturing for 2021-2022 SAT DSV campaign - Thai lan package	47,900,627,156	-
Cost of yard rental at Nghi Son - Thanh Hoa	40,000,000,000	35,000,000,000
Cost of Southern Petrochemical complex project	38,810,450,468	22,671,453,058
Cost of operation of FSO, FPSO	25,936,490,807	17,185,281,056
Cost of Dung Quat Bio Ethanol project	27,726,930,636	28,460,929,088
Cost of geological survey and subsea services	24,791,501,909	16,773,121,198
Cost of Sao Vang Dai Nguyet pipeline project	14,259,026,057	61,262,011,048
Cost of PVN15 project	10,626,044,225	10,786,974,219
Other	93,327,576,744	257,777,403,759
	1,211,808,399,603	449,917,173,426

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21. UNEARNED REVENUE

(a) Short-term

	2021	2020
	VND	VND
Supply of vessels for Nghi Son Refinery and Petrochemicals plant (i)	17,272,727,261	34,545,454,548
DSV Thailand project	17,600,454,300	-
Office leasing (iii)	12,042,250,000	1,152,000,000
Infrastructure leasing services at Sao Mai - Ben Dinh (ii)	5,203,799,784	5,203,799,784
Others	5,646,047,092	5,273,974,292
	57,765,278,437	46,175,228,624

(b) Long-term

	2021	2020
	VND	VND
Infrastructure leasing services at Sao Mai - Ben Dinh (ii)	185,868,163,712	191,071,963,496
Office leasing (iii)	1,685,750,000	13,728,000,000
Supply of vessels for Nghi Son Refinery and Petrochemicals plant (i)	-	17,272,727,261
	187,553,913,712	222,072,690,757

In which:

- (i) Supply of vessels for Nghi Son Refinery and Petrochemicals plant 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 vessels and maritime services in 15 years since 2019.
- (ii) Infrastructure leasing services at Sao Mai - Ben Dinh represents the advanced amount received for leasing the infrastructure and land at Infrastructure project – 39.8 square hectare and Infrastructure project – 23 square hectare of Sao Mai – Ben Dinh Marine Petroleum Services Base in Vung Tau City. This unearned revenue is allocated into the consolidated financial statements with under the straight-line method over the rental period of 48 years and 49 years.
- (iii) Office leasing represents the amount of the advance payment for office leasing, which would be allocated to the Corporation's results of operation for the leasing period ranging from 10 to 15 years.

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22. OTHER PAYABLES

(a) Short-term

	2021	2020
	VND	VND
Vietnam Shipbuilding Industry Corporation (i)	414,334,908,728	420,093,454,966
Salary payables	34,297,622,077	94,121,183,549
Dividend payables	20,292,705,013	16,713,663,999
Compulsory insurance	11,373,787,948	9,018,872,992
Others	106,430,619,359	90,788,942,847
	586,729,643,125	630,736,118,353

(i) Payable to Vietnam Shipbuilding Industry Corporation represents the last payment for the project of building FS05, in which, the Corporation is the project's investor and Vietnam Shipbuilding Industry Corporation is the constructor. As at the date of the consolidated financial statements, both parties are carrying out the procedures to finalize the contract for payment of this amount.

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

	2021	2020
	VND	VND
Third parties	580,058,840,118	624,150,306,375
Related parties (Note 41(b))	6,670,803,007	6,585,811,978
	586,729,643,125	630,736,118,353

(b) Long-term

Other long-term payables represents the deposit of PetroVietnam Gas Trading Company for supply F50 refrigerated LPG and services within 3 years in the North of Vietnam according to Contract No.36/HĐKN/2021/KDK-PTSC/04 dated 31 March 2021 with total amount of VND69,473,052,000.

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23. BORROWINGS

(a) Short-term

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

	As at 1.1.2021	Drawdown during the year	Repaid during the year	Current portion of long-term borrowings	Revaluation	As at 31.12.2021
	VND	VND	VND	VND	VND	VND
(i) Borrowings from banks						
Short-term borrowings	-	154,782,694,210	(154,782,694,210)	-	-	-
Current portion of long-term borrowings (Note 23(b))	109,543,201,772	-	(109,781,726,772)	94,658,511,772	(477,400,000)	93,942,586,772
(ii) Borrowings from third party (*)	625,102,665,176	-	-	-	(7,943,367,919)	617,159,297,257
	734,645,866,948	154,782,694,210	(264,564,420,982)	94,658,511,772	(8,420,767,919)	711,101,884,029

(*) Borrowing from CGG Holding B.V. (formerly known as, "CGGVeritas Services Holding BV") represents the difference between the capital amount that CGG Holding B.V. should have been contributed to PTSC CGGV, corresponding to 49% of PTSC CGGV's charter capital, and the value of CGG Holding B.V.'s contributed assets to PTSC CGGV at the time of establishment in 2012, the term is 60 months. The borrowing has been extended to 22 August 2022. This borrowing is free of interest, arrangement fee, commissions, or any other related fees. The borrowing is guaranteed by parent Company for liabilities of PTSC CGGV equivalent to 51% of this borrowing balance.

