

PETROVIETNAM OIL CORPORATION

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

For the 6-month period ended 30 June 2022

PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1

Ho Chi Minh City, Vietnam

TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF MANAGEMENT	1 - 2
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS	3 - 5
INTERIM CONSOLIDATED BALANCE SHEET	6 - 9
INTERIM CONSOLIDATED INCOME STATEMENT	10
INTERIM CONSOLIDATED CASH FLOW STATEMENT	11 - 12
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS	13 - 53

PETROVIETNAM OIL CORPORATION

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Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of PetroVietnam Oil Corporation (the "Corporation") presents this report together with the Corporation's interim consolidated financial statements for the 6-month period ended at 30 June 2022.

THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

The members of the Board of Directors and Board of Management of the Corporation who held office during the period and to the date of this report are as follows:

Board of Directors

Mr. Cao Hoai Duong	Chairman
Mr. Doan Van Nhuom	Member
Mr. Nguyen Mau Dung	Member
Mr. Le Van Nghia	Member
Mr. Hang Anh Minh	Member
Mr. Le Ngoc Quang	Member
Mr. Tran Hoai Nam	Member

Board of Management

Mr. Doan Van Nhuom	Chief Executive Officer
Mr. Vo Khanh Hung	Vice Chief Executive Officer
Mr. Vu Hoai Lam	Vice Chief Executive Officer
Mr. Nguyen Tuan Tu	Vice Chief Executive Officer
Mr. Nguyen Anh Toan	Vice Chief Executive Officer
Mr. Nguyen Dang Trinh	Vice Chief Executive Officer

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Corporation is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 30 June 2022 and its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. In preparing these interim consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements;
- prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.

PETROVIETNAM OIL CORPORATION

PetroVietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF MANGEMENT (Continued)

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY (Continued)

The Board of Management 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 that the interim consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Corporation has complied with the above requirements in preparing these interim consolidated financial statements.

For and on behalf of the Board of Management,



Doan Van Nhuom
Chief Executive Officer

08 August 2022

No.: 0125 /VN1A-HC-BC

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders
The Board of Directors and Board of Management
PetroVietnam Oil Corporation**

We have reviewed the accompanying interim consolidated financial statements of PetroVietnam Oil Corporation (the "Corporation") prepared on 08 August 2022 as set out from page 6 to page 53, which comprise the interim consolidated balance sheet as at 30 June 2022, the interim consolidated income statement and the interim consolidated cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Board of Managements' Responsibility for the Interim Consolidated Financial Statements

The Board of Management of the Corporation is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 07 of the Notes to the interim consolidated financial statements, an amount of VND 169,785,513,359 has been recognized as other receivables from Vietnam Oil and Gas Group related to the accumulated losses as at 18 May 2011 incurred by Petec Trading and Investment Corporation ("PETEC" – a subsidiary of the Corporation) when PETEC was officially transformed into a joint stock company. Such receivable amount represents the State-owned capital contributions to PETEC as at 18 May 2011 whose finalization has not been approved by the Vietnam Oil and Gas Group and competent authorities. We were unable to obtain sufficient information about the finalized amount and any difference between such finalized amount and the above receivable amount as at 31 December 2021, which caused us to qualify our audit opinion on the consolidated financial statements for the year then ended. We were also unable to obtain such information as at 30 June 2022. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Basis for Qualified Conclusion (Continued)

As stated in Note 14 of the Notes to the interim consolidated financial statements, the cost of intangible assets as at 30 June 2022 and 31 December 2021 included an amount of VND 29,702,935,030, representing the value of land plots at Saigon Petroleum Joint Stock Company ("PVOIL Saigon" – a subsidiary of the Corporation) of which land use rights either have not yet been granted/transferred to PVOIL Saigon or expired but not yet extended. We were unable to obtain sufficient appropriate audit evidence of the rights and term to use such land plots as at 31 December 2021, which caused us to qualify our audit opinion on the consolidated financial statements for the year then ended. We were also unable to obtain sufficient appropriate audit evidence of the rights and terms to use such land plots as at 30 June 2022. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

As presented in Note 17 of the Notes to the interim consolidated financial statements, as at 30 June 2022, the Corporation's investment in PetroVietnam Biofuels Joint Stock Company (associate of the Corporation) was reported in the interim consolidated financial statements using the equity method of accounting with the amounts of VND 272,915,527,557 (as at 31 December 2021: VND 272,915,527,557). We were unable to obtain sufficient audit evidence of post-acquisition changes in the Corporation's shares of net assets of PetroVietnam Biofuels Joint Stock Company as at 31 December 2021, which caused us to qualify our audit opinion on the consolidated financial statements for the year then ended. We were unable to obtain sufficient audit evidence of post-acquisition changes in the Corporation's shares of net assets of PetroVietnam Biofuels Joint Stock Company as at 30 June 2022. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified Conclusion

Based on our review, except for the matters described in the "Basis for Qualified Conclusion" section, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Corporation as at 30 June 2022, and its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Emphasis of Matters

- As presented in Note 01 of the Notes to the interim consolidated financial statements, as at 30 June 2022, the Corporation's equity investment in PETEC reported in its interim separate financial statements exceeded the capital contributions recorded and accounted for by PETEC by VND 111,225,298,544. The Board of Management of the Corporation believes that such difference will be cleared upon completion of PETEC's equitization finalization. Accordingly, the Board of Management decided to increase the charter capital of this subsidiary to eliminate the difference before the Corporation's interim consolidation reporting.
- As presented in Note 02 of the Notes to the interim consolidated financial statements, the accompanying interim consolidated financial statements do not include adjustments (if any) related to the finalization of equitization of the Corporation as the Holding company due to the fact that the competent authorities have not approved the final accounts of the Corporation at the time of its equitization and official transformation into a joint stock company.

Our conclusion is not qualified in respect of these matters.



Võ Thái Hoa

Audit Partner cum Branch Director

Audit Practising Registration Certificate

No. 0138-2018-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

08 August 2022

Ho Chi Minh City, S.R Vietnam

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2022

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		28,077,742,182,652	21,549,982,060,668
I. Cash and cash equivalents	110	4	1,442,207,827,293	2,990,894,028,577
1. Cash	111		1,379,705,804,732	2,731,437,695,084
2. Cash equivalents	112		62,502,022,561	259,456,333,493
II. Short-term financial investments	120	5	8,000,353,701,226	7,925,663,754,088
1. Trading securities	121		168,047	33,414,563
2. Provision for impairment of trading securities	122		(104,597)	(36,197)
3. Held-to-maturity investments	123		8,000,353,637,776	7,925,630,375,722
III. Short-term receivables	130		12,847,835,232,565	7,761,018,081,791
1. Short-term trade receivables	131	6	5,644,235,688,550	4,277,619,452,540
2. Short-term advances to suppliers	132		123,334,178,228	88,002,386,699
3. Other short-term receivables	136	7	7,881,046,493,001	4,195,391,436,352
4. Provision for short-term doubtful debts	137	8	(805,676,691,629)	(804,492,677,302)
5. Deficits in assets awaiting solution	139		4,895,564,415	4,497,483,502
IV. Inventories	140	9	5,335,299,135,265	2,578,271,658,502
1. Inventories	141		5,351,849,500,460	2,579,364,637,993
2. Provision for devaluation of inventories	149		(16,550,365,195)	(1,092,979,491)
V. Other short-term assets	150		452,046,286,303	294,134,537,710
1. Short-term prepayments	151	10	32,400,728,042	33,108,480,349
2. Value added tax deductibles	152	11	290,990,098,271	155,956,761,188
3. Taxes and other receivables from the State budget	153	12	128,655,459,990	105,069,296,173

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)
As at 30 June 2022

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		5,599,717,298,850	5,647,581,826,801
I. Long-term receivables	210		22,644,912,982	24,812,466,496
1. Long-term trade receivables	211	6	21,888,407,938	21,888,407,938
2. Other long-term receivables	216	7	22,856,112,982	25,023,666,496
3. Provision for long-term doubtful debts	219	8	(22,099,607,938)	(22,099,607,938)
II. Fixed assets	220		3,642,119,827,467	3,747,949,930,914
1. Tangible fixed assets	221	13	2,049,984,367,607	2,153,041,993,983
- Cost	222		6,464,042,356,744	6,468,508,878,504
- Accumulated depreciation	223		(4,414,057,989,137)	(4,315,466,884,521)
2. Finance lease assets	224		2,132,719,246	2,268,507,172
- Cost	225		2,424,911,135	2,424,911,135
- Accumulated depreciation	226		(292,191,889)	(156,403,963)
3. Intangible assets	227	14	1,590,002,740,614	1,592,639,429,759
- Cost	228		1,873,476,965,747	1,861,746,293,589
- Accumulated amortisation	229		(283,474,225,133)	(269,106,863,830)
III. Investment property	230	15	106,632,531,257	108,543,572,613
- Cost	231		139,314,852,250	139,314,852,250
- Accumulated depreciation	232		(32,682,320,993)	(30,771,279,637)
IV. Long-term assets in progress	240		131,482,671,825	109,572,796,582
1. Long-term work in progress	241		585,993,545	585,993,545
2. Construction in progress	242	16	130,896,678,280	108,986,803,037
V. Long-term financial investments	250		797,004,400,587	801,330,548,617
1. Investments in joint-ventures, associates	252	17	706,991,175,788	708,439,333,186
2. Equity investments in other entities	253	18	118,851,116,424	118,979,564,661
3. Provision for impairment of long-term financial investments	254	18	(28,837,891,625)	(26,088,349,230)
VI. Other long-term assets	260		899,832,954,732	855,372,511,579
1. Long-term prepayments	261	10	897,714,740,650	849,242,720,938
2. Long-term reserved spare parts	263		21,363,636	21,363,636
3. Goodwill	269	19	2,096,850,446	6,108,427,005
TOTAL ASSETS (270=100+200)	270		33,677,459,481,502	27,197,563,887,469

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED BALANCE SHEET (Continued)
As at 30 June 2022

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		21,754,682,322,686	16,012,422,052,620
I. Current liabilities	310		21,494,813,502,937	15,724,500,056,614
1. Short-term trade payables	311	20	10,326,893,417,818	6,399,024,107,514
2. Short-term advances from customers	312		63,526,515,258	76,230,816,531
3. Taxes and amounts payable to the State budget	313	12	653,942,710,457	1,074,337,936,651
4. Payables to employees	314		252,879,223,498	191,836,089,512
5. Short-term accrued expenses	315	21	184,614,712,707	48,689,699,837
6. Short-term unearned revenue	318		5,263,923,600	6,477,136,557
7. Other current payables	319	22	6,588,259,209,530	3,917,626,254,876
8. Short-term loans and obligations under finance leases	320	23	4,344,754,889,144	4,633,571,013,891
9. Short-term provisions	321	24	58,209,566,870	46,453,453,571
10. Bonus and welfare funds	322		115,597,084,552	106,943,725,929
11. Price stabilization fund	323	25	(1,099,127,750,497)	(776,690,178,255)
II. Long-term liabilities	330		259,868,819,749	287,921,996,006
1. Long-term unearned revenue	336		22,674,046,088	23,677,570,475
2. Other long-term payables	337		24,358,614,777	26,302,334,547
3. Long-term loans and obligations under finance leases	338	26	61,614,750,780	104,319,315,734
4. Deferred tax liabilities	341	27	148,287,141,369	130,346,505,498
5. Scientific and technological development fund	343		2,934,266,735	3,276,269,752

INTERIM CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2022

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
D. EQUITY	400		11,922,777,158,816	11,185,141,834,849
I. Owner's equity	410	28	11,922,777,158,816	11,185,141,834,849
1. Owner's contributed capital	411		10,342,295,000,000	10,342,295,000,000
2. Other owner's capital	414		18,967,801,779	18,967,801,779
3. Assets revaluation reserve	416		(163,981,446,150)	(163,981,446,150)
4. Foreign exchange reserve	417		(27,445,491,971)	(21,113,618,263)
5. Investment and development fund	418		227,929,780,997	211,457,940,243
6. Other reserves	420		20,439,437,573	19,805,997,473
7. Retained earnings/accumulated (losses)	421		181,007,093,163	(401,912,043,108)
- (Losses) accumulated to the prior year end	421a		(452,226,060,400)	(926,446,535,288)
- Retained earnings of the current period	421b		633,233,153,563	524,534,492,180
8. Construction investment fund	422		-	5,326,859,943
9. Non-controlling interests	429	29	1,323,564,983,425	1,174,295,342,932
TOTAL RESOURCES (440=300+400)	440		33,677,459,481,502	27,197,563,887,469

