



PETROVIETNAM FERTILIZER AND CHEMICALS CORPORATION
(Incorporated in the Socialist Republic of Vietnam)

AUDITED SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

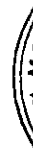


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STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of PetroVietnam Fertilizer and Chemicals Corporation (the "Corporation") presents this report together with the Corporation's separate financial statements for the year ended 31 December 2024.

THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND BOARD OF SUPERVISORS

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

Board of Directors

Mr. Nguyen Xuan Hoa	Chairman (appointed on 29 March 2024)
Mr. Phan Cong Thanh	Member (appointed on 29 March 2024)
Mr. Trinh Van Khiem	Member
Mr. Nguyen Ngoc Anh	Member
Mr. Hoang Trong Dung	Member (resigned on 29 March 2024)
Mr. Duong Tri Hoi	Member (resigned on 29 March 2024)
Mr. Ho Quyet Thang	Independent Member

Executive Board

Mr. Phan Cong Thanh	Chief Executive Officer (appointed on 25 January 2024)
Mr. Dao Van Ngoc	Executive Officer
Ms. Tran Thi Phuong Thao	Executive Officer
Mr. Ta Quang Huy	Executive Officer
Mr. Vo Ngoc Phuong	Executive Officer (appointed on 28 May 2024)
Mr. Cao Trung Kien	Executive Officer (resigned on 29 March 2024)
Mr. Vu An	Executive Officer (appointed on 12 December 2024)

Board of Supervisors

Mr. Huynh Kim Nhan	Head of Board of Supervisors
Mr. Luong Phuong	Member
Ms. Tran Thi Phuong	Member

STATEMENT OF THE EXECUTIVE BOARD (Continued)

THE EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Corporation is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Corporation as at 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. 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 Corporation 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.

The Executive Board of the Corporation is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation 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 Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Executive Board,



Phan Cong Thanh
Chief Executive Officer

27 March 2025
Ho Chi Minh City, S.R. Vietnam

No.: 0883/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
The Board of Directors and the Executive Board
PetroVietnam Fertilizer and Chemicals Corporation

We have audited the accompanying separate financial statements of PetroVietnam Fertilizer and Chemicals Corporation (the "Corporation"), prepared on 27 March 2025, as set out from page 05 to page 45, which comprise the balance sheet as at 31 December 2024, the income statement, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate Financial Statements

Management 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 management 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 Corporation'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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Corporation as at 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.

Emphasis of Matter

As stated in Note 33 of the Notes to the separate financial statements, as at 31 December 2024, the Corporation has the guarantee obligation under the memorandum signed with the Vietnam Oil and Gas Group ("the Group") relating to the Group's guarantee commitment for the medium and long-term loan of Vietnam Petrochemical and Fiber Joint Stock Company - an associate of the Corporation. The Corporation has made appropriate accounting records regarding the right and obligation arising in 2024 with the parties.

Our opinion is not modified in respect of this matter.



Khúc Thị Lan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0036-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

27 March 2025
Hanoi, S.R. Vietnam

Nguyễn Thị Ngân
Auditor
Audit Practising Registration Certificate
No. 5248-2025-001-1

BALANCE SHEET
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		12,496,520,121,298	8,937,017,722,367
I. Cash and cash equivalents	110	4	586,545,559,539	881,189,688,014
1. Cash	111		586,545,559,539	402,189,688,014
2. Cash equivalents	112		-	479,000,000,000
II. Short-term financial investments	120	5	9,464,000,000,000	5,385,000,000,000
1. Held-to-maturity investments	123		9,464,000,000,000	5,385,000,000,000
III. Short-term receivables	130		505,681,599,650	498,808,741,525
1. Short-term trade receivables	131	6	128,228,279,686	253,517,305,809
2. Short-term advances to suppliers	132	7	225,888,262,810	54,795,972,621
3. Other short-term receivables	136	8	534,933,070,513	414,622,832,649
4. Provision for short-term doubtful debts	137	9	(383,368,013,359)	(224,127,369,554)
IV. Inventories	140	10	1,573,860,869,357	1,790,818,021,530
1. Inventories	141		1,573,865,081,240	1,813,223,437,892
2. Provision for devaluation of inventories	149		(4,211,883)	(22,405,416,362)
V. Other short-term assets	150		366,432,092,752	381,201,271,298
1. Short-term prepayments	151	11	8,488,679,271	33,445,778,200
2. Value added tax deductibles	152		357,943,413,481	310,224,881,046
3. Taxes and other receivables from the State budget	153	15	-	37,530,612,052

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

BALANCE SHEET (Continued)
As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		3,629,719,444,739	4,034,859,789,217
I. Long-term receivables	210		845,000,000	616,100,000
1. Other long-term receivables	216	8	845,000,000	616,100,000
II. Fixed assets	220		2,649,332,680,208	2,920,306,263,552
1. Tangible fixed assets	221	12	1,843,351,692,442	2,139,799,946,632
- Cost	222		11,434,291,097,154	11,374,970,849,546
- Accumulated depreciation	223		(9,590,939,404,712)	(9,235,170,902,914)
2. Intangible assets	227	13	805,980,987,766	780,506,316,920
- Cost	228		1,159,815,731,217	1,121,085,705,759
- Accumulated amortisation	229		(353,834,743,451)	(340,579,388,839)
III. Investment property	230	14	180,772,898,610	190,456,645,571
- Cost	231		317,953,542,202	317,953,542,202
- Accumulated depreciation	232		(137,180,643,592)	(127,496,896,631)
IV. Long-term assets in progress	240		89,432,287,256	263,451,212,754
1. Construction in progress	242	16	89,432,287,256	263,451,212,754
V. Long-term financial investments	250	5	408,053,000,000	408,053,000,000
1. Investments in subsidiaries	251		386,250,000,000	386,250,000,000
2. Investments in associates	252		680,903,000,000	680,903,000,000
3. Equity investments in other entities	253		20,502,000,000	20,502,000,000
4. Provision for impairment of long-term financial investments	254		(679,602,000,000)	(679,602,000,000)
VI. Other long-term assets	260		301,283,578,665	251,976,567,340
1. Long-term prepayments	261	11	54,893,338,597	41,932,369,816
2. Deferred tax assets	262	17	95,439,059,946	57,953,857,919
3. Long-term reserved spare parts	263	10	128,013,698,990	129,152,858,473
4. Other long-term assets	268		22,937,481,132	22,937,481,132
TOTAL ASSETS (270=100+200)	270		16,126,239,566,037	12,971,877,511,584


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

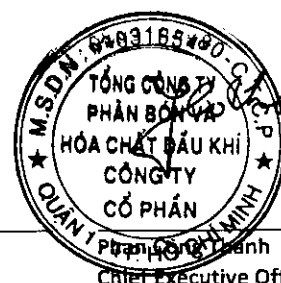
BALANCE SHEET (Continued)
 As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		5,129,790,048,862	1,597,410,685,121
I. Current liabilities	310		5,088,741,536,466	1,450,935,483,122
1. Short-term trade payables	311	18	701,974,749,955	793,815,596,415
2. Short-term advances from customers	312	19	168,219,059,815	130,183,283,405
3. Taxes and amounts payable to the State budget	313	15	51,153,338,302	3,628,717,232
4. Payables to employees	314		152,642,824,979	143,195,333,282
5. Short-term accrued expenses	315	20	119,336,534,620	236,570,092,763
6. Other current payables	319	21	181,017,109,572	50,008,881,377
7. Short-term loans and obligations under finance leases	320	23	3,406,130,863,029	-
8. Short-term provisions	321	22	253,973,730,976	8,176,000,000
9. Bonus and welfare funds	322		54,293,325,218	85,357,578,648
II. Long-term liabilities	330		41,048,512,396	146,475,201,999
1. Other long-term payables	337	21	2,664,458,000	1,667,700,000
2. Long-term provisions	342	22	-	102,177,312,389
3. Scientific and technological development fund	343		38,384,054,396	42,630,189,610
D. EQUITY	400		10,996,449,517,175	11,374,466,826,463
I. Owners' equity	410	24	10,996,449,517,175	11,374,466,826,463
1. Owners' contributed capital	411		3,914,000,000,000	3,914,000,000,000
- Ordinary shares carrying voting rights	411a		3,914,000,000,000	3,914,000,000,000
2. Share premium	412		21,179,913,858	21,179,913,858
3. Treasury shares	415		(2,296,824,120)	(2,296,824,120)
4. Investment and development fund	418		4,546,954,375,352	4,546,954,375,352
5. Retained earnings	421		2,516,612,052,085	2,894,629,361,373
- Retained earnings accumulated to the prior year end	421a		2,105,001,841,373	2,435,891,280,639
- Retained earnings of the current year	421b		411,610,210,712	458,738,080,734
TOTAL RESOURCES (440=300+400)	440		16,126,239,566,037	12,971,877,511,584