As presented in Note 1, the financial statements for the year ended 31 December 2021 and financial statements for the year ended 31 December 2021 of PTSC CGGV were prepared on liquidation accounting basis, accordingly, PTSC CGGV's liabilities are classified as short-term liabilities on the consolidated financial statements.

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(b) Long-term

	As at 11.2021	Drawdown during the year	Repaid during the year	Current portion of long-term borrowings	Revaluation	As at 31.12.2021
	VND	VND	VND	VND	VND	VND
Borrowings from banks (*)	473,725,620,270	155,083,128,871	-	(94,658,511,772)	(106,562,500)	534,043,674,869

(*) Long-term borrowings represent 8 credit facilities from commercial banks in Vietnam, in which:

- » Credit facility 1 is in VND with the credit limit of more than VND3.6 billion and will be matured in 36 months since 2020;
- » Credit facility 2 is in VND with the credit limit of more than VND65 billion and will be matured in 120 months since 2017;
- » Credit facility 3 is in VND with the credit limit of more than VND1.5 billion and will be matured in 36 months since 2020;
- » Credit facility 4 is in VND with the credit limit of more than VND675 billion and will be matured in 120 months since 2018;
- » Credit facility 5 is in VND with the credit limit of more than VND25.7 billion and will be matured in 72 months since 2016;
- » Credit facility 6 is in VND with the credit limit of more than USD10 million and will be matured in 84 months since 2015; and
- » Credit facility 7 is in USD with the credit limit of more than VND70 billion and will be matured in 84 months since 2020.
- » Credit facility 8 is in VND with the credit limit of more than VND692.7 billion and will be matured in 96 months since 2021.

The interest of long-term borrowings in VND ranged from 2.92% per annum to 8.1% per annum in year 2021 (year 2020: from 3% per annum to 9.5% per annum). The interest of long-term borrowings in USD ranged from 2.92% per annum to 3.14% per annum in year 2021 (year 2020: from 3.03% per annum to 5.02% per annum).

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

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.

Tổng công ty sử dụng tài sản hình thành từ các khoản vay để làm tài sản thế chấp.

Mục đích của các khoản vay dài hạn của Tổng công ty chủ yếu là để đầu tư tài sản dài hạn như căn cứ cảng, tàu dịch vụ dầu khí, thiết bị chuyên ngành dịch vụ kỹ thuật dầu khí phục vụ hoạt động sản xuất, kinh doanh.

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The repayment schedule of borrowings is as follows:

	2021	2020
	VND	VND
Within one year	711,101,884,029	734,645,866,948
In the second year	87,023,794,069	87,179,074,272
In the third to fifth year	257,329,621,016	190,540,455,316
After five years	189,690,259,784	196,006,090,682
	1,245,145,558,898	1,208,371,487,218

24. PROVISIONS FOR OTHER LIABILITIES

(a) Short-term

	2021	2020
	VND	VND
Warranty provision for construction contracts (i):		
Gallaf project - phase 1	-	60,125,610,799
GPP Ca Mau project	-	12,933,752,687
Other projects	-	-
Provision of expense of Gallaf project - phase 1	-	12,341,405,713
Provision of operation and maintenance of FPSO Lam Son (ii)	41,579,866,001	40,741,009,201
Provision of periodic overhaul of GTG-B generator system on FPSO Lam Son	-	31,951,657,320
Provision of periodic overhaul of service vessels (iii)	5,298,420,000	27,392,086,417
Others	2,669,320,069	8,229,315,079
	49,547,606,070	193,714,837,216

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(b) Long-term

	2021	2020
	VND	VND
Warranty provision for construction contracts (i):		
Sao Vang Dai Nguyet project	560,877,480,963	572,632,992,483
Sao Vang - Dai Nguyet pipeline project	66,621,273,873	-
Su Tu Trang Fullfield project	164,942,040,802	274,903,401,336
Gallaf project - Phase 1	251,386,169,293	192,603,476,923
Daman project	685,800,000	54,625,975,610
Others project	29,915,030,178	23,707,781,159
Provision of period overhaul of service vessels (iii)	13,662,069,630	7,439,102,322
	1,088,089,864,739	1,125,912,729,833

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

25. BONUS AND WELFARE FUND

	2021	2020
	VND	VND
Beginning of year	359,937,152,664	316,493,796,127
Appropriation from undistributed earnings (Note 28)	396,556,328,838	220,531,491,010
Utilisation	(195,116,902,359)	(177,088,134,473)
End of year	561,376,579,143	359,937,152,664

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26. FUND FOR SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT

	2021	2020
	VND	VND
Beginning of year	38,596,359,996	31,195,759,996
Appropriation	538,050,000	8,310,000,000
Fund utilisation	(3,728,268,636)	(909,400,000)
Reversal of unused fund	(26,995,869,520)	-
End of year	8,410,271,840	38,596,359,996

27. OWNERS' CAPITAL

(a) Number of shares

	2021		2020	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	477,966,290	-	477,966,290	-
Number of shares issued	477,966,290	-	477,966,290	-
Number of shares in circulation	477,966,290	-	477,966,290	-

(b) Details of owners' shareholding

	2021		2020	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Vietnam Oil and Gas Group	245,565,000	51.38	245,565,000	51.38
Other shareholders	232,401,290	48.62	232,401,290	48.62
Number of shares issued	477,966,290	100	477,966,290	100

(c) Movement of share capital

	Number of shares		Total
	VND	VND	
As at 1 January 2020	477,966,290	4,779,662,900,000	4,779,662,900,000
As at 31 December 2020	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

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

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28. MOVEMENTS IN OWNERS' EQUITY

	Owners' capita	Share premium	Investment and development fund	Foreign exchange differences	Post-tax undistributed earnings	Total	Non-controlling interests	Total owners' capital
	VND	VND	VND	VND	VND	VND	VND	VND
As at 1 January 2020	4,779,662,900,000	39,617,060,000	2,984,495,208,487	409,506,565,762	4,039,343,483,744	12,252,625,217,993	718,121,217,616	12,970,746,435,609
Net profit for the year	-	-	-	-	623,996,082,965	623,996,082,965	85,902,926,328	709,899,009,293
Dividends paid	-	-	-	-	(477,966,290,000)	(477,966,290,000)	(48,838,860,000)	(526,805,150,000)
Appropriation to bonus and welfare fund	-	-	-	-	(203,825,169,506)	(203,825,169,506)	(16,706,321,504)	(220,531,491,010)
Appropriation to investment and development fund	-	-	10,609,362,591	-	(10,609,362,591)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	(49,191,652,265)	-	(49,191,652,265)	-	(49,191,652,265)
Others	-	-	371,554	-	(87,957,691)	(87,586,137)	87,586,137	-
As at 31 December 2020	4,779,662,900,000	39,617,060,000	2,995,104,942,632	360,314,913,497	3,970,850,786,921	12,145,550,603,050	738,566,548,577	12,884,117,151,627

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	Owners' capita	Share premium	Investment and development fund	Foreign exchange differences	Post-tax undistributed earnings	Total	Non-controlling interests	Total owners' capital
	VND	VND	VND	VND	VND	VND	VND	VND
Net profit for the year	-	-	-	-	601,160,329,023	601,160,329,023	76,103,888,882	677,264,217,905
Dividends paid	-	-	-	-	(477,966,000,000)	(477,966,000,000)	(75,990,717,000)	(553,946,717,000)
Appropriation to bonus and welfare fund (Note 25) (*)	-	-	-	-	(386,033,369,136)	(386,033,369,136)	(10,522,959,702)	(396,556,328,838)
Appropriation to investment and development fund (*)	-	-	86,563,192,762	-	(86,563,192,762)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	(75,917,864,156)	-	(75,917,864,156)	-	(75,917,864,156)
Others	-	-	327,198	-	(611,642,013)	(611,314,815)	(27,227,154)	(638,541,969)
As at 31 December 2021	4,779,662,900,000	39,617,060,000	3,081,668,462,592	284,397,049,341	3,620,836,912,033	11,806,182,383,966	728,139,533,603	12,534,321,917,569

(*) Dividends paid and appropriation to funds of the parent Company and its subsidiaries was made in accordance to Resolution No. 134/NQ-DVKT-BHDCD dated 28 April 2021 of the parent Company's Shareholders Annual General Meeting and resolutions of subsidiaries' Shareholders Annual General Meeting.

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29. NON-CONTROLLING INTEREST

Details of non-controlling interest are as follows:

	2021	2020
	VND	VND
Owners' capital	1,523,361,857,420	1,523,361,857,420
Investment and development fund	133,916,447,678	124,433,028,882
Accumulated losses	(929,138,771,495)	(909,228,337,725)
	728,139,533,603	738,566,548,577

Movement of non-controlling interest was as follows:

	2021	2020
	VND	VND
Beginning of year	738,566,548,577	718,121,217,616
Net profit attributed to non-controlling interests (Note 28)	76,103,888,882	85,902,926,328
Dividends paid (note 28)	(75,980,717,000)	(48,838,860,000)
Appropriation to bonus and welfare fund (Note 28)	(10,522,959,702)	(16,706,321,504)
Others	(27,227,154)	87,586,137
End of year	728,139,533,603	738,566,548,577

30. EARNINGS PER SHARE

(a) Basic earnings per share

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

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	Year end	
	2021	2020
		(**)
Net profit attributable to shareholders (VND)	601,160,329,023	623,996,082,965
Less amount allocated to bonus and welfare funds (VND) (*)	(166,193,204,619)	(230,363,124,219)
Net profit attributable to shareholders (VND)	434,967,124,404	393,632,958,746
Weighted average number of ordinary shares in issue (shares)	477,966,290	477,966,290
Basic earnings per share	911	824

(*) Estimated amounts appropriated to bonus and welfare funds for the year ended 31 December 2021 are determined based on the plan for 2021 profit distribution of the Group approved by shareholders at the Annual General Meeting in 2021.