Phung To Van
Preparer

Nguyen Ngoc Ninh
Chief Accountant



Doan Van Nhuom
Chief Executive Officer


08 August 2022

INTERIM CONSOLIDATED INCOME STATEMENT


For the 6-month period ended 30 June 2022

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	32	53,661,788,860,972	25,193,425,395,700
2. Deductions	02	32	6,443,010,595	4,873,771,743
3. Net revenue from goods sold and services rendered (10=01-02)	10		53,655,345,850,377	25,188,551,623,957
4. Cost of goods sold and services rendered	11	33	51,175,255,599,356	23,582,211,716,064
5. Gross profit from goods sold and services rendered (20=10-11)	20		2,480,090,251,021	1,606,339,907,893
6. Financial income	21	35	266,313,637,537	206,996,162,305
7. Financial expenses	22	36	194,490,660,478	96,745,758,134
- In which: Interest expense	23		94,817,406,336	69,696,755,681
8. Share of net profit from joint-ventures, associates	24	17	17,691,043,574	44,699,514,615
9. Selling expenses	25	37	1,088,832,255,775	875,804,345,795
10. General and administration expenses	26	37	483,141,657,502	359,660,544,203
11. Operating profit (30=20+(21-22)-(25-24+26))	30		997,630,358,377	525,824,936,681
12. Other income	31	38	18,050,818,318	22,826,608,824
13. Other expenses	32	38	28,081,972,739	14,194,494,211
14. (Loss)/profit from other activities (40=31-32)	40	38	(10,031,154,421)	8,632,114,613
15. Accounting profit before tax (50=30+40)	50		987,599,203,956	534,457,051,294
16. Current corporate income tax expense	51	39	176,734,377,105	77,849,988,936
17. Deferred corporate tax expense/(income)	52	27	6,112,028,600	(8,008,857,385)
18. Net profit after corporate income tax (60=50-51-52)	60		804,752,798,251	464,615,919,743
In which:				
19. Profit after tax attributable to Holding Company	61		633,233,153,563	361,313,979,815
20. Profit after tax attributable to non-controlling shareholders	62		171,519,644,688	103,301,939,928
21. Basic earnings per share	70	40	516	295


Phung To Van
Preparer


Nguyen Ngoc Ninh
Chief Accountant


Doan Van Nhuom
Chief Executive Officer

08 August 2022

The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT

For the 6-month period ended 30 June 2022

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	987,599,203,956	534,457,051,294
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	170,272,275,551	174,834,619,405
Provisions	03	31,147,124,125	(40,782,644,433)
Foreign exchange losses arising from translating foreign currency items	04	14,803,309,125	5,508,386,848
Gain from investing activities	05	(228,075,043,952)	(227,945,652,257)
Interest expense	06	94,817,406,336	69,696,755,681
Other adjustments (i)	07	(322,437,572,242)	(1,046,708,305,498)
3. Operating profit/(loss) before movements in working capital	08	748,126,702,899	(530,939,788,960)
Increases in receivables	09	(5,242,069,175,054)	(2,044,856,463,921)
Increases in inventories	10	(2,772,484,862,467)	(491,837,455,300)
Increases in payables (excluding accrued loan interest and corporate income tax payable)	11	6,328,765,648,478	2,249,607,700,807
(Increase)/decrease in prepaid expenses	12	(24,485,041,637)	31,357,011,378
Decreases in trading securities	13	33,246,516	240,709,946
Interest paid	14	(89,340,420,762)	(64,987,288,411)
Corporate income tax paid	15	(101,047,960,254)	(31,730,462,307)
Other cash inflows	16	26,326,980,515	25,960,124,901
Other cash outflows	17	(17,673,621,892)	(140,915,145,310)
Net cash used in operating activities	20	(1,143,848,503,658)	(998,101,057,177)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(187,936,987,000)	(166,716,474,264)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	1,200,011,802	2,459,493,054
3. Cash outflow for lending, buying debt instruments of other entities	23	(4,174,123,262,054)	(4,756,849,292,397)
4. Cash recovered from lending, selling debt instruments of other entities	24	4,099,400,000,000	3,193,031,164,697
5. Equity investments in other entities	25	(6,885,000,000)	-
6. Cash recovered from investments in other entities	26	-	2,405,480,000
7. Interest earned, dividends and profits received	27	213,857,685,933	175,333,495,480
Net cash used in investing activities	30	(54,487,551,319)	(1,550,336,133,430)


The accompanying notes are an integral part of these interim consolidated financial statements

INTERIM CONSOLIDATED CASH FLOW STATEMENT (Continued)
For the 6-month period ended 30 June 2022

Unit: VND

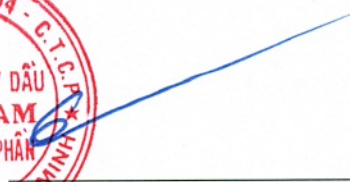
ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	12,260,426,606,878	11,093,405,052,126
2. Repayment of borrowings	34	(12,591,683,198,561)	(10,213,581,317,705)
3. Repayment of obligations under finance leases	35	(264,097,818)	(384,113,684)
4. Dividends and profits paid	36	(9,898,977,080)	-
Net cash (used in)/generated by financing activities	40	(341,419,666,581)	879,439,620,737
Net decreases in cash (50=20+30+40)	50	(1,539,755,721,558)	(1,668,997,569,870)
Cash and cash equivalents at the beginning of the period	60	2,990,894,028,577	3,533,617,033,987
Effects of changes in foreign exchange rates	61	(8,930,479,726)	(5,123,461,437)
Cash and cash equivalents at the end of the period (70=50+60+61)	70	1,442,207,827,293	1,859,496,002,680

- (i) Include the adjustments for appropriation, use of the Price Stabilization Fund and interest expense on the negative balance of the Fund with the amounts of VND 137,863,833,100, VND 460,023,710,290 and VND 277,695,052, respectively.


Phung To Van
Preparer


Nguyen Ngoc Ninh
Chief Accountant




Doan Van Nhuom
Chief Executive Officer

08 August 2022

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Oil Corporation (the "Corporation" or "PVOIL"), formerly known as PetroVietnam Oil Corporation - One member Limited Company, was incorporated in Vietnam as an independent accounting member of Vietnam Oil and Gas Group. As per Decision No. 1250/QĐ-DKVN dated 06 June 2008 issued by Vietnam Oil and Gas Group, the Holding company was established on the basis of consolidation of Petroleum Trading Company Limited and PetroVietnam Oil Processing and Distribution Company Limited.

PetroVietnam Oil Corporation - One member Limited Company was granted Business Registration Certificate No. 4104005189 dated 26 June 2008 and the 16th amendment dated 16 January 2016. PetroVietnam Oil Corporation - One member Limited Company officially started its operation from 01 July 2008 with the charter capital of VND 7,220,000,000,000. According to the 16th amended Business Registration Certificate dated 16 January 2016, the amended charter capital of PetroVietnam Oil Corporation - One Member Limited Company is VND 10,884,251,000,000.

From 01 August 2018, PetroVietnam Oil Corporation - One member Limited Company officially transformed its operating model to a joint stock company with the name of PetroVietnam Oil Corporation under the 17th amended Business Registration Certificate dated 01 August 2018. The charter capital of the Corporation after equitization is VND 10,342,295,000,000.

The Corporation's shares have been approved for trading on the UPCoM market on 07 March 2018 with the stock code of OIL.

The number of employees of the Corporation (excluding its subsidiaries) as at 30 June 2022 was 701 (as at 31 December 2021: 699).

Principal activities

The principal activities of the parent company - the Corporation are wholesale of solid, liquid, gaseous fuels and related products; import/export and trade of crude oil domestically and overseas; import/export and trade of oil products domestically and overseas; import/export of equipment, materials, machinery and commercial services; production of oil products; construction of oil storage tank systems, distribution and trading of oil products; import/export of oil products, products made from oil, chemicals/materials/equipment/facilities supporting processing and trade of oil products; trade of materials/equipment/chemicals for production of oil products; ship brokerage and supply; hotel business and tourism (hotel business is not carried out at the head quarter); supplying tank truck, oil tankers and storage facilities for rent; trading of fertilizers and petrochemical products.

Normal production and business cycle

The Corporation's normal production and business cycle is carried out for a time period of 12 months or less.

The Corporation's structure

The Corporation includes the parent company – the Corporation and 27 subsidiaries. Below is the list of the subsidiaries:

Name of Subsidiary	Place of incorporation & operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal Activity
Me Kong Petroleum JSC	Can Tho	89.37%	89.37%	Build gas and oil depots. Manufacture and trade oil and gas related products, export and import petroleum related products.
Vung Ang Petroleum JSC	Ha Tinh	56.50%	56.50%	Wholesale solid, liquid fuels and gas and relevant products. Store goods. Transport by interior waterway.
PetroVietnam Oil Lube JSC	Ho Chi Minh City	62.67%	62.67%	Exploit, manufacture, transport, wholesale and retail products related to petrol, oil, and gas.
PetroVietnam Oil Tra Vinh JSC	Tra Vinh	96.67%	96.67%	Trade petrol and oil, and consuming goods.
PetroVietnam Oil Bac Lieu JSC	Bac Lieu	98.58%	98.58%	Wholesale food. Wholesale materials and others installation equipments for construction. Buy and sell petrol, oil and relevant products.
PetroVietnam Oil Binh Thuan JSC	Binh Thuan	79.68%	79.68%	Wholesale solid, liquid and gas fuels. Wholesale materials, and other installation equipments for construction. Transport goods by road.
PetroVietnam Oil Thanh Hoa JSC	Thanh Hoa	56.86%	56.86%	Trade all types of petrol and oil; Do commercial business and commercial services; export and import; exploit and process mineral; and Real estate.
PetroVietnam Oil Phu My JSC	Vung Tau	67.64%	67.64%	Wholesale and retail petrol and oil and relevant products. Manufacture and process fuel and solven. Trade biofuels.
Sai Gon PetroVietnam JSC	Ho Chi Minh City	65.18%	66.93%	Trade petrol and oil. Exploit raw oil. Provide supporting service of exploiting raw oil and natural gas. Produce basic chemicals.
PetroVietnam Oil Vung Tau JSC	Vung Tau	57.18%	57.18%	Wholesale and retail petrol and oil and relevant products. Produce and process fuels and solven. Trade biofuels.
PetroVietnam Oil Hanoi JSC	Hanoi	71.84%	71.84%	Trade petrol and oil and relevant products. Provide warehouse and port services. Transport goods.
PetroVietnam Oil Lao Petroleum Domestic Trading Sole Company Limited	Laos	100.00%	100.00%	Retail oil and petrol and relevant products.
PetroVietnam Oil Lao Company Limited	Laos	100.00%	100.00%	Wholesale oil and petrol and relevant products.
PetroVietnam Oil Thai Binh JSC	Thai Binh	68.00%	68.00%	Wholesale solid and liquid fuels and gas, relevant products. Build all kinds of houses.
Thai Binh Petroleum Services JSC	Thai Binh	51.00%	51.00%	Wholesale trade of mineral water.
PetroVietnam Oil Nam Dinh JSC	Nam Dinh	56.75%	56,75%	Trade petroleum products. Agents that trade petrol and oil. Trade biofuels.

Name of Subsidiary	Place of incorporation & operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal Activity
PetroVietnam Oil Tay Ninh JSC	Tay Ninh	78.62%	78.62%	Wholesale solid & liquid fuels and gas and relevant products. Wholesale machines, equipment and other spare parts. Transport goods by interior waterway.
PetroVietnam Oil Cai Lan JSC	Quang Ninh	80.19%	80.19%	Provide warehouse and storage services. Wholesale solid & liquid fuels and relevant products. Transport goods through roadway and waterway.
PetroVietnam Oil Phu Yen JSC	Phu Yen	67.13%	67.13%	Trade petrol and oil and other relevant products; trade gas. Transport goods.
PetroVietnam Oil Phu Tho JSC	Phu Tho	71.68%	71.68%	Wholesale solid & liquid fuels and relevant products. Transport products of oil and gas.
Singapore International Oil Trading Company Limited	Singapore	51.00%	51.00%	Trade crude oil and other international oil products. Participate in trading and providing crude oil in Vietnam.
PV Oil Mien Trung JSC	Quang Ngai	72.29%	72.29%	Wholesale solid & liquid fuels and gas and relevant products. Wholesale machines, equipment and other spare parts. Transport goods by interior waterway.
Hai Phong PV Oil Petroleum JSC	Hai Phong	72.00%	72.00%	Wholesale solid & liquid fuels and gas and relevant products. Wholesale machines, equipment and other spare parts. Transport goods by interior waterway.
Vietnam Petroleum Oil Transport JSC (ii)	Ho Chi Minh City	80.00%	80.00%	Transport goods by road. Wholesale solid & liquid fuels and gas. Retail engine fuels for specialized shops.
Thu Duc Trading and Import Export JSC	Ho Chi Minh City	51.01%	51.01%	Trade petrol, oil, engine oil, spike. Trade and transport petrol & oil. Wholesale car and motor vehicles. Trade steels, iron and other construction materials.
PETEC Trading and Investment Corporation (i)	Ho Chi Minh City	94.78%	95.09%	Export and import, organize channels of wholesaling petrol & oil; export and import entire equipment, machines and individual equipment; export and import fertilizer; provide maritime services.
PetroVietnam Oil Cambodia Public Limited Company	Cambodia	51.00%	51.00%	Under establishment

- (i) As at 30 June 2022, the Corporation's equity investment in PETEC reported in its interim separate financial statements exceeded the capital contributions recorded and accounted for by PETEC by VND 111,225,298,544. The Board of Management of the Corporation believes that such difference will be cleared upon completion of PETEC's equitization finalization. Accordingly, the Board of Management decided to increase the charter capital of this subsidiary to eliminate the difference before the Corporation's interim consolidation reporting.

