



MEASURING progresses

Spectacular breakthroughs in business performance in 2021 are the firm foundation for PVFCCo to develop more and reach further.



Chapter 6.

FINANCIAL STATEMENTS



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

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2021

TABLE OF CONTENTS

CONTENTS	PAGE(S)
STATEMENT OF THE EXECUTIVE BOARD	109 - 110
INDEPENDENT AUDITORS' REPORT	111
CONSOLIDATED BALANCE SHEET	112 - 113
CONSOLIDATED INCOME STATEMENT	114
CONSOLIDATED CASH FLOW STATEMENT	115
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	116 - 150

The Executive Board of PetroVietnam Fertilizer and Chemicals Corporation - JSC (the "Corporation") presents this report together with the Corporation's consolidated financial statements for the year ended 31 December 2021.

THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

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

Board of Directors

Mr. Hoang Trong Dung	Chairman (appointed on 27 April 2021)
Mr. Nguyen Tien Vinh	Chairman (resigned on 28 April 2021)
Mr. Le Cu Tan	Member
Mr. Louis T.Nguyen	Member
Mr. Duong Tri Hoi	Member
Mr. Trinh Van Khiem	Member
Mr. Ta Quang Huy	Member (resigned on 27 April 2021)

Executive Board

Mr. Le Cu Tan	Chief Executive Officer
Ms. Tran Thi Phuong Thao	Executive Officer
Mr. Cao Trung Kien	Executive Officer
Mr. Le Van Quoc Viet	Executive Officer
Ms. Le Thi Thu Huong	Executive Officer
Mr. Dao Van Ngoc	Executive Officer
Mr. Ta Quang Huy	Executive Officer (appointed on 28 April 2021)

THE EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated 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 consolidated financial statements;
- » prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- » design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated 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 consolidated financial position of the Corporation and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated financial statements.

APPROVAL FOR CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been approved by the Board of Directors on 17 March 2022.

For and on behalf of the Executive Board,



Le Cu Tan
Chief Executive Officer/Member of the Board of Directors

17 March 2022
Ho Chi Minh City, S.R. Vietnam

TO: THE SHAREHOLDERS THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD PETROVIETNAM FERTILIZER AND CHEMICALS CORPORATION - JSC

We have audited the accompanying consolidated financial statements of PetroVietnam Fertilizer and Chemicals Corporation - JSC (the "Corporation") prepared on 17 March 2022, as set out from page 112 to page 150, which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statement of income, the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as management determines is necessary to enable the preparation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal 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 consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.



Tran Xuan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0723-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

17 March 2022
Hanoi, S.R. Vietnam



Luong Tuan Dat
Auditor
Audit Practising Registration Certificate
No. 4370-2018-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2021

FORM B 01-DN/HN
Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		9,519,579,701,251	6,314,163,032,937
I. Cash and cash equivalents	110	4	2,524,115,312,966	2,029,198,585,342
1. Cash	111		567,149,383,517	265,139,502,295
2. Cash equivalents	112		1,956,965,929,449	1,764,059,083,047
II. Short-term financial investments	120		3,455,000,000,000	2,185,000,000,000
1. Held-to-maturity investments	123	5	3,455,000,000,000	2,185,000,000,000
III. Short-term receivables	130		488,926,629,172	340,731,443,856
1. Short-term trade receivables	131	6	262,942,321,240	223,032,121,230
2. Short-term advances to suppliers	132	7	137,517,046,753	58,161,771,022
3. Other short-term receivables	136	8	321,676,658,968	292,846,621,763
4. Provision for short-term doubtful debts	137	9	(233,476,873,759)	(233,576,422,659)
5. Deficits in assets awaiting solution	139		267,475,970	267,352,500
IV. Inventories	140	10	2,775,533,988,246	1,468,360,373,620
1. Inventories	141		2,778,813,854,584	1,494,665,449,780
2. Provision for devaluation of inventories	149		(3,279,866,338)	(26,305,076,160)
V. Other short-term assets	150		276,003,770,867	290,872,630,119
1. Short-term prepayments	151	11	15,329,149,739	27,025,250,532
2. Value added tax deductibles	152		257,422,886,104	256,938,273,841
3. Taxes and other receivables from the State budget	153	15	3,251,735,024	6,909,105,746
B. NON-CURRENT ASSETS	200		4,398,350,543,150	4,985,778,272,458
I. Long-term receivables	210		849,874,000	698,374,000
1. Other long-term receivables	216	8	849,874,000	698,374,000
II. Fixed assets	220		3,716,965,004,749	4,282,892,453,351
1. Tangible fixed assets	221	12	2,883,489,798,863	3,438,870,887,385
- Cost	222		11,546,905,383,342	11,646,460,047,004
- Accumulated depreciation	223		(8,663,415,584,479)	(8,207,589,159,619)
2. Intangible assets	227	13	833,475,205,886	844,021,565,966
- Cost	228		1,155,791,328,193	1,153,056,314,593
- Accumulated amortisation	229		(322,316,122,307)	(309,034,748,627)
III. Investment property	230	14	209,845,313,863	219,743,745,413
- Cost	231		317,953,542,202	317,953,542,202
- Accumulated depreciation	232		(108,108,228,339)	(98,209,796,789)
IV. Long-term assets in progress	240		174,082,187,941	153,441,224,477
1. Construction in progress	242	16	174,082,187,941	153,441,224,477
V. Long-term financial investments	250		44,656,956,639	44,245,603,945
1. Investments in joint-ventures, associates	252	17	28,619,663,470	27,991,375,327
2. Equity investments in other entities	253	5	20,502,000,000	20,502,000,000
3. Provision for impairment of long-term financial investments	254	5	(4,464,706,831)	(4,247,771,382)
VI. Other long-term assets	260		251,951,205,958	284,756,871,272
1. Long-term prepayments	261	11	25,697,331,132	30,448,054,378
2. Deferred tax assets	262	18	79,187,651,840	101,730,355,972
3. Long-term reserved spare parts	263	10	124,128,741,854	139,786,369,885
4. Other long-term assets	268		22,937,481,132	12,792,091,037
TOTAL ASSETS (270=100+200)	270		13,917,930,244,401	11,299,941,305,395

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

FORM B 01-DN/HN
Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET (Cont.)