 Tran Thi Bich Lien
 Preparer


 Le Hong Quan
 Chief Accountant



27 March 2025


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

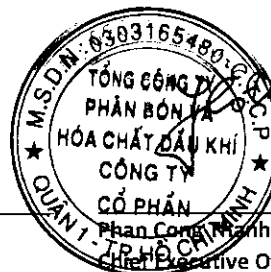
INCOME STATEMENT
 For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		12,231,102,325,146	11,782,317,454,118
2. Deductions	02	27	169,155,333,187	212,599,625,509
3. Net revenue from goods sold and services rendered (10=01-02)	10	27	12,061,946,991,959	11,569,717,828,609
4. Cost of sales	11	27	10,478,720,828,281	10,166,978,905,390
5. Gross profit from goods sold and services rendered (20=10-11)	20		1,583,226,163,678	1,402,738,923,219
6. Financial income	21	29	398,549,539,613	514,154,297,322
7. Financial expenses	22	30	63,595,446,142	67,781,225,733
- In which: Interest expense	23		46,491,481,993	47,619,555,435
8. Selling expenses	25	31	680,555,013,769	710,286,850,451
9. General and administration expenses	26	31	626,551,274,343	429,680,915,830
10. Operating profit (30=20+(21-22)-(25+26))	30		611,073,969,037	709,144,228,527
11. Other income	31		11,519,110,836	8,786,705,678
12. Other expenses	32		7,560,621,237	9,153,062,731
13. Profit/(loss) from other activities (40=31-32)	40		3,958,489,599	(366,357,053)
14. Accounting profit before tax (50=30+40)	50		615,032,458,636	708,777,871,474
15. Current corporate income tax expense	51	32	134,907,449,951	24,328,423,358
16. Deferred corporate tax (income)/expense	52	32	(37,485,202,027)	115,711,367,371
17. Net profit after corporate income tax (60=50-51-52)	60		517,610,210,712	568,738,080,745


 Tran Thi Bich Lien
 Preparer


 Le Hong Quan
 Chief Accountant



27 March 2025

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

CASH FLOW STATEMENT
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. <i>Profit before tax</i>	01	615,032,458,636	708,777,871,474
2. <i>Adjustments for:</i>			
Depreciation of fixed assets and investment properties	02	386,283,021,970	394,327,941,371
Provisions	03	280,459,857,913	(423,204,632,982)
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(3,064,957,906)	764,179,887
Gain from investing activities	05	(372,444,152,463)	(506,324,436,242)
Interest expense	06	46,491,481,993	47,619,555,435
3. <i>Operating profit before movements in working capital</i>	08	952,757,710,143	221,960,478,943
Changes in receivables	09	(218,831,531,248)	(31,269,827,495)
Changes in inventories	10	240,497,516,135	1,822,954,814,541
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	79,565,968,001	(575,119,241,508)
Changes in prepaid expenses	12	11,996,130,148	(23,858,742,752)
Interest paid	14	(44,733,256,830)	(73,355,628,572)
Corporate income tax paid	15	(54,067,136,419)	(335,670,056,362)
Other cash outflows	17	(148,269,388,644)	(214,151,427,532)
<i>Net cash generated by operating activities</i>	20	818,916,011,286	791,490,369,263
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(81,891,505,980)	(232,102,371,410)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	772,744	329,999,983
3. Cash outflow for lending, buying debt instruments of other entities	23	(17,258,000,000,000)	(9,615,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	13,179,000,000,000	11,110,000,000,000
5. Interest earned, dividends and profits received	27	420,532,440,003	465,095,288,120
<i>Net cash (used in)/generated by investing activities</i>	30	(3,740,358,293,233)	1,728,322,916,693


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

CASH FLOW STATEMENT (Continued)
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	5,052,141,976,529	-
2. Repayment of borrowings	34	(1,646,011,113,500)	(707,152,179,119)
3. Dividends and profits paid	36	(782,516,698,600)	(2,738,880,797,100)
Net cash generated by/(used in) financing activities	40	2,623,614,164,429	(3,446,032,976,219)
Net decreases in cash (50=20+30+40)	50	(297,828,117,518)	(926,219,690,263)
Cash and cash equivalents at the beginning of the year	60	881,189,688,014	1,808,047,736,004
Effects of changes in foreign exchange rates	61	3,183,989,043	(638,357,727)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	586,545,559,539	881,189,688,014


Tran Thi Bich Lien
Preparer


Le Hong Quan
Chief Accountant




Phan Cong Thanh
Chief Executive Officer

27 March 2025

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 Fertilizer and Chemicals Corporation (hereinafter referred to as the "Corporation"), formerly known as PetroVietnam Fertilizer and Chemicals Joint Stock Company, was established under the Enterprise Registration Certificate No. 4103007696 first issued on 31 August 2007 and the 16th amendment dated 16 February 2024, issued by the Department of Planning and Investment of Ho Chi Minh City. On 01 September 2008, the Corporation officially transformed its operation into parent-subsidary model in accordance with Resolution No. 01/NQ-DHDCD released by the Shareholders' General Meeting. Accordingly, the Holding Company - PetroVietnam Fertilizer and Chemicals Corporation was established from functional departments of PetroVietnam Fertilizer and Chemicals Joint Stock Company, project management units and Phu My Fertilizer Plant.

As at 31 December 2024, the Corporation's charter capital was VND 3,914,000,000,000, equivalent to 391,400,000 ordinary shares with par value of VND 10,000. The Corporation's shares are listed on Ho Chi Minh City Stock Exchange from 05 November 2007 with the stock symbol as "DPM".

The parent company of the Corporation is Vietnam Oil and Gas Group (the "Group" or "PVN") who holds 59.58% of its charter capital as at 31 December 2024.

The total number of employees of the Corporation as at 31 December 2024 was 1,309 (31 December 2023: 1,304).

Operating industries and principal activities

The operating industries of the Corporation include:

- Production and trade in fertilizer, liquid ammonia, industrial gas, other chemicals;
- Provision of technical services relating to production and trade in fertilizer and other related chemicals (excluding heavily toxic chemicals);
- Architectural activities and related technical consultancy;
- Production, transmission and distribution of electricity;
- Trade in real estates, land use rights held as owner, user or lessor;
- Wholesale of agricultural and forestry products (excluding wood, bamboo) and living animals;
- Goods transport services by road and by inbound waterway, processing of oil and gas-related products and minerals;
- Vocational training;
- Supporting services for waterway transportation; loading and unloading goods at seaports and inland terminals and
- Acting as vessel agent and shipping agency and providing warehousing services.

The principal activities of the Corporation are production and trade in fertilizers used in agriculture.

Normal production and business cycle

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

The Corporation's structure

As at 31 December 2024, the Corporation's dependent units are as follows:

No	Name	Address
1	Phu My Fertilizer Plant	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam
2	Ho Chi Minh City Branch	27 Dinh Bo Linh Street, Ward 24, Binh Thanh District, Ho Chi Minh City, Vietnam
3	Cambodia Branch (i)	Phnom Penh, Cambodia
4	Fertilizer and Chemical Projects Management Unit	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam
5	Research and Application Center	Phu My 1 Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, Vietnam

- (i) According to Decision of the Board of Directors No.313/QĐ-PBHC dated 26 June 2014, the Corporation's Board of Directors approved the plan to liquidate the Corporation's branch at Cambodia. The Corporation is in process of liquidating its branch in Cambodia.

Details of the Corporation's subsidiaries and associates as at 31 December 2024 are as follows:

Subsidiary/Associate	Location	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
Subsidiaries				
1. Central PetroVietnam Fertilizer and Chemicals JSC	Binh Dinh Province	75.00	75.00	Trading in fertilizer and chemicals
2. SouthWest PetroVietnam Fertilizer and Chemicals JSC	Can Tho City	75.00	75.00	Trading in fertilizer and chemicals
3. SouthEast PetroVietnam Fertilizer and Chemicals JSC	Ho Chi Minh City	75.00	75.00	Trading in fertilizer and chemicals
4. Northern PetroVietnam Fertilizer and Chemicals JSC	Hanoi City	75.00	75.00	Trading in fertilizer and chemicals
Associates				
1. Dam Phu My Packaging JSC	Ba Ria - Vung Tau Province	43.34	43.34	Production of packages
2. PetroVietnam Urban Development JSC	Can Tho City	35.63	35.63	Construction and installation of civil and industrial works and services provision
3. Vietnam Petrochemical and Fiber JSC	Hai Phong City	25.99	25.99	Production and sale of polyester fibers

Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the Corporation's audited separate financial statements for the year ended 31 December 2023.

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 Corporation's separate financial statements are prepared based on the aggregation of financial statements of the Head Office of PetroVietnam Fertilizer and Chemicals Corporation and its dependent accounting units. The major transactions and balances between the head office and its dependent accounting units are eliminated in the Corporation's separate financial statements.

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.

The users of these separate financial statements should read together with the Corporation's consolidated financial statements for the year ended 31 December 2024 to obtain full information about the financial position as well as results of operations and cash flows of the Corporation during the year.

Financial year

The Corporation'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 Corporation in the preparation of these separate financial statements, are as follows:

Estimates

The preparation of 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 and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments not exceeding 3 months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits at banks held to maturity to earn periodic interest.

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

Investments in subsidiaries

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

Investments in associates

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

Interests in subsidiaries and associates are initially recognised at cost. The Corporation's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries and associates are made when there is reliable evidence for declining in value of these investments at the balance sheet date. Provisions for impairment of investments in subsidiaries and associates are made in accordance with prevailing accounting regulations.