On 29 March 2021, the Vietnam Oil and Gas Group issued Resolution no. 1474/NQ-DKVN approving the policy on the Vietnam Gas Corporation - JSC ("PVGAS") receiving the transfer of all shares of the Corporation in PETEC Trading and Investment Corporation ("PETEC") from the Corporation. On 31 March 2021, the Vietnam Oil and Gas Group issued Official Letter no. 1574/DKVN – KTDT requesting the Representative of the Group's capital at PVGAS and the Corporation to report to the Prime Minister and advise to implement the next steps to ensure the interests of the Corporation and PVGAS. The Corporation is closely coordinating with PVGAS to carry out the procedures related to the above capital transfer.

- (ii) On 08 June 2022, the Corporation received the transfer of 450,000 shares of Vietnam Petroleum Oil Transport JSC from another shareholder under Contract No. 498/PVOIL.KH-NTH06-22/M. Accordingly, as at 30 June 2022, the Corporation's capital contribution in Vietnam Petroleum Oil Transport JSC was 80% (as at 31 December 2021: 71%).

List of Joint Ventures

Name of Joint Venture	Place of incorporation & operation	Proportion of ownership interest (%)	Principal Activity
PetroVietnam Oil Stockpile Co., Ltd.	Ba Ria - Vung Tau	19.00%	Investment in building underground oil storage
LG-VINA Chemical Co., Ltd.	Dong Nai	15.00%	Manufacturing and trading plastic oil DOP
Orient Petrochemical and Biofuels Co., Ltd.	Binh Phuoc	30.20%	Manufacturing and trading chemical bio fuels

List of associates:

Name of Associate	Place of incorporation & operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal Activity
PetroVietnam Biofuels JSC	Hanoi	39.76%	39.76%	Produce and trade biofuels.
Petroleum Trading JSC	Ho Chi Minh City	29.00%	29.00%	Buy and sell equipment, spare parts, materials and petrochemicals.
Materials - Petroleum JSC	Ho Chi Minh City	44.87%	44.94%	Export and import petrol and oil. Transport goods.
Thach Han Trading JSC	Quang Tri	45.00%	45.00%	Trade petrol and oil, technological products, agricultural goods and food.
PetroVietnam Central Biofuels JSC	Quang Ngai	34.28%	34.28%	Produce and trade biofuels.
Phu Yen Cashew JSC	Phu Yen	47.79%	47.79%	Produce and process agricultural products for exporting.
Ninh Binh Petroleum JSC	Ninh Binh	20.26%	33.30%	Wholesale solid & liquid fuels and gas and relevant products. Prepare premises. Warehouse and goods storage. Transport goods along coastline and by ocean-going.

Disclosure of information comparability in the interim consolidated financial statements

Comparative figures on the interim consolidated balance sheet and the notes thereto are the audited figures as at 31 December 2021.

Comparative figures of the interim consolidated income statement, interim consolidated cash flow statement and the notes thereto are the reviewed figures of the reviewed interim consolidated financial statements for the 6-month period ended 30 June 2021.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The interim consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting.

The interim consolidated financial statements are not intended to present the consolidated financial position, consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Equitization finalization

These interim consolidated financial statements do not include adjustments (if any) related to the finalization of equitization due to the fact that the Parent Company - the Corporation has not obtained approval for the equitization finalization at the official date of transformation into a joint stock company.

Accounting period

The Corporation's financial year begins on 01 January and ends on 31 December.

These interim consolidated financial statements are prepared for the 6-month period ended 30 June 2022.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these interim consolidated financial statements, are as follows:

Estimates

The preparation of the interim consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim consolidated financial reporting 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 interim consolidated balance sheet date and the reported amounts of revenues and expenses during the period. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The interim consolidated financial statements incorporate the interim financial statements of the Corporation as the Holding company and enterprises controlled by the Holding company (its subsidiaries) for the 6-month period ended 30 June 2022. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the interim consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Holding company - the Corporation.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these interim financial statements using the equity method of accounting. Interests in associates are carried in the interim consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

Interests in joint ventures

A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint venture arrangements directly, the Corporation's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Corporation's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Corporation and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity (with or without a legal entity) in which each venturer has an interest are referred to as jointly controlled entities.

The Corporation reports its interests in jointly controlled entities with a legal entity using the equity method of accounting. Interests in joint ventures are carried in the interim consolidated balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the joint venture. Losses of a joint venture in excess of the Corporation's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the joint venture) are not recognised.

Any goodwill arising on the acquisition of the Corporation's interest in a jointly controlled entity is accounted for in accordance with the Corporation's accounting policy for goodwill arising on the acquisition of a subsidiary.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Corporation's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and is amortised on the straight-line basis over its estimated period of goodwill of 10 years.

Goodwill arising on the acquisition of associates is included in the carrying amount of the associates. Goodwill arising on the acquisition of subsidiaries is presented separately as an intangible asset in the interim consolidated balance sheet.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Trading securities

Trading securities are those the Corporation holds for trading purpose. Trading securities are recognised from the date the Corporation obtains the ownership of those securities and initially measured at the fair value of payments made at the transaction date plus directly attributable transaction costs.

In subsequent periods, investments in trading securities are measured at cost less provision for impairment of such investments.

Provision for impairment of investments in trading securities is made in accordance with prevailing accounting regulations.

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits.

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

Held-to-maturity investments are measured at cost less provision for impairment of financial investments.

Provision for impairment of financial investments relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Equity investments in other entities

Equity investments in other entities represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment. Provision for impairment of equity investments in listed company is made in accordance with prevailing accounting regulations. Provision for impairment of investments in other entities is made based on the figures of the consolidated financial statements, including non-controlling interests.

Receivables

Receivables represent the amounts recoverable from customers or other debtors. Receivables are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Inventories are accounted for under a perpetual system. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the interim consolidated balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process 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 cost of tangible fixed assets 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.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	5 - 50
Machinery and equipment	3 - 20
Motor vehicles and transmission equipment	6 - 30
Office equipment	3 - 10
Others	4 - 7

Tangible fixed assets of the Corporation were revalued when the equitization was performed. The cost and accumulated depreciation of tangible fixed assets are adjusted based on the revaluation value approved by competent authorities as regulated.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the interim consolidated income statement.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Corporation at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the interim consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Corporation's general policy on borrowing costs (see below).

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the interim consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives, as follows:

	<u>Years</u>
Motor vehicles	4 - 10

Intangible assets and amortisation

Intangible assets represent land use rights, computer software and other intangible assets that are stated at cost less accumulated amortisation.

Indefinite-term land use rights are not amortised. Finite-term land use rights are amortised over the duration specified in the land use right certificate.

Computer software is amortised using the straight-line method over a period from 3 to 5 years.

Intangible assets of the Parent company - the Corporation are revaluated at the time of equitization. Their cost and accumulated amortisation are adjusted to the revaluation values approved by competent authorities in accordance with legal regulations.

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost and other directly attributable costs in accordance with the Corporation's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Corporation to earn rentals or for capital appreciation, which are stated at cost less accumulated depreciation. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. Investment properties are depreciated using the straight-line method over their estimated useful lives.

Prepayments

Prepayments comprise land rental, office rental, brand name and geographical location advantages, business privileges and other prepayments.

Brand name and geographical location advantages represent brand name value and geographical location advantages value for land leased annually. Brand name and geographical location advantages are amortized to the interim consolidated income statement on a straight-line basis over the remaining lease term or the useful life of the fixed asset on land.

Land rental and office rental represent rentals that have been paid in advance. Prepaid rentals are charged to the interim consolidated income statement using the straight-line method over the rental term.

Other prepayments comprise ground leveling costs, cost of tools and supplies awaiting allocation, repair and maintenance expenses awaiting allocation and other prepayments which will be generated future economic benefits that are charged to the interim consolidated income statement using the straight-line method over the estimated useful lives in accordance with current regulations.

Revenue recognition

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

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

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the interim consolidated balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Corporation;
- (c) the percentage of completion of the transaction at the interim consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate. Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the interim consolidated balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim consolidated income statement.

According to Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 and Official Letter No. 3124/DKVN-TCKT dated 13 May 2015 of Vietnam Oil and Gas Group, the Corporation applied the buying exchange rate issued by the Joint Stock Commercial Bank for Foreign Trade of Vietnam for converting the foreign currency items as at 30 June 2022. This exchange rate is different from that prescribed in Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the enterprise accounting regime ("Circular 200"). According to the Board of Management, this difference does not materially affect the Corporation's interim consolidated financial statements for the 6-month period ended 30 June 2022.

For the purpose of presenting interim consolidated financial statements, the assets and liabilities of the Corporation's foreign operations (including comparatives) are translated to reporting currency using exchange rates prevailing on the interim consolidated balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the "Foreign exchange difference" item. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments arising from the Corporation's foreign operations are treated as assets and liabilities of the foreign operation and translated at the interim consolidated balance sheet rate.

Borrowing costs

Borrowing costs are recognised in the interim consolidated income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Payable provisions

Payable provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the interim consolidated balance sheet date.

Petroleum price stabilization fund

The Petroleum price stabilization fund is appropriated and used as per Circular No. 103/2021/TT-BTC ("Circular No. 103") dated 18 November 2021 of the Ministry of Finance for "Guiding on determining base of appropriation, management and utilization of price stabilization funds" under the Government's Decree No. 95/2021/ND-CP dated 1 November 2021 which was amended and supplemented some articles of Decree No. 83/2014/ND-CP dated 03 September 2014 on petroleum and oil business. Circular No. 103 is effective from 02 January 2022 and replaces, amends and supplements some articles of the Joint Circular No. 90/2016/TTLT-BCT-BTC dated 24 June 2016 and Joint Circular No. 39/2014/TTLT-BCT-BTC dated 29 October 2014 of the Ministry of Finance and Ministry of Industry and Trade on determination of base prices, establishment, management and utilization of price stabilization funds and control of petroleum and oil prices under the Government's Decree No. 83/2014/ND-CP dated 03 September 2014 on petroleum and oil business.

The petroleum price stabilization fund is appropriated by a specific and fixed amount of money which is included in the base price of each litre of petroleum sold and determined as a cost item in the base price structure (the appropriation rate is subject to the regulation of the Ministry of Finance from time to time).

The petroleum price stabilization fund is used in compliance with the written directions released by the Ministry of Industry and Trade from time to time. The utilization of the petroleum price stabilization fund is based on the actual sales volume multiplied by utilization rate per litre of petroleum as regulated by the Ministry of Industry and Trade.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	24,175,768,923	27,883,342,955
Bank demand deposits (i)	1,349,568,849,955	2,703,326,926,079
<i>In which:</i>		
<i>Price Stabilization Fund Balance</i>	-	-
Cash in transit	5,961,185,854	227,426,050
Cash equivalents (i)	62,502,022,561	259,456,333,493
	1,442,207,827,293	2,990,894,028,577

- (i) As at 30 June 2022, cash equivalents represent term deposits in Vietnam Dong with original terms of less than 3 months at banks and with interest rates ranging from 3% p.a to 3.7% p.a (as at 31 December 2021: 0.2% p.a to 3.5% p.a).

As at 30 June 2022, cash and cash equivalents include demand deposits of VND 3,753,566,724, USD 3,776,074 (as at 31 December 2021: VND 5,200,417,367 and USD 3,776,074) and deposits of VND 1,014,000,000 (as at 31 December 2021: VND 1,040,000,000) with original maturity of less than 03 months ("cash equivalents"); held-to-maturity investments include time deposits in the amount of VND 274,835,364,697 (as at 31 December 2021: VND 274,312,164,697) with original maturity from 6 to 12 months (as presented in Note 05) at Ocean Commercial Joint Stock Bank (currently known as Ocean Commercial One Member Limited Liability Bank – "Oceanbank"). Such deposits have been frozen under Directive No. 600/2015/CT-TGD dated 13 February 2015 issued by Oceanbank on the suspension of payment services for the business entities of Vietnam Oil and Gas Group to review and evaluate the payment records of customers. Oceanbank has been transformed into a wholly State-owned bank; accordingly, the Board of Management has assessed and believes that these deposits will be unfrozen in the coming time depending on the decision of the State Bank of Vietnam.

