

**PETROVIETNAM CAMAU FERTILIZER JOINT STOCK
COMPANY**
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**
For the year ended 31 December 2022



PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1
Camau City, Camau Province, Vietnam

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PETROVIETNAM CAMAU FERTILIZER JOINT STOCK COMPANY

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1

Camau City, Camau Province, Vietnam

STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of PetroVietnam Camau Fertilizer Joint Stock Company (the “Company”) presents this report together with the Company’s separate financial statements for the year ended 31 December 2022.

THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

The members of the Board of Directors and Executive Board of the Company during the year and to the date of this report are as follows:

Board of Directors

Mr. Tran Ngoc Nguyen	Chairman
Mr. Van Tien Thanh	Member
Mr. Nguyen Duc Hanh	Member
Mr. Tran My	Member
Mr. Le Duc Quang	Member
Mr. Truong Hong	Independent member
Ms. Do Thi Hoa	Independent member

Executive Board

Mr. Van Tien Thanh	Chief Executive Officer
Mr. Le Ngoc Minh Tri	Executive Officer
Mr. Nguyen Tuan Anh	Executive Officer
Ms. Nguyen Thi Hien	Executive Officer
Mr. Tran Chi Nguyen	Executive Officer
Mr. Nguyen Thanh Tung	Executive Officer

EXECUTIVE BOARD’S STATEMENT OF RESPONSIBILITY

The Executive Board of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2022, 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. In preparing these separate financial statements, the Executive Board 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 separate financial statements;
- Prepare the separate 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 separate financial statements so as to minimize errors and frauds.

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STATEMENT OF THE EXECUTIVE BOARD (Continued)

The Executive Board is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Executive Board is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Executive Board,





Le Ngoc Minh Tri
Executive Officer

*(As per Authorization Letter No. 117/UQ-PVCFC
dated 30 December 2022 of the Company's
Chief Executive Officer)*

20 February 2023



INDEPENDENT AUDITORS' REPORT

To: Shareholders
The Board of Directors and Executive Board
PetroVietnam Camau Fertilizer Joint Stock Company

We have audited the accompanying separate financial statements of PetroVietnam Camau Fertilizer Joint Stock Company (the "Company"), prepared on 20 February 2023, as set out from page 05 to page 38, which comprise the balance sheet as at 31 December 2022, the income statement, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Executive Board's Responsibility for the Separate Financial Statements

The Executive Board is responsible for the preparation and fair presentation of these separate 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 Executive Board determines is necessary to enable the preparation of the separate 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 separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate 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 separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board, as well as evaluating the overall presentation of the separate financial statements.

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

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matter

As stated in Note 2 of the Notes to the separate financial statements, up to the date of the accompanying separate financial statements, the Government Inspectorate has not yet made any official written conclusion regarding the determination of potential development value of equitization settlement process at the time of the Company's official transformation into a joint stock company. Our opinion is not modified in respect of this matter.

Other issue

The Company's separate financial statements for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 15 March 2022.



Tran Xuan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0723-2023-001-1

Nguyen Cong Cuong
Auditor
Audit Practising Registration Certificate
No. 3992-2022-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

20 February 2023
Hanoi, S.R. Vietnam

BALANCE SHEET

As at 31 December 2022

Unit: VND

ASSETS		Codes	Notes	Closing balance	Opening balance
A.	CURRENT ASSETS	100		11,574,509,451,963	7,228,151,754,682
I.	Cash	110	4	2,115,211,463,601	410,279,110,776
1.	Cash	111		2,115,211,463,601	410,279,110,776
II.	Short-term financial investments	120	5	6,762,000,000,000	4,362,000,000,000
1.	Held-to-maturity investments	123		6,762,000,000,000	4,362,000,000,000
III.	Short-term receivables	130		231,631,833,526	186,327,493,020
1.	Short-term trade receivables	131		243,149,144	43,765,470,683
2.	Short-term advances to suppliers	132	6	131,570,030,550	85,772,664,411
3.	Other short-term receivables	136	7	141,311,622,261	94,250,650,528
4.	Provision for short-term doubtful debts	137	7	(41,492,968,429)	(37,461,292,602)
IV.	Inventories	140	8	2,250,165,972,158	2,174,888,053,689
1.	Inventories	141		2,389,481,246,999	2,174,888,053,689
2.	Provision for devaluation of inventories	149		(139,315,274,841)	-
V.	Other short-term assets	150		215,500,182,678	94,657,097,197
1.	Short-term prepayments	151	9	63,248,552,455	41,352,623,692
2.	Value added tax deductibles	152		151,749,427,894	52,802,271,176
3.	Taxes and other receivables from the State budget	153	15	502,202,329	502,202,329
B.	NON-CURRENT ASSETS	200		2,524,126,919,407	3,771,760,888,975
I.	Fixed assets	220		2,171,337,057,239	3,364,971,484,061
1.	Tangible fixed assets	221	10	2,124,129,426,767	3,326,036,280,922
	- Cost	222		15,147,432,852,651	14,982,893,309,812
	- Accumulated depreciation	223		(13,023,303,425,884)	(11,656,857,028,890)
2.	Intangible assets	227	11	47,207,630,472	38,935,203,139
	- Cost	228		178,085,717,860	152,720,963,527
	- Accumulated amortisation	229		(130,878,087,388)	(113,785,760,388)
II.	Long-term assets in progress	240		33,104,028,396	66,117,926,735
1.	Construction in progress	242	12	33,104,028,396	66,117,926,735
III.	Long-term financial investments	250	5	20,826,250,000	20,826,250,000
1.	Investments in subsidiaries	251		20,826,250,000	20,826,250,000
IV.	Other long-term assets	260		298,859,583,772	319,845,228,179
1.	Long-term prepayments	261	9	291,612,451,066	308,109,083,501
2.	Deferred tax assets	262		7,247,132,706	11,736,144,678
	TOTAL ASSETS (270=100+200)	270		14,098,636,371,370	10,999,912,643,657


The accompanying notes are an integral part of these separate financial statements

BALANCE SHEET (Continued)

As at 31 December 2022

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		3,532,920,232,258	3,557,074,041,533
I. Current liabilities	310		2,846,992,796,105	3,152,336,868,219
1. Short-term trade payables	311	13	1,011,432,401,071	773,882,972,523
2. Short-term advances from customers	312	14	106,447,754,789	285,544,035,325
3. Taxes and amounts payable to the State budget	313	15	69,883,522,293	94,128,886,543
4. Payables to employees	314		130,992,995,141	179,102,501,797
5. Short-term accrued expenses	315	16	238,602,416,720	552,937,882,159
6. Other current payables	319	17	304,089,021,369	386,214,561,958
7. Short-term loans and obligations under finance leases	320		-	685,901,453,586
8. Short-term provisions	321	18	679,260,884,288	-
9. Bonus and welfare funds	322	19	306,283,800,434	194,624,574,328
II. Long-term liabilities	330		685,927,436,153	404,737,173,314
1. Scientific and technological development fund	343	20	685,927,436,153	404,737,173,314
D. EQUITY	400		10,565,716,139,112	7,442,838,602,124
I. Owners' equity	410	21	10,565,716,139,112	7,442,838,602,124
1. Owners' contributed capital	411		5,294,000,000,000	5,294,000,000,000
- Ordinary shares carrying voting rights	411a		5,294,000,000,000	5,294,000,000,000
2. Investment and development fund	418		2,255,123,436,823	961,092,701,356
3. Retained earnings	421		3,016,592,702,289	1,187,745,900,768
- Retained earnings accumulated to the prior year end	421a		235,381,110,768	108,687,381,882
- Retained earnings of the current year	421b		2,781,211,591,521	1,079,058,518,886
TOTAL RESOURCES (440=300+400)	440		14,098,636,371,370	10,999,912,643,657


