

SAO MAI – BEN DINH PETROLEUM INVESTMENT JOINT STOCK COMPANY

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

SAO MAI – BEN DINH PETROLEUM INVESTMENT JOINT STOCK COMPANY

No. 65A3, 30/4 Street, Thang Nhat Ward, Vung Tau City,

Ba Ria – Vung Tau Province, Vietnam

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company (the “Company”) presents this report together with the Company’s accompanying financial statements for the year ended 31 December 2024.

THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS

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

Board of Management

Mr. Pham Van Hung	Chairman
Mr. Duong Hung Van	Member (Appointed on 01 July 2024)
Mr. Phung Nhu Dung	Member (Resigned on 30 June 2024)
Mr. Tran Xuan Tai	Member
Mr. Dang Thanh Hai	Member

Supervisory Board

Ms. Nguyen Le Tra	Head of the Supervisory Board
Mr. Ngo Van Lap	Member
Ms. Truong Thi Vien Truc	Member

Board of Directors

Mr. Nguyen Thanh Hai	Director (Appointed on 03 April 2025)
Mr. Duong Hung Van	Director (Appointed on 01 July 2024 and Resigned on 03 April 2025)
Mr. Phung Nhu Dung	Director (Resigned on 30 June 2024)
Mr. Tran Duc Hanh	Deputy Director

Chief Accountant

Mr. Pham Minh Vi	Chief Accountant
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Legal representative

The legal representative of the Company during the year and to the date of this report is as follows:

Full name	Position	Date of Appointment	Date of Termination
Mr. Nguyen Thanh Hai	Director	17 April 2025	
Mr. Duong Hung Van	Director	01 July 2024	17 April 2025
Mr. Phung Nhu Dung	Director		30 June 2024

Mr. Nguyen Thanh Hai has authorized Mr. Tran Duc Hanh to sign the financial statements for the year end 31 December 2024 under Authorization Letter No. 313/UQ-SMBĐ dated 22 April 2025.

THE BOARD OF DIRECTORS’ STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Directors 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 financial statements;
- Prepare the Financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF DIRECTORS (CONTINUED)

THE BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY (CONTINUED)

The Board of Directors of the Company is responsible for ensuring that the accounting books are properly recorded to fairly reflect the financial position of the Company at any time and to ensure that the Company's financial statements comply with Accounting Standards, Vietnamese Accounting Regime for Enterprise and legal regulations related to the preparation and presentation of financial statements. The Board of Directors is also responsible for ensuring the safety of the Company's assets and taking appropriate measures to prevent and detect fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these financial statements.

In the Board of Directors's opinions, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Accounting regime for enterprises and legal regulations relating to financial reporting.

For and on behalf of the Board of Directors,



Tran Duc Hanh
Deputy Director
Vung Tau, 23 April 2025



NO: 120 /VACO/BCKiT.HCM

INDEPENDENT AUDITORS' REPORT

**To: The shareholders, The Board of Management and the Board of Directors
Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company.**

We have audited the accompanying financial statements of Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company (the "Company"), prepared on 23 April 2025 as set out from page 05 to page 36, which comprise the Balance sheet as of 31 December 2024, the Income statement, the Statement of Cash flows for the year then ended and the Notes to the financial statements (collectively referred to as the "financial statements").

Board of Directors' Responsibility

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

Auditors' Responsibility

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

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

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

Basis of qualified opinion

According to Notice No. 731/TB-CCTKV issued by the Vung Tau - Con Dao Regional Tax Department on 17 January 2025, the total outstanding tax debt that has not been paid to the State Budget by the Company related to the land lot (excluding the amount temporarily paid by the Company in 2024) as of 31 December 2024 is VND 646,644,007,744 (in which: this amount includes VND 494,818,134,803 in land rental fees and VND 151,825,872,941 in late payment penalties). The Company has not yet recognized this obligation in its financial statements. As of the date of issuance of this report, based on the currently available documents, we are unable to determine the impact of the above matter on the items presented in the financial statements for the year ended 31 December 2024.

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Quarter 3, Chanh Nghia Ward
Thu Dau Mot City, Binh Duong Province

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Qualified Opinion

In our opinion, except for the effects of the matters described in the "Basis of Qualified opinion" section, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of the Company as of 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with Vietnamese Accounting standards, Accounting regime for enterprises and legal regulations relating to financial statements preparation and presentation.

Emphasis of matter

We would like to draw the attention of the readers to Note 40 on subsequent events, which presents the issue of enforcement of administrative decisions on tax management against the Company. Our qualified audit opinion ~~does not~~ relate to this issue.



Nguyen Ngoc Thach
Deputy General Director
Audit Registration Certificate No. 1822-2023-156-1

Nguyen Thi Thu Hien
Auditor
Audit Registration Certificate No. 4262-2023-156-1

For and on behalf of
HO CHI MINH CITY BRANCH
VACO AUDITING COMPANY LIMITED
Ho Chi Minh City, 23 April 2025

BALANCE SHEET
As of 31 December 2024

Unit: VND

ASSETS	Codes	Notes	31/12/2024	01/01/2024
A - CURRENT ASSETS	100		486,102,693,188	515,083,662,953
I. Cash	110	4	40,812,328,907	33,033,923,641
1. Cash	111		40,812,328,907	33,033,923,641
II. Short-term financial investments	120		307,000,000,000	347,000,000,000
1. Held-to-maturity investments	123	5	307,000,000,000	347,000,000,000
III. Short-term receivables	130		96,308,078,909	115,642,514,146
1. Short-term trade receivables	131	6	59,297,916,430	88,136,521,460
2. Short-term advances to suppliers	132	7	8,674,631,861	11,010,411,479
3. Other short-term receivables	136	8	41,867,449,348	30,027,499,937
4. Provision for short-term doubtful debts	137	9	(13,531,918,730)	(13,531,918,730)
IV. Inventories	140	10	39,695,892,095	11,563,412,165
1. Inventories	141		39,695,892,095	11,563,412,165
V. Other short-term assets	150		2,286,393,277	7,843,813,001
1. Short-term prepayments	151	11	311,264,398	400,393,739
2. Value added tax deductibles	152		1,649,271,810	7,217,562,193
3. Taxes and other receivables from the State budget	153	12	325,857,069	225,857,069
B - NON-CURRENT ASSETS	200		319,288,324,069	287,221,508,446
I. Long-term receivables	210		3,000,000	3,000,000
1. Other long-term receivables	216	8	3,000,000	3,000,000
II. Fixed assets	220		63,941,359,775	76,800,018,436
1. Tangible fixed assets	221	13	63,941,359,775	76,800,018,436
- Cost	222		119,377,606,365	128,418,880,251
- Accumulated depreciation	223		(55,436,246,590)	(51,618,861,815)
2. Intangible assets	227	14	-	-
- Cost	228		53,372,880	53,372,880
- Accumulated amortisation	229		(53,372,880)	(53,372,880)
III. Investment property	230	15	159,659,689,059	164,394,960,915
- Cost	231		229,280,786,454	229,280,786,454
- Accumulated depreciation	232		(69,621,097,395)	(64,885,825,539)
IV. Long-term assets in progress	240		92,884,192,634	42,248,008,793
1. Long-term construction in progress	242	16	92,884,192,634	42,248,008,793
V. Other long-term assets	260		2,800,082,601	3,775,520,302
1. Long-term prepayments	261	11	2,800,082,601	3,775,520,302
TOTAL ASSETS (270 = 100 + 200)	270		805,391,017,257	802,305,171,399

BALANCE SHEET (CONTINUED)

As of 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	31/12/2024	01/01/2024
C. LIABILITIES	300		245,869,081,514	243,083,638,134
I. Current liabilities	310		62,490,784,343	55,371,919,034
1. Short-term trade payables	311	17	4,503,216,016	33,698,780,366
2. Short-term advances from customers	312	18	-	2,088,752,956
3. Taxes and amounts payable to the State budget	313	12	312,449,721	65,934,049
4. Payables to employees	314		3,959,008,238	4,880,050,494
5. Short-term accrued expenses	315	19	42,216,246,223	4,781,722,258
6. Short-term unearned revenue	318	20	6,862,199,784	5,203,799,784
7. Other current payables	319	21	3,951,257,675	4,022,813,495
8. Bonus and welfare funds	322		686,406,686	630,065,632
II. Long-term liabilities	330		183,378,297,171	187,711,719,100
1. Long-term accrued expenses	333	19	7,795,780	24,609,845
2. Long-term unearned revenue	336	20	170,256,764,360	175,460,564,144
3. Deferred tax liabilities	341	22	13,037,546,555	12,150,354,635
4. Scientific and technological development fund	343		76,190,476	76,190,476
D - EQUITY	400		559,521,935,743	559,221,533,265
I. Owner's equity	410	23	559,521,935,743	559,221,533,265
1. Owner's contributed capital	411		500,000,000,000	500,000,000,000
- Ordinary shares carrying voting rights	411a		500,000,000,000	500,000,000,000
2. Investment and development fund	418		44,351,392,969	44,351,392,969
3. Retained earnings	421		15,170,542,774	14,870,140,296
- Retained earnings accumulated to the prior year end	421a		14,407,256,242	10,241,299,755
- Retained earnings of the current year	421b		763,286,532	4,628,840,541
TOTAL RESOURCES (440 = 300+ 400)	440		805,391,017,257	802,305,171,399