As at 31 December 2021

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		3,204,770,523,758	3,052,441,964,507
I. Current liabilities	310		2,151,651,816,461	2,026,034,102,655
1. Short-term trade payables	311	19	771,382,083,149	452,877,108,896
2. Short-term advances from customers	312	20	124,292,938,370	122,950,516,714
3. Taxes and amounts payable to the State budget	313	15	389,655,826,646	58,813,917,687
4. Payables to employees	314		173,860,882,277	133,671,272,818
5. Short-term accrued expenses	315	21	337,883,833,828	456,822,960,695
6. Short-term unearned revenue	318		18,181,819	16,363,638
7. Other current payables	319	22	74,252,202,749	64,799,698,649
8. Short-term loans and obligations under finance leases	320	23	200,133,810,219	190,871,758,751
9. Short-term provisions	321	24	20,327,222,568	467,511,021,812
10. Bonus and welfare funds	322		59,844,834,836	77,699,482,995
II. Long-term liabilities	330		1,053,118,707,297	1,026,407,861,852
1. Other long-term payables	337	22	8,526,946,700	1,866,870,000
2. Long-term loans and obligations under finance leases	338	25	700,468,329,150	858,922,907,882
3. Deferred tax liabilities	341		132,540,000,000	132,540,000,000
4. Long-term provisions	342	24	165,486,270,110	-
5. Scientific and technological development fund	343		46,097,161,337	33,078,083,970
D. EQUITY	400		10,713,159,720,643	8,247,499,340,888
I. Owners' equity	410	26	10,713,159,720,643	8,247,499,340,888
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		3,497,039,984,859	3,497,039,984,859
5. Retained earnings	421		3,085,566,955,137	654,776,859,274
- Retained earnings accumulated to the prior year end	421a		53,257,339,727	54,215,294,040
- Retained earnings of the current year	421b		3,032,309,615,410	600,561,565,234
6. Non-controlling interests	429		197,669,690,909	162,799,407,017
TOTAL RESOURCES (440=300+400)	440		13,917,930,244,401	11,299,941,305,395





Tran Xuan Thao
Preparer

Vo Ngoc Phuong
Chief Accountant

Le Cu Tan
Chief Executive Officer

17 March 2022

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

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2021

FORM B 02-DN/HN
Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		12,881,680,840,632	7,867,574,305,211
2. Deductions	02		95,539,647,280	105,755,700,648
3. Net revenue from goods sold and services rendered (10=01-02)	10	29	12,786,141,193,352	7,761,818,604,563
4. Cost of sales	11	29	8,000,602,438,317	6,032,014,990,990
5. Gross profit from goods sold and services rendered (20=10-11)	20	29	4,785,538,755,035	1,729,803,613,573
6. Financial income	21	31	175,513,945,627	179,636,016,847
7. Financial expenses	22	32	74,648,067,031	94,847,103,094
- In which: Interest expense	23		69,266,472,919	88,463,426,175
8. Share of net profit from joint-ventures, associates	24		2,503,197,142	2,437,351,362
9. Selling expenses	25	33	817,762,955,253	654,617,057,501
10. General and administration expenses	26	33	424,973,596,372	409,071,818,150
11. Operating profit (30=20+(21-22)+24-(25+26))	30		3,646,171,279,148	753,341,003,037
12. Other income	31	34	155,255,174,993	96,475,936,092
13. Other expenses	32	35	1,955,231,521	1,926,168,341
14. Profit from other activities (40=31-32)	40		153,299,943,472	94,549,767,751
15. Accounting profit before tax (50=30+40)	50		3,799,471,222,620	847,890,770,788
16. Current corporate income tax expense	51	36	605,412,217,929	166,619,580,888
17. Deferred corporate tax expense/(income)	52	36	22,542,704,132	(20,348,488,902)
18. Net profit after corporate income tax (60=50-51-52)	60		3,171,516,300,559	701,619,678,802
18.1 Profit after tax attributable to Parent Company	61		3,117,133,794,101	691,307,691,848
18.2 Profit after tax attributable to non-controlling shareholders	62		54,382,506,458	10,311,986,954
19. Basic earnings per share	70	37	7,749	1,413

Tran Xuan Thao
Preparer

Vo Ngoc Phuong
Chief Accountant

Le Cu Tan
Chief Executive Officer

17 March 2022

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

FORM B 03-DN/HN
Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2021

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	3,799,471,222,620	847,890,770,788
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	536,986,110,692	549,648,417,025
Provisions	03	36,040,728,360	194,437,765,308
Foreign exchange gain arising from translating foreign currency items	04	(4,822,786,402)	(1,687,283,663)
Gain from investing activities	05	(168,460,157,280)	(177,401,927,532)
Interest expense	06	69,266,472,919	88,463,426,175
Other adjustments	07	20,000,000,000	20,000,000,000
3. Operating profit before movements in working capital	08	4,288,481,590,909	1,521,351,168,101
Changes in receivables	09	(149,969,462,576)	(12,019,853,115)
Changes in inventories	10	(1,278,636,166,868)	(114,561,989,431)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	189,583,186,815	(215,723,205,282)
Changes in prepaid expenses	12	16,446,824,039	3,189,814,566
Interest paid	14	(73,836,553,165)	(101,010,428,297)
Corporate income tax paid	15	(302,161,819,901)	(178,220,066,598)
Other cash outflows	17	(173,836,027,596)	(115,732,025,947)
Net cash generated by operating activities	20	2,516,071,571,657	787,273,413,997
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(221,937,019,045)	(81,740,330,467)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	298,617,437	-
3. Cash outflow for lending, buying debt instruments of other entities	23	(5,640,000,000,000)	(2,940,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	4,370,000,000,000	1,790,000,000,000
5. Interest earned, dividends and profits received	27	172,717,516,126	165,742,209,214
Net cash used in investing activities	30	(1,318,920,885,482)	(1,065,998,121,253)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	724,557,695,286	381,719,552,000
2. Repayment of borrowings	34	(869,427,255,390)	(571,448,728,652)
3. Dividends and profits paid	36	(557,564,743,740)	(479,315,340,540)
Net cash used in financing activities	40	(702,434,303,844)	(669,044,517,192)
Net increase/(decrease) in cash (50=20+30+40)	50	494,716,382,331	(947,769,224,448)
Cash and cash equivalents at the beginning of the year	60	2,029,198,585,342	2,976,952,450,033
Effects of changes in foreign exchange rates	61	200,345,293	15,359,757
Cash and cash equivalents at the end of the year (70=50+60+61)	70	2,524,115,312,966	2,029,198,585,342