Dam Thi Thuy An
Preparer


Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Executive Officer

20 February 2023

INCOME STATEMENT

For the year ended 31 December 2022

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	24	16,351,930,606,769	10,101,178,219,793
2. Deductions	02	24	455,512,896,510	218,382,350,196
3. Net revenue from goods sold and services rendered (10=01-02)	10		15,896,417,710,259	9,882,795,869,597
4. Cost of sales	11	25	10,222,834,877,865	7,131,737,350,049
5. Gross profit from goods sold and services rendered (20=10-11)	20		5,673,582,832,394	2,751,058,519,548
6. Financial income	21	27	302,384,820,754	169,464,256,157
7. Financial expenses	22	28	59,983,723,863	44,471,557,928
- In which: Interest expense	23		9,856,617,902	17,981,195,647
8. Selling expenses	25	29	692,778,151,313	413,180,663,886
9. General and administration expenses	26	29	640,326,629,197	514,086,634,282
10. Operating profit (30=20+(21-22)-(25+26))	30		4,582,879,148,775	1,948,783,919,609
11. Other income	31	30	15,225,626,021	4,371,195,381
12. Other expenses	32	30	12,045,867,453	2,600,635,560
13. Profit from other activities (40=31-32)	40	30	3,179,758,568	1,770,559,821
14. Accounting profit before tax (50=30+40)	50		4,586,058,907,343	1,950,554,479,430
15. Current corporate income tax expense	51	31	268,134,110,480	136,301,076,248
16. Deferred corporate tax expense/(income)	52		4,489,011,972	(7,579,523,798)
17. Net profit after corporate income tax (60=50-51-52)	60		4,313,435,784,891	1,821,832,926,980


Dam Thi Thuy An
Preparer


Dinh Nhu Cuong
Chief Accountant


Le Ngoc Minh Tri
Executive Officer



20 February 2023

CASH FLOW STATEMENT

For the year ended 31 December 2022

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	4,586,058,907,343	1,950,554,479,430
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	1,390,545,452,374	1,376,181,246,066
Provisions	03	822,607,834,956	37,461,292,602
Foreign exchange loss/(gain) arising from translating foreign currency items	04	9,327,826,802	(7,011,270,188)
Gain from investing activities	05	(266,667,844,966)	(132,767,486,931)
Interest expense	06	9,856,617,902	17,981,195,647
Other adjustments	07	318,816,929,387	216,728,275,492
3. Operating profit before movements in working capital	08	6,870,545,723,798	3,459,127,732,118
Changes in receivables	09	(95,842,460,723)	31,089,883,329
Changes in inventories	10	(214,593,193,310)	(1,374,095,755,944)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	(407,637,229,145)	981,411,438,430
Changes in prepaid expenses	12	(5,399,296,328)	(284,020,764,736)
Interest paid	14	(11,144,222,831)	(21,715,727,982)
Corporate income tax paid	15	(292,926,529,509)	(76,263,646,748)
Other cash outflows	17	(163,176,292,860)	(170,825,190,922)
Net cash generated by operating activities	20	5,679,826,499,092	2,544,707,967,545
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(144,567,085,325)	(155,205,532,724)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	3,141,441,750	-
3. Cash outflow for lending, buying debt instruments of other entities	23	(12,210,000,000,000)	(6,530,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	9,810,000,000,000	4,470,000,000,000
5. Interest earned, dividends and profits received	27	211,085,690,888	116,654,243,097
Net cash used in investing activities	30	(2,330,339,952,687)	(2,098,551,289,627)

The accompanying notes are an integral part of these separate financial statements

CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2022

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	1,391,305,905,212	1,380,601,265,566
2. Repayment of borrowings	34	(2,071,781,038,480)	(1,500,935,927,152)
3. Dividends and profits paid	36	(946,283,401,510)	(423,444,313,500)
Net cash used in financing activities	40	(1,626,758,534,778)	(543,778,975,086)
Net increase/(decrease) in cash (50=20+30+40)	50	1,722,728,011,627	(97,622,297,168)
Cash at the beginning of the year	60	410,279,110,776	507,850,887,756
Effects of changes in foreign exchange rates	61	(17,795,658,802)	50,520,188
Cash at the end of the year (70=50+60+61)	70	2,115,211,463,601	410,279,110,776



Dam Thi Thuy An
Preparer



Dinh Nhu Cuong
Chief Accountant





Le Ngoc Minh Tri
Executive Officer

20 February 2023

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

PetroVietnam Camau Fertilizer Joint Stock Company (the "Company"), formerly known as PetroVietnam Camau Fertilizer Company Limited - a subsidiary of Vietnam Oil and Gas Group, was established in Vietnam under the first Enterprise Registration Certificate No. 2001012298 issued by Camau Province's Department of Planning and Investment on 24 March 2011.

PetroVietnam Camau Fertilizer Company Limited was officially transformed into a Joint Stock Company with the name of PetroVietnam Camau Fertilizer Joint Stock Company under Enterprise Registration Certificate for Joint Stock Company No. 2001012298 issued on 24 March 2011 and amended certificates issued by Camau Province's Department of Planning and Investment, with the charter capital of VND 5,294,000,000,000. The Company's stocks have been listed on Ho Chi Minh City Stock Exchange since 31 March 2015 under the stock symbol of "DCM".

The parent company of the Company is Vietnam Oil and Gas Group.

The number of employees of the Company as at 31 December 2022 was 1,042 (as at 31 December 2021: 1,022).

Operating industry and principal activities

The business activities of the Company include:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals for industrial/agricultural uses;
- Retail of fertilizers, chemicals used for industrial/agricultural uses;
- Architectural activities and consultancy on techniques relating to the use of fertilizers and chemicals;
- Warehousing, storage, loading and unloading services;
- Research and experiment of development for natural science and engineering, technical testing and analysing.
- Machinery and equipment repair and maintenance;
- Production of basic chemicals;
- Setting up website, processing rental data of related activities;
- Trading in products and materials, plant varieties, agricultural products and drugs used in agriculture;
- Trading business through electronic transactions;
- Production of non-alcoholic beverages, mineral water;
- Trading in real estate, land use rights belonging to owners, users or tenants; and
- Supply and management of labor resources.

The principal activities of the Company are fertilizer production and trading.