Equity investments in other entities

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

Equity investments in other entities are carried at cost less provision for impairment of such investments. Provisions for impairment of investments in other entities are 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

The Corporation uses perpetual method for accounting of 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 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 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.

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

	Years
Buildings and structures	5 - 25
Machinery and equipment	3 - 15
Motor vehicles	6
Office equipment	3 - 6
Others	3 - 15

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

Leases

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

The Corporation as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are charged to the income statement when incurred or charged to the income statement using straight-line method over the lease term.

The Corporation as lessee

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

Intangible assets and amortization

Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Definite land use rights are amortised using the straight-line method over the duration of the right to use the land from 32 years to 50 years while indefinite-term land use rights are not amortized.

Copyrights

Copyrights are initially recognized at purchase prices and amortised using the straight-line method over their estimated useful lives.

Computer software and other intangible fixed assets

Computer software and other intangible assets are initially recognized at purchase prices and amortised using the straight-line method over the duration from 3 years to 6 years.

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Corporation to earn rentals. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

The Corporation does not depreciate investment real estate, which is indefinite land use rights. The remaining investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Definite land use rights	50
Buildings, structures	07 - 25

Construction in progress

Properties in the course of construction for production, rental or 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, interest expense and other related costs in accordance with the Corporation's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

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

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments include insurance premiums, tools and supplies issued for use awaiting allocation, maintenance costs of IT systems, office repair expenses and other types of prepayments.

Insurance premiums represent the insurance payment in advance and allocated into income statement based on the straight-line basic over the insurance contract term.

The costs of tools and supplies issued for use awaiting allocation comprise costs of small tools, supplies and spare parts issued for consumption which are expected to provide future economic benefits to the Corporation and are charged to the income statement on the straight-line basis in accordance with the current prevailing accounting regulations.

Maintenance costs of information technology systems are recognized based on contract purchase price and amortized to the income statement on a straight-line basis in accordance with the current prevailing accounting regulations.

Other types of prepayments comprise of office repair expenses and other prepaid expenses, which are expected to provide future economic benefits to the Corporation. These prepaid expenses are charged to the income statement on the straight-line basis in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognized when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation.

Phu My Fertilizer Plant accrued the estimated repair cost to annual expense for fixed assets with periodic overhaul. If actual amount is higher than accrued amount, the difference is recorded as an increase in expenses. If actual amount is lower than the accrued amount, the difference is recorded as a decrease in expense during the year.

Scientific and technological development fund

Scientific and technological development fund has been made since 2014 in order to finance science and technology activities of the Corporation. This fund was formed on the basis of the Corporation's demand for development and technology innovation and is recognized in the income statement according to Joint Circular No.12/2016/TTLT-BKHCN-BTC issued by Ministry of Science and Technology, and Ministry of Finance on 28 June 2016, amended and supplemented by Circular No.05/2022/TT-BKHCN issued by Minister of Science and Technology on 31 May 2022 and Circular No. 67/2022/TT-BTC issued by the Ministry of Finance on 07 November 2022. Accordingly, the Corporation bases on the capital demand for scientific and technological activities to appropriate a maximum of 10% of the taxable profit for this fund.

Revenue recognition

Revenue from sale of goods

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

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

Revenue from rendering of services

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 Corporation;
- (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 Corporation's right to receive payment has been established.

Sales deductions

Sales deductions include sales discount.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the financial statements, the Company recorded as revenue deductions for 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.

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 (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 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.

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

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

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

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	2,967,124,776	1,669,199,543
Bank demand deposits	583,578,434,763	400,520,488,471
Cash equivalents	-	479,000,000,000
	<u>586,545,559,539</u>	<u>881,189,688,014</u>

5. FINANCIAL INVESTMENTS

a. Short-term financial investments

	Closing balance		Opening balance	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
Held-to-maturity investments				
Term deposits	9,464,000,000,000	9,464,000,000,000	5,385,000,000,000	5,385,000,000,000

Held-to-maturity investments as at 31 December 2024 represent time deposits with original terms of more than 03 months and remaining terms of less than 12 months from the consolidated balance sheet date at commercial banks at the interest rates ranging from 2.9% per annum to 5.6% per annum (as at 31 December 2023: interest rates ranging from 3.4% per annum to 8.3% per annum).

As at 31 December 2024, the Corporation's six-month term deposits at Modern Bank of Vietnam Limited ("MBV") (previously known as Ocean Commercial One Member Limited Liability Bank) amounting to VND 284 billion are restricted. According to MBV's Official Letters, MBV commits to process the payments to the Company as previously stated. Accordingly, the Executive Board assess that the Corporation's deposits are recoverable in the future.

As presented in Note 23, the Corporation used a six-month term deposit at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch with a total value of VND 400,000,000,000 as at 31 December 2024 as collateral for a loan at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch.

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b. Long-term financial investments

	Closing balance			Opening balance		
	Cost	Provision	VND Fair value	Cost	Provision	VND Fair value
Investments in subsidiaries						
Northern PetroVietnam Fertilizer and Chemicals JSC (i)	90,000,000,000	-	83,700,000,000	90,000,000,000	-	88,200,000,000
Central PetroVietnam Fertilizer and Chemicals JSC (i)	75,000,000,000	-	132,750,000,000	75,000,000,000	-	148,500,000,000
SouthEast PetroVietnam Fertilizer and Chemicals JSC (i)	93,750,000,000	-	92,812,500,000	93,750,000,000	-	96,562,500,000
SouthWest PetroVietnam Fertilizer and Chemicals JSC (i)	127,500,000,000	-	107,100,000,000	127,500,000,000	-	102,000,000,000
	386,250,000,000	-	416,362,500,000	386,250,000,000	-	435,262,500,000
Investments in associates						
PetroVietnam Urban Development JSC	100,000,000,000	(100,000,000,000)	(ii)	100,000,000,000	(100,000,000,000)	(ii)
PetroVietnam Petrochemical and Textile Fiber JSC	562,700,000,000	(562,700,000,000)	(ii)	562,700,000,000	(562,700,000,000)	(ii)
Dam Phu My Packaging Joint Stock Company (i)	18,203,000,000	-	24,574,050,000	18,203,000,000	-	22,571,720,000
	680,903,000,000	(662,700,000,000)	24,574,050,000	680,903,000,000	(662,700,000,000)	22,571,720,000
Equity investments in other entities						
Petroleum Information Technology Telecom and Automation JSC	3,600,000,000	-	(ii)	3,600,000,000	-	(ii)
Ut Xi Aquatic Products Processing Corporation	16,902,000,000	(16,902,000,000)	(ii)	16,902,000,000	(16,902,000,000)	(ii)
	20,502,000,000	(16,902,000,000)		20,502,000,000	(16,902,000,000)	

- (i) As stipulated in Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the fair value of the investments as at 31 December 2024 should be presented. The Corporation has determined the fair value of its investments in Northern PetroVietnam Fertilizer and Chemicals JSC, Central PetroVietnam Fertilizer and Chemicals JSC, SouthEast PetroVietnam Fertilizer and Chemicals JSC, SouthWest PetroVietnam Fertilizer and Chemicals JSC and Dam Phu My Packaging JSC based on the closing price on the latest trading day prior to the end of financial year of their shares on the stock exchange and the number of shares currently held by the Corporation.

- (ii) For the remaining investments, these companies have not had their shares listed on a stock exchange yet and the Corporation was unable to determine their fair value as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value on these financial investments.

Summary of the performance of subsidiaries and associates during the year:

	Current year	Prior year
a. Subsidiaries		
Northern PetroVietnam Fertilizer and Chemicals JSC	Profit	Profit
Central PetroVietnam Fertilizer and Chemicals JSC	Profit	Profit
SouthEast PetroVietnam Fertilizer and Chemicals JSC	Profit	Profit
SouthWest PetroVietnam Fertilizer and Chemicals JSC	Profit	Profit
b. Associates		
PetroVietnam Urban Development JSC	Loss	Loss
VienNam Petrochemical and Fiber JSC	Loss	Profit
Dam Phu My Packaging Joint Stock Company	Profit	Profit

Major transactions between the Corporation and its subsidiaries and associates during the year are presented in Note 34.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term trade receivables which are not from related parties		
Phu My Chemical and Construction Co., Ltd	23,293,722,660	16,948,855,002
Kim Phong Technology Chemical Corporation	7,729,125,844	3,529,275,718
F.A Joint Stock Company	5,400,418,601	10,952,499,956
Hoang Long Joint Operating Company	5,049,774,400	11,121,726,000
Vinh Loc House Trading Service Commercial Co., Ltd	4,414,904,407	10,831,076,276
Kumsung Enc Co., Ltd	-	50,007,500,000
Kb Chemical Co., Ltd	-	9,760,640,000
Others	8,092,144,580	20,309,456,788
	53,980,090,492	133,461,029,740
b. Short-term trade receivables from related parties (as presented in Note 34)	74,248,189,194	120,056,276,069
Total	128,228,279,686	253,517,305,809

7. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
a. Short-term advances to suppliers which are not from related parties		
Tri Viet Trading Engineering Co., Ltd	122,190,000,000	-
BORSIG Process Heat Exchange GmbH	17,067,491,200	-
Mico Mineral Industry Joint Stock Company	-	3,220,800,000
Others	44,079,540,446	16,196,470,756
	183,337,031,646	19,417,270,756
b. Advances to related parties (Details stated in Note 34)	42,551,231,164	35,378,701,865
Total	225,888,262,810	54,795,972,621

8. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Vietnam Petrochemical and Fiber JSC	272,789,241,398	114,209,081,543
- Receivables relating to guarantee (i)	266,367,097,158	107,786,937,303
- Other receivables	6,422,144,240	6,422,144,240
PetroVietnam Trade and Services Joint Stock Company (ii)	109,993,267,289	110,043,267,289
Interest receivable from term deposits	104,389,021,929	114,978,082,196
Other short-term receivables	47,761,539,897	75,392,401,621
	534,933,070,513	414,622,832,649
In which:		
Other short-term receivables from related parties (Details stated in Note 34)	388,485,919,646	262,970,431,024
b. Long-term		
Long-term deposits	845,000,000	616,100,000
	845,000,000	616,100,000

(i) Represent the receivables from Vietnam Petrochemical and Fiber Joint Stock Company ("VNPOLY") when the Corporation executed the guarantee obligations with the Vietnam Oil and Gas Group ("PVN") relating to PVN's guarantee commitment for the loans to invest in and construct the Dinh Vu Polyester Fiber Plant of VNPOLY. The closing balance includes:

- The amount of VND 107,786,937,303 that the Corporation paid to PVN on 10 March 2015 and 18 February 2016.
- The amount of VND 158,580,159,855 representing the guarantee amount arising during 2024 (Details stated in Note 33).

As at 31 December 2024, the Executive Board assess that this receivable is irrecoverable and has made a provision for the entire amount (Details stated in Note 9).

- (i) The balance of the other short-term receivables from PetroVietnam Trade and Services Joint Stock Company (formerly known as PetroVietnam Trade Union Finance Investment Corporation) ("PVTJSC") as at 31 December 2024 represents an investment trust with the amount of VND 101,547,868,000 and unpaid interest with the amount of VND 8,445,399,289. The Executive Board assessed the recoverability of this receivable at low level due to the PVTJSC's difficult situation in business and operations and made provisions for the entire amount.

9. BAD DEBTS

	Closing balance		Opening balance	
	Cost	VND Recoverable amount	Cost	VND Recoverable amount
PetroVietnam Trade and Services JSC	109,993,267,289	-	110,043,267,289	-
- Investment trust principal receivable	101,547,868,000	-	101,597,868,000	-
- Investment trust interest receivable	8,445,399,289	-	8,445,399,289	-
PetroVietnam Petrochemical and Textile Fiber JSC	274,210,209,298	835,463,228	115,630,049,443	1,545,947,178
- Receivables relating to guarantee	266,367,097,158	-	107,786,937,303	-
- Other receivables	7,843,112,140	835,463,228	7,843,112,140	1,545,947,178
	384,203,476,587	835,463,228	225,673,316,732	1,545,947,178
Provision for short-term doubtful debts	383,368,013,359		224,127,369,554	

The recoverable amount is determined at cost of the receivables less the provisions for doubtful debts made.

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
a. Inventories				
Goods in transit	138,038,174,579	-	69,577,389,222	-
Raw materials	450,474,860,815	(4,211,883)	309,731,169,770	(73,056,320)
Tools and supplies	3,201,787,443	-	5,298,243,692	-
Work in progress	19,109,757,591	-	75,589,098,796	-
Finished goods	813,862,333,269	-	1,090,432,350,124	(22,332,360,042)
Merchandise	149,178,167,543	-	262,595,186,288	-
	1,573,865,081,240	(4,211,883)	1,813,223,437,892	(22,405,416,362)
b. Long-term reserved spare parts	128,013,698,990	-	129,152,858,473	-
Total	1,701,878,780,230	(4,211,883)	1,942,376,296,365	(22,405,416,362)

During the year, an amount of VND 68,844,437 (prior year: VND 217,206,678) was reversed for devaluation of raw materials because the Corporation has used and sold some raw materials which had been made provision at the beginning of the year.

During the year, an amount of VND 22,332,360,042 (prior year: made provision for VND 22,332,360,042) was reversed for devaluation of inventories of finished goods as the estimated net realised amount was higher than the cost of these inventories.

11. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Insurance premiums	6,029,512,339	5,654,446,620
Tools and supplies issued for use awaiting allocation	439,115,422	4,341,716,070
Supporting services for hardware and software	185,723,019	10,650,109,221
Others	1,834,328,491	12,799,506,289
	<u>8,488,679,271</u>	<u>33,445,778,200</u>
b. Long-term		
Office repair expenses	14,942,428,865	-
Tools and supplies issued for use awaiting allocation	14,733,681,517	22,592,700,959
Others	25,217,228,215	19,339,668,857
	<u>54,893,338,597</u>	<u>41,932,369,816</u>

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	2,240,219,220,073	8,200,990,793,252	55,576,122,454	253,098,289,079	625,086,424,688	11,374,970,849,546
Additions	1,130,722,267	13,385,568,788	10,370,334,140	18,119,097,320	343,634,223	43,349,356,738
Transfer from construction in progress	7,349,584,812	10,539,014,694	-	-	5,657,709,980	23,546,309,486
Disposals	-	(1,326,791,333)	(2,620,640,000)	(3,627,987,283)	-	(7,575,418,616)
Closing balance	2,248,699,527,152	8,223,588,585,401	63,325,816,594	267,589,399,116	631,087,768,891	11,434,291,097,154
ACCUMULATED DEPRECIATION						
Opening balance	1,581,675,805,139	6,907,086,013,985	49,934,889,863	212,122,374,841	484,351,819,086	9,235,170,902,914
Charge for the year	79,173,603,246	242,179,976,787	2,733,246,704	20,424,308,900	18,832,784,760	363,343,920,397
Disposals	-	(1,326,791,333)	(2,620,640,000)	(3,627,987,266)	-	(7,575,418,599)
Closing balance	1,660,849,408,385	7,147,939,199,439	50,047,496,567	228,918,696,475	503,184,603,846	9,590,939,404,712
NET BOOK VALUE						
Opening balance	658,543,414,934	1,293,904,779,267	5,641,232,591	40,975,914,238	140,734,605,602	2,139,799,946,632
Closing balance	587,850,118,767	1,075,649,385,962	13,278,320,027	38,670,702,641	127,903,165,045	1,843,351,692,442

The cost of the Corporation's tangible fixed assets as at 31 December 2024 includes VND 7,258,863,873,470 (as at 31 December 2023: VND 7,209,326,536,917) of assets which have been fully depreciated but are still in use.

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13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Copyright	Computer software	Others	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	803,964,779,348	159,117,493,074	123,565,308,942	34,438,124,395	1,121,085,705,759
Additions	36,342,070,618	-	1,877,954,840	510,000,000	38,730,025,458
Closing balance	840,306,849,966	159,117,493,074	125,443,263,782	34,948,124,395	1,159,815,731,217
ACCUMULATED AMORTISATION					
Opening balance	53,150,623,035	159,117,493,074	113,803,718,434	14,507,554,296	340,579,388,839
Charge for the year	5,364,650,554	-	4,126,255,830	3,764,448,228	13,255,354,612
Closing balance	58,515,273,589	159,117,493,074	117,929,974,264	18,272,002,524	353,834,743,451
NET BOOK VALUE					
Opening balance	750,814,156,313	-	9,761,590,508	19,930,570,099	780,506,316,920
Closing balance	781,791,576,377	-	7,513,289,518	16,676,121,871	805,980,987,766

The cost of the Corporation's intangible assets as at 31 December 2024 includes VND 282,281,395,948 (as at 31 December 2023: VND 267,259,429,211) of assets which have been fully amortised but are still in use.

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14. INCREASES, DECREASES IN INVESTMENT PROPERTIES

Investment properties held to earn rentals

	Land use rights	Buildings and structures	Total
	VND	VND	VND
COST			
Opening balance	99,499,152,000	218,454,390,202	317,953,542,202
Closing balance	99,499,152,000	218,454,390,202	317,953,542,202
ACCUMULATED DEPRECIATION			
Opening balance	13,681,075,533	113,815,821,098	127,496,896,631
Charge for the year	1,005,683,040	8,678,063,921	9,683,746,961
Closing balance	14,686,758,573	122,493,885,019	137,180,643,592
NET BOOK VALUE			
Opening balance	85,818,076,467	104,638,569,104	190,456,645,571
Closing balance	84,812,393,427	95,960,505,183	180,772,898,610

List of investment properties:

	Closing balance			Opening balance		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
	VND	VND	VND	VND	VND	VND
Dong Tay Building at No. 27 Dinh Bo Linh Street, Ho Chi Minh City	90,358,442,144	25,683,588,643	64,674,853,501	90,358,442,144	24,097,962,643	66,260,479,501
Cuu Long Supermarket and Office Building at Ca Mau Province	157,460,134,120	77,594,655,574	79,865,478,546	157,460,134,120	72,301,933,250	85,158,200,870
PVFCCo Building at No. 43 Mac Dinh Chi, Ho Chi Minh City	70,134,965,938	33,902,399,375	36,232,566,563	70,134,965,938	31,097,000,738	39,037,965,200
	317,953,542,202	137,180,643,592	180,772,898,610	317,953,542,202	127,496,896,631	190,456,645,571

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Fair value of investment properties

According to VAS No. 05 - Investment Properties, fair value of investment properties at the balance sheet date is required to be disclosed. However, the Corporation has not determined the fair value as at 31 December 2024; therefore, no information about the fair value of investment properties as at 31 December 2024 is presented in the Notes to the separate financial statements. In order to determine the fair value, the Corporation would require an independent consultancy company to perform the valuation. At present, the Corporation has not found a suitable consultancy company yet.

