

PETROVIETNAM TECHNICAL SERVICES CORPORATION

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**



PETROVIETNAM TECHNICAL SERVICES CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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11/02/2024

PETROVIETNAM TECHNICAL SERVICES CORPORATION

CORPORATE INFORMATION

Enterprise registration Certificate

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

Board of Directors

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

Board of Supervisors

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

Board of Management

Mr. Le Manh Cuong	Chief Executive Officer
Mr. Nguyen Tran Toan	Vice President
Mr. Ta Duc Tien	Vice President
Mr. Nguyen Xuan Cuong	Vice President
Mr. Tran Ho Bac	Vice President
Mr. Tran Hoai Nam	Vice President
Mr. Pham Van Hung	Vice President
Mr. Le Cu Tan	Vice President (from 7 November 2023)

Legal representative

Mr. Le Manh Cuong	Chief Executive Officer
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Registered office

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

Auditor

PwC (Vietnam) Limited

PETROVIETNAM TECHNICAL SERVICES CORPORATION

STATEMENT BY THE BOARD OF MANAGEMENT

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 2023 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 91 which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2023 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
Chief Executive Officer (“CEO”)

Ho Chi Minh City, SR Vietnam
12 March 2024



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 2023 and approved by the Board of Management on 12 March 2024. These consolidated financial statements comprise the consolidated balance sheet as at 31 December 2022, 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 5 to 91.

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.



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 2023, 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 report on review of consolidated financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Lương Thị Anh Tuyết
Audit Practising Licence No.
3048-2024-006-1
Authorised signatory

Nguyễn Duy Thịnh
Audit Practising Licence No.
4633-2023-006-1

Report reference number: HCM14558
Ho Chi Minh City, 12 March 2024

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2023 VND	2022 VND (As restated - Note 46)
100	CURRENT ASSETS		16,289,894,707,172	16,469,858,413,380
110	Cash and cash equivalents	3	5,757,120,569,689	5,219,378,499,294
111	Cash		3,628,139,793,273	3,689,136,368,050
112	Cash equivalents		2,128,980,776,416	1,530,242,131,244
120	Short-term investments		4,329,388,583,505	4,837,330,575,989
123	Investments held to maturity	4(a)	4,329,388,583,505	4,837,330,575,989
130	Short-term receivables		4,185,005,658,625	5,047,010,186,018
131	Short-term trade accounts receivable	5	3,111,110,095,704	4,141,268,792,548
132	Short-term prepayments to suppliers	6	429,627,258,156	305,968,148,150
134	Construction contracts-in-progress receivables	7	126,550,860,677	81,454,247,556
136	Other short-term receivables	8(a)	639,548,337,836	665,728,557,151
137	Provision for doubtful debts – short term	9	(121,830,893,748)	(147,409,559,387)
140	Inventories	10(a)	1,470,404,312,744	1,089,660,336,824
141	Inventories		1,476,352,778,671	1,091,610,591,212
149	Provision for decline in value of inventories		(5,948,465,927)	(1,950,254,388)
150	Other current assets		547,975,582,609	276,478,815,255
151	Short-term prepaid expenses	11(a)	50,799,468,416	38,578,033,644
152	Value Added Tax ("VAT") to be reclaimed	12	495,021,150,547	234,819,754,830
153	Tax and other receivables from the State	19(a)	2,154,963,646	2,944,663,145
155	Other current assets		-	136,363,636

The notes on pages 10 to 91 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2023 VND	2022 VND (As restated - Note 46)
200	LONG-TERM ASSETS		10,126,114,103,215	9,454,171,877,295
210	Long-term receivables		122,783,978,233	123,822,830,133
212	Long-term prepayments to suppliers		-	485,669,637
216	Other long-term receivables	8(b)	122,783,978,233	123,337,160,496
220	Fixed assets		3,391,382,056,464	3,048,337,154,034
221	Tangible fixed assets	13(a)	3,327,996,428,447	2,981,318,186,695
222	Historical cost		13,208,829,689,762	12,409,201,634,629
223	Accumulated depreciation		(9,880,833,261,315)	(9,427,883,447,934)
227	Intangible fixed assets	13(b)	63,385,628,017	67,018,967,339
228	Historical cost		191,910,443,578	187,999,064,578
229	Accumulated amortisation		(128,524,815,561)	(120,980,097,239)
230	Investment properties	14	164,394,960,915	169,130,232,771
231	Historical cost		229,280,786,454	229,280,786,454
232	Accumulated depreciation		(64,885,825,539)	(60,150,553,683)
240	Long-term assets in progress		373,055,575,647	171,959,008,908
241	Long-term work in progress	15(a)	69,815,950,708	69,815,950,708
242	Construction in progress	15(b)	303,239,624,939	102,143,058,200
250	Long-term investments		4,944,744,807,570	4,917,691,241,127
252	Investments in associates, joint ventures	4(b)	4,942,961,726,110	4,900,733,639,663
253	Investments in other entities	4(b)	3,000,000,000	31,125,000,000
254	Provision for long-term investments	4(b)	(1,216,918,540)	(14,167,398,536)
260	Other long-term assets		1,129,752,724,386	1,023,231,410,322
261	Long-term prepaid expenses	11(b)	819,532,667,802	647,338,421,831
262	Deferred income tax assets	16	277,488,713,037	344,735,812,309
263	Long-term substituted equipment, supplies and spare parts	10(b)	32,731,343,547	31,157,176,182
270	TOTAL ASSETS		26,416,008,810,387	25,924,030,290,675

The notes on pages 10 to 91 are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 December	
			2023 VND	2022 VND (As restated - Note 46)
300	LIABILITIES		12,871,785,895,146	12,869,229,041,019
310	Short-term liabilities		9,059,981,932,254	9,191,675,985,667
311	Short-term trade accounts payable	17	3,512,913,500,344	5,301,151,233,703
312	Short-term advances from customers	18(a)	251,743,849,255	213,682,326,442
313	Tax and other payables to the State	19(b)	131,349,802,704	110,940,195,369
314	Payable to employees		644,082,888,285	620,879,890,466
315	Short-term accrued expenses	20	1,777,032,496,201	894,744,572,439
317	Construction contracts-in-progress payables	7	237,901,633,014	17,741,336,460
318	Short-term unearned revenue	21(a)	10,236,504,784	10,707,454,076
319	Other short-term payables	22(a)	650,221,996,761	593,925,466,932
320	Short-term borrowings	23(a)	1,176,092,479,623	752,208,505,290
321	Provision for short-term liabilities	24(a)	45,176,198,567	69,417,120,032
322	Bonus and welfare funds	25	623,230,582,716	606,277,884,458
330	Long-term liabilities		3,811,803,962,892	3,677,553,055,352
332	Long-term advances from customers	18(b)	839,154,706,766	781,044,054,435
333	Long-term accrued expenses		24,609,845	-
336	Long-term unearned revenue	21(b)	184,132,364,144	190,488,163,928
337	Other long-term payables	22(b)	69,632,448,385	69,699,115,385
338	Long-term borrowings	23(b)	563,921,256,799	623,765,467,201
341	Deferred income tax liabilities	16	695,304,220,797	764,257,125,923
342	Provision for long-term liabilities	24(b)	1,454,852,195,877	1,242,738,506,640
343	Fund for science and technology development	26	4,782,160,279	5,560,621,840
400	OWNERS' EQUITY		13,544,222,915,241	13,054,801,249,656
410	Capital and reserves		13,544,222,915,241	13,054,801,249,656
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	515,577,712,981	394,170,781,659
418	Investment and development funds	28	3,451,157,842,825	3,214,094,269,215
421	Undistributed earnings	28	4,048,270,461,638	3,896,782,758,228
421a	- Undistributed post-tax profits of previous years		3,044,171,472,890	2,928,678,969,182
421b	- Post-tax profits of current year		1,004,098,988,748	968,103,789,046
429	Non-controlling interests	28, 29	709,936,937,797	730,473,480,554
440	TOTAL RESOURCES		26,416,008,810,387	25,924,030,290,675

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant

Le Manh Cuong
Chief Executive Officer
12 March 2024



CONSOLIDATED INCOME STATEMENT

Code	Note	Year ended 31 December	
		2023 VND	2022 VND (As restated - Note 46)
01	Revenue from sales of goods and rendering of services	19,378,650,591,719	16,372,875,090,968
02	Less deductions	(5,088,227,958)	(6,461,436,399)
10	Net revenue from sales of goods and rendering of services	19,373,562,363,761	16,366,413,654,569
11	Cost of goods sold and services rendered	(18,334,534,034,521)	(15,352,536,238,308)
20	Gross profit from sales of goods and rendering of services	1,039,028,329,240	1,013,877,416,261
21	Financial income	789,718,119,202	489,061,740,268
22	Financial expenses	(216,353,920,630)	(162,633,555,590)
23	- Including: Interest expenses	(73,036,083,814)	(50,646,884,587)
24	Profit sharing from associates and joint ventures	651,130,073,326	657,204,081,658
25	Selling expenses	(85,405,257,798)	(79,326,222,890)
26	General and administration expenses	(966,858,088,315)	(827,746,592,838)
30	Net operating profit	1,211,259,255,025	1,090,436,866,869
31	Other income	1,578,756,070,062	221,958,040,323
32	Other expenses	(1,512,707,692,127)	(36,471,133,930)
40	Net other income	66,048,377,935	185,486,906,393
50	Net accounting profit before tax	1,277,307,632,960	1,275,923,773,262
51	Corporate income tax ("CIT") - current	(219,005,912,673)	(161,524,013,102)
52	CIT - deferred	1,705,805,854	(63,741,374,516)
60	Net profit after tax	1,060,007,526,141	1,050,658,385,644
61	Attributable to: Owners of the parent company	1,026,460,821,400	989,419,519,453
62	Non-controlling interests	33,546,704,741	61,238,866,191
70	Basic earnings per share	30(a) 1,579	1,438
71	Diluted earnings per share	30(b) 1,579	1,438

Duong Thi Ngoc Quy
Preparer

Nguyen Van Bao
Chief Accountant


Le Manh Cuong
Chief Executive Officer
12 March 2024




The notes on pages 10 to 91 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code	Note	Year ended 31 December	
		2023 VND	2022 VND (As restated - Note 46)
CASH FLOWS FROM OPERATING ACTIVITIES			
01		1,277,307,632,960	1,275,923,773,262
		Net profit before tax	
		Adjustments for:	
02		493,006,130,650	471,290,373,424
03		141,585,760,208	156,353,514,838
04		15,122,546,118	31,156,712,303
05		(1,119,799,343,543)	(977,788,945,720)
06	35	73,036,083,814	50,646,884,587
07		-	(2,284,833,333)
08		880,258,810,207	1,005,297,479,361
		Operating profit before changes in working capital	
09		606,498,409,023	(353,598,469,197)
10		(386,316,354,824)	1,005,483,695,845
11		(663,145,776,574)	442,527,084,419
12		(184,415,680,743)	(36,931,545,309)
14		(73,809,507,123)	(45,933,086,253)
15		(172,372,344,308)	(285,957,005,772)
17	19	(291,199,880,489)	(233,230,894,195)
20		(284,502,324,831)	1,497,657,258,899
		Net cash (outflows)/inflows from operating activities	
CASH FLOWS FROM INVESTING ACTIVITIES			
21		(899,088,732,255)	(498,418,211,861)
22	38	4,799,930,050	62,976,905,532
23		(6,285,921,243,630)	(6,378,205,000,000)
24			
		6,793,863,236,114	4,181,122,187,857
27		1,203,953,887,462	905,089,108,912
30		817,607,077,741	(1,727,435,009,560)
		Net cash inflows/(outflows) from investing activities	
CASH FLOWS FROM FINANCING ACTIVITIES			
33	23	508,805,808,895	266,120,897,834
34	23	(163,345,447,892)	(157,725,139,878)
36		(377,693,326,900)	(429,659,854,200)
40		(32,232,965,897)	(321,264,096,244)
		Net cash outflows from financing activities	
50		500,871,787,013	(551,041,846,905)
		Net increase in cash and cash equivalents	
60	3	5,219,378,499,294	5,747,277,411,831
61		36,870,283,382	23,142,934,368
70	3	5,757,120,569,689	5,219,378,499,294
		Cash and cash equivalents at end of year	


Duong Thi Ngoc Quy
Preparer


Nguyen Van Bao
Chief Accountant



Le Manh Cuong
Chief Executive Officer
12 March 2024

The notes on pages 10 to 91 are an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****1 GENERAL INFORMATION****Structure of ownership**

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

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

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

Principal activities

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

The principal activities of the Corporation are comprised of:

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

1 GENERAL INFORMATION (continued)

The normal business cycle

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

The Corporation's structure

As at 31 December 2023, the Corporation has 6 branches and 1 representative office, 13 direct subsidiaries, 6 direct associates and joint ventures, 2 indirect associate. Details are presented as follows:

Branches and representative office:

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

(*) On 19 July 2022, Board of Directors issued Decision No. 322/QD-PTSC-HDQT on establishing a branch of PetroVietnam Technical Serves Corporation in the Middle East. At the date of the financial statements, the Corporation is completing related procedures to establish a Branch according to local country regulations.