Normal production and business cycle

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

The Company's structure

The Company has 01 subsidiary - PetroVietnam Packaging Joint Stock Company. General information about the subsidiary is as below:

Subsidiary	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
PetroVietnam Packaging Joint Stock Company	Bac Lieu	51.03	51.03	Package and fertilizer manufacturing

The Company has 02 branches which are its dependent accounting units, located in Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Camau City, Camau Province, have their own seal for transaction and are allowed to open accounts at banks in accordance with Vietnamese laws. Details of the Company's branches are as follows:

- Branch of PetroVietnam Camau Fertilizer Joint Stock Company - Project Management Unit was established under Decision No. 1109/QD-PVCFC dated 01 June 2016 of the Board of Directors.
- Branch of PetroVietnam Camau Fertilizer Joint Stock Company - Research and Development Unit was established under Decision No. 442/QD-PVCFC dated 27 March 2017 of the Board of Directors.

Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the Company's audited separate financial statements for the year ended 31 December 2021.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate 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 financial reporting.

The accompanying separate 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.

Equitization finalization

According to the Government Inspectorate's Minutes of inspection and verification No. 379/QD-TTCP dated 30 July 2018 on the restructure of State-owned Enterprise PetroVietnam Camau Fertilizer Company Limited, the Government Inspectorate had inspected and verified the enterprise value, charter capital of the new joint-stock company, finalization and divestment of State-owned capital and search for strategic investors. Accordingly, Vietnam Oil and Gas Group has issued Examination Minutes No. 4287/BB-DKVN

dated 29 July 2021 on the equitization settlement of PetroVietnam Camau Fertilizer Company Limited and Decision No. 4825/QD-DKVN dated 24 August 2021 on determination of enterprise value and approval of the equitization settlement of the Company at the time of transformation into a joint stock company on 15 January 2015 ("equitization date").

The Company has made adjustments in accordance with the above documents in the separate financial statements for the year ended 31 December 2021. In which, for the difference in the growth potential value of PetroVietnam Camau Fertilizer Company Limited as at 01 January 2014 between Minutes No. 379/QD-TTCT dated 30 July 2018 of the Government Inspectorate and valuation certificate of Viet Capital Securities Joint Stock Company signed on 09 July 2014, is recognized on long-term prepaid expenses (goodwill) and other payables waiting for settlement and this amount has not yet been recognized as an increase in state capital or paid to the Business Arrangement Support Fund. This content will be settled (including accounting treatment) when there is an official conclusion of the Government Inspectorate (details stated in Note 09). At the date of these separate financial statements, the Company has not yet received an official conclusion from the Government Inspectorate regarding the above matter.

Financial year

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

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

Cash

Cash comprises cash on hand and bank 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 bank term deposits held to maturity to earn periodic interest.

Investments in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

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Investments in subsidiaries are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Dividends and profits used to re-evaluate the cost of the investment in the subsidiary after determination of the value of the parent company for equitization purposes, and other distributions received other than such profit shares are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provision for impairment of investments in subsidiaries 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 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. Issue 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 Company applies perpetual method to account for inventories.

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 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 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.

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

	<u>Years</u>
Buildings and structures	5 - 25
Machinery and equipment	5 - 12
Motor vehicles and transmission equipment	5 - 6
Office equipment	3 - 6
Others	3 - 6

The Company's tangible fixed assets were revalued upon equitization of the Company as a former state-owned enterprise. Their cost and accumulated depreciation were adjusted based on the revaluation value approved by competent authorities as regulated. Adjusted depreciation was applied when the Company officially started operating as a joint stock company.

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 amortisation

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

Increase in value of land use rights upon the revaluation and transfer to another form in which the State assigns land to the enterprise in exchange of land use fee is allowed to be recorded as an increase in payables to the State Budget when the Company is transformed into a joint stock company.

Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Land use rights	20 - 43
Copyright, patents	3
Computer software	3 - 6

The Company's intangible assets were revalued upon equitization of the Company as a former state-owned enterprise. Their cost and accumulated amortisation are adjusted based on the revaluation value approved by competent authorities as regulated, adjusted amortisation was applied when the Company officially started operating as a joint stock company.

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost including any costs that are necessary to form the asset including construction cost, equipment cost and 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.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments mainly comprise potential value difference for development, Camau Fertilizer Plant's asset insurance premium, costs of advertising and market development, warranty extension, maintenance software copyrights, fixed asset repair and other types of prepayments.

The potential value of development reflects the difference in the growth potential value of PetroVietnam Camau Fertilizer Company Limited as at 01 January 2014 between Minutes No. 379/QD-TTCP of the Government Inspectorate dated 30 July 2018 on inspecting and verifying the restructuring of state-owned enterprises at PetroVietnam Camau Fertilizer Company Limited and valuation certificate signed by Viet Capital Securities Joint Stock Company on 09 July 2014.

The prepaid expenses for Camau Fertilizer Plant's asset insurance are charged to profit or loss over the insurance period.

Costs of advertising and market development, warranty extension, maintenance software copyrights, fixed asset repair and other types of prepayments comprise costs of small tools, supplies issued for consumption and other prepayments which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments and are allocated to the income statement using the straight-line method in compliance with applicable regulations.

Payable provisions

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

Scientific and technological development fund

Scientific and Technological Development Fund is appropriated at a rate of no more than 10% of taxable profit in order to invest in science and technology activities of the Company. This Fund was formed on the basis of the Company's development and technology innovation demand and fund appropriations are charged to the operation results of the year.

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 of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

As guided by Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 issued by Vietnam Oil and Gas Group and Official Letter No. 7526/BTC-TCDN dated 08 June 2015 issued by Ministry of Finance on the exchange rate of foreign currencies, the Company applied the buying rate announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate monetary items denominated in foreign currencies as at 31 December 2022. The above mentioned rate differs from that stated in Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance guiding the accounting regime for enterprises ("Circular 200"). In the opinion of the Executive Board, the difference arising from the difference in the use of the above exchange rates is not material.

Revenue recognition

Revenue from production and trading

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.

Revenue from service rendered

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 years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. 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.

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 Company's right to receive payment has been established.

Borrowing costs

Borrowing costs are recognised in the income statement in the year 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.

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 profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

According to Investment Certificate No. 61101000153 dated 04 December 2012 issued by the People's Committee of Camau province, the Company is entitled to tax incentives with regard to Camau Fertilizer Production Plant project as follows:

- Corporate income tax: The Company is entitled to preferential tax rates, tax exemption and reduction in accordance with provisions of the prevailing law on corporate income tax.
- Land tax: The Company is entitled to exemption from/reduction of land use tax, land use fees, land and water surface rentals in accordance with provisions of the prevailing laws on land and taxation.
- Import duty: The Company is exempted from import duty with regard to equipment, materials, motor vehicles and other goods for the implementation of the project in accordance with the law on import/export duties.

According to Official Letter No. 4641/TCT-CS issued by the General Department of Taxation on 02 December 2008 in response to Vietnam Oil and Gas Group on tax incentives for Camau Fertilizer Production Plant Project, the Company is entitled to tax incentives as follow corporate income tax rate of 10% for 15 years since the beginning of production and business activities, corporate income tax exemption for 04 years from the year having taxable profit and 50% reduction in tax payable for the nine following years. 2022 is the seventh year the Company is entitled to 50% reduction in tax payable regarding profit generated by the main operating activities of Camau Fertilizer Production Plant Project.