Tran Duc Hanh
Deputy Director

Vung Tau, 23 April 2025

Pham Minh Vi
Chief accountant

Pham Thi Huong Giang
Preparer

INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	FY 2024	FY 2023
1. Gross revenue from goods sold and services rendered	01	26	115,277,063,141	160,937,287,509
2. Net revenue from goods sold and services rendered (10 = 01)	10		115,277,063,141	160,937,287,509
3. Cost of goods sold and services rendered	11	27	104,663,571,617	153,303,482,224
4. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		10,613,491,524	7,633,805,285
5. Financial income	21	29	16,377,975,483	31,373,733,671
6. Financial expenses	22	30	843,837,488	321,025,665
- In which: Interest expense	23		4,594,643	-
7. Selling expenses	25	31	582,444,108	582,444,120
8. General and administration expenses	26	31	25,670,700,194	31,849,959,404
9. Operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		(105,514,783)	6,254,109,767
10. Other income	31	32	3,991,552,114	370,647,502
11. Other expenses	32	33	2,235,558,879	1,108,724,808
12. Profit from other activities (40 = 31 - 32)	40		1,755,993,235	(738,077,306)
13. Accounting profit before tax (50 = 30 + 40)	50		1,650,478,452	5,516,032,461
14. Current corporate income tax expense	51	34	-	-
15. Deferred corporate income tax expense	52	22	887,191,920	887,191,920
16. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		763,286,532	4,628,840,541
17. Basic earnings per share	70	35	15	83



Tran Duc Hanh
Deputy Director

Vung Tau, 23 April 2025

Pham Minh Vi
Chief accountant

Pham Thi Huong Giang
Preparer

**COMBINED CASH FLOW STATEMENT
(Indirect Method)**

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	FY 2024	FY 2023
I. Cash flows from operating activities			
1. Profit before tax	01	1,650,478,452	5,516,032,461
2. Adjustments for			
- Depreciation and amortisation of fixed assets and investment	02	8,584,996,631	8,396,489,281
- Foreign exchange gain/ (loss) arising from translating foreign currency items	04	16,150,723	93,262,304
- (Gain)/loss from investing activities	05	(15,807,476,663)	(30,743,180,809)
- Interest expense	06	4,594,643	-
3. Operating profit before movements in working capital	08	(5,551,256,214)	(16,737,396,763)
- (Increase)/Decrease in receivables	09	36,472,238,004	(83,454,002,054)
- (Increase)/Decrease in inventories	10	(28,132,479,930)	(9,609,648,296)
- Increase/ (Decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	(35,910,464,064)	19,305,881,319
- (Increase)/Decrease in prepaid expenses	12	1,090,911,210	(5,138,244,818)
- Interest paid	14	(4,594,643)	-
- Corporate income tax paid	15	(100,000,000)	-
- Other cash outflows	17	(406,543,000)	(140,778,000)
Net cash generated by/(used in) operating activities	20	(32,542,188,637)	(95,774,188,612)
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(16,097,361,092)	(6,421,767,706)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	6,893,940	40,580,808
3. Cash outflow for lending, buying debt instruments of other entities	23	(595,000,000,000)	(409,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	635,000,000,000	479,000,000,000
5. Interest earned, dividends and profits received	27	16,420,336,149	32,195,336,991
Net cash generated by /(used in) investing activities	30	40,329,868,997	95,814,150,093
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	4,791,556,000	-
2. Repayment of borrowings	34	(4,791,556,000)	-
3. Dividends and profits paid	36	(1,730,065)	-
Net cash generated by /(used in) financing activities	40	(1,730,065)	-
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	7,785,950,295	39,961,481
Cash at the beginning of the year	60	33,033,923,641	33,052,713,569
Effects of changes in foreign exchange rates	61	(7,545,029)	(58,751,409)
Cash at the end of the year (70 = 50 + 60 + 61)	70	40,812,328,907	33,033,923,641



Trần Đức Hạnh
Deputy Director

Phạm Minh Vi
Chief accountant

Phạm Thị Hương Giang
Preparer

Vung Tau, 23 April 2025

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company (The “Company”) was established and operates in Vietnam as a Joint Stock Company under Investment Certificate No. 49121000147, initially issued on 27 September 2012, and amended for the first time on 27 October 2016, by the People's Committee of Ba Ria - Vung Tau Province. According to the initial Enterprise Registration Certificate No. 4903000636 issued on 7 May 2007, and the 10th amendment under No. 3500794814 dated 5 July 2024, the Company's charter capital is VND 500,000,000,000, equivalent to 50,000,000 shares, with a par value of VND 10,000 per share.

The Company's shares are currently listed on Upcom under the stock code PSB.

The number of employees as of 31 December 2024 was 68 people (01 January 2024 was 74 people).

Operating industry and principal activities

- Operating the Sao Mai - Ben Dinh port cluster and economic zone; Operating the container port cluster;
- Manufacturing, repairing, and leasing containers; Ship agency services; Shipbuilding and repair of vessels and floating equipment; Assembling oil rigs and floating structures for the oil and gas industry;
- Port construction; Construction of facilities serving the oil and gas industry; Storage facilities for petroleum products; Oil, gas, and fuel pipeline infrastructure;
- Trading machinery and equipment for the oil and gas and maritime industries;
- Trading fertilizers, construction materials, and chemicals (excluding highly toxic and prohibited chemicals; excluding chemicals used in agriculture);
- Operating maritime and inland waterway transportation; Freight transportation by road; Transporting crude oil and petrochemical products;
- Leasing transportation vehicles; Leasing warehouses and storage facilities;
- Mechanical processing; Metal treatment and coating;
- Manufacturing metal tanks, containers, and storage equipment;
- Other professional, scientific, and technological activities not elsewhere classified;
- Labor outsourcing services.

Normal production and business cycle

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

Disclosure of information comparability in the financial statements

Comparative information refers to the information presented in the financial statements for the year ended 31 December 2023, which has been audited and published.

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME

Financial year

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

Applied accounting regime

The Company applied Vietnamese Accounting Standards, Accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIME (CONTINUED)

Declaration of compliance with accounting standard and accounting regime

The Board of Directors ensures to comply with the requirements of Vietnamese Accounting Standards, Accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC dated 21 March 2016 guiding the implementation of Accounting standards of the Ministry of Finance in preparation of financial statements.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared on a time basis under the historical cost convention (except for the combined cash flow statement prepared using the indirect method) and in accordance with Vietnamese Accounting Standards, Accounting regime for enterprises and legal regulations relating to financial reporting.

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to financial statement preparation and presentation requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Directors's best knowledge, actual results may differ from those estimates.

Evaluation and recognition at fair value

The Law on Accounting came into effect from 01 January 2017, which included regulations on assessment and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Board of Directors has considered and applied as follows:

- a) *Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- b) *For assets and liabilities (except items a, b as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Cash

Cash comprises cash on hand and demand deposits.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company 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 income statement on accrual basis

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial investments (Continued)

Held-to-maturity investments (Continued)

Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Receivables

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

Provision for doubtful debts is created for receivables that are overdue, or for receivables that are unlikely to be paid due to liquidation, bankruptcy or similar difficulties by the debtor.

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. Cost is calculated using the weighted average method. The inventories are accounted for using the perpetual inventory 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 of the balance sheet date.

Operating lease assets

A lease is considered as an operating lease when the lessor still enjoys the majority of the interest and is subject to the risk of ownership of the property. Operating lease expense is recognized into the income statement using the straight-line method during the lease term. All cash received or receivable in order to making the contract is also recognized using the straight-line method during the lease term.