(**) Earning per share of fiscal year 2020 is recalculated according to the appropriation of bonus and welfare fund in 2020 approved by shareholders at the Annual General Meeting during the year 2021 as below:

	31.12.2020		
	Previously reported	Adjustment	Restated
Net profit attributable to shareholders (VND)	623,996,082,965	-	623,996,082,965
Appropriation to bonus and welfare fund	(124,402,808,600)	(105,960,315,619)	(230,363,124,219)
	499,593,274,365		393,632,958,746
Weighted average number of ordinary shares in issue (shares)	477,966,290		477,966,290
Basic earning per share (VND)	1,046		824

(b) Diluted earnings per share

The parent Company did not have any ordinary shares potentially diluted during the year and up to the date of these consolidated financial statements. Therefore, the diluted EPS is equal to the basic EPS.

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31. OFF CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currencies

As at 31 December 2021 and 31 December 2020, included in cash and cash equivalents are balances held in following foreign currencies:

	2021	2020
United States Dollar ("USD")	115,197,762	111,928,757
Euro ("EUR")	1,887	1,912
Pound sterling ("GBP")	244,708	244,715
Russian rouble ("RUB")	1,532,395	1,533,253

(b) Operating lease assets

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

32. NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2021	2020
	VND	VND
Revenue from sales of goods	57,458,771,025	295,154,606,152
Revenue from rendering of services	6,945,120,396,245	9,089,975,491,844
Revenue from construction contracts (*)	7,212,898,564,808	10,794,783,651,671
	14,215,477,732,078	20,179,913,749,667
Trade discounts	(17,036,288,370)	-
Net revenue from sales of goods and rendering of services		
Net revenue from sales of goods	57,458,771,025	295,154,606,152
Net revenue from rendering of services	6,928,084,107,875	9,089,975,491,844

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	2021	2020
Net revenue from construction contracts (*)	7,212,898,564,808	10,794,783,651,671
	14,198,441,443,708	20,179,913,749,667

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

	2021	2020
	VND	VND
Accumulated revenue from completed construction contracts until the date of consolidated financial statements	46,046,697,084	247,764,460,449
Accumulated revenue from in progress construction contracts during the year	37,247,517,427,976	26,954,891,713,463

33. COST OF GOODS SOLD AND SERVICES RENDERED

	2021	2020
	VND	VND
Cost of goods sold	51,435,983,630	279,961,774,659
Cost of services rendered	6,123,806,996,110	8,435,136,907,860
Cost of construction contracts	7,247,546,112,877	10,686,649,087,026
	13,422,789,092,617	19,401,747,769,545

34. FINANCIAL INCOME

	2021	2020
	VND	VND
Interest income	201,289,875,918	261,241,343,019
Foreign exchange gains	76,259,555,720	138,671,963,171
	277,549,431,638	399,913,306,190

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35. FINANCIAL EXPENSES

	2021	2020
	VND	VND
Interest expense	45,619,511,092	55,755,530,102
Provision/(reversal of provision) for long-term investments (Note 4(b))	2,018,289,475	(1,019,317,283)
Foreign exchange losses	46,737,066,898	88,082,009,763
	94,374,867,465	142,818,222,582

36. SELLING EXPENSES

	2021	2020
	VND	VND
Advertising and marketing	45,540,621,439	56,069,176,979
Staff costs	19,615,812,666	31,282,759,985
Others	24,283,649,687	31,294,357,136
	89,440,083,792	118,646,294,100

37. GENERAL AND ADMINISTRATION EXPENSES

	2021	2020
	VND	VND
Staff costs	409,741,595,076	436,157,046,945
Depreciation and amortisation	25,384,812,173	34,925,334,724
Out-sourced services	173,097,834,049	162,343,943,929
Reversal of provision for doubtful debts	(29,183,559,940)	(1,624,837,578)
Others	133,441,229,359	165,714,296,583
	712,481,910,717	797,515,784,603

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38. NET OTHER INCOME AND OTHER EXPENSES