PETROVIETNAM OIL CORPORATION
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09a-DN/HN

5. SHORT-TERM FINANCIAL INVESTMENTS

	Closing balance		Opening balance		
	VND Cost	VND Fair value	VND Provision	VND Cost	VND Fair value
a. Trading securities					
Total	168,047	63,450	(104,597)	33,414,563	93,331,850
Pomina Steel JSC (i)	168,047	63,450	(104,597)	168,047	131,850
Phong Phu Corporation	-	-	-	1.128.000	2.640.000
Viet Thang Textile Corporation	-	-	-	32.118.516	90.560.000
					(36,197)

	Closing balance		Opening balance	
	VND Cost	VND Carrying amount	VND Cost	VND Carrying amount
b. Held-to-maturity investments				
Term deposits (ii)	8,000,353,637,776	8,000,353,637,776	7,925,630,375,722	7,925,630,375,722

(i) The fair value of these trading securities is determined based on the closing price of the shares listed on the Stock Exchange at the interim consolidated balance sheet date.

(ii) The held-to-maturity investments represent the amounts of time deposits at banks in VND with original maturity from 3 months to 1 year and interest rate from 3.5% p.a to 5.9% p.a (as at 31 December 2021: 3.5% p.a to 6.0% p.a).

6. TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
a. Short-term trade receivables		
Hengyi Industries Sdn Bhd	930,167,920,143	-
BCP Trading Pte Ltd	905,559,002,943	-
Ninh Binh Petroleum JSC	308,020,539,374	300,322,010,800
TKV - Materials Trading JSC - Hon Gai Materials Enterprise	216,049,487,142	122,107,366,506
Northern Petroleum and Gas JSC	124,164,578,894	124,164,578,894
Tien Phong Petroleum Investment and Development JSC	118,524,357,430	118,524,357,430
Quang Dong Commercial Transportation JSC	87,946,610,123	87,946,610,123
Phu Lam Investment JSC	77,865,356,829	77,865,356,829
Mining Industry Construction Company - Branch of Dong Bac Corporation	76,549,623,500	-
Vietnam International Petroleum JSC	69,638,325,811	69,638,325,811
Pacific Petroleum Transport JSC	63,232,813,740	13,004,944,000
Executive office of Idemitsu Oil & Gas Ltd in Ho Chi Minh City	62,170,950,000	37,887,745,000
Trung Nam Construction Investment Corporation	54,219,916,800	16,901,810,000
Saigon Passenger Transport JSC	50,822,799,942	55,835,953,922
Vu Anh Petroleum Trading JSC	43,257,741,001	43,257,741,001
Phu Long Trading and Petroleum Services JSC	34,250,000,000	1,069,500
Uong Bi Coal Production and Trading JSC	34,086,241,927	2,054,669,099
Binh Son Refining and Petrochemical JSC (i)	30,896,493,615	26,633,159,847
PetroVietnam Exploration Production Corporation	29,289,854,704	10,155,652,621
VietsovPetro Joint Venture	27,162,940,630	15,245,629,544
Branch of Vietnam Railway Corporation - Saigon Locomotive Enterprise	22,039,675,531	31,472,425,045
Pacific Petroleum JSC	9,725,905,615	12,277,340,615
PetroVietnam Power Corporation	562,198,310	25,497,452,652
Vitol Asia Pte Ltd	-	872,496,099,678
Chevron U.S.A Inc Singapore Branch	-	511,900,518,721
Others	2,268,032,354,546	1,702,428,634,902
	5,644,235,688,550	4,277,619,452,540
b. Long-term trade receivables		
Tan Dinh Phong Manufacturing and Commercial Export & Import Co., Ltd.	12,839,699,605	12,839,699,605
Huong Giang Co., Ltd.	6,315,000,000	6,315,000,000
Itasco Lam Dong JSC	2,169,153,465	2,169,153,465
Others	564,554,868	564,554,868
	21,888,407,938	21,888,407,938
<i>In which: Trade receivables from related parties (Details stated in Note 42)</i>	<i>506,925,358,560</i>	<i>434,415,391,892</i>

- (i) Closing balance represents the entrustment fee and crude oil receivables for conducting purchase, import activities and sale which were entrusted by Binh Son Refining and Petrochemical JSC.

7. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a. Other short-term receivables		
Collection and payment on-behalf-of relating to entrusted crude oil exports	6,250,692,674,373	3,305,468,257,964
Collection and payment on-behalf-of relating to entrusted crude oil imports	246,871,527,224	24,509,682,717
Other receivables from Vietnam Oil and Gas Group:	172,131,795,269	172,131,795,269
- Other receivables from Vietnam Oil and Gas Group (i)	169,785,513,359	169,785,513,359
- Profit temporarily distributed to Vietnam Oil and Gas Group	2,346,281,910	2,346,281,910
Special consumption taxes awaiting deduction, and environmental protection tax and special preferential import tariffs awaiting returns (ii)	56,902,501,474	7,687,919,694
Receivable related to equitization (iii)	5,755,479,545	5,755,479,545
BCC Contract No. 13/2021/PVGAS/TT-PVOIL/D4 (iv)	722,571,465,461	387,558,110,831
Crude oil export duties collected, paid on-behalf-of	36,325,894	37,469,894
Other short-term receivables	426,084,723,761	292,242,720,438
	7,881,046,493,001	4,195,391,436,352
b. Other long-term receivables		
Receivables related to transfer of Petroland project	14,758,071,200	15,458,071,200
Long-term deposits	1,262,373,000	2,722,438,000
Depreciable cost of assets used for business cooperation	441,685,145	460,347,905
Ba Tri - Ben Tre Fishing Port	4,260,918,637	4,260,918,637
Other long-term receivables	2,133,065,000	2,121,890,754
	22,856,112,982	25,023,666,496
<i>In which: Other receivables from related parties (Details stated in Note 42)</i>	<i>5,790,425,450,415</i>	<i>3,537,105,398,180</i>
(i) Other receivables from Vietnam Oil and Gas Group include an accumulated loss of VND 169,785,513,359 as at 18 May 2011 incurred by Petec Trading and Investment Corporation ("PETEC" – the Corporation's subsidiary) when Petec was officially transformed into a joint stock company. Such receivable amount represents the State-owned capital contributions to PETEC as at 18 May 2011 whose finalization has not been approved by the Vietnam Oil and Gas Group and competent authorities.		
(ii) Represents deductible special consumption taxes on condensate materials, and environmental protection tax and special preferential import tariffs which are refundable from the State budget.		
(iii) Represents expenses related to equitization. Such value may be subject to adjustment upon the final approval of competent authorities.		

- (iv) Represents the receivable related to Business Cooperation Contract No. 13/2021/PVGAS/TT-PVOIL/D4 ("Business Cooperation Contract" or "BCC") dated 21 January 2021 between the Corporation and PetroVietnam Gas Joint Stock Corporation ("PVGAS") to carry out economic activities together but do not form an independent legal entity. This activity is jointly controlled by the parties under the agreement of the BCC in the form of profit sharing after tax. According to the agreement between the parties, the Corporation is authorized to manage and operate the project as well as to record business results of the BCC and distribute profit after tax to the Corporation and PVGAS at the rate of 65% and 35%, respectively. Details of other short-term receivables relating to BCC are as follows:

	Closing balance	Opening balance
	VND	VND
Profit sharing after tax from business results of BCC	82,488,901,963	39,031,728,499
Other receivables related to the implementation of BCC	640,082,563,498	348,526,382,332
	722,571,465,461	387,558,110,831

8. BAD DEBTS

Items	Closing balance		Opening balance	
	Cost	VND Recoverable amount	Cost	VND Recoverable amount
Northern Petroleum and Gas JSC	124,164,578,894	-	124,164,578,894	-
Tien Phong Petrol Investment and Development JSC	118,524,357,430	-	118,524,357,430	-
Quang Dong Transportation Trading JSC	87,946,610,123	-	87,946,610,123	-
Phu Lam Investment JSC	77,865,356,829	-	77,865,356,829	-
Vietnam International Petroleum JSC	69,538,325,811	-	69,538,325,811	-
Vu Anh Petroleum Trading JSC	43,257,741,001	-	43,257,741,001	-
Song Phat JSC	26,371,285,621	-	26,371,285,621	-
Cam Giang Investment and Development JSC	20,010,740,366	-	20,010,740,366	-
Cai Lan Ship Industry Co., Ltd.	19,576,761,700	-	19,576,761,700	-
Orient Oil and Gas JSC	17,436,400,123	14,302,808,317	1,753,496,221	-
Dieu Phu Yen JSC	16,604,952,041	-	16,604,952,041	-
Tan Dinh Phong Export Import Trading and Manufacturing Co., Ltd.	12,839,699,605	-	12,839,699,605	-
Anh Thuy Petroleum Service Trading Co., Ltd.	12,047,043,901	-	12,047,043,901	-
Orient Petrochemical and Biofuels Co., Ltd.	9,996,785,688	-	10,006,785,688	-
Ninh Binh Petroleum Service and Trading Co., Ltd.	8,906,024,795	-	8,906,024,795	-
Clients of Me Kong Petroleum JSC Branch	7,839,154,020	-	7,839,154,020	-
Nam Song Hau JSC	7,799,179,244	-	7,799,179,244	-
1932 Service and Trading Construction Co., Ltd.	6,875,172,043	-	6,875,172,043	-
Huong Giang Co., Ltd.	6,315,000,000	6,315,000,000	6,315,000,000	6,315,000,000
Ngoc Tam Investment Co., Ltd	4,879,798,429	-	4,879,798,429	-
Kien Giang Petroleum JSC	4,412,890,390	-	4,412,890,390	-
Thanh Phat Transportation JSC	4,270,513,122	-	4,270,513,122	-
PetroVietnam Exploration Production Corporation	3,681,404,379	3,681,404,379	3,681,404,379	3,681,404,379
Phuong Hoang Commercial JSC	3,287,903,374	-	3,287,903,374	-
Hong Viet Petroleum Trading and Investment JSC	3,145,082,500	-	3,145,082,500	-
Blue Star Industry Co., Ltd.	2,700,000,000	2,700,000,000	2,700,000,000	2,700,000,000
Trung Nam JSC	2,516,000,000	-	2,516,000,000	-
Hung Nghiep Service and Trading Co., Ltd.	2,255,318,300	836,000,000	2,255,318,300	836,000,000
Itasco Lam Dong JSC	2,169,153,465	-	2,169,153,465	-
Mr. Do Van Truc	2,066,082,640	-	2,066,082,640	-
Others	135,016,601,879	19,363,733,525	133,855,839,965	15,303,365,063
	864,315,917,713	47,198,946,221	847,482,251,897	28,835,769,442

Vietnamese Accounting Standards as well as current prevailing regulations provide no detailed guidance on the determination of the recoverable amount of receivables. Accordingly, as at 30 June 2022, the Board of Management prudently assessed and determined the recoverable amount of receivables as follows:

- The recoverable amount of receivables without collateral is determined based on their book value less provision for doubtful debts that had been made.
- For receivables having collateral value higher than their book value, the recoverable amount is determined based on the historical cost of the receivables. For receivables having collateral valued lower than their book value, the recoverable value is determined by the book value less the total of collateral value and provision for doubtful debts.

9. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Goods in transit	580,289,397,336	-	122,371,537,818	-
Raw materials	674,005,962,894	(4,773,881,495)	452,687,455,503	(1,014,618,341)
Tools and supplies	16,376,957,554	-	12,824,858,645	-
Finished goods	120,238,412,864	-	156,837,458,917	-
Merchandise	3,960,938,769,812	(11,776,483,700)	1,831,080,811,128	(78,361,150)
Goods on consignment	-	-	3,562,515,982	-
	5,351,849,500,460	(16,550,365,195)	2,579,364,637,993	(1,092,979,491)

As at 30 June 2022, the Corporation's Board of Management assessed net realizable value of inventories and made provision with amount of VND 16,550,365,195 (as at 31 December 2021: VND 1,092,979,491) for inventories whose realizable value is lower than cost as at the interim reporting date.

During the period, the Company reversed the provision for devaluation of inventories with the amount of VND 1,092,979,491 (for the 6-month period ended 30 June 2021: VND 1,267,789,279).

10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Fixed assets operating leases	5,407,113,300	4,977,219,523
Tools and supplies	2,368,481,614	1,012,470,632
Other current prepayments	24,625,133,128	27,118,790,194
	32,400,728,042	33,108,480,349
b. Non-current		
Operating leases	434,703,471,848	423,172,265,521
Brand name and geographical location advantages (i)	327,051,016,036	263,497,684,069
Ground leveling costs	17,632,067,536	17,936,068,702
Tools and supplies awaiting allocation	21,082,262,688	23,897,816,566
Repair and maintenance expenses awaiting allocation	19,037,661,641	28,567,182,145
Other non-current prepayments	78,208,260,901	92,171,703,935
	897,714,740,650	849,242,720,938

- (i) Includes the value of brand name and land-lease-related geographical location advantages totaling VND 198,162,166,312 as at 30 June 2022 (as at 31 December 2021: VND 198,162,166,312) which was included in the enterprise valuation of Petec Trading and Investment Corporation ("PETEC" – a subsidiary of the Corporation) when being equitized on 18 May 2011.