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09 – DN/HN

1 GENERAL INFORMATION (continued)

The Corporation's structure (continued)

No	Name	Principal activities	Place of incorporation and operation	31.12.2023		31.12.2022	
				Ownership (%)	Voting Right (%)	Ownership (%)	Voting Right (%)
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
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

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09 – DN/HN

1 GENERAL INFORMATION (continued)

The Corporation's structure (continued)

No	Name	Principal activities	Place of incorporation and operation	31.12.2023		31.12.2022	
				Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Direct subsidiaries (continued)							
11	PetroVietnam Security Joint Stock Company	Security services	Hanoi 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 CCGV Geophysical Survey Company Limited ("PTSC CCGV") (**)	2D and 3D seismic data acquisition service	Vung Tau City, Vietnam	51	51	51	51
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
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
Indirect associate							
1	Thi Vai General Port Joint Stock Company	Supplying port-based services	Vung Tau City, Vietnam	21.46	36	21.46	36
2	Duyen Hai Petro Construction Investment Joint Stock Company	Construction of civil works	Hai Phong City, Vietnam	10.49	20.57	10.49	20.57

1 GENERAL INFORMATION (continued)

The Corporation's structure (continued)

(*) On 16 October 2023, Board of Directors of Petrovietnam Technical Services Corporation issued Resolution No. 662/NQ-PTSC-HDQT on approving the dissolution of PTSC Labuan Company Limited and terminating the overseas investment project for "Project to establish PTSC Labuan Company Limited to supply technology service vessels in Malaysia". At the date of the consolidated financial statements, the Corporation is in the process of carrying out dissolution procedures.

The Board of Management of PTSC Labuan Company Limited has evaluated and decided to prepare its financial statements for the year ended 31 December 2023 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 the date of the consolidated financial statements, the Corporation is working with CGG Holding B.V. (formerly known as, "CGG Veritas Services Holding B.V.") to end the joint venture contract before its expiration and to carry out necessary procedures to dissolve PTSC CGGV's operation in accordance with official approved documents from authorities and the Resolutions of the Corporation's Board of Directors.

Since 2018 to the date of these consolidated financial statements, PTSC CGGV has stopped its operation. Accordingly, the Board of Management of PTSC CGGV has evaluated and decided to prepare its financial statements for the year ended 31 December 2023 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 2023, the Corporation had 7,209 employees (as at 31 December 2022: 6,935 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 Labuan Company Limited's and 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Fiscal year

The Corporation's fiscal year is from 1 January to 31 December. The consolidated financial statements are prepared for the 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;
- Owners' capital is translated at the exchange rate of contribution date;
- Net assets of those acquired companies are translated at the exchange rate of acquisition date;
- Undistributed earnings or accumulated losses incurred after acquisition date are translated based on the translation of income and expenses in the income statement;
- Profits and dividends already paid are translated at the actual exchange rate at the date of payment;
- Items of the income statement and the cash flow statement are translated at the average exchange rate of the accounting period if it approximates the actual rate at the time of the transaction;
- The accumulative amount of exchange differences arising from translation is presented in a separate component of owners' equity of the 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Exchange rates**

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

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.

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

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

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

The financial statements of the Corporation's subsidiaries are prepared for the same accounting period. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' 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.

Transactions leading to the change in the Group's ownership 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.

Transactions leading to the change in the Group's ownership 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.

Joint ventures and associates

A joint venture is a contractual agreement by two or more parties to jointly conduct an economic activity, which is jointly controlled by the joint venture capital partners. Associates are investments that the Group has significant influence but not control over and the Group would generally have from 20% to less than 50% of the voting rights of the investee. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in joint ventures and associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)****Joint ventures and associates (continued)**

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

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

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, 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Inventories (continued)

Provision is made 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 as short-term and long-term on the consolidated balance sheet based on the plan for use in production and business activities of the Corporation at the date of the consolidated balance sheet.

2.9 Investments

(a) Investments held to maturity

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

Investments held to maturity include bank term deposits and other held-to-maturity investments. Those investments are initially accounted for at cost and measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from investments held to maturity is recognised in the consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

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 short-term and long-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 period/year end. Regarding investments in listed shares or those whose fair value can be determined reliably that the Corporation plans to invest in long-term, the provision for diminution in value is made when cost is higher than its expected recoverable amount. For other investments, provision for diminution in value is made when the investees make losses. Changes in the provision balance during the accounting period/fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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, and the contractor is paid in accordance with the planned schedule, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses, respectively by reference to the stage of completion of the contract activity at the end of the reporting period, regardless of progress billings and how much it is billed. The Corporation uses the percentage of completion method to determine the appropriate amount of revenue and costs to be recognised in the fiscal year. The percentage of completion is measured by reference to the proportion of actual contract costs incurred to date to the estimated total costs of each contract, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

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 receivables for construction contracts-in-progress. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as payables for construction contracts-in-progress.

When the outcome of a contract can be estimated reliably and the contractor is paid for the works performed and certified by the customer, contract revenue and contract costs are recognised in the period for the works performed and certified by customer in the year and reflected in the billed invoices

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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
Machinery and equipment	1 - 15 years
Transport and transmission vehicles	3 - 30 years
Office equipment	1 - 10 years
Other tangible fixed assets	1 - 8 years
Software	1 - 6 years
Land use right	50 years
Other intangible fixed assets	3 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.

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

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

Disposals

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Fixed assets (continued)

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Prepaid expenses

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

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

2.15 Payables

Classifications of payables are based on their nature as follows:

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

Payables are classified into long-term and short-term payables on the 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 is used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the 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. The recognition of accrued expenses is determined based on the present obligation, which is determined reliably at the time of payment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Provisions for liabilities**

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

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

2.19 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 consolidated balance sheet.

2.20 Capital and reserves**(a) Owners' capital**

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

(b) Share premium

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

(c) Undistributed earnings

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Appropriation of net profit after CIT

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

The Corporation's dividends are recognised as a liability on the consolidated financial statements in the year in which the shareholder list for dividend payment is finalised according to the Resolution of Board of Management 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 CIT of the Corporation and subject to shareholders' approval at the Annual General Meeting of the Shareholders. This fund is used for expanding and developing the business of the Corporation under the form of additional capital contribution.

(b) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Corporation's net profit after CIT and subject to shareholders' approval at the Annual General Meeting of 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) 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Revenue recognition (continued)

(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 the total services to be provided. Revenue from rendering of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The percentage of completion of the transaction at the 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 the basis of the actual time and interest rates for each period when both conditions are simultaneously satisfied:

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

(f) Dividend, profit distribution income

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

2.23 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of merchandise, materials sold or services rendered during the 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 when selling foreign currencies; and losses from foreign exchange differences.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Selling expenses**

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

2.26 General and administration expenses

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

2.27 Current and deferred income tax

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

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Related parties**

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

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

2.29 Segment reporting

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

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Corporation's 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 financial year.

The areas involving significant estimates and assumptions are

- revenue and cost of sales relating to construction contracts-in-progress (Note 2.10, 2.22, 2.23); and
- receivable and payable relating to construction contracts-in-progress (Note 2.10).

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

3 CASH AND CASH EQUIVALENTS

	2023	2022
	VND	VND
Cash on hand	9,201,053,670	9,203,959,093
Cash at bank	3,618,761,042,197	3,679,704,682,612
Cash in transit	177,697,406	227,726,345
Cash equivalents (*)	2,128,980,776,416	1,530,242,131,244
	<u>5,757,120,569,689</u>	<u>5,219,378,499,294</u>

(*) As at 31 December 2023, cash equivalents include term deposits in VND at banks with the original maturity of three months or less and earn interest at the average rates from 0.5% to 4.7% per annum (as at 31 December 2022: from 1% to 6% per annum).

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4 INVESTMENTS

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

	2023		2022	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	4,329,388,583,505	4,329,388,583,505	4,837,330,575,989	4,837,330,575,989

Term deposits include bank deposits in VND with the remaining maturity of not more than 12 months and more than 3 months at commercial bank with interest at the rate from 3.6% to 8.5% per annum (as at 31 December 2022: from 3.5% to 10.3% per annum).

As at 31 December 2023 and 31 December 2022, investments held-to-maturity include deposits with total amount of VND 190,680,000,000 billion with a term of not more than 12 months at Ocean Commercial One Member Limited Liability Bank ("OceanBank"), are being suspended. The Board of Managements assessed that the above-mentioned deposits will be traded again in the future when there are specific regulations from the State Bank.

(b) Long-term investments

	2023			2022		
	Cost VND	Book value VND	Provision VND	Cost VND	Book value VND	Provision VND
Investments in joint venture companies, associates (i)	1,652,802,039,235	4,942,961,726,110	-	1,624,677,039,235	4,900,733,639,663	-
Other long term investments (ii)	3,000,000,000	3,000,000,000	(1,216,918,540)	31,125,000,000	31,125,000,000	(14,167,398,536)
	1,655,802,039,235	4,945,961,726,110	(1,216,918,540)	1,655,802,039,235	4,931,858,639,663	(14,167,398,536)

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4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(i) Investment in associates and joint ventures

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

No	Name	2023		2022		Fair value	
		Cost VND	Book value VND	Cost VND	Book value 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	2,075,355,338,532	292,324,455,887	1,918,999,285,578	(*)	(*)
3	Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	156,473,118,448	972,889,320,893	156,473,118,448	1,110,441,811,262	(*)	(*)
4	PTSC South East Asia Private Limited (iv)	340,800,232,500	905,663,744,900	340,800,232,500	950,599,205,954	(*)	(*)
5	PTSC Asia Pacific Private Limited (v)	641,415,780,000	952,023,898,798	641,415,780,000	886,283,700,151	(*)	(*)
6	Petro Vietnam Marine Shipyard Joint Stock Company (vi)	171,957,430,000	-	171,957,430,000	-	(*)	(*)
7	Thi Vai General Port Joint Stock Company (vii)	21,600,000,000	22,183,192,932	21,600,000,000	34,409,636,718	(*)	(*)
8	Duyen Hai Petro Construction Investment Joint Stock Company (viii)	28,125,000,000	14,846,230,055	-	-	(*)	(*)
		<u>1,652,802,039,235</u>	<u>4,942,961,726,110</u>	<u>1,624,677,039,235</u>	<u>4,900,733,639,663</u>		

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

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

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

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

	2023	2022
	VND	VND
Cost of investments	1,652,802,039,235	1,624,677,039,235
Profit sharing from associates and joint ventures:		
Beginning of the year	3,276,056,600,428	3,199,653,580,210
Profit sharing from investments in associates and joint ventures during the year (*)	651,130,073,326	657,204,081,658
Dividends received	(757,473,000,000)	(689,932,500,000)
Exchange rate differences from translating the financial statements during the period/year	120,446,013,121	109,131,438,560
End of the year	<u>4,942,961,726,110</u>	<u>4,900,733,639,663</u>

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

	2023	2022
	VND	VND
Vietnam Offshore Floating Terminal (Ruby) Limited (iii)	418,134,109,633	431,545,021,382
PTSC Asia Pacific Private Limited (v)	156,204,652,853	121,600,790,793
Malaysia Vietnam Offshore Terminal (Labuan) Limited (ii)	94,363,604,685	149,242,046,794
PTSC South East Asia Private Limited (iv)	7,932,919,886	(44,570,464,425)
Thi Vai General Port Joint Stock Company (vii)	(12,226,443,786)	(613,312,886)
Duyen Hai Petro Construction Investment Joint Stock Company (viii)	(13,278,769,945)	-
	<u>651,130,073,326</u>	<u>657,204,081,658</u>

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

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

- (i) Rong Doi MV12 Private Limited is a jointly controlled venture company established between the Corporation and its partner, Modec Inc., and Mitsui Co., Ltd. (Both Modec, Inc. and Mitsui Co., Ltd are incorporated in Japan) in 2006 to invest in FSO “Rong Doi MV 12” with the capacity of 300,000 barrels of oil for Korea National Oil Corporation (“KNOC”) to charter from 2007; to use for oil exploitation at Rong Doi – Rong Doi Tay fields, Blocks 11-2 offshore Vietnam. The lease term is 07 years fixed and is renewed each year until the expiry of the FSO's useful life. As at 31 December 2023 and 31 December 2022, the Corporation's capital contribution in Rong Doi MV12 Private Limited 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 Berhard (“MISC), in 2009 to:
- invest in FSO “Orkid” with the capacity of 650,000 barrels of Repsol Oil & Gas Malaysia Limited renting for crude oil exploitation at PM-3 CAA field, offshore Malaysia in the commercial arrangement area between Malaysia and Vietnam from 2009 to 31 December 2027; and
 - invest in FSO “Golden Star” with the capacity of 654,717 barrels of oil to Idemitsu Gas Production Vietnam Company Limited renting for crude oil exploitation at the Sao Vang Dai Nguyet field, Blocks 05-1b & 05-1c offshore Vietnam with the 7-year duration since November 2020 to November 2027 and can be extended for another 8 years.