Regarding to business income arising from the Project of Production of Molten Urea Complex (NPK Project), currently, the Company is working with tax authorities to determine corporate income tax incentives. As at the end of 2022, the Company has not generated taxable profit from business activities arising from NPK Project.

For operations other than those under Camau Fertilizer Production Plant Project and NPK Project, the Company is obliged to pay corporate income tax at the prevailing normal tax rate based on taxable profit from other business activities.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the separate 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 year 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.

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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.

4. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	884,572,917	1,348,749,708
Bank demand deposits	2,114,326,890,684	408,930,361,068
	<u>2,115,211,463,601</u>	<u>410,279,110,776</u>

5. FINANCIAL INVESTMENTS

Short-term financial investments

	Closing balance		Opening balance	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
<i>Short-term held-to-maturity investments</i>	6,762,000,000,000	6,762,000,000,000	4,362,000,000,000	4,362,000,000,000
<i>- Over 3-month term deposits (i)</i>	6,762,000,000,000	6,762,000,000,000	4,362,000,000,000	4,362,000,000,000

- (i) Represents bank term deposits in VND with original maturities of more than three months and the remaining period of less than 12 months and interest rate ranging from 3.5% per annum to 8.8% per annum (as at 31 December 2021: from 3.5% per annum to 5.35% per annum).

As at 31 December 2022, the Company had a deposit of VND 332 billion at Ocean Commercial Joint Stock Bank – Ca Mau Branch (“OceanBank”). According to Official Letter No. 17/2015/CV-GDCNCM dated 14 May 2015 of OceanBank, under the instruction of the State Bank of Vietnam (“SBV”), OceanBank has been temporarily suspending payment to institutional customers who had deposits at OceanBank from 11 February 2015. On 23 February 2021, the Company sent its Official Letter No. 233/PVCFC-TCKT to the SBV and OceanBank on the payment of this deposit and has not received the response yet. The deposit is currently applied the interest rate of 3.5% per annum and periodic interest is transferred to the Company’s account opened at OceanBank. Because the SBV has taken over OceanBank and transformed the operation model of OceanBank into Ocean Commercial One Member Limited Liability Bank owned by the State since 08 May 2015, the Executive Board assesses that the mentioned above deposit is still recoverable and there is no risk of loss. Accordingly, no provision for impairment of investments has been recognized.

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Long-term financial investments

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Investments in other entities				
<i>Investments in subsidiary</i>	<i>20,826,250,000</i>	-	<i>20,826,250,000</i>	-
<i>PetroVietnam Packaging Joint Stock Company</i>	<i>20,826,250,000</i>	-	<i>20,826,250,000</i>	-

The operating status of the subsidiary during the year is as follows:

	Current year			Prior year		
	Revenue	Expenses	Profit after tax	Revenue	Expenses	Profit after tax
	VND	VND	VND	VND	VND	VND
PetroVietnam Packaging Joint Stock Company	355,551,316,675	348,799,225,593	6,752,091,082	329,974,341,025	324,173,882,038	5,800,458,987

6. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
PetroVietnam Packaging Joint Stock Company	45,571,982,489	-
Mr. Le Van Dung	52,328,805,340	-
Other suppliers	33,669,242,721	85,772,664,411
	131,570,030,550	85,772,664,411
<i>In which:</i>		
Advances to related parties (Details stated in Note 33)	45,936,904,969	4,020,227,390

7. OTHER SHORT-TERM RECEIVABLES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Accrued interest receivable from term deposits	87,091,808,217	-	34,651,095,889	-
Receivables from foreign contractor withholding tax of loan interest from foreign banks (i)	43,228,523,461	(41,492,968,429)	43,228,523,461	(37,461,292,602)
Discounts on goods purchased	4,882,279,500	-	13,048,564,000	-
Advances to employees	4,424,293,437	-	1,637,232,000	-
Deposits, mortgages	669,810,000	-	115,000,000	-
Others	1,014,907,646	-	1,570,235,178	-
	141,311,622,261	(41,492,968,429)	94,250,650,528	(37,461,292,602)

- (i) Represent the foreign contractor withholding tax amounts paid by the Company to related tax authorities regarding loan interest under the ECA Loan Agreement between the lending group of BNP Paribas, Export-Import Bank of China and Credit Agricole Bank and Vietnam Oil and Gas Group in accordance with Meeting Minutes dated 26 April 2018 among Inspector of Ministry of Finance, Tax Department of Camau Province and the Company. At the date of these interim separate financial statements, the Company is still working with the Tax Authority to refund these contractor tax amounts.

As at 31 December 2022, the Company's Executive Board carefully assessed and determined the recoverable value of the receivables based on cost less provision for doubtful debts made.

8. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Goods in transit	-	-	257,175,000,000	-
Raw materials	696,629,144,133	-	536,875,667,895	-
Tools and supplies	28,895,136,583	-	27,062,487,559	-
Work in progress	124,613,233,919	-	155,985,809,354	-
Finished goods	1,154,890,934,532	(71,846,124,192)	736,584,810,709	-
Merchandise	384,452,797,832	(67,469,150,649)	461,204,278,172	-
	2,389,481,246,999	(139,315,274,841)	2,174,888,053,689	-

During the year, the Company made provision for devaluation of inventories due to NPK finished goods and goods having cost higher than net realizable value.

9. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Asset insurance premium for Camau Fertilizer Production Plant	14,880,489,207	13,324,792,803
Tools and supplies issued for consumption	11,119,038,816	3,655,465,009
Costs of advertising and market development	22,679,302,020	11,335,201,843
Costs of warranty extension, maintenance and software copyrights	14,345,352,887	12,956,626,608
Other short-term prepaid expenses	224,369,525	80,537,429
	63,248,552,455	41,352,623,692
b. Non-current		
Potential value for development (i)	261,059,472,455	261,059,472,455
Tools and supplies issued for consumption	27,433,212,140	43,944,761,116
Property repair costs	2,149,237,405	2,591,739,928
Other long-term prepaid expenses	970,529,066	513,110,002
	291,612,451,066	308,109,083,501

- (i) Represents the difference in the growth potential value of PetroVietnam Camau Fertilizer Company Limited as at 01 January 2014 between Minutes No. 379/QD-TTCT of the Government Inspectorate dated 30 July 2018 on inspecting and verifying the restructuring of state-owned enterprises at PetroVietnam Camau Fertilizer Company Limited and valuation certificate signed by Viet Capital Securities Joint Stock Company on 09 July 2014.