	2021	2020
	VND	VND
Other income		
Reversal of scientific and development fund	26,995,869,520	-
Reversals of warranty provision for construction contracts (*)	179,288,425,580	693,567,048,928
Income from contracts' breach	9,081,241,009	14,382,290,848
Net gain from disposals of fixed assets	11,829,711,164	8,274,108,381
Others	7,688,212,336	16,758,920,441
	234,883,459,609	732,982,368,598
Other expenses		
Penalties	(13,939,665,678)	(4,027,909,460)
Others	(7,036,047,462)	(14,166,912,434)
	(20,975,713,140)	(18,194,821,894)
Net other income	213,907,746,469	714,787,546,704

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

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39. BUSINESS INCOME TAX (“BIT”)

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

	2021	2020
	VND	VND
Accounting profit before tax	877,608,785,567	1,024,531,892,796
Accounting profit before BIT	882,078,578,788	1,034,101,324,070
Accounting losses before BIT	(4,469,793,221)	(9,569,431,274)
	877,608,785,567	1,024,531,892,796
Accounting profit before tax	2,024,236,931,260	1,761,035,486,260
Accounting profit before BIT	(1,270,706,983,355)	(2,235,639,522,082)
Accounting losses before BIT	(16,896,718,087)	(319,360,606)
Total taxable income	1,614,242,015,385	549,608,496,368
In which:		
Taxable income	1,621,394,393,827	748,320,705,511
Taxable losses	(7,152,378,442)	(198,712,209,143)
BIT at tax rate of 20%	324,278,878,765	149,664,141,102
Tax incentive	(8,963,427,897)	(17,719,650,522)
(Over)/under provision	(4,249,831,320)	8,689,546,624
BIT charge	311,065,619,548	140,634,037,204

The BIT charge for the year is based on estimated taxable income for the fiscal year 2021 and is subject to review and possible adjustments by the tax authorities at the year ended 2021.

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40. COST OF OPERATION BY FACTOR

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

	2021	2020
	VND	VND
Raw materials	2,617,801,099,680	5,401,070,245,287
Staff costs	2,402,673,846,697	2,988,922,546,879
Depreciation and amortisation	500,368,315,798	538,662,164,792
Out-sourced services	4,741,999,852,539	8,943,710,380,998
Related cost of construction contracts	3,275,498,992,713	2,697,145,709,381
Others	657,832,184,903	783,682,059,652
	14,196,174,292,330	21,353,193,106,989

41. RELATED PARTY DISCLOSURES

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

Accordingly, PVN, fellow PVN group subsidiaries, 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 has balances and transactions with below parties:

Name	Relationship
Vietnam Oil and Gas Group	Parent Company
PTSC Ca Rong Do Limited	Company in PVN Group
Petrovietnam Exploration Production Corporation Limited	Company in PVN Group
Dung Quat Shipbuilding Industry Company Limited	Company in PVN Group
PetroVietNam Drilling & Well Service Corporation	Company in PVN Group
PetroVietnam Transportation Corporation	Company in PVN Group

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Name	Relationship
Vietnam Public Joint Stock Commercial Bank	Company in PVN Group
PetroVietnam Construction Joint Stock Corporation	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 Refining and Petrochemical Joint Stock Company	Company in PVN Group
PetroVietnam Chemical and Services Corporation	Company in PVN Group
PVI Insurance Corporation	Company in PVN Group
PetroVietnam Engineering Consultancy Joint Stock Company	Company in PVN Group
PetroVietnam Maintenance and Repair Corporation	Company in PVN Group
Nghi Son Refinery and Petrochemical Limited Liability Company	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
PetroVietNam Long Phu 1 Power Project Management Board	Company in PVN Group
Petrovietnam Domestic Exploration Production Operating Company Limited	Company in PVN Group
PetroVietnam Gas Joint Stock Company	Company in PVN Group
PetroVietnam Overseas Exploration Production Operating Company Limited	Company in PVN Group
PetroVietnam Ca Mau Fertilizer Joint Stock Company	Company in PVN Group
Thai Binh 2 Thermal Power Plant Project Management Board	Company in PVN Group

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(a) Related party transactions

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

	2021	2020
	VND	VND
i) Sales of goods and rendering of services		
PetroVietnam Exploration Production Corporation Limited	1,218,045,098,968	1,830,762,606,736
PetroVietnam Gas Joint Stock Corporation	889,515,649,520	2,305,356,903,754
Bien Dong Petroleum Operating Company	480,289,833,165	515,131,078,014
Nghi Son Refining and Petrochemical Company Limited	430,697,465,303	314,046,092,714
Binh Son Refining and Petrochemical JSC	282,858,759,133	545,560,827,711
Vietnam Offshore Floating Terminal (Ruby) Limited	265,992,619,834	350,146,048,976
PTSC Ca Rong Do Limited	167,778,181,818	-
Malaysia Vietnam Offshore Terminal (Labuan) Limited	114,933,406,150	186,394,982,338
PetroVietnam Drilling and Well Services Corporation	39,489,441,555	30,768,683,913
PetroVietnam Drilling and Well Services Corporation	28,750,036,702	49,083,425,229
Others	183,295,057,371	34,986,462,149
	4,101,645,549,519	6,162,237,111,534
ii) Purchases of goods and services		
PTSC Asia Pacific Private Limited	600,250,419,680	732,072,346,473
PTSC South East Asia Private Limited	182,314,152,025	203,879,368,750
PetroVietnam Drilling and Well Services Corporation	111,822,150,985	31,396,049,251
PVI Insurance Corporation	85,272,331,343	55,714,686,754
PetroVietnam Oil Corporation	50,971,583,741	42,468,817,553
PTSC Ca Rong Do Limited	-	962,713,183,118
Others	114,073,251,443	91,285,048,277
	1,144,703,889,217	2,119,529,500,176