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

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

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

- (iv) PTSC South East Asia Private Limited ("PTSC SEA") is a jointly controlled venture company established by the Corporation and Yinson Holdings Berhad from 2011 under Foreign Investment Certificate No. 474/BKHDT-DTRNN issued by the Ministry of Planning and Investment dated 31 October 2011 to invest and supply FSO services (FSO "PTSC Bien Dong 01") for Branch of Vietnam Oil and Gas Group - Bien Dong POC about crude oil exploitation at Blocks 05.2 & 05.3 offshore the continental shelf of Vietnam. The total investment capital of the project is USD149,318,329, equivalent to VND3,071,478,027,530, in which the capital contributions of joint venture parties are USD37,329,582, taking up 25% of its investment capital, the remaining is borrowed capital. In 2022, following the internal reorganization within the Yinson Holdings Berhad group, Yinson Holdings Berhad already transferred all shares in PTSC SEA to Yinson Production Capital Private Limited (a sub-subsidiary company of Yinson Holdings Berhad), accordingly, Yinson Holdings Berhad already transferred all their rights and obligations in PTSC SEA to Yinson Production Capital Private Limited under the agreement among PTSC, Yinson Holdings Berhad, Yinson Production Offshore Private Limited and Yinson Production Capital Private Limited. As at 31 December 2023 and 31 December 2022, the Corporation's capital contribution in PTSC SEA is USD16,320,000, equivalent to VND340,800,232,500.
- (v) PTSC Asia Pacific Private Limited ("PTSC AP") is a jointly controlled venture company established by the Corporation and Yinson Holdings Berhad from 2012 under the Foreign Investment Certificate No. 561/BKHDT-DTRNN dated 19 October 2012 issued by the Ministry of Planning and Investment to contribute to investment capital in floating storage, exportation and processing of oil (FPSO "PTSC Lam Son") for Lam Son Joint Operating Company (Lam Son JOC) rented for development services at Thang Long - Dong Do fields, Blocks 01/97 & 02/97, in the Cuu Long basin offshore Vietnam until 30 June 2017. From 1 July 2017, Vietnam Oil and Gas Group/Petroleum Exploration and Production Corporation replaced, received rights and obligations of Lam Son JOC and continued to rent FPSO "PTSC Lam Son". The total investment capital of the project is USD429,977,481, equivalent to VND9,113,372,709,795, in which, the capital contribution of joint venture parties is USD119,996,426, accounting for 27.9% of total investment capital. In 2018, the two joint venture parties reduced the capital contribution into PTSC AP from USD100,000,000 to USD60,000,000 at the same voting right and ownership. In 2022, following the internal reorganization within the Yinson Holdings Berhad group, Yinson Holdings Berhad already transferred all shares in PTSC AP to Yinson Production Capital Private Limited (a sub-subsidiary company of Yinson Holdings Berhad), accordingly, Yinson Holdings Berhad already transferred all their rights and obligations in PTSC AP to Yinson Production Capital Private Limited under the agreement among PTSC, Yinson Holdings Berhad, Yinson Production Offshore Private Limited and Yinson Production Capital Private Limited. As at 31 December 2023 and 31 December 2022, the Corporation's contributed capital in PTSC AP is USD30,600,000 equivalent to VND641,415,780,000.

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

- (vi) PetroVietnam Marine Shipyard Joint Stock Company is a joint stock company established under the Enterprise Registration Certificate No. 3500806844 dated 9 July 2007 issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province with the registered charter capital of VND594,897,870,000. As at 31 December 2023 and 31 December 2022, 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 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.
- (viii) Duyen Hai Petro Construction Investment Joint Stock Company ("Duyen Hai PVC") is a joint stock company established under the initial Enterprise Registration Certificate No 0201093188 dated 2 July 2010 and 11th amendment dated 31 December 2019 issued by the Department of Planning and Investment of Hai Phong City with the registered charter capital of VND136,732,500,000. As at 31 December 2023 and 31 December 2022, Dinh Vu Petroleum Services Port Joint Stock Company, a subsidiary, holds 20.57% charter capital of Duyen Hai Petro Construction Investment Joint Stock Company. Therefore, The Corporate indirectly owns 10.49% charter capital and 20.57% voting rights of Duyen Hai Petro Construction Investment Joint Stock Company.

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- 4 INVESTMENTS (continued)**
(b) Long-term investments (continued)
(ii) Investments in other entities

Details of investments in other entities are as follows:

	No	Name	2023			2022		
			Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
	1	Nhon Trach Shipyard Joint Stock Company (i)	3,000,000,000	(1,216,918,540)	(*)	3,000,000,000	(819,246,567)	(*)
	2	Duyen Hai Petro Construction Investment Joint Stock Company (ii)	-	-	-	28,125,000,000	(13,348,151,969)	(*)
			<u>3,000,000,000</u>	<u>(1,216,918,540)</u>		<u>31,125,000,000</u>	<u>(14,167,398,536)</u>	

- (i) As at 31 December 2023 and 31 December 2022, the Corporate's ownership and voting rights percentage in Nhon Trach Shipyard Joint Stock Company is 1.49%.
- (ii) As of December 31, 2023, the Corporation reclassified the investment in Duyen Hai Petroleum Construction Investment Joint Stock Company into an investment in an associate.
- (*) As at 31 December 2023 and 31 December 2022, the Corporation had not determined the fair value of these investments for disclosure in the consolidated financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

(ii) Investments in other entities (continued)

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

	2023 VND	2022 VND
Beginning of year	14,167,398,536	24,758,595,673
Reversal of provisions (Note 35)	(12,950,479,996)	(61,197,137)
Written-off	-	(10,530,000,000)
	<hr/>	<hr/>
End of year	<u>1,216,918,540</u>	<u>14,167,398,536</u>

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2023 VND	2022 VND (As restated - Note 46)
Third parties		
Orsted Taiwan Limited	646,011,560,208	-
TPSK Consortium	86,827,056,306	255,380,294,767
Hanwha Ocean Company Limited	82,280,188,320	63,475,215,772
Sea Energy Marine Services LLC	43,741,227,533	-
Technip Geoproduction (M) SDN BHD	42,547,195,518	42,344,509,025
Operating Office of Premier Oil Vietnam		
Offshore B.V. in Ho Chi Minh City	40,014,194,636	46,479,111,718
Anh Phat Investment Construction -		
Trading Joint Stock Company	37,879,899,557	1,469,758,015
Enterprize Energy Private Limited	35,677,041,656	16,252,738,735
North Oil Company	35,289,943,530	226,188,814,534
Nam Song Hau Trading Investing		
Petroleum Joint Stock Company	35,121,129,014	19,191,122,405
Allianz Marine Services LLC	32,394,204,662	23,228,572,500
Baltec IES Proprietary Limited	30,836,355,323	10,713,013,657
Thien Nam Subsea Services Joint Stock		
Company	30,212,528,747	-
Japan Vietnam Petroleum Company Limited	29,864,955,826	23,910,629,839
Operating Office of Idemitsu Gas		
Production (Vietnam) Co., Ltd. in Ho Chi		
Minh City	29,074,434,426	101,727,334,015
GE Power Systems Vietnam Company		
Limited	26,230,276,719	29,079,843,417
Hyundai Heavies Industries	501,357,485	42,978,194,772
EGL Waste Services Proprietary		
Company	-	23,291,802,936
Others	551,371,315,917	556,052,829,751
	<u>1,815,874,865,383</u>	<u>1,481,763,785,858</u>
Related parties (Note 41(b))	1,295,235,230,321	2,659,505,006,690
	<u>3,111,110,095,704</u>	<u>4,141,268,792,548</u>

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

6 PREPAYMENTS TO SUPPLIERS

	2023	2022
	VND	VND
Third parties		
Vietnam Machinery Installation Corporation	100,613,950,134	100,613,950,134
CN Company Limited	30,937,500,000	-
IQIP Singapore Private Limited	24,478,851,280	-
Dai Dung Metallic Manufacture Constructuon and Trade Corporation	22,192,268,511	-
SCI E&C Joint Stock Company	13,588,401,409	13,588,401,409
Kocks Ardelt Kranbau GmbH	-	44,816,994,964
My Dung Mechanical Company Limited	-	20,945,574,000
Others	204,058,179,199	122,723,147,880
	<hr/>	<hr/>
	395,869,150,533	302,688,068,387
Related parties (Note 41(b))	33,758,107,623	3,280,079,763
	<hr/>	<hr/>
	<u>429,627,258,156</u>	<u>305,968,148,150</u>

As at 31 December 2023 and 31 December 2022, there was no balances of short-term prepayments to suppliers was past due or was past due but doubtful.

7 CONSTRUCTION CONTRACTS-IN-PROGRESS RECEIVABLES/PAYABLES

	2023 VND	2022 VND (As restated - Note 46)
Construction contracts-in-progress receivables	126,550,860,677	81,454,247,556
Construction contracts-in-progress payables	(237,901,633,014)	(17,741,336,460)
	<u>(111,350,772,337)</u>	<u>63,712,911,096</u>
In which:		
Accumulated contract costs incurred plus recognized profits less recognized losses	10,918,593,697,194	8,101,877,933,693
Amount of progress billings	(11,029,944,469,531)	(8,038,165,022,597)
	<u>(111,350,772,337)</u>	<u>63,712,911,096</u>

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

	2023 VND	2022 VND (As restated - Note 46)
Receivables		
Sao Vang - Dai Nguyet pipeline project	66,657,433,448	66,657,433,451
LNG Thi Vai warehosue EPC project	52,428,513,687	11,485,301,109
Vung Ro petroleum storage project	4,153,400,546	-
NPK project	3,311,512,996	3,311,512,996
	<u>126,550,860,677</u>	<u>81,454,247,556</u>
Payables		
CHW2204 project	202,267,437,762	-
Thi Vai LPG tank project	24,951,439,815	-
Contract for "Provision of engineering, procurement, construction and installation of the central production platform, living quarters platform, flare tower and bridges" of the Block B - O Mon gas project	6,978,962,420	-
Contract for Provision of engineering, procurement, construction of Hai Phong 2 project	3,703,793,017	-
Thi Vai LPG tank project	-	17,741,336,460
	<u>237,901,633,014</u>	<u>17,741,336,460</u>

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8 OTHER RECEIVABLES	2023		2022	
	Book value VND	Provision VND	Book value VND (As restated - Note 46)	Provision VND
(a) Short-term				
Accrued revenue from rendering of service				
TPSK Consortium	93,695,215,141	-	8,967,426,540	-
Hanwha Ocean Company Limited	60,944,775,800	-	42,917,553,000	-
T. Y. Lin International	49,143,186,400	-	-	-
Nghi Son Refining and Petrochemical Company Limited	43,407,857,358	-	24,394,736,436	-
Operating Office of Premier Oil Vietnam				
Offshore B.V. in Ho Chi Minh City	21,756,904,847	-	-	-
Hibiscus Oil & Gas Malaysia Limited	6,753,280,800	-	22,423,561,125	-
Sao Vang - Dai Nguyet pipeline project	-	-	204,294,220,794	-
Technip Geoproduction (M) SDN BHD	-	-	17,251,709,860	-
Others	101,561,436,764	-	71,401,928,881	-
Accrued interest income	97,014,733,588	-	79,626,280,883	-
Deposits	43,935,741,123	-	39,472,889,833	-
Advances	12,554,832,780	-	14,689,285,135	-
VAT not yet deducted	11,244,283,209	-	35,031,435,403	-
Receivables from contract penalties	-	-	30,702,486,737	-
Others	97,536,090,026	(1,278,756,902)	74,555,042,524	(539,678,779)
	<u>639,548,337,836</u>	<u>(1,278,756,902)</u>	<u>665,728,557,151</u>	<u>(539,678,779)</u>

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



8 OTHER RECEIVABLES (continued)

(b) Long-term

	2023 VND	2022 VND
Deposits	111,243,427,960	111,796,610,223
Others	11,540,550,273	11,540,550,273
	<u>122,783,978,233</u>	<u>123,337,160,496</u>

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

	2023 VND	2022 VND
Short-term		
Third parties	547,701,565,171	596,485,037,771
Related parties (Note 41(b))	91,846,772,665	69,243,519,380
	<u>639,548,337,836</u>	<u>665,728,557,151</u>
Long-term		
Third parties	<u>122,783,978,233</u>	<u>123,337,160,496</u>

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

	2022			
	Cost VND	Recoverable amount VND (As restated - Note 46)	Provision VND (As restated - Note 46)	Number of overdue days
Short-term trade account receivable				
Third parties				
Berlanga Myanmar Private Limited	13,531,918,730	-	(13,531,918,730)	Over 3 years
Sai Gon Offshore Fabrication and Engineering Limited	11,640,833,613	-	(11,640,833,613)	Over 3 years
Marsol Offshore Construction L.L.C	7,554,500,377	-	(7,554,500,377)	Over 3 years
Others	34,897,895,336	12,647,081,678	(22,250,813,658)	Over 6 months - Over 3 years
	<u>67,625,148,056</u>	<u>12,647,081,678</u>	<u>(54,978,066,378)</u>	
Related parties				
PetroVietnam Fertilizer and Chemicals Corporation	52,771,243,442	21,424,354,455	(31,346,888,987)	Over 1 year - Over 3 years
PetroVietnam Domestic Exploration Production Operating Company Limited	24,204,947,715	431,474,670	(23,773,473,045)	Over 1 year - Over 3 years
PetroVietnam Exploration Production Corporation Limited	16,014,782,604	1,402,226,719	(14,612,555,885)	Over 6 months - Over 3 years
Nghi Son Refinery and Petrochemical Complex Project Management Board	15,098,497,832	-	(15,098,497,832)	Over 3 years
Others	44,521,076,246	37,460,677,765	(7,060,398,481)	Over 6 months - Over 3 years
	<u>152,610,547,839</u>	<u>60,718,733,609</u>	<u>(91,891,814,230)</u>	
Other short-term receivables				
Operating Office of Eni Vietnam B.V. in Ho Chi Minh City	26,723,500	18,706,450	(8,017,050)	Over 6 months - Under 1 year
Related parties				
Duyen Hai Petrovietnam Investment and Construction Joint Stock Company	3,341,560,613	2,809,898,884	(531,661,729)	Over 6 months - Over 2 years
	<u>223,603,980,008</u>	<u>76,194,420,621</u>	<u>(147,409,559,387)</u>	