Tangible fixed assets and 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 recognised 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation (Continued)

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

	Estimated useful life (years)
Buildings and structures	06 – 40
Machinery and equipment	07 – 15
Motor vehicles	07
Office equipment	03
Others	05 – 10

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 income statement.

Intangible assets and amortization

Intangible fixed assets represent the value of accounting software, presented at cost minus accumulated amortization. The accounting software is amortized using the straight-line method over a period of five (05) years.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried out at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. These costs will be transferred to the original cost of fixed assets at a provisional value (if the final settlement has not been approved) when the assets are handed over and put into use.

Investment properties

Investment properties include infrastructure held by the Company for rental income purposes and are presented at cost minus accumulated depreciation. The cost of self-constructed investment properties is determined based on the project's final settlement value or directly related costs. Leased investment properties are depreciated using the straight-line method over an estimated useful life of 48 to 49 years.

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, other directly attributable costs in accordance with the Company'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.

According to the State's regulations on investment and construction management, the settled costs of completed construction projects are subject to approval by appropriate level of competent authorities. The final costs of these completed construction projects may vary depending on the final approval by competent authorities.

Prepayments

Prepaid expenses include actual costs incurred that relate to the operating results of multiple accounting periods. These expenses consist of the value of tools and equipment issued for use, as well as maintenance, repair, and other outsourced service costs. These expenses are capitalized as prepaid expenses and allocated to the Income Statement using the straight-line method in accordance with prevailing accounting regulations

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payables and accrued expenses

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the company/enterprise, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Equity

Owners' contributed capital is recognized based on the actual capital contributed by shareholders. The owners' investment capital is reflected as the paid-in charter capital contributed by the shareholders.

Profit distribution

Profit after tax is distributed to shareholders after deducting funds in accordance with the Charter of Company and regulations of the law which have been approved by the General Assembly of Shareholders.

Profit distribution to shareholders is referenced to the non-monetary items included in retained earnings that may affect cash flow and the ability to pay dividends/profits such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Revenue recognition

Revenue is recognized when the Company is likely to receive economic benefits that can be reliably measured. Revenue is determined at the fair value of the amounts received or receivable, net of trade discounts, sales reductions, and sales returns. The following specific recognition conditions must also be met when recognizing revenue.

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

- a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) The Company 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 Company; and
- e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

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 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 Company;
- (c) the percentage of completion of the transaction at the 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.

Operating lease revenue is recognized on a straight-line basis over the lease term.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest applicable rate.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable of recovery.

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 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 income statement.

Borrowing costs

Borrowing costs are recognised in the combined Income statement in the year when incurred.

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 year. Taxable profit differs from net profit as reported in the combined Income statement because it excludes items of income or expense that are taxable or deductible in other years (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 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset 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 Company 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.

Segment Reporting

A segment is a separately identifiable component of the Company that engages in the sale of goods or the provision of related services ("business segment") or in the sale of goods or provision of services within a specific economic environment ("geographical segment"). Each of these segments is subject to risks and derives benefits that are distinct from those of other segments. The Company's primary basis for segment reporting is based on business segments.

Related parties

Parties are considered to be related when one party has ability to control another or has significant influence in making decision related to financial and operation policies. Parties are also considered as related parties when they bare the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties (Continued)

The parties related to the Company include:

Members of Petro Vietnam Technical Services Corporation (PTSC)

<u>Full name</u>	<u>Abbreviations</u>	<u>Relationship</u>
Petro Vietnam Technical Services Corporation (PTSC)	PTSC	Parent company
PTSC Mechanical and Constrution Limited Company	PTSC - M&C	Member of PTSC
Petro Hotel Company Limited	PTSC - Hotel	Member of PTSC
Branch PetroVietnam Technical Services Coporation - PTSC Supply Base	PTSC - SB	Member of PTSC
Branch PetroVietnam Technical Services Coporation - PTSC Da Nang	PTSC - Da Nang	Member of PTSC
Petrovietnam Marine Shipyard JSC	PV Shipyard	Member of PTSC
PTSC Offshore Services JSC	PTSC - POS	Member of PTSC

Members of Petrovietnam Oil and Gas Group (PVN)

<u>Full name</u>	<u>Abbreviations</u>	<u>Relationship</u>
Vietnam Oil and Gas Group	PVN	PTSC's Parent
Petroleum Equipment Assembly & Metal Structure JSC	PVC - MS	Member of PVN
Dung Quat Shipbuilding Industry Co., Ltd	DQS	Member of PVN
Petroleum Pipeline And Tank Construction Company	PVC - PT	Member of PVN
Binh Son Refining And Petrochemical JSC	BSR	Member of PVN
Southern Gas Trading JSC	PV Gas South	Member of PVN
Branch of PetroVietnam Low Pressure Gas Distribution Joint Stock Company - North Low Pressure Gas Distribution Enterprise	PV Gas D - NT	Member of PVN
Petrovietnam Fertilizer and Chemicals Corporation - South East	PVFCCO - South East	Member of PVN
PVI Insurance Corporation - Vung Tau	PVI Vung Tau	Member of PVN
PVI Insurance Corporation - Southern	PVI Southern	Member of PVN
Petrovietnam Securities Incorporated	PSI	Member of PVN
Petrovietnam Oil Vung Tau JSC	PV Oil Vung Tau	Member of PVN
The Board of Directors, Executive Board, Management and closely related members		Key personnel and closely affiliated members

4. CASH

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
Cash on hand	109,214,080	168,191,065
Cash in bank	40,703,114,827	32,865,732,576
Total	40,812,328,907	33,033,923,641

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

5. FINANCIAL INVESTMENTS

	31/12/2024		01/01/2024	
	Cost	Carrying amount	Cost	Carrying amount
	VND	VND	VND	VND
Term deposits	307,000,000,000	307,000,000,000	347,000,000,000	347,000,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ba Ria - Vung Tau Branch	120,000,000,000	120,000,000,000	10,000,000,000	10,000,000,000
Vietnam Joint Stock Commercial Bank For Industry And Trade - Ba Ria - Vung Tau Branch	115,000,000,000	115,000,000,000	-	-
Vietnam Bank for Agriculture and Rural Development - Vung Tau Branch	70,000,000,000	70,000,000,000	-	-
Fortune Vietnam Joint Stock Commercial Bank - Cho Lon Branch	-	-	65,000,000,000	65,000,000,000
Saigon Thuong Tin Commercial Joint Stock Bank	-	-	85,000,000,000	85,000,000,000
Vietnam Prosperity Joint stock Commercial Bank	-	-	45,000,000,000	45,000,000,000
Sai Gon - Ha Noi Commerical Joint Stock Bank	-	-	50,000,000,000	50,000,000,000
Vietnam Export Import Bank - Ba Ri - Vung Tau Branch	-	-	45,000,000,000	45,000,000,000
Others	2,000,000,000	2,000,000,000	47,000,000,000	47,000,000,000

Held-to-maturity financial investments include term deposits at commercial banks with maturities ranging from 6 to 12 months, earning interest rates between 4.4% and 5.0% per year.

6. SHORT-TERM TRADE RECEIVABLES

	31/12/2024	01/01/2024
	VND	VND
a) Trade receivables from related parties	18,881,773,432	72,157,524,339
<i>Members of Petro Vietnam Technical Services Corporation (PTSC):</i>		
- Petrovietnam Marine Shipyard JSC	164,856,710	1,664,421,370
- PTSC Mechanical and Construction Limited Company	829,232,358	1,327,023,467
- Petro Vietnam Technical Services Corporation	14,339,096,775	65,387,081,342
<i>Members of Petrovietnam Oil and Gas Group (PVN)</i>		
- Petroleum Equipment Assembly and Metal Structure JSC	3,548,587,589	3,778,998,160
b) Trade receivables from others	40,416,142,998	15,978,997,121
Saigon Offshore Fabrication and Engineering Limited	13,531,918,730	13,531,918,730
Hyundai Heavy Industries Co., Ltd	-	501,357,485
Vietsovpetro	26,341,034,185	1,138,183,640
Others	543,190,083	807,537,266
Total	59,297,916,430	88,136,521,460

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

7. SHORT-TERM ADVANCE TO SUPPLIERS

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
Techcrane International, LLC	-	10,050,982,800
Vina E&C Investment and Construction JSC (i)	5,759,580,756	-
An Lac Construction Co., Ltd	2,510,451,426	-
Others	404,599,679	959,428,679
Total	<u>8,674,631,861</u>	<u>11,010,411,479</u>

- (i) This is a 10% advance payment of the contract value under Contract No. 10-2024/PVSB(KTKH)-VINA E & C, dated 30 August 2024 for the construction package of land leveling for Subzone 1 - Phase 2 (5.2 ha) under the 35ha Petroleum service zone investment and Construction project. As of now, this work has been completed in December 2024. However, the final settlement has not yet been carried out because VINA E & C Investment and Construction Joint Stock Company has not provided information on the origin of the sand used for the project (refer to Note 19).