11. VALUE ADDED TAX DEDUCTIBLES

Value added tax deductibles of the Corporation as at 30 June 2022 represent the portion of the input value added tax of the Corporation that has not been deducted. The deduction of this tax portion in the subsequent period will be subject to the declaration of the Corporation, the inspection and approval of the local tax authorities.

12. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Payable during the period	Deductible/paid during the period	Closing balance
	VND	VND	VND	VND
Tax receivables	105,069,296,173	6,857,610,920	30,443,774,737	128,655,459,990
Value added tax on domestic goods	249,547,293	2,312,554,207	3,541,376,472	1,478,369,558
Special consumption tax	88,804,812,029	-	23,697,717,076	112,502,529,105
Corporate income tax	14,132,291,752	141,903,230	-	13,990,388,522
Personal income tax	483,099,004	740,806,751	507,231,913	249,524,166
Land & housing tax	1,398,546,047	3,598,346,732	2,633,392,709	433,592,024
Other taxes	1,000,048	64,000,000	64,056,567	1,056,615
	105,069,296,173	6,857,610,920	30,443,774,737	128,655,459,990
Tax payables	1,073,927,390,784	6,075,609,852,492	6,496,228,432,686	653,308,810,590
Value added tax on domestic goods	103,471,084,964	721,651,135,262	801,864,178,801	23,258,041,425
Value added tax on imported goods	-	567,007,105,583	567,007,105,583	-
Export and import duties	-	1,075,784,276,770	1,028,924,555,230	46,859,721,540
Corporate income tax	54,452,435,316	139,819,911,496	101,047,960,254	93,224,386,558
Personal income tax	5,039,042,747	17,644,245,912	17,985,778,197	4,697,510,462
Natural resource tax	41,250,000	263,780,000	234,410,000	70,620,000
Land & housing tax	78,000,000	23,784,199,858	11,349,597,192	12,512,602,666
Business license tax	-	503,590,665	503,590,665	-
Other taxes	910,845,577,757	3,529,151,606,946	3,967,311,256,764	472,685,927,939
Other payables	410,545,867	6,811,682,255	6,588,328,255	633,899,867
Charges and fees	410,545,867	6,811,682,255	6,588,328,255	633,899,867
	1,074,337,936,651	6,082,421,534,747	6,502,816,760,941	653,942,710,457

In which: details of the receivables/payables to the foreign tax authority are as follows:

Tax receivables	-	-	-	-
Tax payables	4,775,761,858	1,574,523,654,288	1,524,164,905,056	55,134,511,090

PETROVIETNAM OIL CORPORATION
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09a-DN/HN

13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles, transmission equipment	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	4,470,182,448,810	1,387,458,263,865	462,708,406,765	105,785,739,856	42,374,019,208	6,468,508,878,504
Additions	18,574,323,113	9,305,299,558	13,097,889,332	596,454,518	240,363,545	41,814,330,066
Transfer from construction in progress	9,364,933,658	3,614,551,411	1,377,669,634	-	-	14,357,154,703
Reclassification	-	1,505,000,000	(1,505,000,000)	-	-	-
Disposals	(6,742,425,103)	(4,571,895,803)	(2,115,173,019)	-	-	(13,429,493,925)
Difference due to financial statements conversion	(22,632,658,055)	(18,238,810,376)	(4,225,745,433)	(2,339,853,794)	(1,413,674,134)	(48,850,741,792)
Other increases/(decreases)	2,751,465,568	1,546,343,708	(630,385,923)	(1,062,072,772)	(963,121,393)	1,642,229,188
Closing balance	4,471,498,087,991	1,380,618,752,363	468,707,661,356	102,980,267,808	40,237,587,226	6,464,042,356,744
ACCUMULATED DEPRECIATION						
Opening balance	2,797,401,742,420	1,040,723,583,487	355,681,989,909	83,735,923,631	37,923,645,074	4,315,466,884,521
Charge for the period	101,286,728,134	36,826,602,640	10,042,072,542	2,911,817,052	760,322,631	151,827,542,999
Reclassification	-	1,505,000,000	(1,505,000,000)	-	-	-
Disposals	(3,962,361,959)	(4,563,167,223)	(1,974,592,568)	-	-	(10,500,121,750)
Difference due to financial statements conversion	(18,550,090,335)	(15,694,360,679)	(4,198,082,496)	(2,302,307,752)	(1,332,766,182)	(42,077,607,444)
Other increases/(decreases)	(5,561,852,959)	(315,119,234)	5,076,694,670	(769,736,577)	911,304,911	(658,709,189)
Closing balance	2,870,614,165,301	1,058,482,538,991	363,123,082,057	83,575,696,354	38,262,506,434	4,414,057,989,137
NET BOOK VALUE						
Opening balance	1,672,780,706,390	346,734,680,378	107,026,416,856	22,049,816,225	4,450,374,134	2,153,041,993,983
Closing balance	1,600,883,922,690	322,136,213,372	105,584,579,299	19,404,571,454	1,975,080,792	2,049,984,367,607

The cost of the Corporation's tangible fixed assets as at 30 June 2022 includes about VND 782,619,176,915 (as at 31 December 2021: VND 742,665,035,218) of assets that have been fully depreciated but are still in use.

As stated in Notes 23 and 26, the carrying amount of assets used as collateral for loans was VND 258,331,423,768 as at 30 June 2022 (as at 31 December 2021: VND 341,775,722,390).

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Others VND	Total VND
COST				
Opening balance	1,756,898,120,276	103,474,437,562	1,373,735,751	1,861,746,293,589
Additions	57,676,000,000	180,000,000	-	57,856,000,000
Transfer from construction in progress	12,082,528,080	1,175,805,455	-	13,258,333,535
Disposals	(125,819,914)	-	-	(125,819,914)
Difference due to financial statements conversion	(7,788,849,544)	-	-	(7,788,849,544)
Other increases/(decreases)	(51,537,539,022)	68,547,103	-	(51,468,991,919)
Closing balance	1,767,204,439,876	104,898,790,120	1,373,735,751	1,873,476,965,747
ACCUMULATED AMORTISATION				
Opening balance	202,128,465,473	65,847,601,115	1,130,797,242	269,106,863,830
Charge for the period	13,243,723,502	3,140,563,329	13,616,439	16,397,903,270
Disposals	(23,704,980)	-	-	(23,704,980)
Other increases/(decreases)	(2,029,256,797)	22,419,810	-	(2,006,836,987)
Closing balance	213,319,227,198	69,010,584,254	1,144,413,681	283,474,225,133
NET BOOK VALUE				
Opening balance	1,554,769,654,803	37,626,836,447	242,938,509	1,592,639,429,759
Closing balance	1,553,885,212,678	35,888,205,866	229,322,070	1,590,002,740,614

As stated in Note 23 and Note 26, as at 30 June 2022, the Corporation and subsidiaries' land use rights whose net book value amounted to VND 195,687,787,470 are used to secure bank loans (as at 31 December 2021: VND 105,148,890,701).

The cost of the Corporation's intangible fixed assets as at 30 June 2022 includes about VND 17,448,493,385 (as at 31 December 2021: VND 17,324,093,385) of assets that have been fully amortised but are still in use.

As at 30 June 2022, below are the land plots whose land use rights either have not been granted/transferred to Saigon Petroleum Joint Stock Company ("PVOIL Saigon" - a subsidiary of the Corporation) or expired but not yet extended:

Order	Land name	Location	Owner	Cost as at 30/6/2022	Note
				VND	
1	Petrol Station 5	Tan Binh 1, Long Phu, Long My, Hau Land use right not yet granted Giang Province		334,915,334	The total area of the lots is 1,154.5 m ² . PV Oil Saigon has filed for land use right certificate for the area of 854.5 m ² , the remaining area of 300 m ² is within the scope of the waterway safety corridor for which no land use rights shall be granted and 30.4 m ² is land for perennial crops.
2	Petrol Station 40	Nang Ren, Phu Loc, Thach Tri, Soc Trang Province	Sai Gon Petroleum Enterprise	1,918,019,831	Land use rights under the name of Sai Gon Petroleum Enterprise (former name of PVOIL Saigon).
3	Petrol Station 63	5/4, 1B, Ben Luc, Long An Province	Mr. Nguyen Van Chung	384,695,116	The total area of the plot is 1,632 m ² , of which only 300 m ² of residential land and 200 m ² of paddy land have not been transferred to PV Oil Saigon. Petro station operates on 1,132 m ² of business land whose use right has been transferred to PV Oil Saigon.
4	Land plot in Can Gio District	Ho Chi Minh City	Sai Gon Petroleum Enterprise	14,950,957,950	Land use rights under the former name of PVOIL Saigon. PVOIL Saigon has filed for renewal of such land use right.
5	Land plot in Ba Lang District	Can Tho	Ms. Hoang Hai Ha	10,592,491,299	PV Oil Saigon has not completed the procedures to change land use purpose. The total area of the plot is 2,011.8 m ² . Of which, 618.3 m ² including 300 m ² of residential land and 318.3 m ² of business land has been registered under PV Oil Saigon's name in the land use right certificate.
6	Petrol Station 31	Highway 38, Thao Lang, Vinh Thanh, Bac Lieu Town, Bac Lieu Province		1,521,855,500	Land use rights expired in December 2016 and not yet extended.
				29,702,935,030	

15. INCREASES, DECREASES IN INVESTMENT PROPERTIES

	Buildings and structures VND	Others VND	Total VND
COST			
Opening balance	138,543,596,361	771,255,889	139,314,852,250
Closing balance	138,543,596,361	771,255,889	139,314,852,250
ACCUMULATED DEPRECIATION			
Opening balance	30,000,023,748	771,255,889	30,771,279,637
Charge for the period	1,911,041,356	-	1,911,041,356
Closing balance	31,911,065,104	771,255,889	32,682,320,993
NET BOOK VALUE			
Opening balance	108,543,572,613	-	108,543,572,613
Closing balance	106,632,531,257	-	106,632,531,257

During the period, the amount that the Corporation earned from the lease of investment properties (all of the investment properties were leased under operating lease contracts) was VND 18,864,702,928 (for the 6-month period ended 30 June 2021: VND 17,122,247,035). Directly attributable cost of operating activities arising from investment properties in the period was VND 11,299,987,187 (for the 6-month period ended 30 June 2021: VND 7,811,501,962).

The cost of the investment properties as at 30 June 2022 includes properties that have been fully depreciated but are still under leases with an amount of VND 886,142,245 (as at 31 December 2021: VND 886,142,245).

According to Vietnamese Accounting Standard No. 05 - *Investment Properties*, the fair value of the investment property as at 30 June 2022 should be disclosed. However, the Corporation has not determined this fair value so the investment property' fair value as at 30 June 2022 is not presented in the notes to the interim consolidated financial statements. To determine this investment property' fair value, the Corporation will have to hire an independent consulting firm. Currently, the Corporation has not found suitable consulting company to carry out this work.

16. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Cai Mep Petroleum Terminal in Ba Ria-Vung Tau Province (i)	56,164,171,321	56,164,171,321
Construction of petrol stations	35,784,894,912	29,282,481,081
RON95 gasoline tank at Quang Ngai warehouse	11,621,455,918	2,217,630,197
Repairing and replacing buoy anchor chains at Cu Lao Tao petroleum depot Project	10,516,389,953	-
Hop Thinh - Ky Son Petrol entrepot, Hoa Binh province (ii)	5,683,769,124	5,683,769,124
Other constructions	11,125,997,052	15,638,751,314
	130,896,678,280	108,986,803,037

- (i) Represent the ground leveling value of phase 02 of Cai Mep Petroleum Terminal in Ba Ria-Vung Tau Province. As at 30 June 2022, Petec Trading and Investment Corporation ("PETEC" – a subsidiary of the Corporation) has suspended the implementation of this project and is awaiting Vietnam Oil and Gas Group's decision on whether or not to continue to implement this project in the coming time.

- (ii) As at 30 June 2022, Phu Tho Petroleum JSC ("PV Oil Phu Tho" - a subsidiary of the Corporation) has ended the continued implementation of this project according to Decision No. 46/QĐ-SKHDT dated 23 April 2021 of Hoa Binh Department of Planning and Investment and as at 22 June 2021, PV Oil Phu Tho with Petro Binh Minh and People's Committee of Thinh Minh Commune, Hoa Binh City, Hoa Binh Province to hand over land in the field.