10 INVENTORIES

(a) Inventories

	2023		2022	
	Cost VND	Provision VND	Cost VND (As restated - Note 46)	Provision VND
Goods in transit	30,033,493,450	-	4,575,537,419	-
Raw materials	381,240,156,057	(2,624,513,034)	487,166,345,056	(1,950,254,388)
Tools and supplies	33,020,540,147	(3,323,952,893)	33,962,050,503	-
Work in progress (*)	1,030,216,960,605	-	561,221,230,997	-
Merchandise	1,841,628,412	-	4,685,427,237	-
	<u>1,476,352,778,671</u>	<u>(5,948,465,927)</u>	<u>1,091,610,591,212</u>	<u>(1,950,254,388)</u>

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

	2023 VND	2022 VND (As restated - Note 46)
CHW2204 project	373,234,374,702	-
Hai Long OSS project	182,083,967,667	28,591,199,315
Gallaf project - Phase 3	158,269,506,150	65,128,453,323
Southern Petrochemical complex project	129,490,061,107	133,706,746,341
GE structural steel fabrication project	46,646,412,811	55,352,712,974
Seismic exploration and underground construction services	22,263,868,589	-
Long Phu 1 Thermal Power Plant project	19,418,265,705	29,495,548,939
Subsea 7 project	16,144,347,613	-
Steel structure processing project for Baltec	15,642,396,878	25,274,415,677
Gallaf project - Phase 1	-	73,661,271,292
LNG Thi Vai warehouse EPC project	-	25,700,524,450
Designing, purchasing and manufacturing for SAT DSV campaign - Thailand project	-	19,850,078,896
Mai Dam - Hau Giang petroleum warehouse project	-	16,760,417,816
Others	67,023,759,383	87,699,861,974
	<u>1,030,216,960,605</u>	<u>561,221,230,997</u>

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

	2023 VND	2022 VND
Beginning of year	1,950,254,388	2,191,166,161
Increase/(reversal)	3,998,211,539	(240,911,773)
End of year	<u>5,948,465,927</u>	<u>1,950,254,388</u>

10 INVENTORIES (continued)

(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

	2023 VND	2022 VND (As restated - Note 46)
Insurance expenses	14,968,490,542	15,007,057,413
Land and infrastructure rental expenses	13,309,033,744	4,519,129,429
Tools and supplies	10,784,827,997	11,865,749,785
Equipment processing costs for geological survey activities	3,362,705,011	-
Others	8,374,411,122	7,186,097,017
	<u>50,799,468,416</u>	<u>38,578,033,644</u>

(b) Long-term

	2023 VND	2022 VND
Office rental at Head Office, No. 1-5 Le Duan Street	256,213,823,262	263,185,980,666
Repair and maintenance costs	147,565,169,195	109,597,249,468
Land and infrastructure rental expenses	120,207,751,293	6,457,544,100
Land rental at Dinh Vu port	99,188,010,185	103,454,161,157
Site clearance cost at Son Tra port	85,137,857,742	87,625,978,026
Tools and supplies	75,590,101,937	42,809,607,265
Dredging cost at Vung Tau port	9,118,803,679	13,935,073,219
Others	26,511,150,509	20,272,827,930
	<u>819,532,667,802</u>	<u>647,338,421,831</u>

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12 VAT TO BE RECLAIMED	As at 1.1.2023 VND	Increase during the year VND	Net-off with VAT payable VND	Adjustments VND	As at 31.12.2023 VND
VAT to be reclaimed	234,819,754,830	992,693,738,598	(718,984,224,532)	(13,508,118,349)	495,021,150,547

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13 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Vehicles and transmission equipment VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2023 (As restated - Note 46)	3,597,714,504,167	2,705,062,811,956	5,723,998,208,391	245,731,225,218	136,694,884,897	12,409,201,634,629
New purchases	2,019,102,486	263,969,299,274	101,943,280,309	28,940,635,398	43,387,322,863	440,259,640,330
Transfers from construction in progress (Note 15(b))	343,853,188,263	36,571,580,798	5,879,987,992	1,089,125,000	-	387,393,882,053
Disposals	(4,640,891,033)	(4,538,232,464)	(10,929,415,052)	(5,959,010,365)	-	(26,067,548,914)
Reclassification	67,837,570,080	-	-	-	-	67,837,570,080
Reclassification	-	-	-	-	(67,837,570,080)	(67,837,570,080)
Others decreases	(394,790,190)	(1,177,189,909)	(352,039,957)	(33,898,280)	-	(1,957,918,336)
As at 31 December 2023	4,006,388,683,773	2,999,888,269,655	5,820,540,021,683	269,768,076,971	112,244,637,680	13,208,829,689,762
Accumulated depreciation						
As at 1 January 2023 (As restated - Note 46)	2,530,657,798,114	2,010,563,806,184	4,628,963,453,515	209,987,678,933	47,710,711,188	9,427,883,447,934
Charge for the year	96,943,771,568	163,098,505,521	192,654,483,493	18,458,683,627	9,570,696,263	480,726,140,472
Disposals	(4,640,891,033)	(4,538,232,464)	(10,929,415,052)	(5,959,010,365)	-	(26,067,548,914)
Reclassification	7,878,379,281	-	-	-	-	7,878,379,281
Reclassification	-	(126,623,200)	(84,703,086)	211,326,538	(7,878,379,533)	(7,878,379,281)
Others decreases	(394,790,190)	(1,060,800,878)	(219,288,841)	(33,898,266)	-	(1,708,778,177)
As at 31 December 2023	2,630,444,267,740	2,167,936,655,163	4,810,384,530,029	222,664,780,465	49,403,027,918	9,880,833,261,315
Net book value						
As at 1 January 2023 (As restated - Note 46)	1,067,056,706,053	694,499,005,772	1,095,034,754,876	35,743,546,285	88,984,173,709	2,981,318,186,695
As at 31 December 2023	1,375,944,416,033	831,951,614,492	1,010,155,491,654	47,103,296,506	62,841,609,762	3,327,996,428,447

13 FIXED ASSETS (continued)

(a) Tangible fixed assets (continued)

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2023 was VND6,933 billion (as at 31 December 2022: VND6,513 billion).

As at 31 December 2023, the historical cost of tangible fixed assets formed from borrowings pledged as collateral assets for the borrowings of the Corporation (as presented in Note 23) is VND1,920 billion (as at 31 December 2022: VND1,772 billion).

(b) Intangible fixed assets

	Land use rights VND	Software VND	Others VND	Total VND
Historical cost				
As at 1 January 2023	51,264,099,029	134,575,703,835	2,159,261,714	187,999,064,578
New purchases	-	3,650,359,000	261,020,000	3,911,379,000
As at 31 December 2023	<u>51,264,099,029</u>	<u>138,226,062,835</u>	<u>2,420,281,714</u>	<u>191,910,443,578</u>
Accumulated amortisation				
As at 1 January 2023	432,008,650	118,602,160,201	1,945,928,388	120,980,097,239
Charge for the year	26,204,400	7,363,294,829	155,219,093	7,544,718,322
As at 31 December 2023	<u>458,213,050</u>	<u>125,965,455,030</u>	<u>2,101,147,481</u>	<u>128,524,815,561</u>
Net book value				
As at 1 January 2023	<u>50,832,090,379</u>	<u>15,973,543,634</u>	<u>213,333,326</u>	<u>67,018,967,339</u>
As at 31 December 2023	<u>50,805,885,979</u>	<u>12,260,607,805</u>	<u>319,134,233</u>	<u>63,385,628,017</u>

The historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2023 was VND117 billion (as at 31 December 2022: VND111 billion).

14 INVESTMENT PROPERTIES

Details of investment properties are presented as follows:

	2023	2022
	VND	VND
Investment properties hold for leasing:		
Infrastructure project - 39.8 hectare	93,416,181,780	96,923,514,168
Infrastructure project - 23 hectare	70,978,779,135	72,206,718,603
	<u>164,394,960,915</u>	<u>169,130,232,771</u>

Investment properties mainly include:

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

For the year ended 31 December 2023 and 31 December 2022 revenue incurred from investment properties are VND5,203,799,784. Direct expenses incurred from investment properties leasing for the year ended 31 December 2023 and 31 December 2023 (including tools and supplies, utilities, management fee) are VND4,735,271,856.

14 INVESTMENT PROPERTIES (continued)

Movement of investment properties during the year is as follows:

	Infrastructure VND
Historical cost	
As at 1 January 2023 and 31 December 2023	229,280,786,454
Accumulated depreciation	
As at 1 January 2023	60,150,553,683
Charge for the year	4,735,271,856
As at 31 December 2023	64,885,825,539
Net book value	
As at 1 January 2023	169,130,232,771
As at 31 December 2023	164,394,960,915

As at 31 December 2023, The Corporation does not have sufficient information of similar investment properties as the basis to compare fair value of these investment properties so the fair value is not presented on consolidated financial statements.

15 LONG-TERM ASSETS IN PROGRESS

(a) Long-term work in progress

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

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

15 LONG-TERM ASSETS IN PROGRESS (continued)

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

- (i) Long-term work-in-progress of Long Phu 1 Thermal Power Plant Project represents the foreign design costs performed by Black & Veatch International (“the Contractor”). By the time of preparing the 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 made 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 those consolidated financial statements, both parties are working to finalize the value of the contract. As at 31 December 2022, 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. By the time of the consolidated financial statements, the Corporation and the investor have not completed the finalisation of the contract.

(b) Construction in progress

Details of construction in progress are presented as follows:

	2023 VND	2022 VND
Equipment, systems for blasting and painting workshops of renewable energy project	156,531,118,457	-
Construction of marine service base at Sao Mai - Ben Dinh port	38,472,788,885	39,077,291,806
Building for operation and expansion of Nghi Son port project	34,271,779,681	14,205,945,582
Dung Quat I Berth No.3 Project, Quang Ngai province	15,772,528,297	1,247,446,189
Workshop 2 at POS	12,109,023,488	-
Others	46,082,386,131	47,612,374,623
	<u>303,239,624,939</u>	<u>102,143,058,200</u>

15 LONG-TERM ASSETS IN PROGRESS (continued)

(b) Construction in progress (continued)

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

	2023 VND	2022 VND
Beginning of year	102,143,058,200	113,954,359,628
New purchases	588,490,448,792	55,290,544,588
Transfers to tangible fixed assets (Note 13(a))	(387,393,882,053)	(14,597,966,987)
Transfers to intangible fixed assets	-	(52,503,879,029)
End of year	<u>303,239,624,939</u>	<u>102,143,058,200</u>

16 DEFERRED INCOME TAX

Details of deferred income tax are presented as follows:

	2023 VND	2022 VND (As restated - Note 46)
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	<u>277,488,713,037</u>	<u>344,735,812,309</u>
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after more than 12 months	(677,559,350,681)	(716,322,166,782)
Deferred tax liabilities to be recovered within 12 months	(17,744,870,116)	(47,934,959,141)
	<u>(695,304,220,797)</u>	<u>(764,257,125,923)</u>
	<u>(417,815,507,760)</u>	<u>(419,521,313,614)</u>

16 DEFERRED INCOME TAX (continued)

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

Year of tax loss	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2019	292,447,061,319	(154,886,544,996)	137,560,516,323
2020	149,826,716,178	-	149,826,716,178
2021	1,680,165,582	(1,671,157,244)	9,008,338
2022	176,870,185,006	(99,931,658,676)	76,938,526,330
2023	27,832,215,689	-	27,832,215,689

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17 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2023		2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
CGG Services SA Private Limited	121,174,418,752	121,174,418,752	117,750,571,539	117,750,571,539
CGG Veritas Services (Singapore) Private Limited	116,648,812,533	116,648,812,533	113,352,838,715	113,352,838,715
CGG Marine B.V.	91,702,873,865	91,702,873,865	89,111,760,721	89,111,760,721
Thien Nam Subsea Services Joint Stock Company	82,383,474,120	82,383,474,120	51,147,820,449	51,147,820,449
Genesis Marine Services W.L.L	75,150,504,826	75,150,504,826	-	-
Velocity Energy Private Limited	72,366,793,323	72,366,793,323	439,549,116,086	439,549,116,086
Vietnam Machinery Installation Corporation	59,836,450,988	59,836,450,988	59,992,827,687	59,992,827,687
AH&M Energy Services Private Limited	59,086,287,434	59,086,287,434	55,455,621,084	55,455,621,084
Hoang Son Technology Trading Company Limited	57,935,629,048	57,935,629,048	5,457,088,024	5,457,088,024
Shelf Subsea Solutions Private Limited	54,717,656,406	54,717,656,406	73,818,277,611	73,818,277,611
Hai Duong Petroleum and Marine Corporation	48,306,356,226	48,306,356,226	99,000,847,583	99,000,847,583
Asia Investment and Asset Management JSC (Ashico)	47,054,507,927	47,054,507,927	49,357,246,410	49,357,246,410
SCIE&C Joint Stock Company	45,772,580,686	45,772,580,686	45,772,580,686	45,772,580,686
Thien Nam Offshore Joint Stock Company	41,659,766,948	41,659,766,948	50,212,235,694	50,212,235,694
Hyundai Corporation	40,273,727,736	40,273,727,736	-	-
Palfinger Marine Norway AS	35,665,410,000	35,665,410,000	-	-
Petroleum Technology Company W.L.L	22,817,174,497	22,817,174,497	62,038,525,499	62,038,525,499
North East Sea Petroleum Transport Services Joint Stock Company	14,710,275,000	14,710,275,000	41,563,025,000	41,563,025,000
Sai Gon Shipyard Company Limited	11,359,913,266	11,359,913,266	42,062,400,000	42,062,400,000
Toan Thang Engineering Corporation	8,907,585,630	8,907,585,630	44,118,148,594	44,118,148,594
Kinergy Limited	656,133,898	656,133,898	74,365,505,885	74,365,505,885
Others	1,923,133,881,449	1,923,133,881,449	2,018,384,175,478	2,018,384,175,478
	3,031,320,214,558	3,031,320,214,558	3,532,510,612,745	3,532,510,612,745
Related parties (Note 41(b))	481,593,285,786	481,593,285,786	1,768,640,620,958	1,768,640,620,958
	3,512,913,500,344	3,512,913,500,344	5,301,151,233,703	5,301,151,233,703