8. OTHER RECEIVABLES

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
a) Other short-term receivables	<u>41,867,449,348</u>	<u>30,027,499,937</u>
Deposits and mortgages	-	7,500,000
Accrued interest income	3,731,123,288	4,350,876,714
Advances of Mr. Tran Duc Hanh - Related party	142,682,000	-
Accrued revenue from sales and service rendered	<u>37,860,373,422</u>	<u>25,531,099,266</u>
a1) Related parties - Members of PTSC		
- Petro Vietnam Technical Services Corporation	-	23,924,303,911
- PTSC Mechanical and Construction Limited Company	4,959,615	-
- Petrovietnam Marine Shipyard JSC	23,862,791,475	1,094,384,801
+ Land rent expense (i)	22,995,202,096	-
+ Accrued electricity, water consumption	867,589,379	1,094,384,801
a2) Related parties - Members of Petrovietnam Oil and Gas Group (PVN)		
- Petroleum Equipment Assembly and Metal Structure JSC (PVC- MS)	13,992,622,332	464,078,985
+ Accrued land rent expense (i)	13,304,797,902	-
+ Accrued electricity, water consumption	687,824,430	464,078,985
a3) Others:		
- Techcrane International, LLC	-	48,331,569
Other receivables	133,270,638	138,023,957
b) Other long-term receivables	<u>3,000,000</u>	<u>3,000,000</u>
Deposits and mortgages	3,000,000	3,000,000
Cộng	<u>41,870,449,348</u>	<u>30,030,499,937</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

8. OTHER RECEIVABLES (CONTINUED)

- (i) On 28 July 2022, the Vung Tau – Con Dao Regional Tax Department issued a Notice regarding the Company's land rental payment for an 819,325.4 m² land lot designated for the investment in the Sao Mai – Ben Dinh Petroleum Maritime Service Base for the period from 24 March 2008 to 12 February 2015 (the period before the Company commenced construction on this land). Accordingly, the Company committed to a provisional payment of VND 60,000,000,000 in 2024; however, as of now, only VND 30,000,000,000 has been paid. During this period, the Company determined that it lacked the necessary legal documentation, such as the Land Lease Decision, Land Lease Contract, and Site Handover Minutes. Additionally, the land area used for rental calculation in the Tax Authority's Notice does not align with the actual land area utilized by the Company. Therefore, the Company is continuing to work with the Department of Natural Resources and Environment, following the guidance of the Land Registration Office, to verify the land usage area for this period. At the same time, the Company is also requesting the Vung Tau – Con Dao Regional Tax Department not to impose late payment penalties on the land rental for this period due to the objective reasons (refer to Note 37).

According to the infrastructure lease agreements at the Sao Mai – Ben Dinh Petroleum Maritime Service Base between the Company and two entities: Petroleum Equipment Assembly and Metal Structure JSC ("PVC-MS"), Contract No. 15/PVSB-PVC.MS/08-10/B dated 9 August 2010, and Petrovietnam Marine Shipyard JSC ("PV Shipyard"), Contract No. CN0107001/HDKT-PVSB dated 6 December 2007, the rental price includes land use fees and land rental payments that the Company must pay to Ba Ria – Vung Tau province, plus a 10% management fee (the rental price comprises construction investment costs and land use fees payable to the local authorities in accordance with regulations).

The land rental payment for the first six months of 2024, which the Company paid in the amount of VND 30,000,000,000 (refer Note 12) for the 2008 - 2015 period, has been invoiced by the Company to recover the amount from the two entities mentioned above, along with the corresponding 10% management fee (refer to Note 32).

9. BAD DEBTS

	31/12/2024		01/01/2024	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Saigon Offshore Fabrication and Engineering Limited	13,531,918,730	-	13,531,918,730	-
Total	13,531,918,730	-	13,531,918,730	-

10. INVENTORIES

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Work in progress	-	-	11,482,944,818	-
Merchandise	39,695,892,095	-	80,467,347	-
Total	39,695,892,095	-	11,563,412,165	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

11. PREPAYMENTS

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
a) Short-term	311,264,398	400,393,739
Insurance and inspection fees	211,819,896	222,694,798
Others	99,444,502	177,698,941
b) Long-term	2,800,082,601	3,775,520,302
Tools and equipment issued for use	281,552,143	361,682,080
Repair costs	2,203,693,748	3,130,596,801
Others	314,836,710	283,241,421
Total	3,111,346,999	4,175,914,041

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

	<u>01/01/2024</u>	<u>Payable in the year</u>	<u>Paid/ net-off in the year</u>	<u>31/12/2024</u>
	VND	VND	VND	VND
a) Receivables	225,857,069	1,275,900	101,275,900	325,857,069
Corporate income tax	219,756,995	-	100,000,000	319,756,995
Others	6,100,074	1,275,900	1,275,900	6,100,074
b) Payables	65,934,049	35,915,079,246	35,668,563,574	312,449,721
Value added tax	-	868,847,354	868,847,354	-
Value added tax for imported goods	-	2,759,485,914	2,759,485,914	-
Import and export duties	-	25,665,437	25,665,437	-
Personal income tax	65,934,049	2,258,080,541	2,011,564,869	312,449,721
Land and housing tax, land rental fees (i)	-	30,000,000,000	30,000,000,000	-
Others	-	3,000,000	3,000,000	-

- (i) The provisional land rental payment for the period from 24 March 2008 to 14 February 2015 (the period before the Company commenced construction on this land) for the 819,325.4 m² land lot designated for the investment in the Sao Mai – Ben Dinh Petroleum Maritime Service Base, as presented in Note 08 and Note 37.

**SAO MAI – BEN DINH PETROLEUM INVESTMENT
JOINT STOCK COMPANY**

No. 65A3, 30/4 Street, Thang Nhat Ward, Vung Tau City,
Ba Ria – Vung Tau Province, Vietnam

FORM B 09-DN

Issued under Circular No.200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

13. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

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	Buildings and structures	Machinery and equipment	Motor vehicles	Equipment management	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
As of 01/01/2024	88,179,034,560	1,171,900,000	4,498,472,882	159,620,000	34,409,852,809	128,418,880,251
- Purchase	-	1,759,259,259	1,779,945,431	65,260,000	-	3,604,464,690
- Other decreases (i)	(12,613,398,576)	-	-	-	-	(12,613,398,576)
- Disposal	-	-	-	(32,340,000)	-	(32,340,000)
As of 31/12/2024	75,565,635,984	2,931,159,259	6,278,418,313	192,540,000	34,409,852,809	119,377,606,365
ACCUMULATED DEPRECIATION						
As of 01/01/2024	16,959,528,341	719,595,711	3,256,199,388	133,719,998	30,549,818,377	51,618,861,815
- Charge for the year	2,227,295,284	163,010,328	359,931,736	24,102,015	1,285,608,720	4,059,948,083
- Other decreases	(210,223,308)	-	-	-	-	(210,223,308)
- Disposal	-	-	-	(32,340,000)	-	(32,340,000)
As of 31/12/2024	18,976,600,317	882,606,039	3,616,131,124	125,482,013	31,835,427,097	55,436,246,590
NET BOOK VALUE						
As of 01/01/2024	71,219,506,219	452,304,289	1,242,273,494	25,900,002	3,860,034,432	76,800,018,436
As of 31/12/2024	56,589,035,667	2,048,553,220	2,662,287,189	67,057,987	2,574,425,712	63,941,359,775

- (i) This represents relocation and reimbursement costs for the item “relocation and installation of existing workshops” under the project “Access Road to the Sao Mai – Ben Dinh Petroleum Maritime Service Base (Connecting from PV Shipyard through PVC-MS’s land). This item has been approved for final investment settlement under Decision No. 62/QĐ-SMBĐ dated 27 May 2024, issued by the Company’s Director. According to this Decision, the item has not yet been recognized as an increase in the historical cost of fixed assets. Therefore, the Company has adjusted to reduce the historical cost of fixed assets and depreciation while recognizing an increase in the value of construction in progress (refer to Note 16).