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				
Corporate income tax	35,961,294,531	35,961,294,531	-	-
Personal income tax	1,569,317,521	1,569,317,521	-	-
	37,530,612,052	37,530,612,052	-	-
b. Payables				
Value added tax	1,003,420,326	26,311,599,396	26,271,153,842	1,043,865,880
- VAT on domestic goods	1,003,420,326	11,236,853,466	11,196,407,912	1,043,865,880
- VAT on imports	-	15,074,745,930	15,074,745,930	-
Import-export duties	-	82,937,175,883	82,937,175,883	-
Corporate income tax	-	98,946,155,420	54,067,136,419	44,879,019,001
Personal income tax	2,175,082,105	66,445,853,383	63,739,309,907	4,881,625,581
Natural resource tax	330,451,200	3,886,810,080	3,883,183,440	334,077,840
Environmental protection tax and other taxes	119,763,601	5,410,401,039	5,515,414,640	14,750,000
- Environmental protection tax	119,763,601	109,059,899	214,073,500	14,750,000
- Property tax and land rental	-	5,236,472,758	5,236,472,758	-
- Other taxes	-	64,868,382	64,868,382	-
	3,628,717,232	283,937,995,201	236,413,374,131	51,153,338,302

16. CONSTRUCTION IN PROGRESS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Tay Ninh warehouse	29,132,052,943	29,120,068,273
NH3 and NPK project	-	139,885,548,886
Warehouse containing 20,000 tons NPK fertilizer	-	11,365,026,465
finished goods Warehouse	-	83,080,569,130
Other projects	60,300,234,313	
	<u>89,432,287,256</u>	<u>263,451,212,754</u>

17. DEFERRED TAX ASSETS

Deferred tax assets related to deductible temporary differences and unused taxable losses were detailed follow:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accrued expenses not yet billed	54,210,602,236	35,969,702,213
Unused taxable losses	-	11,121,121,549
Others	41,228,457,710	10,863,034,157
	<u>95,439,059,946</u>	<u>57,953,857,919</u>

18. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
	Amount/ Amount able to be paid off	Amount/ Amount able to be paid off
a. Short-term trade payables which are not from related parties		
Green Leaf International Company Limited	6,644,636,920	6,329,324,980
Technip Italy S.p.A	6,241,005,205	13,896,504,050
CMC Technology And Solution Company Limited	-	6,854,085,000
Others	125,790,123,136	167,553,917,204
	<u>138,675,765,261</u>	<u>194,633,831,234</u>
b. Short-term trade payables to related parties (Details stated in Note 34)		
	<u>563,298,984,694</u>	<u>599,181,765,181</u>
	<u>701,974,749,955</u>	<u>793,815,596,415</u>

19. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
a. Short-term advances from customers		
Hanwa Co., Ltd.	35,653,213,200	-
Lucky Horse Trading Co., Ltd	11,578,660,000	7,327,222,000
Huynh Chau Private Enterprise	3,000,000,000	6,618,499,680
Ameropa Asia Pte., Ltd	-	9,736,400,000
Brio Agrochem Pte., Ltd	-	8,738,495,360
Forplas Industry Limited	-	7,076,580,000
Others	12,005,377,712	15,628,269,908
	62,237,250,912	55,125,466,948
b. Advances from related parties (Details stated in Note 34)	105,981,808,903	75,057,816,457
	168,219,059,815	130,183,283,405

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Safety and production standards bonus	23,777,542,365	16,439,656,286
Transportation, loading and unloading expense	11,491,175,484	9,800,879,054
Gas expenses	10,765,237,444	3,725,626,697
Accrued interests	1,758,225,163	-
Accruals for construction in progress	-	106,797,556,696
Other accruals	71,544,354,164	99,806,374,030
	119,336,534,620	236,570,092,763
In which:		
Short-term accrued expenses with related parties (Details stated in Note 34)	30,264,759,363	74,714,781,807

21. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Payable to Vietnam Oil and Gas Group relating to guarantee obligation (Details stated in Note 33)	127,619,090,471	-
Dividends payable	26,777,246,159	26,615,924,759
Short-term deposits received	4,683,994,067	4,724,201,497
Others	21,936,778,875	18,668,755,121
	181,017,109,572	50,008,881,377
In which:		
Other short-term payables to related parties (Details stated in Note 34)	129,974,954,783	2,242,515,552
b. Long-term		
Long-term deposits received	2,664,458,000	1,667,700,000
	2,664,458,000	1,667,700,000

22. PAYABLE PROVISIONS

a. Short-term payable provisions

	Provision for maintenance costs for Gas Turbine	Provision for repair and maintenance costs for Phu My Fertilizer Plant	Total
	VND	VND	VND
Opening balance	8,176,000,000	-	8,176,000,000
Additional appropriation of provision for the year	14,839,522,162	-	14,839,522,162
Utilisation of provisions	(23,015,522,162)	-	(23,015,522,162)
Reclassification	-	253,973,730,976	253,973,730,976
Closing balance	-	253,973,730,976	253,973,730,976

b. Long-term payable provisions

	Provision for repair and maintenance costs for Phu My Fertilizer Plant
	VND
Opening balance	102,177,312,389
Additional appropriation of provision for the year	153,265,968,587
Utilisation of provisions	(1,469,550,000)
Reclassification	(253,973,730,976)
Closing balance	-

23. SHORT-TERM LOANS

	Opening balance		In the year		Closing balance	
	VND Amount	VND Amount able to be paid off	Increases	Decreases	VND Amount	VND Amount able to be paid off
Short-term loans						
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch (i)	-	-	2,286,345,560,776	685,511,113,500	1,600,834,447,276	1,600,834,447,276
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoan Kiem Branch (ii)	-	-	1,525,241,275,879	892,000,000,000	633,241,275,879	633,241,275,879
Joint Stock Commercial Bank for Industry and Trade of Vietnam - Branch 7, Ho Chi Minh City (iii)	-	-	841,055,139,874	69,000,000,000	772,055,139,874	772,055,139,874
Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch (iv)	-	-	400,000,000,000	-	400,000,000,000	400,000,000,000
	-	-	5,052,641,976,529	1,646,511,113,500	3,406,130,863,029	3,406,130,863,029

- (i) Representing short-term loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh City Branch under Credit Contract No. 25/627354/24-DN1/N-CTD dated 4 April 2024 for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 2,000,000,000,000 and the effective term of the credit limit is 12 months from the date of signing the Contract. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.6%/year to 3.6%/year.
- (ii) Representing short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoan Kiem Branch under Credit Contract No. 01/2024/4167608/HDTD dated 10 April 2024, amendments and supplements for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 1,500,000,000,000 and the effective term of the credit limit is until 31 March 2025. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.8%/year to 3.9%/year.
- (iii) Representing short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 7, Ho Chi Minh City under Credit Contract No. 0311/2024-HDCVHM/NHCT924-DPM dated 28 March 2024 for the purpose of supplementing working capital for business operations. The loan has a maximum credit limit of VND 1,000,000,000,000 and the effective term of the credit limit is 12 months from the date of signing the Contract. This loan is unsecured, with the term not exceeding 6 months at the floating interest rate determined at the time of loan disbursement. The interest rate applied during the year is from 2.5%/year to 3.9%/year.

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- (iv) Representing Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch under Credit Contract No. 24/2024/HĐTD-NH/TTKD dated 25 September 2024 with loan amount of VND 400,000,000,000 for the purpose of paying gas expenses. The loan bears an applicable interest rate of 2.6%/year with a term of 5 months from the date of debt receipt and is secured by the Company's 6-month term deposits at Southeast Asia Commercial Joint Stock Bank - Ho Chi Minh City Branch with a total value of VND 400,000,000,000 (see Note 05).