10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles and transmission equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	3,817,924,593,524	10,939,708,565,656	93,001,816,206	72,888,360,611	59,369,973,815	14,982,893,309,812
Additions	6,802,479,863	16,351,659,170	29,268,802,489	5,504,181,045	-	57,927,122,567
Transfer from construction in progress	9,626,159,474	106,153,830,353	-	-	-	115,779,989,827
Disposals	-	(4,132,357,515)	-	(5,035,212,040)	-	(9,167,569,555)
Closing balance	<u>3,834,353,232,861</u>	<u>11,058,081,697,664</u>	<u>122,270,618,695</u>	<u>73,357,329,616</u>	<u>59,369,973,815</u>	<u>15,147,432,852,651</u>
ACCUMULATED DEPRECIATION						
Opening balance	2,869,869,147,757	8,646,882,503,113	63,983,082,342	57,430,949,547	18,691,346,131	11,656,857,028,890
Charge for the year	332,968,280,900	1,032,811,261,185	5,835,567,038	3,862,255,545	136,601,881	1,375,613,966,549
Disposals	-	(4,132,357,515)	-	(5,035,212,040)	-	(9,167,569,555)
Closing balance	<u>3,202,837,428,657</u>	<u>9,675,561,406,783</u>	<u>69,818,649,380</u>	<u>56,257,993,052</u>	<u>18,827,948,012</u>	<u>13,023,303,425,884</u>
NET BOOK VALUE						
Opening balance	<u>948,055,445,767</u>	<u>2,292,826,062,543</u>	<u>29,018,733,864</u>	<u>15,457,411,064</u>	<u>40,678,627,684</u>	<u>3,326,036,280,922</u>
Closing balance	<u>631,515,804,204</u>	<u>1,382,520,290,881</u>	<u>52,451,969,315</u>	<u>17,099,336,564</u>	<u>40,542,025,803</u>	<u>2,124,129,426,767</u>

The cost of the Company's tangible fixed assets as at 31 December 2022 includes VND 500,508,183,672 (as at 31 December 2021: VND 370,623,886,763) of fixed assets which have been fully depreciated but are still in use.

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Copy rights, patent	Computer software	Total
	VND	VND	VND	VND
COST				
Opening balance	22,194,885,567	14,080,000,000	116,446,077,960	152,720,963,527
Additions	-	529,100,000	24,496,949,333	25,026,049,333
Transfer from construction in progress	-	-	338,705,000	338,705,000
Closing balance	<u>22,194,885,567</u>	<u>14,609,100,000</u>	<u>141,281,732,293</u>	<u>178,085,717,860</u>
ACCUMULATED AMORTISATION				
Opening balance	8,860,538,382	14,080,000,000	90,845,222,006	113,785,760,388
Charge for the year	1,286,648,162	133,362,192	15,672,316,646	17,092,327,000
Closing balance	<u>10,147,186,544</u>	<u>14,213,362,192</u>	<u>106,517,538,652</u>	<u>130,878,087,388</u>
NET BOOK VALUE				
Opening balance	<u>13,334,347,185</u>	-	<u>25,600,855,954</u>	<u>38,935,203,139</u>
Closing balance	<u>12,047,699,023</u>	<u>395,737,808</u>	<u>34,764,193,641</u>	<u>47,207,630,472</u>

The cost of the Company's intangible assets as at 31 December 2022 includes VND 97,417,753,109 (as at 31 December 2021: VND 73,623,851,676) of intangible assets which have been fully amortised but are still in use.

12. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Cargo yard platform upgrading project	10,233,557,863	-
Road surface and drainage system upgrading project	6,236,686,527	-
Emission monitoring system	6,149,864,037	-
Composite Fertilizer Production from melted Urea	1,606,416,295	13,369,078,535
CO2 Separation System	-	35,991,722,935
MP vent gas recovery system	-	4,515,487,702
Other projects	8,877,503,674	12,241,637,563
	<u>33,104,028,396</u>	<u>66,117,926,735</u>

13. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid off	Amount	VND Amount able to be paid off
Vietnam Oil and Gas Group	529,071,661,373	529,071,661,373	423,982,939,595	423,982,939,595
PetroVietnam Power Corporation	57,831,729,358	57,831,729,358	55,878,041,576	55,878,041,576
Sun Life Vietnam Insurance Company Limited	24,569,757,920	24,569,757,920	4,859,500,000	4,859,500,000
PetroVietnam Fertilizer and Chemicals Corporation – Joint Stock Company - Chemical Business Petroleum Branch	23,725,630,102	23,725,630,102	19,494,639,698	19,494,639,698
PetroVietnam Freight Logistic and Investment JSC	20,710,209,811	20,710,209,811	5,876,074,775	5,876,074,775
Thuan Phat Transport JSC	17,812,157,628	17,812,157,628	8,506,084,068	8,506,084,068
Other suppliers	337,711,254,879	337,711,254,879	255,285,692,811	255,285,692,811
	1,011,432,401,071	1,011,432,401,071	773,882,972,523	773,882,972,523
<i>In which:</i>				
Trade payables to related parties (Details stated in Note 33)	641,599,892,967	641,599,892,967	525,617,941,927	525,617,941,927

14. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Hung Thanh Agricultural Materials Co., Ltd	21,020,194,840	161,449,115,240
Chhun Sok An Co., Ltd	11,913,889,985	2,351,963,621
Sayimex Ta Mchas SRE Co., Ltd	8,172,366,096	-
Hour Sarin Aphivath Kasekam Co., Ltd	4,827,102,045	10,946,234,396
Nguyen Khoa Trading Co., Ltd	33,779,999	29,706,589,514
Other customers	60,480,421,824	81,090,132,554
	106,447,754,789	285,544,035,325

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

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
a. Receivables				
Value added tax	104,855,724	-	-	104,855,724
Land rentals	397,346,605	157,591,158	157,591,158	397,346,605
	502,202,329	157,591,158	157,591,158	502,202,329
b. Payables				
Value added tax for import goods	-	5,687,922,139	5,687,922,139	-
Corporate income tax	85,938,999,348	268,134,110,480	292,926,529,509	61,146,580,319
Natural resources tax	216,306,450	2,545,121,250	2,532,424,500	229,003,200
Export duty	-	304,666,400,185	304,666,400,185	-
Import duty	-	2,734,982,556	2,734,982,556	-
License tax	-	4,000,000	4,000,000	-
Personal income tax	7,969,476,745	87,295,158,880	86,756,696,851	8,507,938,774
Other taxes	4,104,000	1,276,848,659	1,280,952,659	-
Other payables	-	1,810,116,000	1,810,116,000	-
	94,128,886,543	674,154,660,149	698,400,024,399	69,883,522,293

16. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Trade discount (i)	138,853,142,115	199,515,410,195
Costs of sales promotion	42,676,056,454	26,693,725,725
Goods and services received	22,365,071,066	295,317,116,756
Accrued gas expenses	14,060,289,155	19,019,656,275
Accrued interest expense	-	1,287,604,929
Other accruals	20,647,857,930	11,104,368,279
	238,602,416,720	552,937,882,159

In which:

Accrued expenses payable to related parties (details stated in Note 33)	14,060,289,155	19,019,656,275
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- (i) Represents the accrued trade discount payable to customers according to the sales policy approved by the Chief Executive Officer and notified to the customers. The accrual data has been approved according to the decisions of the Company's Chief Executive Officer on temporary deduction of discount in 2022.

17. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Potential value for development (Note 9)	261,059,472,455	261,059,472,455
Safety reward fund	8,203,839,325	6,572,097,546
Short-term deposits received	4,715,671,218	1,744,232,000
Seller commission	3,888,965,136	13,241,390,131
Trade union fee	877,776,897	835,096,897
Ca Mau Gas - Power - Fertilizer Project Management Unit	-	55,851,413,429
Social welfare security expenses	-	15,000,000,000
Other short-term payables	25,343,296,338	31,910,859,500
	304,089,021,369	386,214,561,958

In which:

Other short-term payables to related parties (details stated in Note 33)	1,064,065,018	69,135,087,341
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18. SHORT-TERM PAYABLE PROVISIONS

	Closing balance	Opening balance
	VND	VND
Provision for gas expenses (i)	679,260,884,288	-
	679,260,884,288	-
<i>In which:</i>		
Payable provision to related parties (details stated in Note 33)	679,260,884,288	-

- (i) During the year, the Company made provisions for gas expenses regarding the principle of gas distribution based on the actual consumption proportion of consumers in Ca Mau applied from 01 January 2022 according to Resolution No. 2833/NQ-DKVN dated 27 May 2022 of the Members' Council of Vietnam Oil and Gas Group. This value of provision for gas expenses will be adjusted (if any) when there is an official settlement between the Company and the Group.

19. BONUS AND WELFARE FUND

	Current year	Prior year
	VND	VND
Opening balance	194,624,574,328	154,633,791,397
Appropriation to the fund	238,193,457,903	196,224,530,000
Decrease in bonus and welfare fund from profits	(555,210,000)	(528,642,500)
Utilization in the year	(125,928,023,079)	(155,381,439,851)
Depreciation of fixed assets formed from bonus and welfare fund	(50,998,718)	(323,664,718)
Closing balance	306,283,800,434	194,624,574,328

20. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	Current year	Prior year
	VND	VND
Opening balance	404,737,173,314	203,819,014,815
- Appropriation in the year (i)	318,816,929,387	216,728,275,492
- Utilization in the year	(37,248,269,781)	(15,443,751,071)
- Depreciation of fixed assets formed from scientific and technological development fund	(378,396,767)	(366,365,922)
Closing balance	685,927,436,153	404,737,173,314

- (i) The Scientific and Technological Development Fund is deducted during the year at the rate of 6.5% of the Company's taxable profit to create sources for scientific and technological activities of the Company.

21. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND
Prior year's opening balance	5,294,000,000,000	414,542,823,262	583,945,978,675	6,292,488,801,937
Adjustment of profits related to equitization	-	-	(52,267,239,293)	(52,267,239,293)
Profit for the year	-	-	1,821,832,926,980	1,821,832,926,980
Appropriation to investment and development fund	-	546,549,878,094	(546,549,878,094)	-
Appropriation to bonus and welfare fund	-	-	(196,224,530,000)	(196,224,530,000)
Decrease in bonus and welfare funds from 2020 retained earnings	-	-	528,642,500	528,642,500
Dividends declared from 2020 profit	-	-	(423,520,000,000)	(423,520,000,000)
Current year's opening balance	5,294,000,000,000	961,092,701,356	1,187,745,900,768	7,442,838,602,124
Profit for the year	-	-	4,313,435,784,891	4,313,435,784,891
Appropriation to investment and development fund (i)	-	1,294,030,735,467	(1,294,030,735,467)	-
Appropriation to bonus and welfare fund (i)	-	-	(238,193,457,903)	(238,193,457,903)
Decrease in bonus and welfare funds from 2021 retained earnings (ii)	-	-	555,210,000	555,210,000
Dividends declared from 2021 profit	-	-	(952,920,000,000)	(952,920,000,000)
Current year's closing balance	5,294,000,000,000	2,255,123,436,823	3,016,592,702,289	10,565,716,139,112

- (i) During the year, the Company made temporary appropriation to the development and investment fund and bonus and welfare fund from its 2022 retained earnings according to Resolution No.828/NQ-PVCFC dated 26 April 2022 passed at the Company's General Shareholders' Meeting.
- (ii) Represent the reduction of the appropriation amount to Bonus and welfare fund from retained earnings in 2021 according to Decision No. 607/QD-PVCFC dated 31 March 2022 approving of the labor and salary plan for 2022.

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares issued to the public	529,400,000	529,400,000
<i>Ordinary shares</i>	<i>529,400,000</i>	<i>529,400,000</i>
Number of outstanding shares in circulation	529,400,000	529,400,000
<i>Ordinary shares</i>	<i>529,400,000</i>	<i>529,400,000</i>

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

Charter capital

The charter capital of the Company is VND 5,294,000,000,000. As at 31 December 2022, the charter capital has been fully contributed by shareholders, as follows:

	Per Enterprise		Contributed capital	
	Registration Certificate		Closing balance	Opening balance
	VND	%	VND	VND
Vietnam Oil and Gas Group	4,000,230,570,000	75.56%	4,000,230,570,000	4,000,230,570,000
Other shareholders	1,293,769,430,000	24.44%	1,293,769,430,000	1,293,769,430,000
	5,294,000,000,000	100%	5,294,000,000,000	5,294,000,000,000

Dividends

According to Resolution No. 828/NQ-PVCF dated 26 April 2022 of the General Meeting of Shareholders, the Company's General Meeting of Shareholders decided to pay dividends from the 2021 retained earnings at the rate of 18% of the charter capital, equivalent to an amount of VND 952,920,000,000. The Company has paid dividends from the 2021 retained earnings to Shareholders on 26 July 2022.

22. OFF-BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currencies		
USD	74,964,971	489,153
EUR	1,280	1,280

23. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segment

The Company's principal activities are manufacturing and trading fertilizers used in agriculture. Accordingly, the financial information presented in the balance sheet as at 31 December 2022 and all revenue and expenses presented in the income statement for the year ended 31 December 2022 mainly relate to manufacturing and trading fertilizers including urea, NPK and other fertilizers. Therefore, no business segment report has been prepared. Revenue and cost of sales by business line are presented in Note 24 and Note 25.

Geographical segment

The Company distributes fertilizer products in both domestic markets (Southwest region, Southeast region, Central Highlands...) and foreign markets (Cambodia, India...). During the year, the Company exported fertilizer products to foreign markets with revenue of about VND 6,396 billion (in 2021: about VND 2,045 billion) - accounting for approximately 39% of gross revenue from goods sold and services rendered of the Company.

Segment reports are prepared for corporate management purposes. The Company keeps track of the revenue, expenses and results by geographical segment as follows:

Current year	Domestic	Export	Total
	VND	VND	VND
Net revenue from goods sold	9,499,995,612,738	6,396,422,097,521	15,896,417,710,259
Cost of sales	(6,532,649,137,813)	(3,690,185,740,052)	(10,222,834,877,865)
Gross profit by segment	2,967,346,474,925	2,706,236,357,469	5,673,582,832,394
General operating expenses			(1,333,104,780,510)
Financial income			302,384,820,754
Financial expenses			(59,983,723,863)
Other income			15,225,626,021
Other expenses			(12,045,867,453)
Accounting profit before tax			4,586,058,907,343
Current corporate income tax expense			(268,134,110,480)
Deferred corporate tax income			(4,489,011,972)
Net profit after corporate income tax			4,313,435,784,891
Prior year	Domestic	Export	Total
	VND	VND	VND
Net revenue from goods sold	7,836,870,854,968	2,045,925,014,629	9,882,795,869,597
Cost of sales	(5,630,139,889,788)	(1,501,597,460,261)	(7,131,737,350,049)
Gross profit by segment	2,206,730,965,180	544,327,554,368	2,751,058,519,548
General operating expenses			(927,267,298,168)
Financial income			169,464,256,157
Financial expenses			(44,471,557,928)
Other income			4,371,195,381
Other expenses			(2,600,635,560)
Accounting profit before tax			1,950,554,479,430
Current corporate income tax expense			(136,301,076,248)
Deferred corporate tax expense			7,579,523,798
Net profit after corporate income tax			1,821,832,926,980