Tran Xuan Thao
Preparer

Vo Ngoc Phuong
Chief Accountant

Le Cu Tan
Chief Executive Officer

17 March 2022

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

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

1. GENERAL INFORMATION

Structure of ownership

PetroVietnam Fertilizer and Chemicals Corporation - JSC (hereinafter referred to as the "Corporation"), formerly known as PetroVietnam Fertilizer and Chemicals Joint Stock Company, was established under Business Registration Certificate No. 4103007696 dated 31 August 2007 and the 14th amendment dated 16 January 2019 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-subsidiary model in accordance with Resolution No. 01/NQ-DHDCD passed at the Shareholders' General Meeting. Accordingly, the Holding Company - PetroVietnam Fertilizer and Chemicals Corporation - JSC 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 2021, the Corporation's charter capital was VND 3,914,000,000,000, equivalent to 391,400,000 ordinary shares, each share has 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 "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 2021.

Operating industries and principal activities

The business activities of the Corporation include:

- » Production and trade of fertilizer, liquid ammonia, industrial gas, other chemicals;
- » Provision of technical services relating to production and trade of fertilizer and other related chemicals (excluding heavily toxic chemicals);
- » Architectural activities and related technical consultancy;
- » Production, transmission and distribution of electricity;
- » Trade of 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;
- » Acting as vessel agent and shipping agency and providing warehousing services.

The principal activities of the Corporation are production and trade of 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.

Characteristics of the business activities in the fiscal year which have impact on the consolidated financial statements

Due to the wide-ranging impacts of the COVID-19 pandemic, challenges have arisen for all economic sectors. Such significant changes may dramatically affect economic benefits and obligations of the Corporation. At present, the Board of Directors and Executive Board have carefully monitored and evaluated the possible impacts of this matter on the Corporation's operation. Therefore, the Board of Directors and Executive Board also believe that COVID-19 will not have impacts on the Corporation's production and business activities in the following 12 months.

The Corporation's structure

As at 31 December 2021, the Corporation's dependent units are as follows:

No	Name	Address
1	Phu My Fertilizer Plant	Phu My 1 Industrial Park, Phu My Town, Ba Ria – Vung Tau Province, Vietnam
2	Ho Chi Minh City Branch	PVFCCo Tower, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam
3	Cambodia Branch (i)	Phnom Penh, Cambodia
4	Fertilizer and Petrochemical Project Management Unit	Phu My 1 Industrial Zone, 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 in Cambodia. As at the date of these consolidated financial statements, the Corporation is in process of liquidating its branch in Cambodia.

The general information about subsidiaries and associates of the Corporation as at 31 December 2021 is 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 of fertilizer and chemicals
2. SouthWest PetroVietnam Fertilizer and Chemicals JSC	Can Tho City	75.00	75.00	Trading of fertilizer and chemicals
3. SouthEast PetroVietnam Fertilizer and Chemicals JSC	Ho Chi Minh City	75.00	75.00	Trading of fertilizer and chemicals
4. Northern PetroVietnam Fertilizer and Chemicals JSC	Hanoi	75.00	75.00	Trading of 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 Textile Fiber JSC	Hai Phong City	25.99	25.99	Production and sale of polyester fibers

Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the Corporation's audited consolidated financial statements for the year ended 31 December 2020.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

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

The Corporation's Branch in Cambodia uses United States Dollar (USD) as currency unit in accounting. The Corporation has translated all remaining balances of its branch in Cambodia for the year ended 31 December 2021 into VND under Vietnamese Accounting Standards, accounting regime for enterprises and related legal regulations.

The accompanying consolidated 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.

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 consolidated financial statements, are as follows:

Accounting estimates

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated 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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and enterprises controlled by the Corporation (its subsidiaries) up to 31 December 2021. This 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.

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

All significant inter-company transactions and balances between the Corporation and its subsidiaries and among subsidiaries are eliminated on consolidation.

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

Business combinations

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

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

Investments in associates

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

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

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

Cash and cash equivalents

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

Financial investments

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.

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

Held-to-maturity investments are measured at cost less provision for doubtful debts (if any).

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

Equity investments in other entities

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

Equity investments in other entities are carried at cost less provision for impairment 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

Inventories are recorded under the perpetual method. 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, except for issue cost of materials that is calculated using the FIFO 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 consolidated balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognized at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

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

	Years
Buildings, structures	3 - 25
Machinery, equipment	3 - 15
Motor vehicles	5 - 10
Office equipment	3 - 9
Others	3 - 15

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

Operating 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 added to the carrying amount of the leased asset and recognized on a straight-line basis 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 consolidated 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 which are stated at cost less accumulated amortization. Land use rights are amortised using the straight-line method over the duration of the right to use the land, indefinite-term land use rights are not amortized.

	Years
Indefinite land use rights	No amortization
Definite land use rights	32 - 50

Copyrights

The copyrights are initially recognized at purchase price and amortised using the straight-line basis over their estimated useful lives.

Computer software and other intangible assets

Computer software and other intangible assets are initially recognized at purchase price and amortised using the straight-line basis from 3 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.

Land use rights

Investment properties represent land use rights which are stated at cost less accumulated amortization. Land use rights are amortized using the straight-line method over the duration of the right to use the land.

Buildings and structures

Investment properties are composed of buildings and structures held by the Corporation to earn rentals and are stated at cost less accumulated depreciation. These investment properties are depreciated using the straight-line method over their estimated useful lives.

	Years
Land use right	50
Buildings, structures	7 - 25

Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost. The cost includes any costs that are necessary to form the asset including construction cost, equipment cost, 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, including property insurance premium, land and office rentals, tools and supplies, catalytic cost of CO and H2S and other types of prepayments.

Property insurance premium and catalytic cost of CO and H2S are recognized at contract purchase price and charged to the consolidated income statement on the straight-line basis over the contractual term.

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

The costs of tools and supplies allocated 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 consolidated income statement on the straight-line basis in accordance with the current prevailing accounting regulations.