The cost of tangible fixed assets includes VND 32,754,160,770 (as of 01 January 2024: VND 29,597,570,227) of assets which have been fully depreciated but are still in use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

14. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	<u>Computer software</u>	<u>Total</u>
	VND	VND
Cost		
As of 01/01/2024	53,372,880	53,372,880
As of 31/12/2024	53,372,880	53,372,880
Accumulated amortization		
As of 01/01/2024	53,372,880	53,372,880
As of 31/12/2024	53,372,880	53,372,880
Net book value		
As of 01/01/2024	-	-
As of 31/12/2024	-	-

The cost of intangible fixed assets includes VND 53,372,880 (as of 01 January 2024: VND 53,372,880) of assets which have been fully depreciated but are still in use.

15. INVESTMENT PROPERTIES

	<u>Infrastructure</u>	<u>Total</u>
	VND	VND
Cost		
As of 01/01/2024	229,280,786,454	229,280,786,454
As of 31/12/2024	229,280,786,454	229,280,786,454
Accumulated depreciation		
As of 01/01/2024	64,885,825,539	64,885,825,539
- Charge for the year	4,735,271,856	4,735,271,856
As of 31/12/2024	69,621,097,395	69,621,097,395
Net book value		
As of 01/01/2024	164,394,960,915	164,394,960,915
As of 31/12/2024	159,659,689,059	159,659,689,059

The details of the Company's investment property cost are as follows:

	<u>Cost</u>
	VND
Infrastructure project - 39.8 ha (i)	131,881,668,267
Infrastructure project - 23 ha (ii)	97,399,118,187
Total	229,280,786,454

(i) The investment property represents infrastructure on a 39.8-hectare land area at the Sao Mai – Ben Dinh Petroleum Maritime Service Base, part of the Sao Mai – Ben Dinh project, which was completed in 2009 and subsequently leased to Petrovietnam Marine Shipyard from 2009 (Economic Contract No. 0107001/HĐKT-PVSB dated 06 December 2007). This investment property is depreciated using the straight-line method over the entire 48-year lease term.

(ii) The investment property represents infrastructure on a 23-hectare land area at the Sao Mai – Ben Dinh Petroleum Maritime Service Base, part of the Sao Mai – Ben Dinh project, which was completed in 2010 and subsequently leased to Petroleum Equipment Assembly and Metal Structure JSC from 2010 (Principle Contract No. 23/PVSB-PVC/12-09/M dated 11 December 2009 and Economic Contract No. 15/PVSB-PVC.MS/08-10/B dated 09 August 2010). This investment property is depreciated using the straight-line method over the entire 49-year lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

15. INVESTMENT PROPERTIES (CONTINUED)

Fair value of investment properties

According to Vietnamese Accounting Standard No. 05 – Investment Property, the fair value of investment property at the end of the accounting period must be disclosed. However, the Company has not determined this fair value, as it holds investment property for long-term rental income purposes and has no plans for disposal in the near future.

16. CONSTRUCTION IN PROGRESS

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
Sao Mai - Ben Dinh Petroleum Maritime Services Base (i)	38,611,148,885	38,472,788,885
Sao Mai - Ben Dinh 35-ha Petroleum Service Area	41,465,356,991	1,934,142,467
Project on Access Road to Sao Mai - Ben Dinh Petroleum Maritime Services Base and Relocation & Installation of Existing Workshops (iii)	12,725,868,576	-
Other projects	81,818,182	81,818,182
Investment in fixed asset procurement	-	1,759,259,259
Total	<u>92,884,192,634</u>	<u>42,248,008,793</u>

- (i) The initial costs (including compensation, bomb and mine clearance, explosives removal, and site clearance compensation) incurred for the investment in the Sao Mai – Ben Dinh Petroleum Maritime Service Base project was carried out under the decision of the People’s Committee of Ba Ria - Vung Tau Province. As of 31 December 2024, the Company is still in the process of completing investment procedures and making compensation payments for site clearance in accordance with the guidelines of the provincial People’s Committee (for additional information on investment project adjustments, refer to Note 37).
- (ii) The ongoing investment costs specifically for the component project 35-hectare Petroleum Service Area at Sao Mai – Ben Dinh" within the total land area handed over to the Company in the first phase. During the year, the Company completed the land leveling work for Subzone 1 – Phase 2, covering an area of 5.2 hectares. As of now, the Company is continuing to implement the next phase of land leveling.
- (iii) As presented in Note 13, this cost relates to the item “Relocation and installation of existing workshops” under the project “Access Road to the Sao Mai – Ben Dinh Petroleum Maritime Service Base (Connecting from PV Shipyard through PVC-MS’s land),” including the value transferred from fixed assets during the period (refer to Note 13). The value of this item will be accumulated and allocated upon the completion of the “Access Road to the Sao Mai – Ben Dinh Petroleum Maritime Service Base (Connecting from PV Shipyard through PVC-MS’s land)” project.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. SHORT-TERM TRADE PAYABLES

	31/12/2024		01/01/2024	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
a) Trade payables to related parties	354,735,052	354,735,052	148,612,898	148,612,898
<i>i) Related parties - Members of PTSC</i>				
- PTSC Mechanical and Construction Limited Company	-	-	45,360,000	45,360,000
- Petrovietnam Marine Shipyard JSC	354,735,052	354,735,052	-	-
<i>ii) Related parties- Members of Petrovietnam Oil and Gas Group (PVN)</i>				
- Petro Hotel Co., Ltd	-	-	97,434,848	97,434,848
- Branch of Petro Vietnam Technical Services Corporation - PTSC Supply Base	-	-	5,818,050	5,818,050
b) Trade payables to others	4,148,480,964	4,148,480,964	33,550,167,468	33,550,167,468
Techcrane International, LLC	3,372,567,196	3,372,567,196	-	-
Hai Luu Co., Ltd	36,525,773	36,525,773	24,914,880,330	24,914,880,330
Global Technology Commercial Corporation	-	-	1,478,400,000	1,478,400,000
Phuc Hung Cons Construction Corporation	-	-	3,731,653,298	3,731,653,298
Q.I.S Non-Destructive Testing Services Co., Ltd	-	-	1,520,591,304	1,520,591,304
Others	739,387,995	739,387,995	1,904,642,536	1,904,642,536
Total	4,503,216,016	4,503,216,016	33,698,780,366	33,698,780,366

18. SHORT-TERM ADVANCE FROM CUSTOMERS

	31/12/2024	01/01/2024
	VND	VND
Petro Vietnam Technical Services Corporation (PTSC) - Related party	-	2,088,752,956
Total	-	2,088,752,956

19. ACCRUED EXPENSES

	31/12/2024	01/01/2024
	VND	VND
a) Short-term	42,216,246,223	4,781,722,258
Accrued expenses for business and production activities	170,565,000	2,749,375,999
Accrued expenses for site leveling construction (i)	37,524,409,993	-
Others	4,521,271,230	2,032,346,259
b) Long-term	7,795,780	24,609,845
Accrued expenses for construction warranty guarantee deposit	7,795,780	24,609,845

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

19. ACCRUED EXPENSES (CONTINUED)

- (i) As presented in Note 7, the land leveling for Subzone 1 – Phase 2 (5.2 hectares) has been completed. However, since VINA E & C Investment and Construction Joint Stock Company (“VINA E & C”) has not yet provided the required documentation as requested by the Company, the two parties have not finalized the project settlement. Additionally, the Company has not yet made the remaining payment due to VINA E & C, after deducting the 10% advance payment as per the contract.

On 20 December 2024, the People's Court of Vung Tau City issued Notice No. 124/2024/TB-TLVA regarding the acceptance of a first-instance commercial business dispute related to a construction contract dispute between VINA E & C and the Company.

On 25 February 2025, the People's Court of Vung Tau City issued a judgment accepting the lawsuit filed by VINA E & C and ruling that the Company must pay the construction costs for land leveling, along with the advance court fee reimbursement to VINA E & C. Additionally, the Company is required to pay the first-instance commercial business court fees to the court.