17 SHORT-TERM TRADE ACCOUNTS PAYABLE (continued)

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

18 ADVANCES FROM CUSTOMERS

(a) Short-term

	2023	2022
	VND	VND
Third parties		
Elektrownia Wiatrowa Baltica	85,738,386,733	-
Yunnan (HongKong) Logistics Development Limited	16,117,443,493	16,117,443,493
Phu bia Mining Limited	13,304,688,332	13,819,167,108
Sea Energy Marine Services LLC	10,229,490,000	-
Vientiane Hongshi Saythirath Cement Company Limited	6,107,570,056	6,107,570,056
Anh Phat Investment Construction - Trading Joint Stock Company	3,482,092,664	20,878,500,000
The General Oil Department - The General Department of Logistics	-	23,804,431,928
Others	22,666,477,180	22,166,271,431
	<u>157,646,148,458</u>	<u>102,893,384,016</u>
Related parties (Note 41(b))	94,097,700,797	110,788,942,426
	<u>251,743,849,255</u>	<u>213,682,326,442</u>

(b) Long-term

	2023	2022
	VND	VND
Related parties (Note 41(b))	<u>839,154,706,766</u>	<u>781,044,054,435</u>

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

- The advances from Long Phu 1 Power Plant Project Management Board for the Long Phu 1 Thermal Plant project with the balance as at 31 December 2023 and 31 December 2022 are VND781,044,054,435 (Note 41(b)). By the time of those 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 advance from PetroVietnam Gas Joint Stock Corporation for Thi Vai LPG Tank Project with the balance as at 31 December 2023 of VND58,110,652,331 (Note 41(b)).

19 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

(a) Receivables

	2023 VND	2022 VND
Personal income tax ("PIT") overpaid	1,450,906,713	1,880,109,440
CIT overpaid	219,756,995	580,253,767
Others overpaid	484,299,938	484,299,938
	<u>2,154,963,646</u>	<u>2,944,663,145</u>

(b) Payables

	2023 VND	2022 VND (As restated - Note 46)
CIT	79,341,778,358	33,068,706,764
PIT	42,856,025,935	16,972,967,433
VAT	6,570,922,007	34,528,659,669
Others	2,581,076,404	26,369,861,503
	<u>131,349,802,704</u>	<u>110,940,195,369</u>

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

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

	As at 1.1.2023 VND	Payable during the year VND	Payment during the year VND	As at 31.12.2023 VND
	(As restated - Note 46)			
CIT	32,488,452,997	219,005,912,674	(172,372,344,308)	79,122,021,363
PIT	15,092,857,993	229,579,577,695	(203,267,316,466)	41,405,119,222
VAT on domestic goods	34,050,459,805	118,953,281,831	(146,911,019,493)	6,092,722,143
VAT on import goods	-	21,691,430,235	(21,691,430,235)	-
Others	26,363,761,429	254,149,730,639	(277,938,515,738)	2,574,976,330
	<u>107,995,532,224</u>	<u>843,379,933,074</u>	<u>(822,180,626,240)</u>	<u>129,194,839,058</u>
In which:				
Tax and other receivables from the State	2,944,663,145			2,154,963,646
Tax and other payables to the State	<u>110,940,195,369</u>			<u>131,349,802,704</u>

(*) The VAT payable is offsetted with VAT to be reclaimed as disclosed in Note 12.

20 SHORT-TERM ACCRUED EXPENSES

	2023 VND	2022 VND (As restated - Note 46)
Cost of CHW2204 project	742,849,073,304	-
Cost of Gallaf project - Phase 3	238,038,698,968	71,405,465,369
Cost of Thi Vai LPG tank project	105,921,430,351	-
Cost of Southern Petrochemical complex project	80,727,575,652	162,402,290,044
Cost of Sao Vang Dai Nguyet pipeline project	69,626,601,027	112,369,105,600
Cost of Fengmiao Offshore Windfarm project	67,977,437,198	-
Cost of LNG Thi Vai warehouse EPC project	44,595,878,602	36,282,719,944
Cost of Hai Long OSS project	33,049,292,810	207,594,771,162
Cost of Dai Hung 3 underground cable supply project	29,274,867,889	-
Cost of Dung Quat Bio Ethanol project	27,726,930,636	27,726,930,636
Contract for "Provision of engineering, procurement, construction and installation of the central production platform, living quarters platform, flare tower and bridges" Block B - O Mon gas project	23,850,106,277	-
Cost of SHWE Phase 3 Jacket project	2,786,136,122	32,016,538,543
Cost of DBN PWM project	218,987,639	34,872,836,686
Cost of yard rental at Nghi Son	50,000,000,000	45,000,000,000
Cost of supply technology service vessels	30,368,974,217	20,942,243,973
Cost of operation of FPSO Ruby II, FPSO Lam Son, FSO Bien Dong 01 and FSO Golden Star	26,181,404,997	11,200,588,561
Cost of building rental at Petro Hotel	20,098,000,232	10,049,000,000
Cost of temporary workshop for renewable project	40,804,102,668	-
Others	142,936,997,612	122,882,081,921
	<u>1,777,032,496,201</u>	<u>894,744,572,439</u>

21 UNEARNED REVENUE

(a) Short-term

	2023 VND	2022 VND
Infrastructure leasing services at Sao Mai Ben Dinh (i)	5,203,799,784	5,203,799,784
Office leasing (ii)	2,752,200,000	2,752,200,000
Others	2,280,505,000	2,751,454,292
	<u>10,236,504,784</u>	<u>10,707,454,076</u>

21 UNEARNED REVENUE (continued)

(b) Long-term

	2023 VND	2022 VND
Infrastructure leasing services at Sao Mai Ben Dinh (i)	175,460,564,144	180,664,363,928
Office leasing (ii)	8,671,800,000	9,823,800,000
	<u>184,132,364,144</u>	<u>190,488,163,928</u>

In which:

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

22 OTHER PAYABLES

(a) Short-term

	2023 VND	2022 VND
Vietnam Shipbuilding Industry Corporation (i)	443,615,652,308	430,146,510,262
Salary payables	144,968,759,384	39,979,099,469
Dividend payables (ii)	15,837,417,694	17,990,739,344
Fines penalty	12,199,370,887	24,483,325,243
Compulsory insurance	4,540,046,728	2,044,665,969
Others	29,060,749,760	79,281,126,645
	<u>650,221,996,761</u>	<u>593,925,466,932</u>

22 OTHER PAYABLES (continued)

(a) Short-term (continued)

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

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

	2023 VND	2022 VND
Third parties	634,602,364,264	560,671,556,357
Related parties (Note 41(b))	15,619,632,497	33,253,910,575
	<u>650,221,996,761</u>	<u>593,925,466,932</u>

(b) Long-term

	2023 VND	2022 VND
Other payables	159,396,385	226,063,385
Related parties (Note 41(b))	69,473,052,000	69,473,052,000
	<u>69,632,448,385</u>	<u>69,699,115,385</u>

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

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23 BORROWINGS

(a) Short-term

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

	As at 1.1.2023 VND	Drawdown during the period VND	Current portion of long-term borrowings VND	Repaid during the period VND	Revaluation VND	As at 31.12.2023 VND
Short-term bank loans (*)	-	426,807,319,659	-	(36,890,315,957)	-	389,917,003,702
Current portion of long-term bank loans (Note 23(b))	113,238,604,596	-	141,842,699,638	(126,455,131,935)	-	128,626,172,299
Borrowings from third party (**)	638,969,900,694	-	-	-	18,579,402,928	657,549,303,622
	<u>752,208,505,290</u>	<u>426,807,319,659</u>	<u>141,842,699,638</u>	<u>(163,345,447,892)</u>	<u>18,579,402,928</u>	<u>1,176,092,479,623</u>

(*) The Corporation's short-term loans represent the value of 3 unsecured loans with the Joint Stock Commercial Bank for Investment and Development of Vietnam with interest rates ranging from 2.3% to 2.4% per annum. The purpose of the Corporation's short-term loans is mainly to supplement working capital.

(**) This is borrowing in USD of PTSC CGGV 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. This borrowing is free of interest, arrangement fee, commissions, or any other related fees. The borrowing will be matured on 27 August 2024 according to Appendix K agreed and signed by both parties on 4 January 2024. The borrowing is guaranteed by parent Company for liabilities of PTSC CGGV equivalent to 51% of this borrowing balance.

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23 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2023 VND	Drawdown during the period VND	Current portion of long-term borrowings VND	Repaid during the period VND	Revaluation VND	As at 31.12.2023 VND
Bank loans (*)	623,765,467,201	81,998,489,236	(141,842,699,638)	-	-	563,921,256,799

(*) 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 VND65 billion and will be matured in 120 months since 2017;
- Credit facility 2 is in VND with the credit limit of VND675 billion and will be matured in 120 months since 2018;
- Credit facility 3 is in VND with the credit limit of VND70 billion and will be matured in 84 months since 2020;
- Credit facility 4 is in VND with the credit limit of VND692 billion and will be matured in 96 months since 2021;
- Credit facility 5 is in VND with the credit limit of VND19 billion and will be matured in 84 months since 2022;
- Credit facility 6 is in VND with the credit limit of VND90 billion and will be matured in 84 months since 2022; and
- Credit facility 7 is in VND with the credit limit of VND56 billion and will be matured in 60 months since 2023.

The interest of long-term borrowings in VND ranged from 7.43% to 11.5% per annum for the year ended 31 December 2022 (year 2022: from 5.57% to 12.17% per annum).

The Corporation used assets formed these long-term borrowings as its mortgaged assets.



23 BORROWINGS (continued)

(b) Long-term (continued)

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

The repayment schedule of borrowings is as follows:

	2023 VND	2022 VND
Within one year	1,176,092,479,623	752,208,505,290
In the second year	128,626,172,297	114,955,708,297
In the third to fifth year	372,047,900,736	343,370,223,565
After five years	63,247,183,766	165,439,535,339
	<u>1,740,013,736,422</u>	<u>1,375,973,972,491</u>

24 PROVISION FOR LIABILITIES

(a) Short-term

	2023 VND	2022 VND (As restated - Note 46)
Provision of operation and maintenance of FPSO Lam Son (i)	-	41,579,866,001
Warranty provision for construction contracts (ii):		
Gallaf project - Phase 1	6,305,096,520	-
Sao Vang Dai Nguyet project	-	10,146,140,249
NH3 project	-	702,778,956
Provision of periodic overhaul of service vessels (iii)	37,500,000,000	11,000,000,000
Others	1,371,102,047	5,988,334,826
	<u>45,176,198,567</u>	<u>69,417,120,032</u>

24 PROVISION FOR LIABILITIES (continued)

(b) Long-term

	2023 VND	2022 VND (As restated - Note 46)
Warranty provision for construction contracts (ii):		
Sao Vang Dai Nguyet project	768,792,369,661	660,337,559,260
Gallaf project - Phase 1	245,081,072,773	251,386,169,293
Gallaf project - Phase 3	187,525,203,540	100,664,990,072
Southern Petrochemical complex project	83,929,010,732	-
LNG Thi Vai warehouse EPC project	56,930,443,865	48,629,182,119
DBN PWM project	36,808,256,111	-
Hai Long OSS project	21,137,116,411	26,618,411,932
SHWE Phase 3 Jacket project	19,209,645,146	14,564,674,921
Sao Vang - Dai Nguyet pipeline project	-	66,621,273,873
Su Tu Trang Fullfield project	-	32,750,000,000
Other projects	1,456,178,993	22,916,692,891
Provision of period overhaul of service vessels and barges (iii)	33,982,898,645	18,249,552,279
	<u>1,454,852,195,877</u>	<u>1,242,738,506,640</u>

- (i) Provision for operation and maintenance for FPSO Lam Son mainly represents the value that the Corporation may be payable to Petrovietnam Exploration and Development Corporation ("PVEP") in relation to the Termination Agreement for the contract signed between the Corporation and Lam Son Joint Operating Company ("Lam Son JOC"), a joint venture between PVEP and Petronas. As at 31 December 2023, the Corporation had use this provision to clear the payable with PVEP follow the Note 38.
- (ii) Warranty provision for construction contracts is made for warranty obligations according to the terms and conditions of EPC service contracts with customers, at 1% - 5% of the contract value.
- (iii) Provisions for periodic overhaul of service vessels and barges represents the provision made annually based on the approved budget cost until the year when the overhaul is expected to occur. In the year when the overhaul occurs, if the actual overhaul cost is greater than the approved budget cost or vice versa, the difference is recorded in the consolidated income statement of respective accounting period.