24. REVENUE

	Current year	Prior year
	VND	VND
Sales of goods and services rendered		
Sales of urea	12,466,293,242,829	7,280,394,927,590
- Domestic sales	6,648,482,067,832	5,378,953,779,000
- Export	5,817,811,174,997	1,901,441,148,590
Sales of NPK	1,253,321,963,000	391,249,025,000
- Domestic sales	1,228,056,909,500	391,249,025,000
- Export	25,265,053,500	-
Sales of fertilizers	1,972,775,403,171	1,638,158,931,515
- Domestic sales	1,419,429,534,147	1,514,083,655,476
- Export	553,345,869,024	124,075,276,039
Sales of waste and other fertilizers	657,823,990,601	789,719,437,271
Revenue from services rendered	1,716,007,168	1,655,898,417
	16,351,930,606,769	10,101,178,219,793
Deductions		
Sales discount	455,346,096,510	218,382,350,196
Sales rebates	166,800,000	-
	455,512,896,510	218,382,350,196
<i>In which:</i>		
Sales in the year to related parties (details stated in Note 33)	83,625,000,000	54,052,026,980

25. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of urea sold	6,859,333,369,309	4,786,064,054,966
Cost of NPK sold	1,192,000,380,535	392,883,682,341
Cost of fertilizers sold	1,856,574,900,868	1,483,980,402,380
Cost of other fertilizers	314,926,227,153	468,809,210,362
	10,222,834,877,865	7,131,737,350,049

26. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials and consumables	6,570,158,613,552	4,293,366,686,366
Labour	565,545,653,100	546,905,574,287
Depreciation and amortisation	1,390,545,452,374	1,376,181,246,066
Out-sourced services	785,987,950,622	343,491,505,094
Provision	143,346,950,668	37,461,292,602
Appropriation to the scientific and technological development fund	318,816,929,387	216,728,275,492
Other monetary expenses	398,268,883,980	484,627,173,254
	10,172,670,433,683	7,298,761,753,161

27. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank interest	261,444,611,266	130,808,153,331
Foreign exchange gain	38,858,417,538	36,696,769,226
Dividends and profits received	2,081,791,950	1,959,333,600
	302,384,820,754	169,464,256,157

28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Foreign exchange loss	50,127,105,961	23,973,639,100
Interest expenses	9,856,617,902	17,981,195,647
Settlement discount	-	2,319,050,000
Guarantee fee	-	197,673,181
	59,983,723,863	44,471,557,928

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Selling expenses for the year		
Sales staff expenses	49,143,366,447	51,564,502,607
Transport, loading and storage expenses	282,963,154,121	115,128,975,554
Advertisement and communication expenses	197,520,179,576	106,443,848,845
Social welfare security expenses	38,671,503,413	57,412,538,334
Selling commission expenses	13,793,086,855	18,729,501,165
Depreciation and amortization expenses	5,602,294,642	5,510,469,522
Other outsourced services	33,414,890,512	20,817,418,508
Other selling expenses	71,669,675,747	37,573,409,351
	692,778,151,313	413,180,663,886
General and administration expenses for the year		
Administrative staff expenses	136,139,032,458	135,251,623,723
Depreciation and amortization expenses	9,425,658,580	17,350,483,179
Outsourced services	61,870,148,193	44,197,138,331
Provision for doubtful debts	4,031,675,827	37,461,292,602
Appropriation to the scientific and technological development fund	318,816,929,387	216,728,275,492
Other general and administration expenses	110,043,184,752	63,097,820,955
	640,326,629,197	514,086,634,282

30. OTHER INCOME AND OTHER EXPENSES

	Current year	Prior year
	VND	VND
Other income		
Penalty for breach of contract	146,373,600	101,323,309
Disposals	3,141,441,750	552,260,727
Compensations and bonuses received	10,700,730,663	3,301,889,581
Other income	1,237,080,008	415,721,764
	15,225,626,021	4,371,195,381
Other expenses		
Ship bonus cost	7,816,489,052	2,088,653,174
Other expenses	4,229,378,401	511,982,386
	12,045,867,453	2,600,635,560
Profit from other activities	3,179,758,568	1,770,559,821

31. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	268,017,731,672	135,039,038,107
Adjustments for corporate income tax expense in previous periods to the current year	116,378,808	1,262,038,141
Total current corporate income tax expense	268,134,110,480	136,301,076,248

Corporate income tax expense based on taxable profit in the current year is calculated as follows:

	Current year	Prior year
	VND	VND
Profit before tax	4,586,058,907,343	1,950,554,479,430
Adjustments for taxable profit		
<i>Less: Adjustment of the State Audit</i>	-	(23,246,224,557)
<i>Less: Prior year's sale discount billed in the current year</i>	(199,514,410,195)	(56,512,371,793)
<i>Less: Dividend received</i>	(2,081,791,950)	(1,959,333,600)
<i>Added back: non-deductible expenses</i>	66,740,563,195	124,842,844,669
<i>Added back: Sale discount not billed in the year</i>	138,254,142,115	199,514,410,195
Taxable profit in the current year	4,589,457,410,508	2,193,193,804,344
<i>Taxable profit at normal tax rate of 20%</i>	256,965,740,973	169,195,652,601
<i>Taxable profit at incentive tax rate of 10% and 50% reduction</i>	4,332,491,669,535	2,023,998,151,743
Corporate income tax expense based on taxable profit in the current year	268,017,731,672	135,039,038,107

32. OTHER COMMITMENTS

According to Contract on trading gas of Block PM3 CAA and Block 46 - Cai Nuoc No. 3918/HD-DKVN dated 23 May 2012 between Vietnam Oil and Gas Group and PetroVietnam Camau Fertilizer Company Limited (currently known as PetroVietnam Camau Fertilizer Joint Stock Company) and Amendment No. 08 dated 27 May 2020, the Company will purchase natural gas of Block PM3 CAA and Block 46 - Cai Nuoc from the Group within 20 years from the official operation date with the output of 495 million m³ of standard gas per year.

At the date of these separate financial statements, the Company and the Group are in the process of agreeing on Amendment No. 09 of the above Gas Purchase Contract, including the principle of gas allocation in 2022 of households in Ca Mau. Accordingly, the cost of gas in 2022 will be adjusted (if any) when there is an official settlement between the Company and the Group.