20. UNEARNED REVENUE

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
a) Short-term unearned revenue from related parties	6,862,199,784	5,203,799,784
Petro Vietnam Technical Services Corporation (i)	1,440,000,000	-
Petrovietnam Marine Shipyard JSC (ii)	3,017,358,087	3,017,358,087
Petroleum Equipment Assembly and Metal Structure JSC (ii)	2,186,441,697	2,186,441,697
PTSC Mechanical and Construction Limited Company	218,400,000	-
b) Long-term unearned revenue	170,256,764,360	175,460,564,144
Petrovietnam Marine Shipyard JSC (ii)	96,555,458,802	99,572,816,889
Petroleum Equipment Assembly and Metal Structure JSC (ii)	73,701,305,558	75,887,747,255

- (i) Revenue from infrastructure leasing at the Sao Mai – Ben Dinh Petroleum Maritime Service Base, Vung Tau City, for an area of 3 hectares, with a lease term of 10 months starting from 15 May 2024.
- (ii) The amount the Company received in advance from leasing infrastructure at the Sao Mai – Ben Dinh Petroleum Maritime Service Base, Vung Tau City, for a total lease term of 48–49 years, corresponding to the leased area. This unearned revenue is gradually recognized in the Company's annual financial results over 48 and 49 years from the lease commencement date

21. OTHER SHORT-TERM PAYABLES

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
Dividends payable	3,948,649,430	3,950,379,495
Others	2,608,245	72,434,000
Total	3,951,257,675	4,022,813,495

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

22. DEFERRED TAX LIABILITIES

	31/12/2024	01/01/2024
	VND	VND
Opening balance	12,150,354,635	11,263,162,715
Recording to Income statement	887,191,920	887,191,920
Closing balance	<u>13,037,546,555</u>	<u>12,150,354,635</u>

Deferred income tax liabilities are recognized on the temporary differences between the carrying amount and the tax base of investment properties due to differences in depreciation periods. According to Circular No. 45/2013/TT-BTC dated 25 April 2013, issued by the Ministry of Finance, the prescribed depreciation period is 25 years, whereas the Company applies depreciation periods of 48 and 49 years. The Company currently applies a tax rate of 20%, which is the expected rate applicable in the year the assets are recovered, based on the prevailing tax rates and tax laws in effect as of the financial year end.

23. OWNER'S EQUITY

Movement in owner's equity

	Owner's equity	Development and investment funds	Retained earnings	Total
	VND	VND	VND	VND
As of 01/01/2023	500,000,000,000	44,351,392,969	10,342,344,237	554,693,737,206
Profit for the year	-	-	4,628,840,541	4,628,840,541
Appropriation to the bonus and welfare fund	-	-	(101,044,482)	(101,044,482)
As of 31/12/2023	<u>500,000,000,000</u>	<u>44,351,392,969</u>	<u>14,870,140,296</u>	<u>559,221,533,265</u>
Profit for the year	-	-	763,286,532	763,286,532
Appropriation to the bonus and welfare fund (i)	-	-	(462,884,054)	(462,884,054)
As of 31/12/2024	<u>500,000,000,000</u>	<u>44,351,392,969</u>	<u>15,170,542,774</u>	<u>559,521,935,743</u>

- (i) According to Resolution No. 70/NQ-SMBĐ-ĐHĐCĐ dated 27 June 2024, the General Meeting of Shareholders approved the allocation of the reward and welfare fund from the distribution of retained earnings of 2023, with a total amount of VND 462,884,054.

Shares	31/12/2024	01/01/2024
	Shares	Shares
Number of shares registered for issuance	500,000	500,000
Number of shares issued to the public	50,000,000	50,000,000
- Ordinary shares	50,000,000	50,000,000
Number of outstanding shares	50,000,000	50,000,000
- Ordinary shares	50,000,000	50,000,000
Par value of outstanding shares (VND)	10,000	10,000

Charter capital

As of 31 December 2024, the details of the fully contributed charter capital are as follows:

	31/12/2024		01/01/2024	
	VND	%	VND	%
Petro Vietnam Technical Services Corporation	255,000,000,000	51%	255,000,000,000	51%
Contributed capital of other shareholders	245,000,000,000	49%	245,000,000,000	49%
Total	<u>500,000,000,000</u>	<u>100%</u>	<u>500,000,000,000</u>	<u>100%</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

24. OFF BALANCE SHEET ITEMS

Foreign currencies

	<u>31/12/2024</u>	<u>01/01/2024</u>
United State Dollar (USD)	100.00	767,668.26

Investments in other entities have been settled

	<u>31/12/2024</u>	<u>01/01/2024</u>
High Tech Concrete Investment JSC (Sopewaco)	10,530,000,000	10,530,000,000

On 29 November 2021, Sopewaco was declared bankrupt by the People's Court of Nhon Trach District, Đồng Nai Province, under Decision No. 01/2021/QĐ-TBPS. As a result, the Company assessed that this investment was unrecoverable and proceeded to recognize the investment loss in accordance with applicable regulations.

25. BUSINESS AND GEOGRAPHICAL SEGMENTS

For management purposes, the Company is currently organized into three business divisions based on its products and services as follows:

- Construction division for oil and gas industry projects: Contract-based construction;
- Port cluster business division: Leasing investment real estate infrastructure and associated services;
- Commodity business division: Trading machinery, equipment for the oil & gas and maritime industries, fertilizers, construction materials, and chemicals.

The company's business division information is as follows:

a. Balance sheet

As of 31/12/2024	Port cluster business unit	Oil and Gas Sector Construction Unit	Merchandise Business Unit	Total
	VND	VND	VND	VND
Assets segment	362,941,443,767	13,906,171,938	73,081,741,677	449,929,357,382
Unallocated assets				355,461,659,875
Total assets				805,391,017,257
Liabilities segment	228,692,378,893	7,795,780	7,609,849,771	236,310,024,444
Unallocated liabilities				9,559,057,070
Total liabilities				245,869,081,514

As of 01/01/2024	Port cluster business unit	Oil and Gas Sector Construction Unit	Merchandise Business Unit	Total
	VND	VND	VND	VND
Assets segment	279,363,407,740	122,185,364,666	12,631,919,710	414,180,692,116
Unallocated assets				388,124,479,283
Total assets				802,305,171,399
Liabilities segment	199,305,760,167	32,049,181,683	1,820,057,475	233,174,999,325
Unallocated liabilities				9,908,638,809
Total liabilities				243,083,638,134

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

25. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

b. Income statement

FY 2024	Port cluster business unit	Oil and Gas Sector Construction Unit	Merchandise Business Unit	Total
	VND	VND	VND	VND
Net revenue from external service rendered	32,387,394,311	23,998,282,066	58,891,386,764	115,277,063,141
Cost of sales	26,745,566,100	21,741,357,866	56,176,647,651	104,663,571,617
Segment operating performance	5,641,828,211	2,256,924,200	2,714,739,113	10,613,491,524
Unallocated expenses				(26,253,144,302)
Operating profit				(15,639,652,778)
Revenue from principal activities				15,534,137,995
Net profit from operating activities				(105,514,783)
Other profit				1,755,993,235
Profit before tax				1,650,478,452
Current corporate income tax expense				-
Deffered corporate income tax expense				(887,191,920)
Retained earnings				763,286,532
Other information				
Depreciation				8,584,996,631

FY 2023	Port cluster business unit	Oil and Gas Sector Construction Unit	Merchandise Business Unit	Total
	VND	VND	VND	VND
Net revenue from external service rendered	19,249,557,760	105,168,532,492	36,519,197,257	160,937,287,509
Cost of sales	16,953,980,104	101,756,350,157	34,593,151,963	153,303,482,224
Segment operating performance	2,295,577,656	3,412,182,335	1,926,045,294	7,633,805,285
Unallocated expenses				(32,432,403,524)
Operating profit				(24,798,598,239)
Revenue from principal activities				31,052,708,006
Net profit from operating activities				6,254,109,767
Other profit				(738,077,306)
Profit before tax				5,516,032,461
Current corporate income tax expense				-
Deffered corporate income tax expense				(887,191,920)
Retained earnings				4,628,840,541
Other information				
Depreciation				8,396,489,281

Geographically, the Company operates only within the territory of Vietnam, so there are no regional divisions to report.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

26. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	FY 2024	FY 2023
	VND	VND
Revenue from investment property and land lease	11,756,797,184	5,203,799,784
Revenue from services rendered	70,442,846,104	139,125,894,025
Revenue from goods sold	33,077,419,853	16,607,593,700
Total	115,277,063,141	160,937,287,509

27. COST OF SALES

	FY 2024	FY 2023
	VND	VND
Cost of investment property and land lease	8,012,743,080	4,735,271,856
Cost of services rendered	64,837,334,860	132,264,687,856
Cost of goods sold	31,813,493,677	16,303,522,512
Total	104,663,571,617	153,303,482,224