Other types of prepayments comprise of expenses for supporting services and other prepaid expenses which are expected to provide future economic benefits to the Corporation. These prepaid expenses are charged to the consolidated 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 which have annual overhaul. If actual amount is higher than accrued amount, the difference is included in reasonable cost. 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 is made in order to finance science and technology activities of the Corporation. This fund was formed on the basis of the Corporation's demand for research and development and technology innovation and is recognized in the consolidated income statement according to Joint Circular No.12/2016/TTLT-BKHCN-BTC issued by Minister of Science and Technology on 28 June 2016. 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:

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

Revenue from 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 consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

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

Revenue from leasing investment properties

Revenue from leasing investment properties is recognized in profit or loss on the straight-line basis over the lease term.

Financial income

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

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Foreign currencies

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

Under the guidance of Official Letter No. 4360/DKVN-TCKT dated 31 December 2015 and Official Letter No. 3124/DKVN-TCKT dated 13 May 2015 issued by Vietnam Oil and Gas Group, the Corporation applied the buying rate announced by the Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate monetary items denominated in foreign currencies as at 31 December 2021. The above mentioned rate differs from that stated in Circular No. 200/2014/TT-BTC issued on 22 December 2014 by the Ministry of Finance guiding the accounting regime for enterprises ("Circular 200"). However, such difference has no material influence on the Corporation's consolidated financial statements for the year ended 31 December 2021.

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

Deferred tax is calculated at the tax rates that are expected to apply in the 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 VND	Opening balance VND
Cash on hand	2,852,493,739	2,115,941,846
Bank demand deposits	564,296,889,778	258,862,950,449
Cash in transit	-	4,160,610,000
Cash equivalents (i)	1,956,965,929,449	1,764,059,083,047
	2,524,115,312,966	2,029,198,585,342

- (i) As at 31 December 2021, cash equivalents represent the time deposits with original terms from 01 to 03 months at commercial banks with the interest rates ranging from 3.0% to 3.7% per annum (as at 31 December 2020: interest rates ranging from 0.1% to 4.0% per annum).

As at 31 December 2021, the Corporation's deposits with term under three months at Ocean Commercial One Member Limited Liability Bank (previously known as Ocean Commercial Joint Stock Bank) amounting to VND 284 billion are restricted. According to Official Letter No.5351/2016/CV-OCEANBANK dated 04 October 2016, Official Letter No.60/2018/CV-OCEANBANK dated 28 December 2018 and Official Letter No.76/2020/CV-OJB-CNHCM dated 12 August 2020, Ocean Commercial One Member Limited Liability Bank ensured the return of deposits held by its clients following the restructuring plan which has been submitted to the State Bank of Vietnam and the Government for approval. Interest income from these deposits has been paid by Ocean Commercial One Member Limited Liability Bank from 01 October 2015 to present. The Executive Board assessed that the Corporation's deposits will be recovered as committed by Ocean Commercial One Member Limited Liability Bank.

5. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	VND Carrying amount	Cost	VND Carrying amount
a. Held-to-maturity investments				
Term deposits (i)		3,455,000,000,000		2,185,000,000,000
		3,455,000,000,000		2,185,000,000,000
(ii) Held-to-maturity investments as at 31 December 2021 represent time deposits with original terms of more than 3 months and remaining terms of less than 12 months from the consolidated balance sheet date at commercial banks with interest rates ranging from 3.0% to 5.0% per annum (as at 31 December 2020: interest rates ranging from 3.6% to 5.8% per annum).				
b. Investments in other entities				
Petroleum Information Technology Telecom and Automation JSC	3,600,000,000	(ii)	-	(ii)
Ut Xi Aquatic Products Processing JSC	16,902,000,000	(ii)	(4,247,771,382)	(ii)
	20,502,000,000	(ii)	(4,247,771,382)	(ii)

(ii) For the investments in other entities, these companies have not had their shares listed on a stock exchange yet and the Corporation was unable to determine their fair values 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. Long-term provisions for financial investments on these companies were estimated according to these companies' financial statements for the year ended 31 December 2021.

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
a. Short-term trade receivables		
Nam Du Gia Lai Company Limited	52,698,813,348	3,075,024,000
Liven Agrichem Pte. Ltd.	36,377,540,000	-
F.A Joint Stock Company	34,003,455,213	1,532,390,309
Hung Thanh Agricultural Materials Company Limited	767,212,532	9,516,571,121
Tuan Vu Fertilizer Commercial Services Company Limited	-	22,273,315,663
Others	119,150,479,839	159,489,940,272
	242,997,500,932	195,887,241,365
b. Receivables from related parties (Details stated in Note 39)	19,944,820,308	27,144,879,865
	19,944,820,308	27,144,879,865
Total	262,942,321,240	223,032,121,230

7. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance VND	Opening balance VND
a. Short-term advances to suppliers		
Tuong Nguyen Import-Export Trading Service Company Limited	44,000,000,000	-
Hung Thanh Agricultural Materials Company Limited	27,216,000,000	-
Ngoc Lan Production Trade Company Limited	9,153,800,000	9,153,800,000
Others	20,396,510,752	21,000,129,605
	100,766,310,752	30,153,929,605
b. Advances to related parties (Details stated in Note 39)	36,750,736,001	28,007,841,417
	36,750,736,001	28,007,841,417
Total	137,517,046,753	58,161,771,022

8. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a. Other short-term receivables		
PetroVietnam Petrochemical and Textile Fiber Joint Stock Company (i)	115,630,049,443	114,509,081,543
PetroVietnam Trade Union Finance Investment Corporation (PVFI) (ii)	110,143,267,289	110,143,267,289
PVI Insurance Corporation	30,191,259,625	-
Accrued interest income from term deposits	23,928,462,200	28,150,317,836
Short-term deposits	15,000,000	85,134,000
Other short-term receivables	41,768,620,411	39,958,821,095
	321,676,658,968	292,846,621,763
b. Other long-term receivables		
Long-term deposits	849,874,000	698,374,000
	849,874,000	698,374,000
In which:		
Other receivables from related parties (Details stated in Note 39)	225,802,905,773	229,113,222,693

(i) The balance of the other short-term receivable from PetroVietnam Petrochemical and Textile Fiber Joint Stock Company ("VNPOLY") as at 31 December 2021 represents a payment under the reciprocal guarantee commitment for medium-term and long-term loans of VNPOLY and other supports to VNPOLY. Payment obligations arose from the fact that the Corporation signed two reciprocal guarantee commitments with PVN relating to the guarantee obligations of PVN for medium-term and long-term loans of VNPOLY.