17. INVESTMENTS IN ASSOCIATES, JOINT VENTURES

a. Investments in associates

	Current period	Prior period
	VND	VND
Opening balance	624,998,871,670	668,958,734,421
Profit incurred in the period	6,958,480,962	14,796,038,249
Dividend received in the period	(13,756,895,000)	(6,075,606,000)
Fund distribution and other adjustments in the period	(6,755,185,337)	(6,329,873,054)
(Loss) arising from the decrease in ownership rate in the associate in the period	-	(5,209,971,660)
Closing balance (*)	611,445,272,295	666,139,321,956

- (*) As at 30 June 2022, the Corporation's investment in PetroVietnam Biofuels Joint Stock Company (an associate of the Corporation) was reported in the interim consolidated financial statements using the equity method of accounting with the amounts of VND 272,915,527,557 (as at 31 December 2021: VND 272,915,527,557). According to Notice No. 385/TB-VPCP dated 02 October 2018 of the Government Office, the dissolution and bankruptcy plan for Phu Tho Biofuel Plant Project was proposed for consideration in accordance with legal regulations. On 24 October 2018, the Board of Directors sent a document to the Vietnam Oil and Gas Group to implement the bankruptcy plan of PetroVietnam Biofuel Joint Stock Company. On 10 December 2018, the Corporation sent Official Letter No. 211/DVN-TCKT to the PVN to propose the redetermination of this investment to nil (VND 0) when finalizing equitization, and that in the course of implementing the bankruptcy procedure, any recovery from assets liquidation at Phu Tho Biofuel Plant will be fully transferred to the Enterprise Support and Arrangement Fund. This matter has been submitted by the PVN to the Committee for Management of State Capital at Enterprises under Official Letter No. 3540/DKVN-HDTV dated 01 July 2019 on rearrangement, handling of houses and land and solution for difficulties in equitization of PVOIL. At the date of these interim consolidated financial statements, the Corporation has not yet received any response from Vietnam Oil and Gas Group, Committee for Management of State Capital at Enterprises or any other competent authorities on the implementation of the bankruptcy plan for PetroVietnam Biofuel Joint Stock Company.

Summarized financial information of the Corporation's associates is as follows:

	Closing balance	Opening balance
	VND	VND
Total assets	5,131,847,448,415	5,148,338,862,279
Total liabilities	4,095,560,565,966	3,973,252,402,563
Net assets	1,036,286,882,449	1,175,086,459,716
The Corporation's share of net assets of associates	611,445,272,295	624,998,871,670
	Current period	Prior period
	VND	VND
Revenue	5,460,342,393,545	5,470,133,490,982
(Loss) after tax	(76,720,573,488)	(9,573,329,829)
The Corporation's share of profit after tax of associates	6,958,480,962	14,796,038,249

b. Investments in joint ventures

	Current period VND	Prior period VND
Opening balance	83,440,461,516	38,639,257,647
Profit incurred in the period	10,732,562,612	29,903,476,365
Fund distribution and other adjustments in the period	1,372,879,365	765,190,148
Closing balance	95,545,903,493	69,307,924,160

Summarized financial information of the joint ventures of the Company is as follows:

	Closing balance VND	Opening balance VND
Total assets	2,631,034,352,327	2,322,976,531,396
Total liabilities	3,189,870,035,728	2,883,019,018,307
Net assets	(558,835,683,401)	(560,042,486,911)
The Corporation's share of net assets of joint ventures	95,545,903,493	83,440,461,516

	Current period VND	Prior period VND
Revenue	1,870,339,828,234	1,728,873,913,985
(Loss)/profit after tax	(7,955,952,289)	36,716,907,497
The Corporation's share of profit after tax of joint ventures	10,732,562,612	29,903,476,365

18. EQUITY INVESTMENTS IN OTHER ENTITIES

	Closing balance VND	Opening balance VND
Ca Mau Trading JSC	47,428,070,134	47,556,518,371
Green Indochina Development JSC	7,263,016,037	7,263,016,037
Indochina Petroleum Transportation JSC (i)	9,753,141,763	9,753,141,763
Lam Kinh Hotel JSC	10,549,395,047	10,549,395,047
Au Lac JSC	26,482,144,914	26,482,144,914
Sai Gon Fuel JSC	4,736,610,000	4,736,610,000
Viet Tin Transportation JSC	7,000,000,000	7,000,000,000
Other long-term investments	5,638,738,529	5,638,738,529
	118,851,116,424	118,979,564,661
Provision for impairment of long-term investments	(28,837,891,625)	(26,088,349,230)
	90,013,224,799	92,891,215,431

- (i) During the period, the Corporation made a public offering of all 1,000,000 shares in Indochina Petroleum Transport JSC according to the Registration Certificate of Offering No. 122/GCN-UBCK issued by the Chairman of the State Securities Commission on 11 May 2022. According to Notice No. 1166/SGDHCM-NY dated 05 July 2022 of the Ho Chi Minh City Stock Exchange (HOSE), the Corporation has successfully offered and transferred all of the above shares.

As at the date of interim consolidated financial statements, the Corporation's Board of Management has not yet obtained information to determine the fair value of shares of these companies. Hence, the fair value of these investments as at 30 June 2022 has not been presented in the Notes to the interim consolidated financial statements.

19. GOODWILL

	Amount VND
COST	
Opening balance	226,918,247,290
Reclassification	(3,274,100,000)
Closing balance	<u>223,644,147,290</u>
ACCUMULATED AMORTISATION	
Opening balance	220,809,820,285
Charge for the period	737,476,559
Closing balance	<u>221,547,296,844</u>
CARRYING AMOUNT	
Opening balance	<u>6,108,427,005</u>
Closing balance	<u>2,096,850,446</u>

20. SHORT-TERM TRADE PAYABLES

	Closing balance Amount able to be paid off VND	Opening balance Amount able to be paid off VND
Binh Son Refining and Petrochemical JSC	2,935,173,725,459	2,365,350,973,092
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	3,890,919,985,409	1,806,200,083,832
Vitol Asia Pte Ltd	941,057,397,412	-
PetroVietnam Exploration Production Corporation	910,234,664,341	111,922,794,103
BCC Contract No. 13/2021/PVGAS/TT-PVOIL/D4 (i)	881,441,436,709	365,782,587,556
PetroVietnam Transportation Joint Stock Corporation	86,775,737,615	47,420,381,577
PetroVietnam Gas Joint Stock Corporation	4,254,881,291	4,127,817,392
Brunei Shell Petroleum Company Sdn Bhd	-	495,227,255,954
Premier Oil Vietnam Offshore B.V	-	263,368,204,760
Santos Petroleum Ventures B.V	-	158,020,069,499
Gazprom EP International B.V	-	83,374,458,284
Others	677,035,589,582	698,229,481,465
	<u>10,326,893,417,818</u>	<u>6,399,024,107,514</u>

In which: Short-term trade payables to related parties 7,851,001,070,658 7,851,001,070,658 4,352,810,652,946 4,352,810,652,946
(Details stated in Note 42)

- (i) Represents the payable for purchase base gasoline RON91 related to Business Cooperation Contract No. 13/2021/PVGAS/TT-PVOIL/D4 dated 21 January 2021 between the Corporation and PetroVietnam Gas Joint Stock Corporation ("PVGAS").

21. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accruals for purchasing goods, fixed assets	41,572,972,385	8,296,731,600
Accruals for transportation	16,714,083,814	1,916,419,330
Accruals for repair and maintenance	13,009,508,163	2,696,748,119
Accruals for oil products	5,145,105,924	1,687,418,143
Accruals for trademark expenses	5,025,000,000	2,500,000,000
Accruals for operating leases	3,659,557,400	1,104,000,000
Interest expense	12,822,098,709	7,345,113,135
Other accruals	86,666,386,312	23,143,269,510
	184,614,712,707	48,689,699,837
<i>In which: Short-term accrued to related parties (Details stated in Note 42)</i>	<i>16,812,990,933</i>	<i>10,338,043,389</i>

22. OTHER CURRENT PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Collection and payment on behalf relating to entrusted crude oil exports	6,250,699,518,822	3,816,547,115,093
Collection and payment on behalf relating to entrusted oil import	228,119,920,862	228,409,628
Collection and payment on behalf relating to crude oil export duty	876,713,244	54,774,371,679
Payable on equitization (i)	5,078,241,760	5,078,241,760
Payable for proceeds from sale of shares (ii)	6,508,956,732	6,508,956,732
Other payables	96,975,858,110	34,489,159,984
	6,588,259,209,530	3,917,626,254,876
<i>In which: Other current payables to related parties (Details stated in Note 42)</i>	<i>2,830,038,794,934</i>	<i>1,836,172,573,859</i>

- (i) Represents payables relating to equitization which is the excess of enterprise value over the designated charter capital of the Corporation after equitization of VND 10,342,295,000,000 under Decision No. 1979/QĐ-TTg dated 08 December 2017 of the Prime Minister. This amount might be subject to changes when there is final approval from the competent authorities.
- (ii) Represents the proceeds from initial public offering (IPO) and the payable amount to the owners regarding this IPO. The proceeds from this equitization will be finalized and might be subject to changes upon final approval by the competent authorities.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

23. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount able to be				Amount able to be	
	Amount	paid off	Increases	Decreases	Amount	paid off
	VND	VND	VND	VND	VND	VND
Short-term loans	4,606,439,015,665	4,606,439,015,665	12,250,751,206,878	12,530,773,504,727	4,326,416,717,816	4,326,416,717,816
Current portion of long-term loans	27,131,998,226	27,131,998,226	51,915,671,308	60,909,693,834	18,137,975,700	18,137,975,700
(Note 26)						
Current portion of long-term obligations under finance leases	-	-	464,293,446	264,097,818	200,195,628	200,195,628
(Note 26)						
	4,633,571,013,891	4,633,571,013,891	12,303,131,171,632	12,591,947,296,379	4,344,754,889,144	4,344,754,889,144

Short-term loans and obligations under finance leases represent facilities obtained from banks and individuals to supplement working capital of the Corporation and its subsidiaries. Bank loans might be withdrawn in Vietnam Dong, Laotian Kip or United States Dollar based on each credit limit as contracted with banks. Such loans bear fixed interest rates that are stated in each loan acknowledgement ranging from 1.2% p.a to 3% p.a (as at 31 December 2021: from 2.6% p.a. to 3% p.a.) as for the US dollar, ranging from 2.7% p.a. to 9.5% p.a. (as at 31 December 2021: from 1.75% p.a. to 9.5% p.a) as for Vietnam Dong and 8% p.a. as for Laotian Kip (as at 31 December 2021: from 7.2% p.a. to 8% p.a.).

Details of short-term loans and obligations under finance leases by currency are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Loans in VND	4,120,591,707,181	4,293,539,371,743
Loans in LAK	221,238,441,963	292,713,309,922
Loans in USD	2,924,740,000	20,186,334,000
	<u>4,344,754,889,144</u>	<u>4,606,439,015,665</u>

Details of short-term loans and obligations under finance leases by type of guarantee are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Unsecured loans	4,108,619,849,211	4,248,244,554,436
Secured loans	236,135,039,933	358,194,461,229
	<u>4,344,754,889,144</u>	<u>4,606,439,015,665</u>

24. SHORT-TERM PROVISIONS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Provision fund for environmental risks and damage compensation	58,209,566,870	44,737,637,099
Other current provisions	-	1,715,816,472
	<u>58,209,566,870</u>	<u>46,453,453,571</u>

25. PRICE STABILISATION FUND

	<u>Current period</u>	<u>Prior year</u>
	VND	VND
Opening balance	(776,690,178,255)	438,962,299,436
Appropriation to the fund	137,863,833,100	2,972,306,000
Interest incurred	-	155,094,806
Utilization in the period	(460,023,710,290)	(1,049,680,611,498)
Interest on negative balance of Price Stabilisation Fund	(277,695,052)	-
Closing balance	<u>(1,099,127,750,497)</u>	<u>(607,590,911,256)</u>

In which:

Amount transferred to the bank deposits	-	-
Amount remained outstanding	(1,099,127,750,497)	(607,590,911,256)

Appropriation and utilization of the Price Stabilization Fund comply with the regulations of the Ministry of Finance from time to time (as presented in Note 3 - Summary of Significant Accounting Policies, "Price Stabilization Fund" item). In the period, the Corporation appropriated to and utilized the fund in accordance with prevailing current regulations. Handling of any difference (if any) between the appropriation and utilization of the fund will comply with the guidance of the Ministry of Finance in the coming time.

26. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
a. Long-term loans (i)	130,002,625,663	130,002,625,663	61,591,071,308	112,825,365,342	78,768,331,629	78,768,331,629
In which:						
Amount due for settlement within 12 months	27,131,998,226	27,131,998,226	51,915,671,308	60,909,693,834	18,137,975,700	18,137,975,700
(Note 23)						
Amount due for settlement after 12 months	102,870,627,437	102,870,627,437	9,675,400,000	51,915,671,508	60,630,355,929	60,630,355,929
b. Long-term obligations under finance leases (ii)	1,448,688,297	1,448,688,297	464,293,446	728,391,264	1,184,590,479	1,184,590,479
In which:						
Amount due for settlement within 12 months	-	-	464,293,446	264,097,818	200,195,628	200,195,628
(Note 23)						
Amount due for settlement after 12 months	1,448,688,297	1,448,688,297	-	464,293,446	984,394,851	984,394,851
Long-term loans and obligation under finance leases	104,319,315,734	104,319,315,734	9,675,400,000	52,379,964,954	61,614,750,780	61,614,750,780
Amount due for settlement within 12 months	27,131,998,226	27,131,998,226	52,379,964,754	61,173,791,652	18,338,171,328	18,338,171,328
(Note 23)						
	131,451,313,960	131,451,313,960	62,055,364,754	113,553,756,606	79,952,922,108	79,952,922,108

Details of long-term loans and obligations under finance leases are as follows:

- (i) The long-term loans to finance petroleum storage extension projects implemented by the Corporation and its subsidiaries. The long-term loans bear interest rates ranging from 6% p.a. to 11% p.a. (as at 31 December 2021: from 6% p.a. to 11% p.a.) for loans in Vietnam Dong. These loans are secured by: (i) assets formed from the Vung Ang depot project and other fixed assets; (ii) assets formed from Nam Dinh transit warehouse project, Land use rights of Giao Thuy petrol station, land use rights of Nhan Chinh petrol stations; (iii) assets of Thanh Quang petrol station; (iv) construction of Phu Tho petroleum storage and (v) land use rights, assets on land and other fixed assets.

- (ii) Long-term financial leasing debt include a loan with term of 36 months of Saigon Petroleum JSC and a loan with term of 48 months of PETEC Trading and Investment Corporation from Vietcombank Financial Leasing Co., Ltd, interest rates as agreed in the the financial lease contract.

Details of long-term loans and obligations under finance leases by type of guarantee are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Unsecured loans	11,320,394,851	7,897,000,000
Secured loans	68,632,527,257	123,554,313,960
	<u>79,952,922,108</u>	<u>131,451,313,960</u>

Details of long-term loans and obligations under finance leases by type of interest rates are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Loans and obligations under finance leases at floating interest rate	24,087,137,164	12,952,312,118
Loans and obligations under finance leases at fixed interest rate	55,865,784,944	118,499,001,842
	<u>79,952,922,108</u>	<u>131,451,313,960</u>

Long-term loans and obligation under finance leases are repayable as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
On demand or within one year	18,338,171,328	27,131,998,226
In the second year	16,575,263,022	34,592,838,649
In the third to fifth year inclusive	32,961,470,578	56,440,734,014
After five years	12,078,017,180	13,285,743,071
	<u>79,952,922,108</u>	<u>131,451,313,960</u>
Less: Amount due for settlement within 12 months (shown under Current portion of long-term loans and obligation under finance leases - Note 23)	18,338,171,328	27,131,998,226
Amount due for settlement after 12 months	<u>61,614,750,780</u>	<u>104,319,315,734</u>

27. DEFERRED TAX LIABILITIES

The following are deferred tax liabilities recognized in the interim consolidated balance sheet as at the balance sheet date and deferred tax income recognized in the interim consolidated income statement.

Deferred tax liabilities

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Corporate income tax rate used for determination of deferred tax liabilities	20%	20%
Deferred tax liabilities arising from taxable temporary differences	148,287,141,369	130,346,505,498
Deferred tax liabilities	<u>148,287,141,369</u>	<u>130,346,505,498</u>
Transfer into current period's profit and loss	6,112,028,600	(8,008,857,385)

28. OWNERS' EQUITY

Movement in owners' equity:

	Owners' contributed capital	Asset revaluation reserve	Investment and development fund	Other reserves	Foreign exchange reserve	Retained earning/accumulated (losses)	Construction investment fund	Other owners' capital	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
For the 6-month period ended 30 June 2021										
Opening balance	10,342,295,000,000	(167,017,350,614)	206,532,733,644	(10,231,885,928)	10,658,454,084	(898,817,340,742)	5,959,092,576	(1,782,841,473)	1,078,259,173,369	10,565,855,034,916
Profit in the period	-	-	-	-	-	464,615,919,743	-	-	-	464,615,919,743
Funds distribution in the period	-	-	7,206,810,122	-	-	(24,866,467,335)	-	-	-	(17,659,657,213)
Profit attributable to non-controlling shareholders	-	-	-	-	-	(103,301,939,928)	-	-	103,301,939,928	-
Adjustment for non-controlling interest	-	-	(2,384,409,684)	-	-	8,878,374,310	-	-	(8,586,524,568)	-
Difference due to financial statements conversion	-	-	-	-	2,092,559,942	-	-	-	-	(8,231,638,255)
Increase the capital of the subsidiaries by dividends	-	-	-	-	(8,231,638,255)	(2,765,183,252)	-	20,750,643,335	1,354,000,762	19,339,460,845
Dividend distribution	-	-	-	-	-	-	-	-	(12,700,733,458)	(12,700,733,458)
Others	-	-	5,252,061	-	-	6,947,624,196	-	-	(4,312,846,541)	2,640,029,716
Closing balance	10,342,295,000,000	(167,017,350,614)	211,360,386,143	(10,231,885,928)	4,519,375,771	(549,309,013,008)	5,959,092,576	18,967,801,862	1,157,315,009,492	11,013,858,416,294

For the 6-month period ended 30 June 2022

	Owners' contributed capital	Asset revaluation reserve	Investment and development fund	Other reserves	Foreign exchange reserve	Retained earning/accumulated (losses)	Construction investment fund	Other owners' capital	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
For the 6-month period ended 30 June 2022										
Opening balance	10,342,295,000,000	(163,981,446,150)	211,457,940,243	19,805,997,473	(21,113,618,263)	(401,912,043,108)	5,326,859,943	18,967,801,779	1,174,295,342,932	11,185,141,834,849
Profit in the period	-	-	-	-	-	804,752,798,251	-	-	-	804,752,798,251
Funds distribution is not under of owner's equity	-	-	-	-	-	(32,603,387,305)	-	-	-	(32,603,387,305)
Funds distribution is under of owner's equity	-	-	16,495,210,472	-	-	(20,212,254,745)	-	-	-	(3,717,044,273)
Reclassification between non-controlling shareholders and Holding company	-	-	-	-	-	(7,879,439,141)	-	-	7,879,439,141	-
Reclassification between funds	-	-	5,326,859,943	-	-	-	(5,326,859,943)	-	-	-
Profit attributable to non-controlling shareholders	-	-	-	-	-	(171,519,644,688)	-	-	171,519,644,688	-
Adjustment for non-controlling interest	-	-	(5,692,620,471)	-	(1,461,090,587)	17,011,977,729	-	-	(9,858,266,671)	-
Difference due to financial statements conversion	-	-	-	-	(4,870,783,121)	-	-	-	-	(4,870,783,121)
Adjustment due to changes in the proportion of ownership in subsidiaries	-	-	-	-	-	(356,934,195)	-	-	(5,412,772,555)	(5,769,706,750)
Dividend distribution	-	-	-	-	-	-	-	-	(12,516,917,277)	(12,516,917,277)
Others	-	-	342,390,810	633,440,100	-	(6,273,979,635)	-	-	(2,341,486,833)	(7,639,635,558)
Closing balance	10,342,295,000,000	(163,981,446,150)	227,929,780,997	20,439,437,573	(27,445,491,971)	181,007,093,163	-	18,967,801,779	1,323,564,983,425	11,922,777,158,816

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares issued to the public	200,445,036	200,445,036
<i>Ordinary shares</i>	<i>200,445,036</i>	<i>200,445,036</i>
Number of outstanding shares in circulation	1,034,229,500	1,034,229,500
<i>Ordinary shares</i>	<i>1,034,229,500</i>	<i>1,034,229,500</i>

Ordinary shares have par value of VND 10,000/share.

Charter capital

According to the 17th Business Registration Certificate dated 01 August 2018, the charter capital of the Corporation after transformation into a joint stock company is VND 10,342,295,000,000. As at 30 June 2022, the charter capital was fully contributed by shareholders as follows:

	<u>Quantity</u>	<u>Proportion</u>	<u>Paid-in capital</u>
	<u>Share</u>	<u>%</u>	<u>VND</u>
Vietnam Oil and Gas Group	832,803,564	80.52%	8,328,035,640,000
Other shareholders	201,425,936	19.48%	2,014,259,360,000
	1,034,229,500	100%	10,342,295,000,000

Dividends

According to Resolution No. 12/NQ-DHDCD dated 28 April 2022, the General Meeting of Shareholders of the Corporation has approved the cash dividend payment plan at the rate of 350 VND/share from profit after tax in 2021. Implementing the above Resolution No. 12/NQ-DHDCD, the Board of Directors of the Corporation issued the Resolution No. 58/NQ-DVN dated 05 July 2022 on approving the dividend payment plan in 2021 in cash with the rate of 350 VND/share, accordingly to which the dividend payment date is 10 August 2022.

29. NON-CONTROLLING INTERESTS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Owners' contributed capital	1,072,762,432,564	1,077,895,869,664
Share premium	22,444,504,530	22,444,504,530
Foreign exchange differences	(7,270,184,764)	(8,731,275,350)
Investment and development fund	134,867,384,064	127,697,912,715
Retained earnings/accumulated (losses)	100,760,847,031	(47,099,382,003)
Construction investment fund	-	2,087,713,376
	1,323,564,983,425	1,174,295,342,932

30. OFF BALANCE SHEET ITEMS

Operating lease assets

At the interim consolidated balance sheet date, the Corporation, as a lessee, entered into an irrevocable operating lease with the total amount of office rental paid to PetroVietnam General Services Joint Stock Corporation for the total leased area of 3,459.11m² at No. 1-5 Le Duan, District 1, Ho Chi Minh City with rental price of VND 70,622,316/m²/month (Note 10). The office lease was signed for periods of 50 years from 10 January 2010 for area of 2,952.67m² and 48 years from 24 July 2012 for area of 506.44m². The entire office rentals excluding VAT that have been paid was VND 244,290,357,799.

	Unit	Closing balance	Opening balance
1. Goods held under trust or for processing			
- Petroleum M95	Litter	12,489,794	38,525,490
- Petroleum M92	Litter	17,973,547	20,790,629
- Petroleum E5	Litter	5,006,902	2,656,503
- Petroleum DO 0.05%	Litter	75,486,322	71,366,947
- Petroleum FO	Kg	10,398,960	365,520
- Jet A1	Kg	5,894,871	8,907,489
- Naphtha	Litter	1,973,646	-
- Petroleum E100	Litter	29,883	135,025
- Solvent	Litter	78,316	112,550
2. Foreign currencies			
- US Dollars (USD)	USD	11,170,013	34,903,215
- Euro (EUR)	EUR	326	331
- Singapore Dollars (SGD)	SGD	224,171	173,774
- Lao KIP (KIP)	KIP	32,226,461,208	26,089,044,869
- Thai Bath (THB)	THB	1,258,826	1,007,307

31. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

The Corporation does not prepare a report by business segment since its activities mainly include import-export and trade of crude oil and petroleum activities.

Geographical segments

The Corporation is operating in both domestic and international regions.

Below is an analysis of the Corporation's revenue by geographical segment regardless of country of origin of goods and services.

	Current period VND	Prior period VND
Domestic	38,937,657,714,464	17,088,634,301,480
International	14,717,688,135,913	8,099,917,322,477
	53,655,345,850,377	25,188,551,623,957

Below is an analysis of the net book value and increases in tangible fixed assets and intangible assets by geographical location of such assets.