25 BONUS AND WELFARE FUND

	2023 VND	2022 VND
Beginning of year	606,277,884,458	561,376,579,143
Appropriation from undistributed earnings (Note 28)	314,028,638,878	284,155,299,404
Utilisation	(297,075,940,620)	(239,253,994,089)
End of year	<u>623,230,582,716</u>	<u>606,277,884,458</u>

26 FUND FOR SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT

	2023 VND	2022 VND
Beginning of year	5,560,621,840	8,410,271,840
Appropriation	2,065,400,000	1,199,900,000
Fund utilisation	(2,843,861,561)	(1,764,716,667)
Reversal of unused fund	-	(2,284,833,333)
End of year	<u>4,782,160,279</u>	<u>5,560,621,840</u>

27 OWNERS' CAPITAL

(a) Number of shares

	2023 Ordinary shares	2022 Ordinary shares
Number of shares registered	<u>477,966,290</u>	<u>477,966,290</u>
Number of shares issued	<u>477,966,290</u>	<u>477,966,290</u>
Number of existing shares in circulation	<u>477,966,290</u>	<u>477,966,290</u>

(b) Details of owners' shareholding

	2023		2022	
	Ordinary shares	%	Ordinary 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	<u>477,966,290</u>	<u>100</u>	<u>477,966,290</u>	<u>100</u>

(c) Movement of share capital

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

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' capital VND	Share premium VND	Investment and development fund VND	Foreign exchange differences VND	Post-tax undistributed earnings VND	Total VND	Non-controlling interests VND	Total owners' capital VND
As at 1 January 2022	4,779,662,900,000	39,617,060,000	3,081,668,462,592	284,397,049,341	3,694,279,582,577	11,879,625,054,510	728,139,533,603	12,607,764,588,113
Net profit for the year (As restate - Note 45)	-	-	-	-	989,419,519,453	989,419,519,453	61,238,866,191	1,050,658,385,644
Dividends paid	-	-	-	-	(382,373,032,000)	(382,373,032,000)	(46,867,485,000)	(429,240,517,000)
Appropriation to bonus and welfare fund	-	-	-	-	(272,117,865,164)	(272,117,865,164)	(12,037,434,240)	(284,155,299,404)
Appropriation to investment and development fund	-	-	132,425,446,638	-	(132,425,446,638)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	109,773,732,318	-	109,773,732,318	-	109,773,732,318
Others	-	-	359,985	-	-	359,985	-	359,985
As at 31 December 2022	4,779,662,900,000	39,617,060,000	3,214,094,269,215	394,170,781,659	3,896,782,758,228	12,324,327,769,102	730,473,480,554	13,054,801,249,656
Net profit for the year	-	-	-	-	1,026,460,821,400	1,026,460,821,400	33,546,704,741	1,060,007,526,141
Dividends paid (*)	-	-	-	-	(334,576,403,000)	(334,576,403,000)	(43,387,750,000)	(377,964,153,000)
Appropriation to bonus and welfare fund (Note 25) (*)	-	-	-	-	(303,333,141,380)	(303,333,141,380)	(10,695,497,498)	(314,028,638,878)
Appropriation to investment and development fund (*)	-	-	237,063,573,610	-	(237,063,573,610)	-	-	-
Foreign exchange difference due to translation of financial statements	-	-	-	121,406,931,322	-	121,406,931,322	-	121,406,931,322
As at 31 December 2023	4,779,662,900,000	39,617,060,000	3,451,157,842,825	515,577,712,981	4,048,270,461,638	12,834,285,977,444	709,936,937,797	13,544,222,915,241

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

29 NON-CONTROLLING INTEREST

Details of non-controlling interest are as follows:

	2023 VND	2022 VND (As restated - Note 46)
Share capital	1,523,361,857,420	1,523,361,857,420
Investment and development funds	143,981,609,132	140,249,285,726
Accumulated losses	(957,406,528,755)	(933,137,662,592)
	<u>709,936,937,797</u>	<u>730,473,480,554</u>

Movement of non-controlling interest was as follows:

	2023 VND	2022 VND (As restated - Note 46)
Beginning of year	730,473,480,554	728,139,533,603
Net profit attributed to non-controlling interests (Note 28)	33,546,704,741	61,238,866,191
Dividends paid (note 28)	(43,387,750,000)	(46,867,485,000)
Appropriation to bonus and welfare fund (Note 28)	(10,695,497,498)	(12,037,434,240)
Ending of year	<u>709,936,937,797</u>	<u>730,473,480,554</u>

30 BASIC DILUTED EARNINGS PER SHARE

(a) Basic earnings per share

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

30 BASIC DILUTED EARNINGS PER SHARE (continued)

(a) Basic earnings per share (continued)

	For the year ended	
	31.12.2023	31.12.2022 (As restated - Note 46) (**)
Net profit attributable to shareholders (VND)	1,026,460,821,400	989,419,519,453
Less amount allocated to bonus and welfare funds (VND) (*)	(271,593,861,012)	(302,287,521,098)
	<u>754,866,960,388</u>	<u>687,131,998,355</u>
Weighted average number of ordinary shares in issue (shares)	477,966,290	477,966,290
Basic earnings per share (VND)	<u>1,579</u>	<u>1,438</u>

(*) Estimated amounts appropriated to bonus and welfare funds for the year ended 31 December 2023 are determined based on the plan for 2023 profit distribution of the Corporation approved by shareholders at the Shareholders Annual General Meeting for the year 2023.

(**) Earning per share for the year ended 31 December 2022 was recalculated according to the actual appropriation of bonus and welfare funds of the Corporation in 2022 approved by the shareholders according to the Annual General Meeting of Shareholders in 2023 as below:

	For the year ended 31.12.2022		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	883,636,252,979	105,783,266,474	989,419,519,453
Less amount allocated to bonus and welfare funds (VND)	(130,917,730,413)	(171,369,790,685)	(302,287,521,098)
	<u>752,718,522,566</u>		<u>687,131,998,355</u>
Weighted average number of ordinary shares in issue (shares)	477,966,290		477,966,290
Basic earnings per share (VND)	<u>1,575</u>		<u>1,438</u>

30 EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders, which already subtracted the bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the year and the ordinary shares expected to be issued. The parent Company did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. So diluted earnings per share is equal to basic earnings per share.

31 OFF CONSOLIDATED BALANCE SHEET ITEMS

(a) Goods held for third parties

As at 31 December 2023 and 31 December 2022, The Corporation is holding goods for project implementation, included:

Type of inventories	Condition	Unit	2023	2022
Primary Steel Plate	Usable	ton	48,719	-

(b) Foreign currencies

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

	2023	2022
United States Dollar ("USD")	120,228,052	122,567,651
Euro ("EUR")	5,135,051	1,932
Pound sterling ("GBP")	244,695	244,701
Russian rouble ("RUB")	1,530,827	1,531,537

(c) Operating lease assets

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

(d) Capital commitments

Contracted capital expenditure commitments were presented in Note 43(b).

32 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2023 VND	2022 VND (As restated - Note 46)
Revenue		
Revenue from sales of finished goods	283,473,678,849	160,049,816,793
Revenue from rendering of services	8,028,890,546,314	7,548,322,612,319
Revenue from construction contracts (*)	11,066,286,366,556	8,664,502,661,856
	<u>19,378,650,591,719</u>	<u>16,372,875,090,968</u>
 Sales deductions		
Trade discounts	(5,088,227,958)	(6,461,436,399)
	<u>(5,088,227,958)</u>	<u>(6,461,436,399)</u>
 Net revenue from sales of goods and rendering of services		
Net revenue from sales of finished goods	283,473,678,849	160,049,816,793
Net revenue from rendering of services	8,023,802,318,356	7,541,861,175,920
Net revenue from construction contracts (*)	11,066,286,366,556	8,664,502,661,856
	<u>19,373,562,363,761</u>	<u>16,366,413,654,569</u>

(*) In which:

Accumulated revenue from completed construction contracts during the year	8,942,551,149,655	393,639,271,442
Accumulated revenue from in progress construction contracts during the year	<u>46,549,787,265,784</u>	<u>43,519,372,881,315</u>

33 COST OF GOODS SOLD AND SERVICES RENDERED

	2023 VND	2022 VND (As restated - Note 46)
Cost of merchandises sold	255,270,891,310	143,116,340,408
Cost of services rendered	7,210,866,213,651	6,803,672,517,456
Cost of construction contracts	10,868,396,929,560	8,405,747,380,444
	<u>18,334,534,034,521</u>	<u>15,352,536,238,308</u>

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34 FINANCIAL INCOME

	2023 VND	2022 VND
Interest income	463,869,340,167	257,607,958,530
Foreign exchange gains	325,848,564,835	231,453,781,738
Other	214,200	-
	<u>789,718,119,202</u>	<u>489,061,740,268</u>

35 FINANCIAL EXPENSES

	2023 VND	2022 VND
Foreign exchange losses	155,402,363,251	109,851,961,014
Interest expense	73,036,083,814	50,646,884,587
Reversal of provisions (Note 4(b))	(12,950,479,996)	(61,197,137)
Others	865,953,561	2,195,907,126
	<u>216,353,920,630</u>	<u>162,633,555,590</u>

36 SELLING EXPENSES

	2023 VND	2022 VND
Advertising and marketing	55,803,196,305	46,654,856,275
Staff costs	5,937,819,412	5,554,410,659
Others	23,664,242,081	27,116,955,956
	<u>85,405,257,798</u>	<u>79,326,222,890</u>

37 GENERAL AND ADMINISTRATION EXPENSES

	2023 VND	2022 VND (As restated - Note 46)
Staff costs	481,294,176,385	388,148,549,278
Outside services	294,609,556,732	205,853,161,214
Depreciation and amortisation	30,480,478,807	26,513,917,071
Reversal of provision	(13,822,592,172)	(22,197,700,485)
Others	174,296,468,563	229,428,665,760
	<u>966,858,088,315</u>	<u>827,746,592,838</u>

38 NET OTHER INCOME AND OTHER EXPENSES

	2023 VND	2022 VND (As restated - Note 46)
Other income		
Reimbursement receivable for Lam Son FPSO bareboat chartered contract (*)	1,439,185,914,126	-
Reversals of warranty provision for construction contracts (**)	116,065,961,428	142,063,986,677
Income from contracts' breach	15,648,643,019	5,265,247,890
Net gain from disposals of fixed assets	4,799,930,050	62,976,905,532
Others	3,055,621,439	11,651,900,224
	<u>1,578,756,070,062</u>	<u>221,958,040,323</u>
Other expenses		
Reimbursement payable for Lam Son FPSO leased contract (*)	(1,459,472,946,083)	-
Non deductible VAT expense	(26,032,370,015)	-
Penalties	(18,195,452,722)	(27,270,048,191)
Others	(9,006,923,307)	(9,201,085,739)
	<u>(1,512,707,692,127)</u>	<u>(36,471,133,930)</u>
	<u>66,048,377,935</u>	<u>185,486,906,393</u>

(*) According to the Payment Agreement dated 29 September 2023 between the Corporation and PTSC AP, PVEP and the Corporation on determining the benefits from leased contract and bareboat chartered contract of the Lam Son FPSO according to the Settlement Agreement dated 14 December 2017 between the Corporation and Lam Son JOC, the amount PTSC AP must pay to the Corporation is USD59,667,741.05 and the amount the Corporation must pay to PVEP is USD59,667,741.05 and VND42,669,961,727.

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

39 CORPORATE INCOME TAX (“CIT”)

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

	2023	2022
	VND	VND
		(As restated - Note 46)
Accounting profit before tax	1,277,307,632,960	1,275,923,773,262
Accounting profit before CIT	1,277,307,632,960	1,275,923,773,262
Accounting losses before CIT	-	-
	<hr/>	<hr/>
Increase adjustments (*)	1,277,307,632,960	1,275,923,773,262
Decrease adjustments (**)	734,825,597,964	803,911,785,067
Loss transferred	(581,438,821,067)	(1,359,438,284,045)
	(256,489,360,916)	(11,969,209,673)
	<hr/>	<hr/>
Total taxable income	1,174,205,048,941	708,428,064,611
In which:		
Taxable income	1,202,037,264,630	885,298,249,617
Taxable losses	(27,832,215,689)	(176,870,185,006)
	<hr/>	<hr/>
CIT at tax rate of 20%	240,407,452,926	177,059,649,923
CIT incentive	(7,634,736,121)	(5,612,680,065)
Over provision	257,568,930	350,802,536
CIT paid oversea	(14,024,373,062)	(10,273,759,292)
	<hr/>	<hr/>
CIT current charge (***)	219,005,912,673	161,524,013,102
	<hr/> <hr/>	<hr/> <hr/>

(*) Increase adjustments mainly comprised dividends, profit distributed to the parent Company from joint ventures, deductible temporary differences from accrued expenses and provisions for liabilities.

(**) Decrease adjustment mainly comprised dividends, profit distributed to the parent Company from subsidiaries.