According to the Memorandum among PVN, VNPOLY and the Corporation, PVN shall be responsible for collecting the principal of and interest on the guarantees having paid by parties on behalf of VNPOLY. Within 07 days from when PVN receives debt payments from VNPOLY (including both the principal and interest), PVN will return an amount which is calculated based on the Corporation's capital proportion in VNPOLY to the Corporation. The interest rate is determined at the rate equal to demand deposit interest rate announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam. The interest calculation period starts from when the Corporation pays the reciprocal guarantee amount to PVN.

As at 31 December 2021, the Executive Board assessed the recoverability of this receivable at low level as the accumulated losses of VNPOLY had exceeded its equity, and VNPOLY is unable to meet its financial obligations as and when they fall due.

(ii) The balance of the other short-term receivables from PetroVietnam Trade Union Finance Investment Corporation ("PVFI") as at 31 December 2021 represents an investment trust amount of VND 101,597,868,000 and VND 8,545,399,289 respectively. The Executive Board assessed the recoverability of this receivable at low level due to the difficult situation of PVFI.

9. BAD DEBTS

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
				VND
				Overdue time
PetroVietnam Trade Union Finance Investment Corporation	110,143,267,289	-	110,143,267,289	-
				Over 3 years
Ngoc Lan Production Trade Company Limited	9,153,800,000	-	9,153,800,000	-
				Over 3 years
PetroVietnam Petrochemical and Textile Fiber JSC	115,725,753,648	1,545,947,178	114,704,334,648	424,979,278
				From 6 months to 3 years and longer
- Receivables relating to reciprocal guarantee commitments	107,786,937,303	-	107,786,937,303	-
- Other receivables	7,938,816,345	1,545,947,178	6,917,397,345	424,979,278
	235,022,820,937	1,545,947,178	234,001,401,937	424,979,278

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

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
a. Inventory				
Goods in transit	137,303,973,626	-	216,065,135,493	-
Raw materials	557,871,471,999	(480,008,618)	493,736,178,079	(10,062,946,217)
Tools and supplies	8,671,907,245	-	6,405,456,011	-
Work in progress	215,990,588,117	-	48,035,018,676	(4,918,599,333)
Finished goods	821,955,029,260	(2,799,857,720)	637,316,947,620	(10,024,654,470)
Merchandise	1,037,020,884,337	-	93,106,713,901	(1,298,876,140)
	2,778,813,854,584	(3,279,866,338)	1,494,665,449,780	(26,305,076,160)
b. Long-term reserved spare parts	124,128,741,854	-	139,786,369,885	-

In the year, the Corporation reversed the provision for devaluation of inventories with the amount of VND 23,025,209,822 for items sold during the year (2020: an provision of VND 6,648,141,430 was made).

11. PREPAYMENTS

	Closing balance VND	Opening balance VND
a. Current		
Cost of hardware and software support services	8,764,839,132	10,211,830,362
Tools and supplies	1,774,165,242	916,491,306
Property insurance premium	-	13,953,824,829
Others	4,790,145,365	1,943,104,035
	15,329,149,739	27,025,250,532
b. Non-current		
Tools and supplies	12,053,362,959	7,267,251,723
Land and office rentals	3,547,395,469	11,199,860,794
Catalytic cost of CO and H2S	963,815,857	8,061,248,728
Others	9,132,756,847	3,919,693,133
	25,697,331,132	30,448,054,378

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
COST						
Opening balance	2,364,872,583,781	8,243,076,932,348	90,135,588,984	310,390,452,387	637,984,489,504	11,646,460,047,004
Additions	48,913,000	5,814,321,427	2,930,081,744	12,105,982,330	-	20,899,298,501
Finalisation adjustment	(28,157,966,588)	(72,551,395,723)	-	-	(15,966,987,306)	(116,676,349,617)
Disposals	-	(3,069,000,000)	(331,712,728)	(376,899,818)	-	(3,777,612,546)
Closing balance	2,336,763,530,193	8,173,270,858,052	92,733,958,000	322,119,534,899	622,017,502,198	11,546,905,383,342
ACCUMULATED DEPRECIATION						
Opening balance	1,410,097,203,690	6,174,931,758,577	76,470,495,016	254,812,298,038	291,277,404,298	8,207,589,159,619
Charge for the year	128,507,595,855	260,232,108,957	3,753,022,399	27,149,419,941	94,095,878,310	513,738,025,462
Finalisation adjustment	(11,510,147,371)	(27,714,762,840)	-	(2,040,105)	(15,196,217,547)	(54,423,167,863)
Disposals	-	(2,790,609,836)	(320,923,085)	(376,899,818)	-	(3,488,432,739)
Closing balance	1,527,094,652,174	6,404,658,494,858	79,902,594,330	281,582,778,056	370,177,065,061	8,663,415,584,479
NET BOOK VALUE						
Opening balance	954,775,380,091	2,068,145,173,771	13,665,093,968	55,578,154,349	346,707,085,206	3,438,870,887,385
Closing balance	809,668,878,019	1,768,612,363,194	12,831,363,670	40,536,756,843	251,840,437,137	2,883,489,798,863

As stated in Note 25, the Corporation has pledged all the factories, machinery and equipment under the project on productivity enhancement of NH₃ workshop of Phu My Fertilizer Plant and construction of NPK Fertilizer Production Plant by applying chemical technology, which have the carrying value as at 31 December 2021 of VND 2,079,267,047,450 (31 December 2020: VND 2,397,837,594,191) to secure bank loans.

The cost of the Corporation's tangible fixed assets as at 31 December 2021 includes VND 6,377,667,352,749 (31 December 2020: VND 6,217,712,574,240) of tangible fixed assets which have been fully depreciated but are still in use.