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	2021	2020
	VND	VND
iii) Compensation for key management		
Gross salaries and other benefits	21,950,121,000	23,713,533,000
in which:		
Mr. Phan Thanh Tung - Chairman of BOD	2,008,745,000	2,265,616,200
Mr. Le Manh Cuong - Member of BOD cum President and Chief Executive Officer	2,110,718,000	2,211,771,000
Mr. Nguyen Xuan Ngoc - Member of BOD	1,470,798,000	1,689,392,600
Mr. Do Quoc Hoan - Member of BOD	1,614,248,000	1,889,144,000
Mr. Luu Duc Hoang - Member of BOD	1,452,566,000	1,671,172,600
Others	13,293,046,000	13,986,436,600
(b) Year end balances with related parties		
	2021	2020
	VND	VND
i) Short-term trade account receivables (Note 5)		
PetroVietnam Exploration Production Corporation Limited	1,635,248,057,021	1,532,188,110,602
PetroVietnam Gas Joint Stock Corporation	125,909,830,714	402,321,592,322
PetroVietnam Long Phu 1 Thermal Power Project Management Board	156,738,176,730	151,225,238,914
Vietnam Offshore Floating Terminal (Ruby) Limited	118,773,558,216	98,838,616,962
Nghi Son Refining and Petrochemical Company Limited	82,293,897,273	99,393,949,843
PetroVietnam Fertilizer and Chemicals Corporation	71,317,203,829	60,212,968,266
Bien Dong Petroleum Operating Company	67,053,976,870	119,225,076,011
Malaysia Vietnam Offshore Terminal (Labuan) Limited	43,254,728,491	6,708,056,223
Vietnam - Russia Joint Venture Vietsovpetro	37,203,110,659	37,203,110,659
PetroVietnam Domestic Exploration Production Operating Company Limited	38,513,085,853	184,295,367,932
Binh Son Refining and Petrochemical JSC	34,200,373,634	58,524,253,900
Nghi Son Refinery and Petrochemical Complex Project Management Board	30,073,584,916	206,604,362,561
Others	31,967,689,166	246,203,493,585
	2,472,547,273,372	3,202,944,197,780

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	2021	2020
	VND	VND
ii) Short-term prepayment to suppliers (Note 6(a))		
PetroVietnam Marine Shipyard Joint Stock Company	2,225,926,853	1,033,416,496
iii) Other short-term receivables (Note 8(b))		
PetroVietnam Exploration Production Corporation Limited	10,047,098,575	627,920,218
Nghi Son Refinery and Petrochemical Limited Liability Company	12,188,084,868	6,606,181,257
Vietnam Oil and Gas Group	10,632,042,898	10,632,042,898
Vietnam - Russia Joint Venture Vietsovpetro	4,150,042,484	236,600,000
Bien Dong Petroleum Operating Company	-	114,392,800
PetroVietnam Overseas Exploration Production Operating Company Limited	10,061,561,353	10,061,561,353
Others	85,174,962,485	30,813,903,409
	132,253,792,663	59,092,601,935
iv) Short-term trade account payables (Note 17)		
PTSC Asia Pacific Private Limited	1,506,278,128,866	1,806,345,174,570
PTSC South East Asia Private Limited	56,218,405,200	33,807,710,282
PetroVietnam Drilling and Well Services Corporation	31,501,779,473	50,449,038,643
PetroVietnam Marine Shipyard Joint Stock Company	27,021,667,086	29,565,146,083
Nghi Son Refining and Petrochemical Company Limited	13,020,056,401	18,369,654,157
Vietnam - Russia Joint Venture Vietsovpetro	4,878,958,446	28,746,553,609
PetroVietnam Gas Corporation	257,337,862	29,757,861,786
Others	35,084,843,246	128,453,918,602
	1,674,261,176,580	2,125,495,057,732
v) Short-term advance from customers (Note 18(a))		
Binh Son Refining and Petrochemical JSC	45,816,725,642	68,048,102,530
PetroVietnam Gas Corporation	37,791,032,173	-
Others	2,426,826,870	183,696,000
	86,034,584,685	68,231,798,530
vi) Long-term advance from customers (Note 18(b))		
PetroVietnam Long Phu 1 Thermal Power Project Management Board	781,044,054,435	778,479,407,707