24. OWNERS' EQUITY

Movement in owner's equity

	Owners' contributed capital	Share premium	Treasury shares	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
Prior year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,444,814,857,841	6,401,044,719,955	13,778,742,667,534
Profit for the year	-	-	-	-	568,738,080,745	568,738,080,745
Distributions to Investment and Development fund	-	-	-	1,102,139,517,511	(1,102,139,517,511)	-
Distributions to bonus and welfare funds	-	-	-	-	(233,071,000,000)	(233,071,000,000)
Dividends paid by cash	-	-	-	-	(2,739,339,820,000)	(2,739,339,820,000)
Other increases	-	-	-	-	(603,101,816)	(603,101,816)
Prior year's closing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,546,954,375,352	2,894,629,361,373	11,374,466,826,463
Current year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,546,954,375,352	2,894,629,361,373	11,374,466,826,463
Profit for the year	-	-	-	-	517,610,210,712	517,610,210,712
Distributions to bonus and welfare funds (i)	-	-	-	-	(112,959,000,000)	(112,959,000,000)
Dividends paid by cash (ii)	-	-	-	-	(782,668,520,000)	(782,668,520,000)
Current year's closing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	4,546,954,375,352	2,516,612,052,085	10,996,449,517,175

- (i) According to the Resolution No.62/NQ-DHDCD dated 29 March 2024 of the General Shareholder's Meeting on approval of 2023 profit distribution and 2024 profit distribution plan, the Corporation made appropriation as below:
- Additional appropriation to the Bonus and welfare funds with the amount of VND 6,959,000,000 from 2023 profit after tax; and
 - Estimated appropriation to the Bonus and welfare funds with the amount of VND 106,000,000,000 from 2024 estimated profit after tax.

- (ii) According to Resolution No. 62/NQ-DHDCD dated 29 March 2024 of the General Meeting of Shareholders and Resolution No. 24-279/TB-PBHC dated 09 August 2024, the Corporation paid dividends from profit after tax in 2023 with the amount of 782,668,520,000 (equivalent to VND 2,000 per share). The ex-dividend date is 22 August 2024 and the dividend is to be paid from 24 September 2024.

	<u>Closing balance</u>	<u>Opening balance</u>
	Share	Share
Number of shares issued to the public	391,400,000	391,400,000
<i>Ordinary shares</i>	<i>391,400,000</i>	<i>391,400,000</i>
Number of treasury shares	65,740	65,740
<i>Ordinary shares</i>	<i>65,740</i>	<i>65,740</i>
Number of outstanding shares in circulation	391,334,260	391,334,260
<i>Ordinary shares</i>	<i>391,334,260</i>	<i>391,334,260</i>

An ordinary share has par value of VND 10,000.

Charter capital

According to Enterprise Registration Certificate No. 4103007696 with the latest amendment dated 16 February 2024 issued by the Department of Planning and Investment of Ho Chi Minh City, the Corporation's charter capital is VND 3,914,000,000,000. The charter capital was fully contributed by the shareholders as at 31 December 2024 as follows:

	<u>Contributed capital</u>			
	<u>Closing balance</u>		<u>Opening balance</u>	
	Number of shares	%	Number of shares	%
Shareholders				
Vietnam Oil and Gas Group	233,204,253	59.58	233,204,253	59.58
Others	158,130,007	40.40	158,130,007	40.40
	391,334,260	99.98	391,334,260	99.98
Treasury shares				
	65,740	0.02	65,740	0.02
	391,400,000	100.00	391,400,000	100.00

25. OFF-BALANCE SHEET ITEMS

Foreign currencies

	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar (USD)	13,344,993	5,341,665
Euro (EUR)	32,629	32,547

Operating lease assets

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within one year	24,301,530,549	23,225,837,580
In the second to fifth year inclusive	97,206,122,196	92,903,350,320
After five years	461,729,080,431	464,516,751,600
	583,236,733,176	580,645,939,500

Operating lease commitment of the Corporation represents land and office rentals. On 03 September 2005, the Corporation was handed over Land sublease contract No. 178/HD/TLD/UDEC.2001 dated 01 June 2001 signed between the Project Management Unit (PMU) of Dam Phu My Plant and Ba Ria-Vung Tau Urban Development and Construction Company for the long-term lease of land and infrastructure in Phu My I Industrial Zone, Tan Thanh district, Ba Ria - Vung Tau province. The contract is valid for 17 years from 03 September 2004. According to land sublease contract No. 46/HD/TLD/IZICO-PVFCCo signed on 23 December 2021, from 2022 onwards, the Corporation has to pay the annual fee for leasing land and using infrastructure in VND with an amount equivalent to USD 1,046,208.90 on every 15 February. Lease term is from 23 December 2021 to 20 October 2048.

Bad debts written off

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Ngoc Lan Production Trade Company Limited	9,153,800,000	9,153,800,000

26. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Corporation's principal activities are production and trade of fertilizers used in agriculture. Accordingly, the financial information presented in the balance sheet as at 31 December 2024 and all revenue and expenses presented in the income statement for the year ended 31 December 2024 relate only to production and trade in fertilizers. Revenue and cost of sales by product line and business activity are presented in Note 27.

The Corporation distributes fertilizer, chemicals, packages, and provides services throughout the country via its subsidiaries in each region, including the North, Central Region - Central Highlands, Southeast, Southwest and Ho Chi Minh City. During the year, the Corporation exported fertilizers with the revenue accounting for around 13% of gross revenue from goods sold and services rendered of the Corporation. Detail is as below:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales of merchandise and services		
Exported-sales	10,491,683,154,848	10,571,145,772,872
Domestic sales	1,570,263,837,111	998,572,055,737
	<u>12,061,946,991,959</u>	<u>11,569,717,828,609</u>
 Cost of sales of merchandise and services		
Cost of goods exported	9,148,083,439,657	9,319,382,248,232
Cost of domestic goods	1,330,637,388,624	847,596,657,158
	<u>10,478,720,828,281</u>	<u>10,166,978,905,390</u>

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27. REVENUE AND COST OF SALES

	Locally-produced products	Imported and domestically purchased goods	Total
	VND	VND	VND
Current year			
Net revenue	11,052,985,243,458	1,008,961,748,501	12,061,946,991,959
Cost of sales	(9,513,266,894,101)	(965,453,934,180)	(10,478,720,828,281)
Gross profit	1,539,718,349,357	43,507,814,321	1,583,226,163,678
Prior year			
Net revenue	10,432,243,396,736	1,137,474,431,873	11,569,717,828,609
Cost of sales	(9,031,768,130,598)	(1,135,210,774,792)	(10,166,978,905,390)
Gross profit	1,400,475,266,138	2,263,657,081	1,402,738,923,219

Details of revenue from trading locally-produced products are as follows:

	Current year	Prior year
	VND	VND
Sales of merchandise and services		
Sales of fertilizers	10,372,427,273,906	9,771,904,933,642
Sales of chemicals	782,027,541,875	840,512,835,832
Others	67,685,760,864	32,425,252,771
	11,222,140,576,645	10,644,843,022,245
Deductions		
Sales discount	169,155,333,187	212,599,625,509
	169,155,333,187	212,599,625,509
Net sales	11,052,985,243,458	10,432,243,396,736

Details of cost of sales with regard to trade in locally-produced products are as follows:

	Current year	Prior year
	VND	VND
Cost of fertilizers	8,743,307,840,376	8,332,616,423,507
Cost of chemicals	721,857,614,142	683,418,843,313
Others	48,101,439,583	15,732,863,778
	9,513,266,894,101	9,031,768,130,598

Details of revenue from trading imported goods and proprietary trading are as follows:

	Current year	Prior year
	VND	VND
Sales of fertilizers	943,906,427,592	1,038,355,359,679
Sales of chemicals	65,055,320,909	99,119,072,194
	1,008,961,748,501	1,137,474,431,873

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Details of cost of sales with regard to trade of imported goods and proprietary trading are as follows:

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Cost of fertilizers	906,220,332,949	1,041,823,678,838
Cost of chemicals	59,233,601,231	93,387,095,954
	<u>965,453,934,180</u>	<u>1,135,210,774,792</u>

28. PRODUCTION COST BY NATURE

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Raw materials and consumables	7,853,232,714,802	6,865,645,706,873
Labour	600,692,844,597	503,173,580,292
Depreciation of fixed assets and investment properties	386,283,021,970	394,327,941,371
Out-sourced services	900,119,092,426	912,202,389,385
Provision	317,946,799,462	(56,655,527,703)
Other monetary expenses	319,766,456,381	611,291,004,959
	<u>10,378,040,929,638</u>	<u>9,229,985,095,177</u>

29. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Bank interest	333,582,629,076	439,184,626,431
Dividends and profits received	38,860,750,660	66,851,219,998
Foreign exchange gain	26,106,159,877	8,118,450,893
	<u>398,549,539,613</u>	<u>514,154,297,322</u>

30. FINANCIAL EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Interest expense	46,491,481,993	47,619,555,435
Foreign exchange loss	17,103,964,149	11,273,045,667
Provision for impairment of long-term investments	-	8,888,624,631
	<u>63,595,446,142</u>	<u>67,781,225,733</u>

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses		
Transportation, loading, unloading and storages expense	302,896,342,963	309,792,032,942
Social security, advertisement and marketing expenses	242,386,533,089	253,541,922,520
Selling staff costs	42,539,579,717	41,144,608,190
Others	92,732,558,000	105,808,286,799
	680,555,013,769	710,286,850,451
General and administration expenses		
Administration staff costs	168,532,105,215	149,810,151,175
Provision for doubtful debts	159,240,643,805	(145,704,205)
Depreciation and amortisation	35,328,288,679	31,014,977,448
Others	263,450,236,644	249,001,491,412
	626,551,274,343	429,680,915,830

32. CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Corporate income tax expense based on taxable profit in the current year	134,907,449,951	-
Adjustments for corporate income tax expense in previous years to the current year	-	24,328,423,358
Total current corporate income tax expense	134,907,449,951	24,328,423,358

The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
Profit before tax	615,032,458,636	708,777,871,474
Adjustments for taxable profit		
Less: non-taxable income	(323,569,816,038)	(1,283,444,651,922)
Add back: non-deductible expenses	622,468,681,807	335,272,705,796
Loss carry-forward	(239,394,074,652)	-
Taxable profit/(loss)	674,537,249,753	(239,394,074,652)
In which:		
Taxable (loss)/profit subjected to the incentive tax rate	(140,104,240,701)	(668,930,838,506)
Taxable profit subjected to the normal tax rate	814,641,490,454	429,536,763,854
Corporate income tax expense based on taxable profit in the current year	134,907,449,951	-

For the production and trade in Ure fertilizer: The Corporation is obliged to pay corporate income tax at the rate of 15% of its taxable profit.