28. PRODUCTION COST BY NATURE

	FY 2024	FY 2023
	VND	VND
Raw materials and consumables	2,042,897,690	23,566,064,744
Labour	44,207,637,832	85,829,350,390
Depreciation and amortization	8,584,996,631	8,396,489,281
Out-sourced services	28,440,427,188	56,268,444,687
Other monetary expenses	5,398,737,904	6,845,028,618
Total	88,674,697,245	180,905,377,720

29. FINANCIAL INCOME

	FY 2024	FY 2023
	VND	VND
Interest income	15,800,582,723	30,702,600,001
Foreign exchange gain	577,392,760	671,133,670
Total	16,377,975,483	31,373,733,671

30. FINANCIAL EXPENSES

	FY 2024	FY 2023
	VND	VND
Interest expense	4,594,643	-
Foreign exchange loss	839,242,845	321,025,665
Total	843,837,488	321,025,665

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	FY 2024	FY 2023
	VND	VND
a) Selling expenses incurred in the year		
Depreciation and amortization	582,444,108	582,444,120
Total	582,444,108	582,444,120
b) General administration expenses incurred in the year		
Labour	15,685,813,194	18,926,761,379
Raw materials and consumables	1,045,575,691	1,482,098,876
Depreciation and amortization	1,521,283,776	1,955,467,730
Out-sourced services	2,544,866,600	3,195,369,405
Other monetary expenses	4,873,160,933	6,290,262,014
Total	25,670,700,194	31,849,959,404

32. OTHER INCOME

	FY 2024	FY 2023
	VND	VND
Income from disposal of fixed assets	6,893,940	1,136,364
Receipt of penalties for delayed delivery	984,658,116	45,153,926
Income from 10% land lease management fee (i)	2,999,999,998	-
Others	60	324,357,212
Total	3,991,552,114	370,647,502

(i) The income related to the 10% management cost difference of the land rental value issued to two lessees – PV Shipyard and PVC MS in 2024 (Refer to Note 8).

33. OTHER EXPENSES

	FY 2024	FY 2023
	VND	VND
Late delivery penalty expenses	2,234,986,659	1,108,724,808
Others	572,220	-
Total	2,235,558,879	1,108,724,808

34. CURRENT CORPORATE INCOME TAX EXPENSE

	FY 2024	FY 2023
	VND	VND
Profit before tax	1,650,478,452	5,516,032,461
Taxable income adjustments	(4,438,983,611)	(3,488,149,241)
Minus: Deductible expenses	(4,974,956,654)	(4,435,959,600)
- Depreciation expense difference	(4,435,959,600)	(4,435,959,600)
- Provisionary salary fund from 2023 carried forward to 2024	(445,734,750)	-
- Unrealized foreign exchange loss of cash and receivables items at the end of prior year	(93,262,304)	-
Add: Undeductible expenses and increase adjustments	535,973,043	947,810,359
Taxable income	(2,788,505,159)	2,027,883,220
Loss carry-forward	-	(2,027,883,220)
Assessable income	-	-
Current corporate income tax rate	20%	20%
Current corporate income tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

34. CURRENT CORPORATE INCOME TAX EXPENSE (CONTINUED)

The company is obligated to pay corporate income tax at the standard rate of 20% on taxable income.

As of 31 December 2024, the Company has a tax loss of VND 3,918,310,998 that can be carried forward to offset future profits. The company has not recognized a deferred tax asset for this loss due to uncertainty regarding future profitability

The company's carried-forward tax losses will expire according to the following schedule:

Year of loss occurrence	Taxable loss	Loss carry- forward period	Loss carried forward as of 31/12/2024	Remaining loss to be carried forward	Tax finalization status
	VND		VND	VND	
2019	356,725,976	2020 - 2024	356,725,976	-	Not yet finalized
2021	1,680,165,582	2022 - 2026	1,675,657,244	4,508,338	Not yet finalized
2022	1,125,297,501	2023 - 2027	-	1,125,297,501	Not yet finalized
2024	2,788,505,159	2025 - 2029	-	2,788,505,159	Not yet finalized
			2,032,383,220	3,918,310,998	

35. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share allocated to common shareholders of the company is based on the following figures:

	FY 2024	FY 2023
	VND	VND
Retained earnings	763,286,532	4,628,840,541
Minus: Appropriation to the bonus and welfare fund	-	(462,884,054)
(i)		
Profit for calculating basic earnings per share	763,286,532	4,165,956,487
Weighted average ordinary shares used to calculate	50,000,000	50,000,000
basic earnings per share		
Basic earnings per share	15	83

- (i) According to Circular 200/2014/TT-BTC dated 22 December 2014, issued by the Ministry of Finance ("Circular 200"), the profit used for calculating basic earnings per share does not include allocations to the bonus and welfare fund. In 2024, the Board of Directors allocated VND 462,884,054 to the bonus and welfare fund from the undistributed profit of 2023, in accordance with the Resolution of the General Meeting of Shareholders No. 70/NQ-SMBĐ-ĐHĐCĐ dated 27 June 2024.

The allocation to the bonus and welfare fund for the financial year ended 31 December 2024 is based on the company's 2024 profit distribution plan approved at the Annual General Meeting of Shareholders in 2024.

36. COMMITMENTS

Lease commitment

	31/12/2024	01/01/2024
	VND	VND
Within one year	593,100,000	593,100,000
From the second to the fifth year exclusive	2,372,400,000	2,372,400,000
Over the fifth year	16,606,800,000	17,199,900,000

Operating lease commitments represent the total rental amount payable for leasing 5,000 m² at the construction yard of Petrovietnam Marine Shipyard JSC to support the company's business operations. This is based on the lease contract appendix, with the lease term running from 01 November 2016 to 31 December 2057.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

37. ADDITIONAL INFORMATION ON THE CAPITAL CONSTRUCTION INVESTMENT PROJECT

i. Information on contingent liabilities

As of 31 December 2024, the Company is still in the process of applying for an adjustment to its investment license so that the Sao Mai - Ben Dinh Port ("SM - BD") project can be recognized as a seaport project under the special investment incentive category, in accordance with Decree 118/2015/ND-CP issued on 12 November 2015 ("Decree 118" - replaced by Decree 31/2021/ND-CP on 26 March 2021). According to Decree 46/2014/ND-CP issued on 15 May 2014 ("Decree 46"), projects classified under the special investment incentive category are eligible for a land rental exemption for 11 years, following a maximum 3-year exemption during the basic construction phase (from 12 February 2015 to 11 February 2018).

Based on the investment policy approval documents from the Government, the Provincial People's Committee ("PPC"), and the guidance documents from the Department of Planning and Investment of Ba Ria - Vung Tau province ("BR - VT"), as well as the guidance from PetroVietnam Oil and Gas Group regarding the project scale adjustment in accordance with regulatory authorities' instructions, the company is in the process of implementing investment project adjustment procedures in accordance with current regulations (refer to section (ii) below).

As of 31 December 2024, the company's total outstanding tax payable to the state budget is VND 646,644,007,744 (including VND 494,818,134,803 in land rental fees and VND 151,825,872,941 in late payment penalties), based on Notification No. 731/TB-CCTKV issued by the Vung Tau - Con Dao Regional Tax Department on 17 January 2025.

The current land rental fees are calculated for 03 phases:

- ✓ Phase 1 (from 24 March 2008 to 12 February 2015): This phase covers the period before the decision of the People's Committee of Ba Ria - Vung Tau Province regarding the first land lease allocation. Amount payable: Land rental fee: VND 97,831,054,199 (after deducting VND 30,000,000,000 of prepayment – refer to Note 8), late payment penalty: VND 24,217,610,355; total amount payable: VND 122,048,664,554. The Company has preliminarily allocated VND 83,427,837,597 to Petrovietnam Marine Shipyard JSC ("PVC-MS") and Petrovietnam Marine Shipyard JSC ("PV Shipyard").

During this phase, the necessary legal procedures, such as the Land Lease Decision, Land Lease Contract, and Land Handover Minutes, had not yet been completed. The tax authorities base the company's land rental obligations on the infrastructure lease contracts between the company and the two entities, as well as confirmation from the Land Registration Office regarding the actual land usage area.

Since the company did not actually use the land during this phase and PVC-MS only started using the land after 24 March 2008, the company is working with the relevant authorities to adjust and reduce the actual land usage area and duration. Accordingly, the company has requested a reduction of VND 38,620,826,957, as stated in Official Letter No. 552/SMBĐ-TCKT dated 12 August 2024, sent to the Vung Tau – Con Dao Regional Tax Department and the Land Registration Office – Department of Natural Resources and Environment.