	Net book value of segment assets		Increase in Tangible/Intangible assets	
	Closing balance VND	Opening balance VND	Current period VND	Prior period VND
Domestic	3,589,283,238,610	3,676,187,701,932	128,679,792,974	140,452,474,586
International	50,703,869,611	69,493,721,810	248,254,518	185,510,823
	3,639,987,108,221	3,745,681,423,742	128,928,047,492	140,637,985,409

32. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current period VND	Prior period VND
Sales of goods sold and service rendered	53,661,788,860,972	25,193,425,395,700
- Sales of goods sold	53,408,713,027,070	24,980,159,081,444
- Sales of services rendered and other activities	201,311,640,214	158,574,443,318
- Sales of entrusted crude oil exports	51,764,193,688	54,691,870,938
Deductions	(6,443,010,595)	(4,873,771,743)
- Sales discount	(6,443,010,595)	(4,873,771,743)
Net sales of goods sold and service rendered	53,655,345,850,377	25,188,551,623,957
<i>In which: Revenue from related parties (Details stated in Note 42)</i>	<i>10,779,630,845,054</i>	<i>2,425,825,896,553</i>

33. COST OF GOODS SOLD AND SERVICES RENDERED

	Current period VND	Prior period VND
Cost of goods sold	51,067,841,795,403	23,505,811,061,090
Cost of services rendered	91,956,418,249	76,881,690,929
Provision/(Reversal) for the devaluation of inventory	15,457,385,704	(481,035,955)
	51,175,255,599,356	23,582,211,716,064

34. PRODUCTION COST BY NATURE

	Current period VND	Prior period VND
Raw materials and consumables	5,159,974,262,936	1,593,328,001,626
Labour	638,878,018,304	548,963,980,502
Depreciation and amortisation fixed assets and investment properties	170,272,275,551	174,834,619,405
Out-sourced services	474,686,376,009	371,848,385,729
Other monetary expenses	343,009,659,735	247,771,275,767
	6,786,820,592,535	2,936,746,263,029

35. FINANCIAL INCOME

	Current period VND	Prior period VND
Bank interest	213,415,407,487	189,084,636,266
Foreign exchange gain	50,061,389,295	12,699,439,562
Interest on liquidation of investments	-	2,405,480,000
Dividends received	80,000	68,970,000
Interest on credit sales	210,839,077	826,838,201
Other financial income	2,625,921,678	1,910,798,276
	266,313,637,537	206,996,162,305

36. FINANCIAL EXPENSES

	Current period VND	Prior period VND
Interest expense	94,817,406,336	69,696,755,681
Foreign exchange loss	91,201,486,400	22,115,260,212
Provision for impairment of financial investments	2,749,610,795	123,338,665
Other financial expenses	5,722,156,947	4,810,403,576
	194,490,660,478	96,745,758,134

37. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current period VND	Prior period VND
Selling expenses	1,088,832,255,775	875,804,345,795
Sales staff	414,938,151,792	360,116,558,605
Office appliances, furniture and materials	55,078,430,698	37,545,516,040
Transportation	89,072,714,229	70,997,902,319
Out-sourced services	263,205,735,124	184,246,797,549
Depreciation and amortisation	121,641,389,446	120,228,549,827
Provisions	13,471,929,771	3,525,498,388
Others	131,423,904,715	99,143,523,067
General and administration expenses	483,141,657,502	359,660,544,203
Labour	208,002,099,126	173,883,577,048
Office appliances, furniture and materials	15,286,606,171	12,225,118,266
Depreciation and amortization	16,664,198,266	22,214,749,074
Provisions/(Reversal)	3,707,383,548	(43,622,600,627)
Outsourced services	58,290,191,813	52,176,936,199
Others	181,191,178,578	142,782,764,243
	1,571,973,913,277	1,235,464,889,998

38. (LOSS)/PROFIT FROM OTHER ACTIVITIES

	Current period VND	Prior period VND
Other income	18,050,818,318	22,826,608,824
Proceeds from disposals of fixed assets	3,125,120,435	632,042,543
Indemnification received	9,127,982,861	362,860,594
Income from personnel transfer	-	4,832,676,247
Storage fees	-	5,950,550,121
Other income	5,797,715,022	11,048,479,319
Other expenses	28,081,972,739	14,194,494,211
Storage fees	13,621,536,655	-
Penalties	160,632,528	211,476,107
Other expenses	14,299,803,556	13,983,018,104
(Loss)/profit from other activities	(10,031,154,421)	8,632,114,613

39. CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
- Current corporate income tax expense based on taxable profit in the current period	176,734,377,105	77,849,988,936
Total current corporate income tax expense	176,734,377,105	77,849,988,936

The corporate income tax reported for the 6-month period ended 30 June 2022 is estimates. The final amount of corporate income tax to be paid will depend on the results of settlement with the tax authorities.

40. BASIC EARNINGS PER SHARE

	Current period	Prior period (Restated)
Accounting profit after corporate income tax of Parent Company (VND)	633,233,153,563	361,313,979,815
- Allocate to funds which is not under of owner's equity from the profits (VND) (*)	(99,925,404,120)	(32,603,387,305)
Profit for the purposes of calculating basic earnings per share (VND)	533,307,749,443	304,869,040,162
Weighted average number of ordinary shares in circulation (share)	1,034,229,500	1,034,229,500
Basic earnings per share (VND)	516	295

- (*) For the purpose of presenting basic earnings per share for the 6-month period ended 30 June 2022, the figures relating to the allocation of funds which is not under of owner's equity from the profits for the 6-month period ended 30 June 2022 is estimated based on the Corporation's 2022 business plan and profit distribution approved by the Vietnam Oil and Gas Group in accordance with Resolution No. 7292/NQ-DKVN dated 15 December 2021 and the Resolutions of the General Meeting of Shareholders/Resolutions of the Members' Council of the subsidiaries.

The Corporation has recalculated basic earnings per share of the previous period to reflect the actual deductions of funds which is not under of owner's equity from the 2021 retained earning according to Resolution No. 12/NQ-DHDCD dated 28 April 2022 of the General Meeting of Shareholders of the Corporation and the Resolutions of the General Meeting of Shareholders/Resolutions of the Members' Council of the subsidiaries, details as follows:

	Prior period	Prior period (Restated)
Accounting profit after corporate income tax of Parent Company (VND)	361,313,979,815	361,313,979,815
- Allocate to funds which is not under of owner's equity from the profits (VND)	-	(56,444,939,653)
Profit for the purposes of calculating basic earnings per share (VND)	361,313,979,815	304,869,040,162
Weighted average number of ordinary shares in circulation (share)	1,034,229,500	1,034,229,500
Basic earnings per share (VND)	349	295

41. CAPITAL COMMITMENTS

According to Resolution No. 12/NQ-DHDCD ("Resolution No. 12") dated 28 April 2022, the General Meeting of Shareholders of the Corporation approved the 2022 production and business plan, in which, the investment value capital construction investment, property purchases in 2022 with the amount of VND 540 billion. During the 6-month period ended 30 June 2022, the Corporation has disbursed capital construction investment and purchased assets with a total value of about VND 188 billion and are carrying out the necessary work to complete the investment in capital construction and purchase of assets in accordance with the above Resolution No. 12.

42. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the period:

Related parties	Relationship
Vietnam Oil and Gas Group	Owner
Other companies in the Group	Other entity in PVN
Associates	Other entity in PVN

During the period, the Corporation entered into the following significant transactions with its related parties:

	Current period VND	Prior period VND
Sales of goods and services rendered	10,779,630,845,054	2,425,825,896,553
Binh Son Refining & Petrochemical JSC	7,720,913,694,248	1,103,958,869,362
Ninh Binh Petroleum JSC	1,734,629,925,695	676,414,445,561
Materials - Petroleum JSC	1,030,323,527,270	415,284,181,820
Pacific Petroleum Transportation JSC	95,634,519,610	67,910,993,020
PetroVietnam Exploration Production Corporation	50,244,128,105	34,354,747,302
Bien Dong Petroleum Operating Company	41,174,046,312	34,781,998,730
VietsovPetro Joint Venture	33,735,328,548	32,951,222,085
PTSC Quang Ngai JSC	22,096,212,998	14,313,234,678
PetroVietnam Technical Services Corporation	13,555,080,641	4,881,627,945
PetroVietnam Power Corporation	11,620,816,351	21,226,809,398
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	6,750,000,000	6,750,000,000
PetroVietnam Gas Joint Stock Corporation	3,123,574,440	1,295,525,786
PetroVietnam Fertilizer and Chemical Corporation - JSC	2,841,748,638	1,410,902,000
Petroleum Equipment Assembly and Metal Structure JSC	2,633,066,453	1,812,875,907
PTSC Geos and Subsea Services Company Limited	1,723,351,982	5,020,294,179
Others	8,631,823,763	3,458,168,780

	Current period VND	Prior period VND
Purchases goods and use services	31,247,677,308,537	15,376,745,309,013
Binh Son Refining & Petrochemical JSC	15,321,957,757,923	7,136,506,023,931
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	13,845,577,221,010	6,093,823,779,879
PetroVietnam Exploration Production Corporation	1,616,921,983,465	1,831,604,853,184
PetroVietnam Transportation Joint Stock Corporation	268,870,300,084	223,144,362,956
Bien Dong Petroleum Operating Company	114,050,992,598	-
PVI Insurance Corporation	25,002,118,571	14,240,786,220
PetroVietnam Gas Joint Stock Corporation	18,176,151,479	6,926,805,560
PTSC Quang Ngai JSC	9,054,629,358	-
Vietnam Energy Inspection JSC	9,016,757,838	7,814,516,532
Vietnam Oil and Gas Group	6,975,543,295	8,380,791,992
Petroleum Marine Services and Trading JSC	4,552,645,125	3,898,859,849
VietsovPetro Joint Venture	3,548,549,202	3,323,460,685
Ninh Binh Petroleum JSC	478,418	44,822,547,928
Others	3,972,180,171	2,258,520,297


Salary, allowance and remuneration of the Board of Directors including the Chief Executive Officer; salary of the Board of Supervisors, Vice Chief Executive Officer and the Chief Accountant during the period was as follows:

	Current period VND	Prior period VND
Salary, allowance and remuneration of the Board of Directors/ Board of Management (including Chief Executive Officer)	3,181,627,675	3,139,393,545
Salary of the Board of Supervisors	1,309,950,224	1,309,538,819
Salary of the Vice Chief Executive Officers and Chief Accountant	2,888,422,101	3,052,567,635

Significant related party balances as at the interim consolidated balance sheet date were as follows:

	Closing balance VND	Opening balance VND
Short-term trade receivables	506,925,358,560	434,415,391,892
Ninh Binh Petroleum JSC	322,076,607,494	300,322,010,800
Pacific Petroleum Transportation JSC	63,232,813,740	13,004,944,000
Binh Son Refining & Petrochemical JSC	30,896,493,615	26,633,159,847
PetroVietnam Exploration Production Corporation	29,289,854,704	10,155,652,621
VietsovPetro Joint Venture	27,162,940,630	15,245,629,544
Bien Dong Petroleum Operating Company	12,381,378,294	9,785,831,739
PetroVietnam Technical Services Corporation	8,008,048,211	1,194,271,997
Orient Bio-fuels Company Limited	2,543,770,086	2,553,770,086
PTSC Quang Ngai JSC	2,249,451,765	3,111,867,305
PTSC Geos and Subsea Services Company Limited	1,850,249,390	119,961,798
Vietnam Public Joint Stock Commercial Bank	136,493,765	86,143,645
Dzung Quat Oil Refinery Project Management Board	1,362,230,984	1,362,230,984
PetroVietnam Power Corporation	562,198,310	25,497,452,652
Materials - Petroleum JSC	-	7,772,460,000
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	-	7,762,133,610
PetroVietnam International Gas Shipping JSC	-	5,636,562,660
Others	5,172,827,572	4,171,308,604
Other receivables	5,790,425,450,415	3,537,105,398,180
Binh Son Refining & Petrochemical JSC	5,341,101,201,438	3,310,104,646,789
VietsovPetro Joint Venture	251,011,453,973	17,927,132,472
Vietnam Oil and Gas Group	172,131,795,269	172,287,240,951
Petroleum Trading JSC	22,619,561,417	22,978,080,279
PetroVietnam Exploration Production Corporation	7,121,381	10,239,032,046
Others	3,554,316,937	3,569,265,643
Short-term trade payables	7,851,001,070,658	4,352,810,652,946
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	3,890,919,985,409	1,806,200,083,832
Binh Son Refining & Petrochemical JSC	2,935,173,725,459	2,365,350,973,092
PetroVietnam Exploration Production Corporation	910,234,664,341	111,922,794,103
PetroVietnam Transportation Joint Stock Corporation	86,775,737,615	47,420,381,577
PTSC Quang Ngai JSC	6,086,709,143	1,739,107,502
PetroVietnam Infrastructure and Urban Investment JSC	5,414,895,656	5,414,895,656
Ninh Binh Petroleum JSC	4,800,000,000	4,800,000,000
PetroVietnam Gas Joint Stock Corporation	4,254,881,291	4,127,817,392
Vietnam Energy Inspection JSC	3,336,386,137	2,879,786,850
Dzung Quat Oil Refinery Project Management Board	1,954,237,323	1,954,237,323
Others	2,049,848,284	1,000,575,619

	Closing balance VND	Opening balance VND
Other current payables	2,830,038,794,934	1,836,172,573,859
VietsovPetro Joint Venture	2,745,920,319,096	1,640,353,495,391
PetroVietnam Exploration Production Corporation	83,669,609,580	195,594,690,666
Vietnam Oil and Gas Group	224,387,802	224,387,802
PVI Insurance Corporation	224,478,456	-
Loans	10,646,370,317	11,829,300,352
Vietnam Public Joint Stock Commercial Bank	10,646,370,317	11,829,300,352
Short-term accrued expenses	16,812,990,933	10,338,043,389
PetroVietnam Transportation Joint Stock Corporation	7,298,884,402	1,916,419,330
Vietnam Oil and Gas Group	5,025,000,000	2,616,728,119
PVI Insurance Corporation	4,242,333,196	1,084,781,778
Nghi Son Oil Refinery Distribution Branch - PetroVietnam	-	4,431,885,502
Vietnam Public Joint Stock Commercial Bank	246,773,335	288,228,660



Phung To Van
Preparer



Nguyen Ngoc Ninh
Chief Accountant



Doan Van Nhum
Chief Executive Officer



08 August 2022