For the production and trade in NPK fertilizers: The Corporation is obliged to pay corporate income tax at the rate of 20% of its taxable profit. The Corporation is exempted from corporate income tax for the first 02 years since it has revenue (in 2018) and is entitled to a 50% reduction in corporate income tax for the next 04 years (from 2020 to 2024). In 2024, the Corporation is subject to the incentive tax rate of 10%.

For other business activities: The Corporation is obliged to pay corporate income tax at the rate of 20% of its taxable profit.

	Current year	Prior year
	VND	VND
Deferred corporate tax (income)/expense		
Deductible temporary differences	(48,606,323,576)	126,832,488,920
Taxable losses and tax incentives not yet applied	11,121,121,549	(11,121,121,549)
Total deferred corporate tax (income)/expense	(37,485,202,027)	115,711,367,371

33. COMMITMENT

On 06 March 2015, the Corporation and Vietnam Oil and Gas Group ("the Group") signed the Agreement No. 141/2015/PVFCO/TCKT-PVN/D_NVBL on the performance of the guarantee obligation for Dinh Vu Petrochemical and Fiber Joint Stock Company (currently know as Vietnam Petrochemical and Fiber Joint Stock Company ("VNPOLY")) related to the Group's guarantee commitment for loans to invest in the construction of Dinh Vu Polyester Fiber Factory of VNPOLY - an associate company of the Corporation. The principal balance of VNPOLY's loan guaranteed by the Group is USD 221,322,242.93. The amount that the Corporation will pay the Group under the guarantee obligation is determined at the amount that the Group has paid on behalf of VNPOLY multiplied (x) by the Corporation's shareholding rate in VNPOLY (25.99%). As at 31 December 2024, VNPOLY's overdue loan principal balance is USD 73,109,451 and the remaining USD 123,842,974.93 is not yet due.

During 2024, the Group issued Official Dispatches notifying the Corporation of its USD 25,334,317.47 guarantee obligation for 20 periods until 21 September 2028 regarding VNPOLY's overdue principal balance of USD 97,479,268 and requesting the Corporation to pay the Group a total amount of USD 6,333,579.35 (equivalent to VND 158,580,159,855) corresponding to 25.99% of the payment that had been made by the Group for 05 periods on behalf of VNPOLY. Accordingly, the Corporation has recorded VND 158,580,159,855 as a payable to the Group and as a receivable from VNPOLY (see Note 08) following the agreement between the parties. As of 31 December 2024, the Corporation has paid the Group USD 1,266,715.87 (equivalent to VND 30,961,069,384) and the outstanding payable to the Group amounts to VND 127,619,090,471 (see Note 21).

34. RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationship</u>
Vietnam Oil and Gas Group	Parent company
Northern PetroVietnam Fertilizer and Chemicals JSC	Subsidiary
Central PetroVietnam Fertilizer and Chemicals JSC	Subsidiary
SouthEast PetroVietnam Fertilizer and Chemicals JSC	Subsidiary
SouthWest PetroVietnam Fertilizer and Chemicals JSC	Subsidiary
Dam Phu My Packaging Joint Stock Company	Associate
Vietnam Petrochemical and Textile Fiber JSC	Associate

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Related parties

Relationship

PetroVietnam Urban Development Joint Stock Company	Associate
PTSC Phu My Port Joint Stock Company	Company under Vietnam Oil and Gas Group
PetroVietnam Securities Incorporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Security Service Joint Stock Company	Company under Vietnam Oil and Gas Group
PTSC Thanh Hoa Port JSC	Company under Vietnam Oil and Gas Group
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	Company under Vietnam Oil and Gas Group
PVI Holdings	Company under Vietnam Oil and Gas Group
PVD Trading and Technical Services Joint Stock Company	Company under Vietnam Oil and Gas Group
Pacific Petroleum Transportation Joint Stock Company	Company under Vietnam Oil and Gas Group
Vietsovpetro Joint Venture	Company under Vietnam Oil and Gas Group
Vietnam Public Joint Stock Commercial Bank	Company under Vietnam Oil and Gas Group
PetroVietnam Technical Services Corporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Transportation Corporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Chemical and Services Corporation	Company under Vietnam Oil and Gas Group
Petro Vietnam Gas Joint Stock Corporation	Company under Vietnam Oil and Gas Group
Vietnam Petroleum Institute	Company under Vietnam Oil and Gas Group
Petrovietnam Oil Vung Tau Joint Stock Company	Company under Vietnam Oil and Gas Group
PVD Technical Training and Certification JSC	Company under Vietnam Oil and Gas Group
PetroVietnam University	Unit under Vietnam Oil and Gas Group
Binh Son Refining and Petrochemical Joint Stock Company	Company under Vietnam Oil and Gas Group
Petro Power Renewable Energy Joint Stock Company	Company under Vietnam Oil and Gas Group
PetroVietnam Trade and Services Joint Stock Company	Company under Vietnam Oil and Gas Group
Petrowaco Property Joint Stock Company	Company under Vietnam Oil and Gas Group
Pvchem Drilling Mud and Services Company Ltd	Company under Vietnam Oil and Gas Group
Petrosetco Assets Management Joint Stock Company (Hanoi)	Company under Vietnam Oil and Gas Group
Petrosetco Vung Tau General Services Joint Stock Company	Company under Vietnam Oil and Gas Group
Petrowaco Property Joint Stock Company	Company under Vietnam Oil and Gas Group
Petrovietnam Maintenance and Repair Corporation	Company under Vietnam Oil and Gas Group
Pvchem Industrial Technical Services Company Limited	Company under Vietnam Oil and Gas Group

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

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Sales	9,881,185,195,423	9,959,540,358,219
Central PetroVietnam Fertilizer and Chemicals JSC	2,922,906,234,008	2,875,207,007,010
SouthEast PetroVietnam Fertilizer and Chemicals JSC	3,045,261,933,610	2,855,281,987,860
SouthWest PetroVietnam Fertilizer and Chemicals JSC	1,877,064,855,880	2,174,473,612,518
Northern PetroVietnam Fertilizer and Chemicals JSC	1,891,315,841,250	1,893,063,337,750
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	132,966,743,012	127,929,716,919
Petro Vietnam Gas Joint Stock Corporation	10,926,419,500	22,250,200,700
Petro Power Renewable Energy Joint Stock Company	631,685,913	823,947,618
PTSC Phu My Port Joint Stock Company	111,482,250	195,503,355
Vietsovpetro Joint Venture	-	9,915,044,489
PTSC Thanh Hoa Port JSC	-	400,000,000
Sales discounts	169,155,333,187	212,599,625,509
Central PetroVietnam Fertilizer and Chemicals JSC	63,113,949,683	61,488,531,900
SouthEast PetroVietnam Fertilizer and Chemicals JSC	60,209,666,493	60,306,226,996