- ✓ Phase 2 (from 12 February 2015 to 11 February 2018): This phase covers the 03 years following the Land Lease Decision, during which basic construction was carried out. A land rental exemption decision has been issued by the Tax Department of Ba Ria - Vung Tau province.
- ✓ Phase 3 (from 12 February 2018 to 12 February 2029): This phase covers the 11 years following the 3-year basic construction period. The company is applying for special investment incentives for the "seaport" investment objective. However, due to the need to adjust the project scale to align with the province's planning, the project approval process has been delayed compared to the initial plan. The company is actively providing explanations and completing the necessary documents for project adjustment. In the event that, after completing the investment certificate adjustment procedures, the company is not granted the investment incentives, the amount payable will include land rental fee: VND 396,987,080,604; late payment penalty: VND 127,608,262,586; total amount payable: VND 524,595,343,190. The company has preliminarily allocated the amount payable based on land usage area as follows: The company: VND 123,980,324,688; PV Shipyard: VND 253,780,256,570; PVC-MS: VND 146,834,761,932.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

37. ADDITIONAL INFORMATION ON THE CAPITAL CONSTRUCTION INVESTMENT PROJECT (CONTINUED)

i. Information on contingent liabilities (Continued)

Currently, the company is continuing its efforts to complete the procedures for project adjustment and to apply relevant legal provisions to have the Sao Mai – Ben Dinh Port project recognized as a special investment incentive project under the regulations of Decree 118 (which was replaced by Decree No. 31/2021/ND-CP dated 26 March 2021). The company acknowledges that the obligation to pay land rental fees will only be determined once there is an official decision on whether the ongoing Sao Mai – Ben Dinh Port project will be recognized as a special investment incentive project and whether it will continue to receive a land rental exemption. Therefore, the company has not yet recognized the obligation related to the land rental fees in the financial statements for the year ended 31 December 2024.

ii. Information on investment project adjustments

According to Resolution No. 74/NQ-SMBĐ-ĐHCD dated 12 November 2021, the General Meeting of Shareholders approved the policy of reducing the investment project scale for the Sao Mai - Ben Dinh Petroleum Maritime Service Base. After adjustment, the total land area of the investment project is 112.5 hectares (compared to the pre-adjustment area of 161.5 hectares). The purpose of the project scale reduction is to comply with Decision No. 586/QĐ-TTg dated 17 May 2019, issued by the Prime Minister, align with the general planning of Vung Tau City, Ba Ria - Vung Tau Province until 2035, adhere to current regulations, and reflect the company's actual situation. In October 2022, the company prepared an investment policy adjustment dossier for the Sao Mai - Ben Dinh Petroleum Maritime Service Base project in accordance with the Investment Law 2020 and submitted it to the Ministry of Planning and Investment for consideration of investment project adjustment procedures to qualify for investment incentives

Since that time, the company has carried out the necessary procedures and supplemented the project dossier as required by the Ministry of Planning and Investment. As of the issuance date of this report, the company is still in the process of finalizing the investment policy adjustment dossier in accordance with the guidance provided by the Ministry of Planning and Investment in Official Letter No. 9613/BKHĐT-GSTĐĐT dated 21 November 2024, in order to resubmit the adjusted dossier.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

38. RELATED PARTY TRANSACTIONS AND BALANCES

In addition to the balances with related parties presented in Notes No. 6, 8, 17, 18, 20 and 23, the Company had the following significant transactions with related parties during the year:

	FY 2024	FY 2023
	VND	VND
<u>Revenue</u>		
<u>Members of PTSC</u>		
PTSC	53,476,040,647	96,135,144,689
PTSC - M&C	-	20,153,927,204
PV Shipyard	13,995,155,770	11,586,802,845
PTSC - POS	-	310,797,630
<u>Members of PVN</u>		
PVC - MS	6,466,449,001	7,351,957,285
<u>Purchase goods and services</u>		
<u>Members of PTSC</u>		
PTSC - Hotel	236,300,000	622,425,745
PTSC - M&C	-	75,160,000
PTSC - SB	108,862,500	2,156,211,909
PTSC - Da Nang	-	1,296,000
PV Shipyard	983,935,128	2,720,270,690
<u>Members of PVN</u>		
PV Oil Vung Tau	454,654,820	935,893,003
PV Gas South	-	4,381,404,300
PVI Vung Tau	597,473,099	345,148,149
<u>Proceeds from sales</u>		
<u>Members of PTSC</u>		
PTSC	132,647,603,733	15,151,930,387
PTSC - M&C	4,634,784,632	27,761,234,547
PV Shipyard	16,120,532,657	5,611,106,000
PTSC - POS	-	498,144,497
<u>Members of PVN</u>		
PVC - MS	6,890,917,451	3,880,851,124
<u>Payment for purchasing</u>		
<u>Members of PTSC</u>		
PTSC - SB	123,478,770	2,233,143,108
PTSC - Hotel	255,359,523	693,951,821
PTSC - M&C	45,360,000	35,812,800
<u>Members of PVN</u>		
PV Oil Vung Tau	500,120,302	1,004,185,109
PVN	57,918,341	157,500,000
PVI Vung Tau	618,742,472	493,594,083
PVI Southern	34,209,730	36,984,123
PV Gas South	-	4,819,544,730
<u>Paid on behalf of</u>		
<u>Members of PTSC</u>		
PTSC	1,527,545,825	257,000,000
<u>Proceeds from paying on behalf of</u>		
<u>Members of PTSC</u>		
PTSC	1,527,545,825	257,000,000
<u>Proceeds from compensation</u>		
<u>Members of PVN</u>		
PVI Vung Tau	-	45,153,926

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

38. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Remuneration paid to the Company's Board of Management and the Executive and Management Board during the year was as follows:

No.	Full name	Position	FY 2024 VND	FY 2023 VND
I.	Board of Management and Board of Directors		1,819,715,464	2,134,705,015
1	Pham Van Hung	Chairman	60,000,000	6,000,000
2	Tran Hai Binh	Chairman	-	530,816,203
3	Phung Nhu Dung	Director and Member of Board of the Management	618,104,737	663,951,881
4	Duong Hung Van	Director and Member of Board of the Management	378,245,498	-
5	Dang Thanh Hai	Member	36,000,000	36,000,000
6	Tran Xuan Tai	Member	36,000,000	36,000,000
7	Dang Duc Hoi	Deputy Director	-	365,294,091
8	Tran Duc Hanh	Deputy Director	691,365,229	496,642,840
II.	Supervisory Board		615,639,919	444,328,657
III.	Chief Accountant		584,925,351	424,815,930
1	Pham Minh Vi	Chief Accountant	584,925,351	424,815,930
Total			3,020,280,734	3,003,849,602

39. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

The interest earned from deposits during the year exclude VND 3,731,123,288 (in 2023: VND 4,350,876,714), which represents interest income not yet received as of 31 December 2024. However, it includes VND 4,350,876,714 of accrued interest from the previous year that was received this year. Therefore, a corresponding adjustment has been made to the increase and decrease in receivables.

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 36,633,369,500 (in 2023: 5,101,006,387), representing an addition in fixed assets during the year that has not yet been paid, however, this includes VND 8,270,032,182 (in 2023: VND 570,000,000) as advance payments for fixed asset purchases and unfinished construction costs, which will be recognized in the following year. Consequently, increase and decrease in payables and increase and decrease in receivables have been adjusted by the same amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

40. SUBSEQUENT EVENTS

On 25 February 2025, the company received a series of Decisions, from No. 2309 to No. 2318/QĐ-CCTKV, issued by the Vung Tau – Con Dao Regional Tax Department. These decisions enforced administrative tax management measures against the company by deducting funds from its bank accounts to pay outstanding taxes and ordering the freezing of accounts at commercial banks where the company holds deposits. This enforcement action was taken in accordance with Notification No. 45465/TB-CCTKV dated 11 February 2025, due to the company's tax debts exceeding 90 days past the legal deadline. The total amount subject to enforcement is VND 597,113,740,315. These decisions are effective for 30 days, from 25 February 2025 to 26 March 2025. At the time of issuing this report, the above enforcement decisions have expired, the Company's payment accounts have been unblocked, and transactions are operating normally.

From 07 February to 13 February 2025, the company received resignation letters from members of the Board of Directors and the Supervisory Board. These resignation requests are currently under review by the Board of Management and will be submitted for approval at the upcoming General Meeting of Shareholders.



Tran Duc Hanh
Deputy Director

Vung Tau, 23 April 2025

Pham Minh Vi
Chief accountant

Pham Thi Huong Giang
Preparer