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

40 COST OF OPERATION BY FACTOR

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

	2023 VND	2022 VND (As restated - Note 46)
Raw materials	3,527,686,364,011	4,839,008,172,451
Staff costs	3,030,809,817,838	2,665,829,516,626
Depreciation and amortisation expenses	493,006,130,650	471,290,373,424
Related cost of construction contracts	6,964,242,198,634	3,649,983,783,228
Outside service expenses	4,283,454,411,933	3,647,110,218,106
Others	1,087,598,457,568	986,386,990,201
	<u>19,386,797,380,634</u>	<u>16,259,609,054,036</u>

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	Owner of parent Company
PetroVietnam Exploration Production Corporation	Company in PVN Group
PetroVietnam Drilling and Well Services Corporation	Company in PVN Group
PetroVietnam Transportation Corporation	Company in PVN Group
PetroVietnam Construction Joint Stock Company	Company in PVN Group
PetroVietnam Fertilizer and Chemicals Corporation	Company in PVN Group
Vietnam - Russia Joint Venture Vietsovetro	Company in PVN Group
PetroVietnam Oil Corporation	Company in PVN Group
PetroVietnam Power Corporation	Company in PVN Group
Binh Son Oil Refinery Company Limited	Company in PVN Group
PetroVietnam Drilling Fluid and Chemical Corporation	Company in PVN Group
PVI Insurance Corporation	Company in PVN Group
Petroleum Design Consulting Corporation	Company in PVN Group
PetroVietnam Maintenance - Repair Corporation	Company in PVN Group
Nghi Son Refining and Petrochemical Company Limited	Company in PVN Group
Nghi Son Refinery and Petrochemical Complex Project Management Board	Company in PVN Group
Bien Dong Petroleum Operating Company	Company in PVN Group
Long Phu 1 Power Plant Project Management Board	Company in PVN Group

41 RELATED PARTY DISCLOSURES (continued)

Name	Relationship
PetroVietnam Domestic Exploration Production Operating Company Limited	Company in PVN Group
PTSC Ca Rong Do limited	Company in PVN Group
PetroVietnam Ca Mau Fertilizer Joint Stock Company	Company in PVN Group
Foreign Petroleum Exploration and Exploitation Operations One Member LLC	Company in PVN Group
PetroVietnam Gas Corporation	Company in PVN Group

(a) Related party transactions

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

	2023 VND	2022 VND (As restated - Note 46)
i) Sales of goods and services		
PetroVietnam Gas Joint Stock Corporation	1,167,392,650,758	1,339,092,249,075
PetroVietnam Exploration Production Corporation Limited	1,011,299,918,939	859,814,788,815
Nghi Son Refining and Petrochemical Company Limited	608,781,796,657	396,424,346,251
Bien Dong Petroleum Operating Company	575,582,779,765	452,065,990,360
Binh Son Refining and Petrochemical JSC	404,089,346,148	405,541,429,471
Malaysia Vietnam Offshore Terminal (Labuan) Limited	313,738,422,478	300,252,282,587
Vietnam Offshore Floating Terminal (Ruby) Limited	293,714,010,055	270,362,530,408
PetroVietnam Drilling and Well Services Corporation	66,275,333,537	80,427,973,936
PTSC Ca Rong Do Limited	50,599,999,978	-
PetroVietnam Fertilizer and Chemicals Corporation	31,359,123,126	51,631,641,033
Others	250,847,809,226	161,650,866,180
	4,773,681,190,667	4,317,264,098,116

41 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2023 VND	2022 VND
ii) Purchases of goods and services		
PTSC Asia Pacific Private Limited	539,159,349,211	458,154,365,699
PetroVietnam Marine Shipyard Joint Stock Company	416,004,742,502	144,899,290,513
PTSC South East Asia Private Limited	282,481,914,350	173,111,066,645
PetroVietnam Steel Pipe Joint Stock Company	237,983,445,082	8,086,243,652
Petro Vietnam Construction Joint Stock Corporation	172,515,401,967	117,849,757,280
PetroVietnam Oil Corporation	163,914,905,177	140,360,790,900
PVI Insurance Corporation	119,745,384,704	97,512,932,917
PetroVietnam Drilling and Well Services Corporation	71,769,485,529	184,378,153,567
PetroVietnam Gas Joint Stock Corporation	5,558,770,103	118,412,302,817
Others	79,684,520,834	111,184,636,472
	<u>2,088,817,919,459</u>	<u>1,553,949,540,462</u>
iii) Compensation of key management		
Gross salaries and other benefits	<u>46,375,774,800</u>	<u>36,802,489,400</u>
In which:		
Mr. Phan Thanh Tung - Chairman of BOD	4,151,577,000	3,159,513,000
Mr. Le Manh Cuong - Member of BOD cum Chief Executive Officer	4,120,638,000	3,072,405,000
Mr. Do Quoc Hoan - Member of BOD	3,332,537,000	2,627,957,000
Mr. Nguyen Xuan Ngoc - Member of BOD	3,169,933,000	2,435,920,000
Mr. Tran Ngoc Chuong - Member of BOD	2,933,107,000	2,216,434,000
Others	<u>28,667,982,800</u>	<u>23,290,260,400</u>
iv) Dividend paid		
Vietnam Oil and Gas Group	<u>171,905,355,861</u>	<u>196,463,263,841</u>
v) Insurance compensation received related to Sao Vang Dai Nguyet pipeline project		
PVI Insurance Corporation	<u>-</u>	<u>103,365,000,000</u>

41 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

	2023	2022
	VND	VND
i) Short-term trade accounts receivable (Note 5)		
PetroVietnam Gas Joint Stock Corporation	246,109,537,585	289,178,126,432
PetroVietnam Exploration Production Corporation Limited	208,119,814,551	1,674,097,577,097
PetroVietnam Long Phu 1 Thermal Power Project Management Board	161,483,574,380	157,176,228,387
Malaysia Vietnam Offshore Terminal (Labuan) Limited	139,273,415,504	55,521,290,635
Nghi Son Refining and Petrochemical Company Limited	133,281,858,350	78,601,214,063
Bien Dong Petroleum Operating Company	87,912,322,840	61,921,861,414
Vietnam Offshore Floating Terminal (Ruby) Limited	80,783,250,733	87,004,855,241
PetroVietnam Domestic Exploration Production Operating Company Limited	59,680,270,655	42,333,538,764
Nghi Son Refinery and Petrochemical Complex Project Management Board	37,203,110,659	37,203,110,659
Phu Quoc Petroleum Operating Company	35,341,920,000	-
PetroVietnam Chemical and Services Corporation	28,216,724,162	801,931,667
PetroVietnam Drilling and Well Services Corporation	20,077,945,885	27,422,792,587
Binh Son Refining and Petrochemical JSC	5,676,200,150	42,018,944,002
PetroVietnam Fertilizer and Chemicals Corporation	1,858,550,326	58,047,251,404
Others	50,216,734,541	48,176,284,338
	<u>1,295,235,230,321</u>	<u>2,659,505,006,690</u>
ii) Prepayments to suppliers (Note 6)		
Petroleum Metal Structure and Machinery Installation Joint Stock Company	25,782,432,185	1,812,100,373
Others	7,975,675,438	1,467,979,390
	<u>33,758,107,623</u>	<u>3,280,079,763</u>
iii) Other short-term receivables (Note 8(a))		
Nghi Son Refining and Petrochemical Company Limited	43,407,857,358	24,394,736,436
Malaysia Vietnam Offshore Terminal (Labuan) Limited	14,615,893,392	10,201,866,972
Vietnam Oil and Gas Group	10,632,042,898	10,632,042,898
PetroVietnam Overseas Exploration Production Operating Company Limited	-	10,061,561,353
Others	23,190,979,017	13,953,311,721
	<u>91,846,772,665</u>	<u>69,243,519,380</u>

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41 RELATED PARTY DISCLOSURES (continued)

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

	2023	2022
	VND	VND
iv) Short-term trade accounts payable (Note 17)		
PTSC Asia Pacific Private Limited	111,433,344,000	1,524,200,231,117
PTSC South East Asia Private Limited	91,719,078,000	14,789,841,150
PetroVietnam Steel Pipe Joint Stock Company	76,848,549,871	1,758,895,038
PetroVietnam Marine Shipyard Joint Stock Company	69,995,801,322	25,172,836,075
PetroVietnam Drilling and Well Services Corporation	46,395,971,378	120,981,575,780
PetroVietnam Construction Joint Stock Corporation	20,131,034,593	31,472,096,144
PetroVietnam Oil Corporation	19,419,837,506	18,563,245,744
Nghi Son Refining and Petrochemical Company Limited	14,834,843,567	10,192,872,876
Others	30,814,825,549	21,509,027,034
	<u>481,593,285,786</u>	<u>1,768,640,620,958</u>
v) Short-term advances from customers (Note 18(a))		
Binh Son Refining and Petrochemical JSC	77,261,034,927	45,816,725,642
PetroVietnam Oil Corporation	12,460,724,934	10,900,068,788
PetroVietnam Gas Joint Stock Corporation	-	51,514,955,821
Others	4,375,940,936	2,557,192,175
	<u>94,097,700,797</u>	<u>110,788,942,426</u>
vi) Long-term advances from customers (Note 18(b))		
PetroVietnam Long Phu 1 Thermal Power Project Management Board	781,044,054,435	781,044,054,435
PetroVietnam Gas Joint Stock Corporation	58,110,652,331	-
	<u>839,154,706,766</u>	<u>781,044,054,435</u>
vii) Other short-term payables (Note 22(a))		
Nghi Son Refining and Petrochemical Company Limited	10,205,925,078	24,515,340,677
Malaysia Vietnam Offshore Terminal (Labuan) Limited	2,692,225,602	5,977,154,193
PetroVietnam Construction Joint Stock Corporation	1,669,212,234	1,669,212,234
Others	1,052,269,583	1,092,203,471
	<u>15,619,632,497</u>	<u>33,253,910,575</u>
viii) Other long-term payables (Note 22(b))		
PetroVietnam Gas Joint Stock Corporation	69,473,052,000	69,473,052,000

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42 SEGMENT REPORTING

Geographical segment

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

Business activity segment

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

Business segment

Operation

Petroleum technical vessels services

Management, business and operation of 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

Providing services of fabrication, assembling, engineering components, petroleum equipment and renewable energy projects

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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42 SEGMENT REPORTING (continued)

Business activity segment (continued)

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

	Year ended 31 December 2023							Total VND	
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND		Elimination VND
Segment assets	3,582,354,195,790	4,534,992,642,935	1,007,024,088,425	3,613,281,231,755	9,471,967,466,819	2,248,688,919,352	1,281,956,560,593	(4,728,816,323,195)	21,011,448,782,474
Profit from investments in associates and joint ventures									3,303,438,456,820
Unallocated assets									2,101,121,571,093
Total assets									26,416,008,810,387
Segment liabilities	1,652,638,302,016	1,179,500,155,414	1,771,107,240,670	1,361,428,918,459	6,530,449,145,926	973,666,777,859	518,521,471,693	(2,322,104,385,764)	11,665,197,626,273
Deferred tax liabilities arise from profit sharing from associates and joint ventures									490,547,865,083
Unallocated liabilities									716,040,403,790
Total liabilities									12,871,785,895,146

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42 SEGMENT REPORTING (continued)

Business activity segment (continued)

	Year ended 31 December 2022							Total VND	
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND		Elimination VND
Segment assets	2,601,343,806,495	5,149,693,712,210	1,063,541,041,183	3,151,000,002,047	8,662,701,320,429	1,952,513,213,105	1,379,934,260,571	(4,417,451,767,506)	19,543,275,588,534
Profit from investments in associates and joint ventures									3,276,056,600,426
Unallocated assets									3,104,698,101,715
Total assets									25,924,030,290,675
Segment liabilities	1,765,820,915,515	2,471,666,639,338	1,730,234,208,925	1,077,434,807,294	5,686,963,543,257	758,265,474,304	464,623,555,970	(2,116,440,187,777)	11,838,568,956,826
Deferred tax liabilities arise from profit sharing from associates and joint ventures									525,118,026,591
Unallocated liabilities									505,542,057,602
Total liabilities									12,869,229,041,019

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42 SEGMENT REPORTING (continued)

Business activity segment (continued)

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

	Year ended 31 December 2023								Total VND
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, repair, and installment oil and gas project VND	Other services VND	Elimination VND	
Net revenue from external sales	1,607,098,023,446	2,207,232,210,925	405,223,890,154	1,412,057,051,633	11,172,484,215,516	1,912,867,636,855	656,599,335,232	-	19,373,562,363,761
Net revenue from internal sales	385,121,064,069	411,057,362,656	52,592,137,208	271,343,148,469	379,617,704,833	84,555,849,452	224,277,542,366	(1,808,564,809,053)	-
	1,992,219,087,515	2,618,289,573,581	457,816,027,362	1,683,400,200,102	11,552,101,920,349	1,997,423,486,307	880,876,877,598	(1,808,564,809,053)	19,373,562,363,761
Net cost from external sales	(1,393,847,467,382)	(2,035,501,940,875)	(359,720,674,345)	(1,147,791,058,056)	(10,997,408,349,019)	(1,842,481,316,758)	(557,783,228,086)	-	(18,334,534,034,521)
Net cost from internal sales	(385,121,064,069)	(411,057,362,656)	(45,927,747,013)	(277,884,513,996)	(402,684,050,343)	(84,555,849,452)	(150,584,454,933)	1,757,815,042,462	-
	(1,778,968,531,451)	(2,446,559,303,531)	(405,648,421,358)	(1,425,675,572,052)	(11,400,092,399,362)	(1,927,037,166,210)	(708,367,683,019)	1,757,815,042,462	(18,334,534,034,521)
Gross segment profit	213,250,556,064	171,730,270,050	45,503,215,809	264,265,993,577	175,075,866,497	70,386,320,097	98,816,107,146	-	1,039,028,329,240
Selling and administration expenses									(1,062,263,346,113)
Net income from financing activities									560,085,428,627
Profit sharing from associates and joint ventures									664,408,843,271
Profit from operating service									1,211,259,255,025
Net income from other activities									66,048,377,935
Net accounting profit before tax									1,277,307,632,960
CIT - current									(219,005,912,673)
CIT - deferred									1,705,805,854
Net profit after tax									1,060,007,526,141

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42 SEGMENT REPORTING (continued)

Business activity segment (continued)