33. RELATED PARTIES TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam Oil and Gas Group	Parent Company
Other companies are subsidiaries, joint ventures and associates of Vietnam Oil and Gas Group	Affiliates
PetroVietnam Packaging Joint Stock Company	Subsidiary

During the year, the Company entered into the following significant transactions with its related parties:

	Current year VND	Prior year VND
Sales		
PetroVietnam Packaging Joint Stock Company	64,500,000,000	54,052,026,980
DMC - Southern Petroleum Chemicals JSC	19,125,000,000	-
	83,625,000,000	54,052,026,980

	Current year VND	Prior year VND
Purchases		
Vietnam Oil and Gas Group	4,149,469,384,746	2,718,010,730,255
PetroVietnam Power Corporation (PV Power)	347,573,428,837	370,284,960,714
PetroVietnam Packaging Joint Stock Company	262,942,152,535	288,955,279,005
PetroVietnam Chemicals and Fertilizer Corporation - Petrochemical Trading Branch	147,056,591,169	130,304,620,974
PVI Insurance South Company	24,386,539,317	37,401,876,454
PVD Technical Training and Certification JSC	38,330,426,892	17,537,324,878
PVI Insurance Ca Mau Company	12,121,737,103	8,829,391,660
Petro Vietnam Security Service Corporation - South West branch	15,907,341,497	20,404,796,326
PetroVietnam Oil Saigon Joint Stock Corporation	11,726,246,919	5,892,294,542
PetroVietnam Gas JSC - Ca Mau Gas Company	11,717,320,941	11,513,116,586
PetroVietnam Man Power Training College	14,846,725,197	6,233,484,210
Petroleum Trading Joint Stock Company	20,133,161,550	16,074,056,250
PetroVietnam Drilling Trading and Technical Services Joint Stock Company	23,974,880,633	8,260,968,008
PVI Insurance Company Limited - Ho Chi Minh City	1,227,005,000	40,038,978
Indochina Petroleum Transportation JSC - HCMC Branch	1,233,734,800	161,701,000
South West PetroVietnam Fertilizer and Chemicals JSC	373,349,316	691,870,296
Vietnam Petroleum Institute	5,967,167,600	2,930,614,400
PetroVietnam Securities JSC	225,000,000	200,000,000
PetroVietnam Technical Safety Registration Co., Ltd	470,156,320	624,479,140
Indochina Petroleum Transportation JSC	295,765,780	58,123,000
	5,089,978,116,152	3,644,409,726,676

	Current year	Prior year
	VND	VND
Dividends received		
PetroVietnam Packaging Joint Stock Company		
- In cash	2,081,791,950	1,959,333,600
	<u>2,081,791,950</u>	<u>1,959,333,600</u>
Dividends paid		
Vietnam Oil and Gas Group	720,041,502,600	320,018,445,600
	<u>720,041,502,600</u>	<u>320,018,445,600</u>

Remuneration paid to the Board of Directors and Executive Board in the year were as follows:

	Current year	Prior year
	VND	VND
Remuneration of the Board of Directors, Executive Board and Supervisory Board		
Mr. Tran Ngoc Nguyen	1,998,039,808	2,071,625,452
Mr. Van Tien Thanh	1,998,039,808	2,080,269,308
Mr. Tran My	1,624,346,452	1,727,709,646
Mr. Nguyen Duc Hanh	1,624,346,452	1,727,709,646
Mr. Le Duc Quang	1,624,346,452	1,528,064,086
Ms. Nguyen Minh Phuong	-	152,727,273
Ms. Do Thi Hoa	481,000,000	327,272,727
Mr. Truong Hong	481,000,000	327,272,727
Mr. Tran Chi Nguyen	1,624,346,452	1,727,709,646
Mr. Le Ngoc Minh Tri	1,624,346,452	1,727,709,646
Mr. Nguyen Tuan Anh	1,624,346,452	1,708,688,882
Ms. Nguyen Thi Hien	1,624,346,452	1,689,473,346
Mr. Nguyen Thanh Tung	1,614,497,745	1,463,257,287
Mr. Dinh Nhu Cuong	1,510,861,262	1,606,409,553
Ms. Phan Thi Cam Huong	1,510,861,262	1,609,762,844
Mr. Do Minh Duong	1,218,349,100	1,297,319,751
Mr. Tran Van Binh	1,103,727,682	525,079,260
	<u>23,286,801,831</u>	<u>23,298,061,080</u>

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

	Closing balance	Opening balance
	VND	VND
Short-term advances to suppliers		
PetroVietnam Packaging Joint Stock Company	45,571,982,489	-
PVI Insurance Corporation - Ca Mau Branch	200,000,000	200,000,000
Vietnam Petroleum Institute	164,922,480	-
PVD Technical Training and Certification JSC	-	3,625,959,690
PetroVietnam Man Power Training College	-	194,267,700
	<u>45,936,904,969</u>	<u>4,020,227,390</u>

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 NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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	Closing balance	Opening balance
	VND	VND
Short-term trade payables		
Vietnam Oil and Gas Group	529,071,661,373	423,982,939,595
PetroVietnam Power Corporation (PV Power)	57,831,729,358	55,878,041,576
PetroVietnam Chemicals and Fertilizer Corporation - Petrochemical Trading Branch	23,725,630,102	19,494,639,698
PetroVietnam Drilling Trading and Technical Services Joint Stock Company	15,704,275,711	2,064,372,418
PetroVietnam Man Power Training College	6,959,584,257	4,887,397,469
Petroleum Trading Joint Stock Company	1,671,159,600	826,927,766
Petro Vietnam Security Service Corporation - South West branch	1,440,903,099	2,198,578,740
PVD Technical Training and Certification JSC	1,342,699,182	9,641,953,352
PetroVietnam Gas JSC - Ca Mau Gas Company	1,264,369,758	745,907,105
Branch of PetroVietnam Fertilizer and Chemicals Corporation - Phu My Urea Plant	974,526,600	-
PetroVietnam Oil Saigon Joint Stock Corporation	669,317,520	646,391,590
South West PetroVietnam Fertilizer and Chemicals JSC	287,898,837	83,478,908
Vietnam Petroleum Institute	286,786,256	2,334,727,086
PVI Insurance Corporation - Ca Mau Branch	208,874,914	189,323,740
Binh Son Refining and Petrochemical Company Limited	113,064,400	-
Indochina Petroleum Transportation JSC	47,412,000	-
PetroVietnam Packaging Joint Stock Company	-	1,946,309,432
PetroVietnam Securities JSC	-	220,000,000
PetroVietnam Technical Safety Registration Co., Ltd	-	476,953,452
	<u>641,599,892,967</u>	<u>525,617,941,927</u>
	Closing balance	Opening balance
	VND	VND
Short-term accrued expenses		
Vietnam Oil and Gas Group	14,060,289,155	19,019,656,275
	<u>14,060,289,155</u>	<u>19,019,656,275</u>
	Closingbalance	Openingbalance
	VND	VND
Provisions for gas expenses		
Vietnam Oil and Gas Group	679,260,884,288	-
	<u>679,260,884,288</u>	-

	Closing balance	Opening balance
	VND	VND
Other current payables		
Ca Mau Gas - Power - Fertilizer Project Management Unit	-	55,851,413,429
Vietnam Oil and Gas Group	1,064,065,018	13,283,673,912
	<u>1,064,065,018</u>	<u>69,135,087,341</u>



Dam Thi Thuy An
Preparer



Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Executive Officer

20 February 2023