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	2021	2020
PetroVietnam Gas Corporation	65,986,958,343	141,237,895,281
	847,031,012,778	919,717,302,988
vii) Other short-term payable (Note 22)		
PetroVietnam Exploration Production Corporation Limited	6,536,414,822	-
Malaysia Vietnam Offshore Terminal (Labuan) Limited	-	2,692,225,602
PVI Insurance Corporation	-	1,140,397,087
PetroVietnam Construction Joint Stock Corporation	-	1,669,212,234
Others	134,388,185	1,083,977,055
	6,670,803,007	6,585,811,978

42. SEGMENT REPORTING

Geographical segment

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

Business activity segment

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

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

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

	2021							Total	
	Supply of technology service vessels	FSO / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project	Other services		Elimination
	VND	VND	VND	VND	VND	VND	VND	VND	
Segment assets	2,199,308,448,748	6,421,656,349,024	933,715,591,999	3,251,629,228,398	7,704,064,681,850	2,039,804,576,228	1,543,306,728,745	(4,232,746,902,114)	19,860,738,702,878
Profit from investments in associates and joint ventures									3,199,653,580,210
Unallocated assets									1,784,584,780,263
Total assets									24,844,977,063,351
Segment liabilities	1,318,892,718,705	2,520,040,619,812	1,669,644,810,439	1,177,864,780,878	5,332,390,046,938	831,665,466,905	448,068,600,431	(2,263,822,464,021)	11,034,744,580,087
Deferred tax liabilities arise from profit sharing from associates and joint ventures									554,067,854,137
Unallocated liabilities									721,842,711,558
Total liabilities									12,310,655,145,782

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	2020							Total	
	Supply of technology service vessels	F50 / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project	Other services		Elimination
Segment assets	2,509,242,950,945	5,762,366,446,076	922,907,721,719	3,835,094,750,900	8,198,825,268,007	2,665,668,481,511	1,317,063,368,937	(4,692,645,633,206)	20,518,523,354,889
Profit from investments in associates and joint ventures									3,317,174,459,672
Unallocated assets									2,443,579,312,376
Total assets									26,279,277,126,937
Segment liabilities	1,462,390,306,859	2,755,380,833,186	1,684,782,098,448	1,331,705,485,573	5,510,936,669,774	1,507,319,602,324	505,575,626,025	(2,619,067,659,643)	12,139,022,962,546
Deferred tax liabilities arise from profit sharing from associates and joint ventures									583,216,464,535
Unallocated liabilities									672,920,548,229
Total liabilities									13,395,159,975,310

The Corporation presented business activity segment reporting by revenue and cost of sales as follows:

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(continued)

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	2021							Total	
	Supply of technology service vessels	F50 / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project	Other services		Elimination
Net revenue from external sales	1,567,360,741,880	1,977,452,302,243	285,148,180,581	1,567,630,916,655	7,177,766,486,956	1,096,379,885,542	526,702,929,851	-	14,198,441,443,708
Net revenue from internal sales	234,939,338,396	392,649,259,372	172,088,545,269	168,771,832,632	597,303,898,949	1,144,140,616,081	108,323,251,541	(2,663,336,742,240)	-
	1,802,300,080,276	2,370,101,561,615	302,356,725,850	1,736,402,749,287	7,775,070,385,905	2,240,520,501,623	635,026,181,392	(2,663,336,742,240)	14,198,441,443,708
Net cost from external sales	(1,441,794,240,474)	(1,767,848,919,019)	(262,165,490,485)	(1,247,625,380,270)	(7,138,691,356,356)	(1,046,716,337,251)	(517,947,368,762)	-	(13,422,789,092,617)
Net cost from internal sales	(234,939,338,396)	(390,982,089,702)	(18,543,864,825)	(168,594,661,192)	(584,689,101,409)	(1,071,229,994,201)	(83,156,473,144)	2,552,135,522,869	-
	(1,676,733,578,870)	(2,158,831,008,721)	(280,709,355,310)	(1,416,220,041,462)	(7,723,380,457,765)	(2,117,946,331,452)	(601,103,841,906)	2,552,135,522,869	(13,422,789,092,617)
Gross segment profit	125,566,501,406	211,270,552,894	21,647,370,540	320,182,707,825	51,689,928,140	122,574,170,171	33,922,339,486	(111,201,219,371)	775,652,351,091

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	2021						Total
	Supply of technology service vessels	FSO / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project	
Selling and administration expenses							(801,921,994,509)
Net income from financing activities							183,174,564,173
Profit sharing from associates and joint ventures							506,796,118,343
Profit from operating service							663,701,039,098
Net income from other activities							213,907,746,469
Net accounting profit before tax							877,608,785,567
BIT - current							(311,065,619,548)
BIT - deferred							110,721,051,886
Net profit after tax							677,264,217,905