	Year ended 31 December 2022								
	Supply of petroleum technology service vessels VND	FSO / FPSO services VND	Seismic survey, Geo survey and subsea services VND	Supply base services VND	Mechanical and construction VND	Maintenance, and repair, and installment oil and gas project VND	Other services VND	Elimination VND	Total VND
Net revenue from external sales	1,569,961,573,888	1,874,174,246,051	510,485,548,290	1,455,197,718,558	8,714,869,189,491	1,530,897,858,317	710,827,519,974	-	16,366,413,654,569
Net revenue from internal sales	375,955,966,824	391,377,104,331	-	161,154,507,850	463,125,194,861	343,492,877,916	124,392,471,069	(1,859,498,122,851)	-
	1,945,917,540,712	2,265,551,350,382	510,485,548,290	1,616,352,226,408	9,177,994,384,352	1,874,390,736,233	835,219,991,043	(1,859,498,122,851)	16,366,413,654,569
Net cost from external sales	(1,423,590,955,766)	(1,734,967,870,118)	(465,542,165,267)	(1,127,955,997,986)	(8,458,888,893,483)	(1,493,469,185,027)	(648,121,170,661)	-	(15,352,536,238,308)
Net cost from internal sales	(374,167,259,664)	(390,010,449,331)	-	(167,482,488,045)	(515,460,426,637)	(343,492,877,916)	(79,964,936,937)	1,870,578,438,530	-
	(1,797,758,215,430)	(2,124,978,319,449)	(465,542,165,267)	(1,295,438,486,031)	(8,974,349,320,120)	(1,836,962,062,943)	(728,086,107,598)	1,870,578,438,530	(15,352,536,238,308)
Gross segment profit	146,370,618,122	139,206,375,933	44,943,383,023	327,241,720,572	255,980,296,008	37,428,673,290	62,706,349,313	-	1,013,877,416,261
Selling and administration expenses									(907,072,815,728)
Net income from financing activities									326,428,184,678
Profit sharing from associates and joint ventures									657,204,081,658
Profit from operating service									1,090,436,866,869
Net income from other activities									185,486,906,393
Net accounting profit before tax									1,275,923,773,262
CIT - current									(161,524,013,102)
CIT - deferred									(63,741,374,516)
Net profit after tax									1,050,658,385,644

43 ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS

Non-cash transactions affect the statement of cash flows:

	Year ended 31 December	
	2023 VND	2022 VND
Purchase of fixed assets and other long-term assets that have not been settled	150,492,281,586	34,865,426,125
Write off bad debt	11,756,073,468	-
	<u>162,248,355,054</u>	<u>34,865,426,125</u>

44 COMMITMENTS

(a) Commitments under operating leases

(i) The Corporation as a lessee

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

	2023 VND	2022 VND
Within one year	1,093,233,229,955	447,849,951,123
Between one and five years	1,879,793,889,169	174,682,663,939
Over five years	1,654,218,976,762	991,830,548,983
Total minimum payments	<u>4,627,246,095,886</u>	<u>1,614,363,164,045</u>

As at 31 December 2023 and 31 December 2022, the Corporation has entered into non-cancellable operating lease commitment contracts of vessels rental, FSO/FPSO rental, yard rental and land rental, in which:

- FSO/FPSO, vessels rental contracts were signed with duration of 5 years;
- Land lease in Vung Tau City was signed with the term of 50 years since 2002;
- Land rental contract at Dung Quat port was signed with the term of 50 years since 2004;
- Land lease in Vung Tau City was signed with the term of 50 years since 2007;
- Land rental contract at Son Tra port was signed with the term of 50 years since 2008;
- Land rental contract at Hon La port was signed with the term of 50 years since 2014;
- Land lease in Vung Tau City was signed with the term of 50 years since 2015;
- Yard rental contract at Sao Mai Ben Dinh port was signed with the term of 50 years since 2016;
- Yard rental contract at Vung Tau port was signed with the term of 5 years, 10 years and 15 years since 2019; and
- Office rental contract in Ho Chi Minh was signed with the term of 1 year since 2023.

44 COMMITMENTS (continued)

(a) Commitments under operating leases (continued)

(ii) The Corporation as a lessor

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

	2023 VND	2022 VND
Within one year	678,860,388,289	1,335,503,855,724
Between one and five years	3,098,086,577,716	2,743,163,308,151
Over five years	951,179,164,883	1,204,373,573,382
Total minimum receipts	<u>4,728,126,130,888</u>	<u>5,283,040,737,257</u>

As at 31 December 2023 and 31 December 2022, the Corporation has entered into non-cancellable operating lease commitment contracts of leasing service vessels with the term of 15 years; FSO/FPSO with the term of 5 years and yard lease at Sao Mai Ben Dinh port with the term of 48 and 49 years.

(b) Capital commitments

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

	2023 VND	2022 VND
Procurement contracts that have not yet been implemented	35,164,673,843	24,896,664,758
Equipment, systems for blasting and painting workshops of renewable energy project	20,191,844,270	-
Temporary workshop for renewable energy project	13,805,255,049	-
Building for operation and expansion of Nghi Son port project	11,881,268,257	29,896,337,125
Workshop 2 at POS	1,864,668,207	-
Dung Quat Berth No.3 Project, Quang Ngai province	1,362,083,120	859,512,144
Expansion project at Vung Tau port	-	41,257,369,065
Warehouse construction at Hon La port, Quang Binh province	-	10,262,734,717
	<u>84,269,792,746</u>	<u>107,172,617,809</u>

45 CONTINGENT LIABILITY

Sao Mai Ben Dinh Port Project

As at 31 December 2023, Sao Mai Ben Dinh Petroleum Investment Joint Stock Company, a subsidiary, is in the process of continuing to apply for an adjustment to the investment license so that the Sao Mai Ben Dinh port project is recognised as a seaport projects in the list of special investment incentives as prescribed in Decree 118/2015/ND-CP (“Decree 118”) issued on 12 November 2015 and replaced by Decree No. 31/2021/ND-CP (“Decree 31”) dated 26 March 2021. According to the provisions of Decree 46/2014/ND-CP (“Decree 46”) issued on 15 May 2014, the special preferential investment projects are exempted from land rental fee for the next 11 years after being exempted from land rental fee for up to 3 years during the capital construction period (from 12 February 2015 to 11 February 2018).

On 6 November 2023, Tax Department of Vung Tau - Con Dao area announced a notice No 14318/7/TB-CCTKV about annual land tax of Sao Mai Ben Dinh Petroleum Investment Joint Stock Company for the land area of 819,325.4m² at 30/4 Street, Thang Nhat ward, Vung Tau City invested to be a Sao Mai - Ben Dinh Petroleum marine service base. Following that, land rental fee for the period from 12 February 2018 to 31 October 2023 is VND548,056,658,738. Sao Mai Ben Dinh Petroleum Investment Joint Stock Company evaluated Sao Mai Ben Dinh Port project which is being implemented will be recognised as a special preferential investment project in accordance with the Decree 118 (replaced by Decree 31 dated 26 March 2021) and be exempt from land rent fee under Decree 46. As at the date of the consolidated financial statements ended on 31 December 2023, Sao Mai Ben Dinh Petroleum Investment Joint Stock Company did not record the land rental fee respectively.

46 RESTATEMENTS

According to the Audit Minute of the State Auditor (“SA”) on 20 October 2023 about the audit results of the Corporation for the year ended 31 December 2022, the Board of Management has decided to restate a few items on the consolidated financial statements for the year ended 31 December 2022 in accordance with the Decision of SA. The material restatements include:

- (i) Decrease adjustments in revenue, cost of services rendered and increase adjustment in work in progress related to estimate percentage of completion of Gallaf project – Phase 3 and Hai Long OSS project; and
- (ii) Increase adjustments in revenue related to estimate percentage of completion of LNG Thi Vai warehouse EPC project.

According to the impact of those restatements on the consolidated financial statements for the year ended 31 December 2022 are presented as below:

PETROVIETNAM TECHNICAL SERVICES CORPORATION

Form B 09– DN/HN

46 RESTATEMENTS (continued)

(a) The consolidated balance sheet

		As at 31 December 2022		
Code	ASSETS	As previously reported VND	Adjustments VND	Restated VND
100	CURRENT ASSETS	16,388,291,606,616	81,566,806,764	16,469,858,413,380
130	Short-term receivables	5,043,467,850,735	3,542,335,283	5,047,010,186,018
131	Short-term trade accounts receivable	4,158,365,600,740	(17,096,808,192)	4,141,268,792,548
134	Construction contracts-in-progress receivables	69,968,946,447	11,485,301,109	81,454,247,556
136	Other short-term receivables	656,830,079,339	8,898,477,812	665,728,557,151
137	Provision for doubtful debts – short term	(147,664,923,941)	255,364,554	(147,409,559,387)
140	Inventories	1,012,219,488,343	77,440,848,481	1,089,660,336,824
141	Inventories	1,014,169,742,731	77,440,848,481	1,091,610,591,212
150	Other current assets	275,895,192,255	583,623,000	276,478,815,255
151	Short-term prepaid expenses	37,994,410,644	583,623,000	38,578,033,644
200	LONG-TERM ASSETS	9,439,480,033,302	14,691,843,993	9,454,171,877,295
220	Fixed assets	3,040,183,166,385	8,153,987,649	3,048,337,154,034
221	Tangible fixed assets	2,973,164,199,046	8,153,987,649	2,981,318,186,695
222	Historical cost	12,400,929,737,366	8,271,897,263	12,409,201,634,629
223	Accumulated depreciation	(9,427,765,538,320)	(117,909,614)	(9,427,883,447,934)
260	Other long-term assets	1,016,693,553,978	6,537,856,344	1,023,231,410,322
262	Deferred income tax assets	338,197,955,965	6,537,856,344	344,735,812,309
270	TOTAL ASSETS	25,827,771,639,918	96,258,650,757	25,924,030,290,675
300	LIABILITIES	12,879,176,838,661	(9,947,797,642)	12,869,229,041,019
310	Short-term liabilities	9,198,890,888,791	(7,214,903,124)	9,191,675,985,667
313	Tax and other payables to the State	98,873,145,235	12,067,050,134	110,940,195,369
315	Short-term accrued expenses	902,067,010,917	(7,322,438,478)	894,744,572,439
321	Provision for short-term liabilities	81,376,634,813	(11,959,514,781)	69,417,120,032
330	Long-term liabilities	3,680,285,949,870	(2,732,894,518)	3,677,553,055,352
342	Provision for long-term liabilities	1,245,471,401,158	(2,732,894,518)	1,242,738,506,640
400	OWNERS' EQUITY	12,948,594,801,257	106,206,448,399	13,054,801,249,656
410	Capital and reserves	12,948,594,801,257	106,206,448,399	13,054,801,249,656
421	Undistributed earnings	3,790,999,491,754	105,783,266,474	3,896,782,758,228
421b	- Post-tax profit of current year	862,320,522,572	105,783,266,474	968,103,789,046
429	Non-controlling interests	730,050,298,629	423,181,925	730,473,480,554
440	TOTAL RESOURCES	25,827,771,639,918	96,258,650,757	25,924,030,290,675

46 RESTATEMENTS (continued)

(b) The consolidated income statement


		Year ended 31 December 2022		
Code		As previously reported VND	Adjustments VND	Restated VND
01	Revenue from sales of goods and rendering of services	16,378,973,957,230	(6,098,866,262)	16,372,875,090,968
10	Net revenue from sales of goods and rendering of services	16,372,512,520,831	(6,098,866,262)	16,366,413,654,569
11	Cost of sales	(15,457,885,001,543)	105,348,763,235	(15,352,536,238,308)
20	Gross profit from sales of goods and rendering of services	914,627,519,288	99,249,896,973	1,013,877,416,261
26	General and administration expenses	(827,935,784,059)	189,191,221	(827,746,592,838)
30	Net operating profit	990,997,778,675	99,439,088,194	1,090,436,866,869
31	Other income	219,113,496,653	2,844,543,670	221,958,040,323
40	Net other income	182,642,362,723	2,844,543,670	185,486,906,393
50	Net accounting profit before tax	1,173,640,141,398	102,283,631,864	1,275,923,773,262
51	CIT - current	(158,908,973,293)	(2,615,039,809)	(161,524,013,102)
52	CIT - deferred	(70,279,230,860)	6,537,856,344	(63,741,374,516)
60	Net profit after tax	944,451,937,245	106,206,448,399	1,050,658,385,644
Attributable to:				
61	Owners of the parent company	883,636,252,979	105,783,266,474	989,419,519,453
62	Non-controlling interests	60,815,684,266	423,181,925	61,238,866,191
70	Basic earnings per share	1,575	(137)	1,438
71	Diluted earnings per share	1,575	(137)	1,438

46 RESTATEMENTS (continued)

(c) The consolidated cash flow

Code		Year ended 31 December 2022		
		As previously reported VND	Adjustments VND	Restated VND
CASH FLOWS FROM OPERATING ACTIVITIES				
01	Net accounting profit before tax	1,173,640,141,398	102,283,631,864	1,275,923,773,262
	Adjustments for:			
02	Depreciation and amortisation	471,172,463,810	117,909,614	471,290,373,424
03	Provisions	171,301,288,691	(14,947,773,853)	156,353,514,838
08	Operating profit before changes in working capital	917,843,711,736	87,453,767,625	1,005,297,479,361
09	Increase in receivables	(350,311,498,468)	(3,286,970,729)	(353,598,469,197)
10	Decrease in inventories	1,082,924,544,326	(77,440,848,481)	1,005,483,695,845
11	Increase in payables	448,669,409,834	(6,142,325,415)	442,527,084,419
12	Increase in prepaid expenses	(36,347,922,309)	(583,623,000)	(36,931,545,309)

The consolidated financial statements were approved by the Board of Management on 12 March 2024.



 Duong Thi Ngoc Quy
 Preparer



 Nguyen Van Bao
 Chief Accountant





 Le Manh Cuong
 President and CEO