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	<u>Current year</u> VND	<u>Prior year</u> VND
Northern PetroVietnam Fertilizer and Chemicals JSC	27,944,144,123	40,763,888,113
SouthWest PetroVietnam Fertilizer and Chemicals JSC	17,887,572,888	50,040,978,500
Purchases	6,944,486,813,689	5,756,771,524,003
Petro Vietnam Gas Joint Stock Corporation	6,242,440,252,264	5,197,857,025,811
Dam Phu My Packaging Joint Stock Company	257,773,330,310	244,877,830,362
PVI Holdings	95,977,419,227	73,858,114,399
Vietnam Oil and Gas Group	68,344,208,715	60,811,652,684
Petro Vietnam Chemical and Services Corporation	64,050,991,322	2,171,985,286
Northern PetroVietnam Fertilizer and Chemicals JSC	63,314,363,049	31,193,029,212
Central PetroVietnam Fertilizer and Chemicals JSC	43,850,710,094	46,087,049,381
SouthWest PetroVietnam Fertilizer and Chemicals JSC	23,338,773,418	25,792,832,608
SouthEast PetroVietnam Fertilizer and Chemicals JSC	25,325,504,881	26,925,313,555
PTSC Phu My Port Joint Stock Company	19,128,018,604	18,084,275,088
PVD Trading and Technical Services Joint Stock Company	11,434,750,000	-
Petro Vietnam Security Service Joint Stock Company	11,202,041,758	7,519,029,964
Pvchem Drilling Mud and Services Company Ltd	5,311,902,058	1,967,299,554
Petrosetco Assets Management Joint Stock Company (Hanoi)	5,274,120,727	1,538,400,400
Petro Vietnam Transportation Corporation	1,673,422,960	3,272,832,780
Petrosetco Vung Tau General Services Joint Stock Company	1,611,449,260	-
Petrovietnam Oil Vung Tau Joint Stock Company	1,496,158,265	1,270,947,280
Petrowaco Property Joint Stock Company	1,040,040,724	252,933,856
Vietnam Petrochemical and Textile Fiber JSC	960,000,000	9,558,637,383
PVD Technical Training and Certification JSC	427,171,563	442,303,574
Vietnam Petroleum Institute	260,845,490	1,175,482,690
PetroVietnam Technical Services Corporation	251,339,000	481,734,500
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	-	1,632,813,636
Dividends paid	466,408,506,000	1,632,098,664,756
Vietnam Oil and Gas Group	466,408,506,000	1,632,098,664,756
Dividends profits received	33,395,300,000	61,021,860,000
Central PetroVietnam Fertilizer and Chemicals JSC	10,500,000,000	22,500,000,000
SouthEast PetroVietnam Fertilizer and Chemicals JSC	7,500,000,000	14,062,500,000
Northern PetroVietnam Fertilizer and Chemicals JSC	7,200,000,000	10,800,000,000
SouthWest PetroVietnam Fertilizer and Chemicals JSC	6,375,000,000	11,475,000,000
Dam Phu My Packaging Joint Stock Company	1,820,300,000	2,184,360,000
Deposit interest	7,747,794,520	10,003,609,590
Vietnam Public Joint Stock Commercial Bank	7,747,794,520	10,003,609,590
Other income	3,328,832,301	842,283,519
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	1,512,019,630	842,283,519
Binh Son Refining and Petrochemical Joint Stock Company	1,226,930,741	-
PetroVietnam Technical Services Corporation	589,881,930	-
Loans paid	-	707,152,179,119
Vietnam Public Joint Stock Commercial Bank	-	707,152,179,119
Interest expenses	-	47,162,569,134
Vietnam Public Joint Stock Commercial Bank	-	47,162,569,134

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

	Closing balance	Opening balance
	VND	VND
Short-term trade receivables	74,248,189,194	120,056,276,069
SouthEast PetroVietnam Fertilizer and Chemicals JSC	36,455,230,371	38,512,072,500
Petro Vietnam Ca Mau Fertilizer Joint Stock Company	32,048,231,131	19,670,906,460
SouthWest PetroVietnam Fertilizer and Chemicals JSC	2,715,095,707	54,342,832,500
Binh Son Refining and Petrochemical Joint Stock Company	1,325,085,200	-
Vietnam Petrochemical and Textile Fiber JSC	1,420,967,900	1,420,967,900
Petro Vietnam Chemical and Services Corporation	172,480,000	-
PTSC Phu My Port Joint Stock Company	111,098,885	279,923,059
Petro Vietnam Gas Joint Stock Corporation	-	4,803,714,920
Vietsovpetro Joint Venture	-	1,003,850,000
Pacific Petroleum Transportation Joint Stock Company	-	19,533,730
Vietnam Public Joint Stock Commercial Bank	-	2,475,000
Short-term advances to suppliers	42,551,231,164	35,378,701,865
Dam Phu My Packaging Joint Stock Company	37,449,900,000	35,271,597,750
Petrosetco Vung Tau General Services Joint Stock Company	1,984,499,845	-
Petro Vietnam Chemical and Services Corporation	1,257,766,510	-
Petrovietnam Maintenance and Repair Corporation	976,800,000	-
Pvchem Industrial Technical Services Company Limited	715,481,184	-
PetroVietnam Securities Incorporation	107,083,625	107,104,115
SouthEast PetroVietnam Fertilizer and Chemicals JSC	59,700,000	-
Other short-term receivables	388,485,919,646	262,970,431,024
Vietnam Petrochemical and Textile Fiber JSC	272,789,241,398	114,209,081,543
Petro Vietnam Trade Union Finance Investment Corporation	109,993,267,289	110,043,267,289
Vietnam Public Joint Stock Commercial Bank	2,103,410,959	-
SouthEast PetroVietnam Fertilizer and Chemicals JSC	900,000,000	37,500,000,000
Northern PetroVietnam Fertilizer and Chemicals JSC	900,000,000	-
Central PetroVietnam Fertilizer and Chemicals JSC	900,000,000	-
SouthWest PetroVietnam Fertilizer and Chemicals JSC	900,000,000	-
Vietnam Public Joint Stock Commercial Bank	-	1,218,082,192
Short-term trade payables	563,298,984,694	599,181,765,181
Petro Vietnam Gas Joint Stock Corporation	465,343,001,586	485,400,818,467
Dam Phu My Packaging Joint Stock Company	48,043,928,899	63,782,261,381
Central PetroVietnam Fertilizer and Chemicals JSC	21,756,030,888	17,383,903,947
SouthWest PetroVietnam Fertilizer and Chemicals JSC	8,344,696,417	5,134,568,701
Northern PetroVietnam Fertilizer and Chemicals JSC	7,504,078,987	12,115,130,383
SouthEast PetroVietnam Fertilizer and Chemicals JSC	6,018,929,654	5,612,529,876
PTSC Phu My Port Joint Stock Company	3,427,348,215	1,708,113,736
Petrowaco Property Joint Stock Company	1,040,040,724	-
Petro Vietnam Security Service Joint Stock Company	1,006,506,517	-

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	Closing balance VND	Opening balance VND
Petrosetco Assets Management Joint Stock Company	393,548,760	16,357,680
PVI Holdings	322,343,082	6,360,208,734
Petro Vietnam Transportation Corporation	98,530,965	284,383,008
Vietnam Petrochemical and Textile Fiber JSC	-	1,383,489,268
Advances from customers	105,981,808,903	75,057,816,457
Central PetroVietnam Fertilizer and Chemicals JSC	103,905,340,072	13,265,131,058
Northern PetroVietnam Fertilizer and Chemicals JSC	2,076,468,831	6,604,264,542
SouthEast PetroVietnam Fertilizer and Chemicals JSC	-	42,704,557,454
SouthWest PetroVietnam Fertilizer and Chemicals JSC	-	12,417,238,403
PVI Holdings	-	66,625,000
Other short-term payables	129,974,954,783	2,242,515,552
Vietnam Oil and Gas Group	127,619,090,471	-
Vietnam Petrochemical and Textile Fiber JSC	2,355,864,312	2,242,515,552
Short-term accruals	30,264,759,363	74,714,781,807
Vietnam Oil and Gas Group	19,499,521,919	56,065,889,597
Petro Vietnam Gas Joint Stock Corporation	10,765,237,444	3,725,626,697
PetroVietnam Technical Services Corporation	-	14,923,265,513

Remuneration of Executive Board, Board of Directors and Board of Supervisors paid during the year was as below:


	Current year VND	Prior year VND
Board of Directors		
Mr. Nguyen Xuan Hoa	1,034,655,238	-
Mr. Phan Cong Thanh	1,319,774,609	-
Mr. Trinh Van Khiem	1,811,569,993	1,642,081,715
Mr. Nguyen Ngoc Anh	881,947,000	109,481,454
Mr. Hoang Trong Dung	683,413,306	1,856,544,776
Mr. Duong Tri Hoi	998,276,101	1,733,053,856
Mr. Ho Quyet Thang	1,420,709,988	608,951,838
Mr. Le Cu Tan	654,488,819	1,889,993,078
Executive Board		
Mr. Phan Cong Thanh	(*)	(*)
Mr. Dao Van Ngoc	1,778,579,032	1,596,384,952
Ms. Tran Thi Phuong Thao	1,819,923,721	1,733,053,856
Mr. Ta Quang Huy	1,722,692,238	1,565,965,524
Mr. Vo Ngoc Phuong	1,650,013,731	1,572,343,719
Mr. Cao Trung Kien	1,415,001,469	1,671,906,909
Mr. Vu An	92,920,455	-
Mr. Le Van Quoc Viet	167,734,661	1,277,703,857
Ms. Le Thi Thu Huong	392,988,321	1,433,213,856

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	Current year	Prior year
	VND	VND
Board of Supervisors		
Mr. Huynh Kim Nhan	1,819,923,721	1,733,053,856
Mr. Luong Phuong	297,153,967	290,961,702
Ms. Tran Thi Phuong	1,148,620,982	500,179,022
Mr. Louis T.Nguyen	77,297,292	280,456,480
Mr. Le Vinh Van	196,777,383	1,085,525,407
	21,384,462,026	22,580,855,857

(*) Presented in the remuneration of the Board of Directors due to concurrent position.


Tran Thi Bich Lien
Preparer


Le Hong Quan
Chief Accountant



Pham Doan Thanh
Chief Executive Officer

27 March 2025