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	2020						Total		
	Supply of technology service vessels	FSO / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project			
Net revenue from external sales	1,878,152,306,186	3,002,398,615,841	421,663,506,484	1,586,040,303,836	10,859,125,885,416	1,706,453,013,331	726,080,118,573	-	20,179,913,749,667
Net revenue from internal sales	249,398,518,078	395,080,803,629	270,499,636,951	221,467,791,739	225,189,892,214	1,695,683,968,700	100,304,184,456	(2,914,174,795,767)	-
	2,127,550,824,264	3,397,479,419,470	448,713,143,435	1,807,508,095,575	11,084,315,777,630	3,402,136,982,031	826,384,303,029	(2,914,174,795,767)	20,179,913,749,667
Net cost from external sales	(1,764,334,337,420)	(2,913,555,474,138)	(406,177,955,018)	(1,370,859,771,834)	(10,653,565,748,079)	(1,613,744,975,842)	(679,509,507,214)	-	(19,401,747,769,545)
Net cost from internal sales	(242,234,165,723)	(395,080,803,629)	(270,499,636,951)	(221,467,791,739)	(234,521,526,045)	(1,695,683,968,700)	(29,450,474,676)	2,845,488,367,463	-
	(2,006,568,503,143)	(3,308,636,277,767)	(433,227,591,969)	(1,592,327,563,573)	(10,888,087,274,124)	(3,309,428,944,542)	(708,959,981,890)	2,845,488,367,463	(19,401,747,769,545)
Gross segment profit	120,982,321,121	88,843,141,703	15,485,551,466	215,180,532,002	196,228,503,506	92,708,037,489	117,424,321,139	(68,686,428,304)	778,165,980,122
Selling and administration expenses									(916,162,078,703)

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	2020						Total	
	Supply of technology service vessels	F50 / FPSO services	Seismic survey, Geo survey and subsea services	Supply base services	Mechanical and construction	Maintenance, repair, and installment oil and gas project		Other services
Net income from financing activities							257,095,083,608	
Profit sharing from associates and joint ventures							190,645,361,065	
Profit from operating service							309,744,346,092	
Net income from other activities							714,787,546,704	
Net accounting profit before tax							1,024,531,892,796	
BIT - current							(140,634,037,204)	
BIT - deferred							(173,998,846,299)	
Net profit after tax							709,899,009,293	

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43. COMMITMENTS

(a) The Corporation as a lessee

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

	2021	2020
	VND	VND
Under 1 year	891,454,149,512	874,561,158,771
From 1 to 5 years	1,495,360,199,442	1,290,529,829,563
More than 5 years	1,211,929,786,207	1,086,000,531,384
Total minimum payments	3,598,744,135,161	3,251,091,519,718

As at 31 December 2021 and 31 December 2020, the Corporation has entered into non-cancellable operating lease commitment contracts of ship rental, land rental in Vung Tau City, land rental at Son Tra Port, and hotel lease for its operating activities. In which:

- » FSO/FPSO, vessels rental contracts were signed with duration from 1 year to 5 years;
- » Land rental in Vung Tau City was signed with the term of 50 years since 2002;
- » Land rental contract at Son Tra Port was signed with the term of 50 years since 2008; and
- » Hotel rental contract was signed with the term of 10 years since 2012

(b) The Corporation as a lessor

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

	2021	2020
	VND	VND
Under 1 year	1,397,095,325,019	1,393,863,652,729
From 1 to 5 years	3,102,233,789,161	4,496,376,141,636
More than 5 years	2,311,701,399,429	2,131,608,969,864
Total minimum receipts	6,811,030,513,609	8,021,848,764,229

As at 31 December 2021 and 31 December 2020, the Corporation has entered into non-cancellable operating lease commitment contracts of leasing service vessels with the term of 15 years and FSO/FPSO with the term of from 1 to 5 years.

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44. CONTINGENT LIABILITY

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. As a result, the Corporation has not made any provision for this lawsuit.

45. COMPARATIVE FIGURES

Certain comparative figures on the consolidated financial statements have been reclassified to comply with this year's presentation.

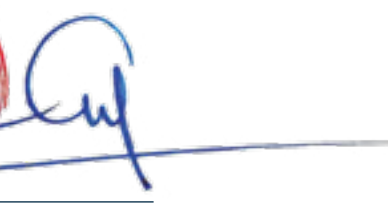
The consolidated financial statements were approved by the Board of Management on 29 March 2022.



Duong Thi Ngoc Quy
Preparer



Nguyen Van Bao
Chief Accountant



Le Manh Cuong
General Director



COMPREHENSIVE SOLUTIONS, DRIVEN BY TRUST

1 Le Duan Street, District 1, Ho Chi Minh City, Viet Nam
Tel: (+84) 28 3910 2828 | Fax: (+84) 28 3910 2929
Website: www.ptsc.com.vn