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Patent VND	Computer software VND	Others VND	Total VND
COST					
Opening balance	863,853,207,162	159,315,893,074	114,067,581,203	15,819,633,154	1,153,056,314,593
Additions	-	-	2,803,293,600	-	2,803,293,600
Disposals	-	-	-	(68,280,000)	(68,280,000)
Closing balance	863,853,207,162	159,315,893,074	116,870,874,803	15,751,353,154	1,155,791,328,193
ACCUMULATED AMORTISATION					
Opening balance	46,412,979,919	159,315,893,074	91,839,785,818	11,466,089,816	309,034,748,627
Charge for the year	3,316,305,309	-	9,552,984,611	480,363,760	13,349,653,680
Disposals	-	-	-	(68,280,000)	(68,280,000)
Closing balance	49,729,285,228	159,315,893,074	101,392,770,429	11,878,173,576	322,316,122,307
NET BOOK VALUE					
Opening balance	817,440,227,243	-	22,227,795,385	4,353,543,338	844,021,565,966
Closing balance	814,123,921,934	-	15,478,104,374	3,873,179,578	833,475,205,886

The cost of the Corporation's intangible assets as at 31 December 2021 includes VND 238,161,541,728 (31 December 2020: VND 235,520,885,339) of intangible assets which have been fully amortized but are still in use.

14. INCREASES, DECREASES IN INVESTMENT PROPERTIES

	Land use rights VND	Buildings and structures VND	Total 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	10,664,026,413	87,545,770,376	98,209,796,789
Charge for the year	1,005,683,040	8,892,748,510	9,898,431,550
Closing balance	11,669,709,453	96,438,518,886	108,108,228,339
NET BOOK VALUE			
Opening balance	88,835,125,587	130,908,619,826	219,743,745,413
Closing balance	87,829,442,547	122,015,871,316	209,845,313,863
List of investment properties			
	Closing balance		Opening balance
	VND	VND	VND
	Cost	Accumulated Depreciation	Net Book Value
Dong Tay Building at 27 Dinh Bo Linh Street, Ho Chi Minh City	90,358,442,144	20,905,536,273	69,452,905,871
Cuu Long Supermarket and Office Building in Ca Mau Province	157,460,134,120	61,716,488,602	95,743,645,518
PVFCo Building at 43 Mac Dinh Chi Street, Ho Chi Minh City	70,134,965,938	25,486,203,464	44,648,762,474
	317,953,542,202	108,108,228,339	209,845,313,863
			317,953,542,202
			98,209,796,789
			219,743,745,413

Fair value of investment properties

According to VAS No. 05 - Investment Properties, fair value of investment properties at the consolidated balance sheet date is required to be disclosed. However, the Corporation has not determined the fair value as at 31 December 2021; therefore, no information about the fair value of investment properties is stated at the Notes to the consolidated 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 VND	Receivable/ Payable during the year VND	Received/Paid during the year VND	Closing balance VND
a. Receivables				
Corporate income tax	3,152,818,774	-	-	3,152,818,774
Personal income tax	3,756,286,972	3,756,286,972	-	-
Other taxes	-	-	98,916,250	98,916,250
	6,909,105,746	3,756,286,972	98,916,250	3,251,735,024
b. Payables				
Value added tax	4,675,902,225	64,980,965,807	60,205,079,041	9,451,788,991
- VAT on domestic goods	4,675,902,225	61,104,497,861	56,328,611,095	9,451,788,991
- VAT on imports	-	3,876,467,946	3,876,467,946	-
Import-export duties	361,848,690	69,317,882,613	52,039,159,103	17,640,572,200
Corporate income tax	49,041,452,607	605,412,217,929	302,161,819,901	352,291,850,635
Personal income tax	4,159,502,675	49,135,293,407	43,540,778,356	9,754,017,726
Natural resource tax	325,833,240	3,479,668,012	3,468,486,058	337,015,194
Environmental protection tax and other taxes	249,378,250	4,774,037,611	4,842,833,961	180,581,900
- Environmental protection tax	249,378,250	556,102,900	624,899,250	180,581,900
- License tax	-	18,000,000	18,000,000	-
- Foreign contractor tax	-	2,399,999,230	2,399,999,230	-
- Other taxes	-	1,799,935,481	1,799,935,481	-
	58,813,917,687	797,100,065,379	466,258,156,420	389,655,826,646

16. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
NH3 and NPK project (i)	83,279,615,900	62,778,770,433
Apartment buildings for employees	36,342,070,618	36,342,070,618
Tay Ninh warehouse	29,120,068,273	29,120,068,273
Other projects	25,340,433,150	25,200,315,153
	174,082,187,941	153,441,224,477

- (i) As presented in Note 25, as at 31 December 2021, the Corporation mortgaged the entire value of construction works and machinery and equipment of the NH3 and NPK project with the amount of VND 83,279,615,900 (31 December 2020: VND 62,778,770,433) to secure a long-term loan at the Bank Vietnam Public Trade Joint Stock Company - Ho Chi Minh City branch.

17. INVESTMENTS IN ASSOCIATES

	Closing balance VND	Opening balance VND
Cost of investments in associates	680,903,000,000	680,903,000,000
Share of post-acquisition losses, net of dividends received	(652,283,336,530)	(652,911,624,673)
	28,619,663,470	27,991,375,327

18. DEFERRED TAX ASSETS

	Closing balance VND	Opening balance VND
Accrued expenses not yet billed	56,852,312,353	89,724,283,272
Unearned revenue	13,139,221,914	3,346,748,789
Others	9,196,117,573	8,659,323,911
	79,187,651,840	101,730,355,972

19. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid of	Amount	VND Amount able to be paid off
a. Short-term trade payables				
Baconco Company Limited	75,059,625,444	75,059,625,444	-	-
Duc Giang Lao Cai Chemical Co., Ltd	71,326,012,800	71,326,012,800	-	-
Uralkali Trading SIA	-	-	48,839,480,801	48,839,480,801
Others	258,795,349,852	258,795,349,852	120,485,475,809	120,485,475,809
	405,180,988,096	405,180,988,096	169,324,956,610	169,324,956,610
b. Trade payables to related parties (Details stated in Note 39)	366,201,095,053	366,201,095,053	283,552,152,286	283,552,152,286
	366,201,095,053	366,201,095,053	283,552,152,286	283,552,152,286
Total	771,382,083,149	771,382,083,149	452,877,108,896	452,877,108,896

20. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance VND	Opening balance VND
a. Short-term advances from customers		
Viet My Company Limited	21,187,500,000	4,400,621,750
Minh Dung Trade and Services One Member Limited Liability Company	18,124,074,799	-
Tuan Vu Fertilizer Commercial Services Company Limited	-	40,040,650,500
Kim Ngoan Trade & Services Limited Company	6,415,272,954	27,415,175,000
Others	77,878,822,233	51,094,069,464
	123,605,669,986	122,950,516,714
b. Advances from related parties (Details stated in Note 39)	687,268,384	-
	687,268,384	-
Total	124,292,938,370	122,950,516,714

21. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
Accruals for construction in progress (i)	157,710,578,386	332,737,066,914
Accrued interest	25,870,992,080	30,441,072,326
Accruals for urea freight and loading expenses	24,214,172,784	24,402,535,602
Gas transportation expenses	1,516,548,821	-
Accruals for repair and maintenance costs for Phu My Fertilizer Plant	105,037,530	5,299,433,146
Other accruals	128,466,504,227	63,942,852,707
	337,883,833,828	456,822,960,695
In which:		
Short-term accruals with related parties (Details stated in Note 39)	138,139,721,334	191,064,067,514

(i) Accruals for construction in progress represent expenses relating to unfinalised projects on productivity enhancement of NH3 workshop of Phu My Fertilizer Plant and construction of NPK Fertilizer Production Plant.

22. OTHER PAYABLES

	Closing balance VND	Opening balance VND
a. Current		
Dividend payables	26,650,909,709	27,360,189,449
Short-term deposits received	7,366,977,144	7,042,996,101
Trade discount payable	-	7,106,672,714
Others	40,234,315,896	23,289,840,385
	74,252,202,749	64,799,698,649
b. Non-current		
Long-term deposits received	8,526,946,700	1,866,870,000
	8,526,946,700	1,866,870,000

23.

SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	Decreases	Amount	VND Amount able to be paid off
Short-term loans	-	-	674,769,950,000	674,769,950,000	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Binh Dinh Branch	-	-	287,419,950,000	287,419,950,000	-	-
Joint Stock Commercial Bank for Industry and Trade of Vietnam - Binh Dinh Branch	-	-	58,000,000,000	58,000,000,000	-	-
Vietnam Bank for Agriculture and Rural Development - Binh Dinh Branch	-	-	10,000,000,000	10,000,000,000	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	-	-	10,000,000,000	10,000,000,000	-	-
Joint Stock Commercial Bank for Industry and Trade of Vietnam - Dong Anh Branch	-	-	44,850,000,000	44,850,000,000	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ngoc Khanh Branch	-	-	68,000,000,000	68,000,000,000	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ba Dinh Branch	-	-	196,500,000,000	196,500,000,000	-	-
Current portion of long-term loans	190,871,758,751	190,871,758,751	203,919,356,859	194,657,305,391	200,133,810,219	200,133,810,219
(see Note 25)	190,871,758,751	190,871,758,751	878,689,306,859	869,427,255,391	200,133,810,219	200,133,810,219

24.

PROVISIONS

	Provision for repair and maintenance cost
	VND
Opening balance	467,511,021,812
Additional provision for the year	58,948,551,633
Utilisation of provisions	(340,646,080,767)
Closing balance	185,813,492,678

In which:

	Closing balance	Opening balance
	VND	VND
Short-term provision	20,327,222,568	467,511,021,812
Long-term provision	165,486,270,110	-
	185,813,492,678	467,511,021,812

FORM B 09-DN/HN

25.

LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Opening balance	
	Amount	VND Amount able to be paid off	Increases	Decreases	Amount	VND Amount able to be paid off
Long-term loans						
In which:						
Payables for related parties (Details stated in Note 39)						
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch (i)	1,049,794,666,633	1,049,794,666,633	49,787,745,286	194,657,305,390	(4,322,967,160)	900,602,139,369
	1,049,794,666,633	1,049,794,666,633	49,787,745,286	194,657,305,390	(4,322,967,160)	900,602,139,369
In which:						
- Amount due for settlement within 12 months	190,871,758,751	190,871,758,751			200,133,810,219	200,133,810,219
- Amount due for settlement after 12 months	858,922,907,882	858,922,907,882			700,468,329,150	700,468,329,150

The balances of loans and obligations under finance leases as at 31 December 2021 represent the loan under Loan Agreement No.639/2016/PVFCo-PVB/HD TG dated 25 October 2016 between Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh City Branch and the Corporation with the credit limit of VND 1,752,000,000,000 or USD equivalent at the exchange rate at the time of disbursement. The purpose of the loan is to finance the Corporation's projects on productivity enhancement of NH3 workshop of Phu My Fertilizer Plant and construction of NPK Fertilizer Production Plant applying chemical technology. The disbursement term is until June 2020 inclusive. The maximum loan term is 108 months, the grace period is 24 months the first disbursement date (09 February 2017) or an earlier date as determined by the lender when these projects are completed and start generating revenue. The interest rate is determined by the reference interest rate plus the margin interest rate (2.5% per annum). The interest is calculated based on the actual outstanding balance and payable every 6 months. As at 31 December 2021, the total loan amounts that have been disbursed were VND 925,471,418,166 VND and USD 15,532,217. The Corporation has pledged the entire value of factories and machinery and equipment under the projects on productivity enhancement of NH3 workshop of Phu My Fertilizer Plant and construction of NPK Fertilizer Production Plant applying chemical technology to secure the loans as presented in Note 12 and Note 16.

Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	200,133,810,219	190,871,758,751
In the second year	200,133,810,219	190,871,758,751
In the third to fifth year inclusive	500,334,518,931	572,615,276,252
After five years	-	95,435,872,879
	900,602,139,369	1,049,794,666,633
Less: Amount due for settlement within 12 months (shown under current liabilities)	200,133,810,219	190,871,758,751
Amount due for settlement after 12 months	700,468,329,150	858,922,907,882

26. OWNERS' EQUITY

Changes in owners' equity

	Owners' contributed capita VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Retained earnings VND	Subtotal VND	Non-controlling interests VND	Total VND
Prior year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,497,039,984,859	566,144,654,027	7,996,067,728,624	165,367,715,959	8,161,435,444,583
Profit for the year	-	-	-	-	691,307,691,848	691,307,691,848	10,311,986,954	701,619,678,802
Distributions to bonus and welfare funds	-	-	-	-	(133,677,476,418)	(133,677,476,418)	(2,255,295,896)	(135,932,772,314)
Dividends paid by cash					(469,601,112,000)	(469,601,112,000)	(10,625,000,000)	(480,226,112,000)
Other increases	-	-	-	-	603,101,817	603,101,817	-	603,101,817
Prior year's closing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,497,039,984,859	654,776,859,274	8,084,699,933,871	162,799,407,017	8,247,499,340,888
Current year's opening balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,497,039,984,859	654,776,859,274	8,084,699,933,871	162,799,407,017	8,247,499,340,888
Profit for the year	-	-	-	-	3,117,133,794,101	3,117,133,794,101	54,382,506,458	3,171,516,300,559
Distributions to bonus and welfare funds (i)	-	-	-	-	(138,475,734,238)	(138,475,734,238)	(10,524,722,566)	(149,000,456,804)
Dividends paid by cash (ii)	-	-	-	-	(547,867,964,000)	(547,867,964,000)	(8,987,500,000)	(556,855,464,000)
Current year's closing balance	3,914,000,000,000	21,179,913,858	(2,296,824,120)	3,497,039,984,859	3,085,566,955,137	10,515,490,029,734	197,669,690,909	10,713,159,720,643

(i) Under Resolution No. 47/NQ-DHDCD dated 27 April 2021 of the General Shareholders' Meeting, the Corporation made additional accruals of VND 53,651,555,547 to the Bonus and welfare funds from 2020 retained earnings. In addition, the Corporation also accrued the amount of VND 84,824,167,691 from 2021 retained earnings according to planned profit distribution of this Resolution.

(ii) According to Resolution No. 43/NQ-DHDCD dated 16 June 2020 of the General Shareholders' Meeting and Resolution No. 01/NQ-PBHC dated 05 January 2021 of the Board of Directors, the Corporation made an advance payment of the first dividend from profit after tax in 2020 with the amount of VND 273,933,982,000 (VND 700 per share), the ex-dividend date is 26 January 2021 and the dividend payment time is 19 February 2021.

According to Resolution No. 47/NQ-DHDCD dated 27 April 2021 of the General Shareholders' Meeting, the Corporation made cash payment of the remanining dividend from profit after tax in 2020 with the amount of VND 273,933,982,000 (VND 700 per share), the ex-dividend date is 06 July 2021 and the dividend payment time is 30 July 2021.

Shares	Closing balance	Opening balance
Number of shares issued to the public	391,400,000	391,400,000
Ordinary shares	391,400,000	391,400,000
Number of treasury shares	65,740	65,740
Ordinary shares	65,740	65,740
Number of outstanding shares in circulation	391,334,260	391,334,260
Ordinary shares	391,334,260	391,334,260

A common share has par value of VND 10,000 per share.

Charter capital

According to Business Registration Certificate No. 4103007696 dated 31 August 2007 and its latest amendment dated 16 January 2019 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 2021 as follows:

	Contributed capital			
	Closing balance		Opening balance	
Shareholders	Number of shares	%	Number of shares	%
Vietnam Oil and Gas Group	233,204,253	59.58	233,204,253	59.58
Others	158,130,007	40.42	158,130,007	40.42
	391,334,260	100.00	391,334,260	100.00
Treasury shares	65,740	0.00	65,740	0.00
	391,400,000	100.00	391,400,000	100.00

27. OFF BALANCE SHEET ITEMS

Operating lease assets

	Closing balance VND	Opening balance VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within one year	17,835,785,541	18,936,612,070
In the second to fifth year inclusive	48,905,330,606	65,519,786,674
After five years	354,378,668,490	358,362,115,566
	421,119,784,637	442,818,514,310

Operating lease commitment of the Corporation is land and office rentals. On 03 September 2005, the Corporation was handed over Land-subleasing contract No. 178/HD/TLD/UDEC.2001 dated 01 June 2001 signed between the Project Management Unit (PMU) of Phu My Fertilizer 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 re-rental 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 amount equivalent to USD 634,066 on every 15 February.

The office rentals represent the monthly amount of VND 296,235/m2, VND 171,235/m2 and VND 200,000 VND/m2 to rent 568 m2 of office, 55 m2 of WC area and 31 m2 of warehouse area at the 4th Floor, Institute of Petroleum Building, respectively. The lease contract is signed for a period of 3 years from 01 July 2020.

Foreign currencies

	Closing balance	Opening balance
United States Dollar (USD)	46,494	1,171,026
Euro (EUR)	32,505	32,516

28. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Corporation's principal activities are production and trade of fertilizers and other chemical products used in agriculture. Accordingly, the information as presented in the consolidated balance sheet as at 31 December 2021 and the revenue, expenses as presented in the consolidated income statement for the year ended 31 December 2021 relate only to the trade of fertilizers and chemicals. Revenue and cost of sales by product line and business are presented in Note 29.

The Corporation distributes fertilizer, chemicals, packages, and provides related services nationwide 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 products with the revenue of approximately VND 883 billion, accounting for less than 10 percent of gross revenue from goods sold and services rendered of the Corporation. Thus, no business segment report has been prepared.

29. NET REVENUE AND COST OF SALES

	Locally-produced products VND	Imported goods VND	Total VND
Current year			
Net revenue	10,595,786,311,886	2,190,354,881,466	12,786,141,193,352
Cost of sales	(6,102,891,278,027)	(1,897,711,160,290)	(8,000,602,438,317)
Gross profit	4,492,895,033,859	292,643,721,176	4,785,538,755,035
Prior year			
Net revenue	6,433,122,269,006	1,328,696,335,557	7,761,818,604,563
Cost of sales	(4,766,429,506,840)	(1,265,585,484,150)	(6,032,014,990,990)
Gross profit	1,666,692,762,166	63,110,851,407	1,729,803,613,573

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

	Current year VND	Prior year VND
Sales of merchandise and services		
Sales of fertilizers	9,575,520,809,220	5,970,265,581,515
Sales of chemicals	1,068,134,565,808	536,558,632,218
Others	45,282,776,050	31,677,464,721
	10,688,938,151,078	6,538,501,678,454
Deductions		
Sales discount	93,151,839,192	90,090,875,148
Sales return	-	15,288,534,300
	93,151,839,192	105,379,409,448
In which:		
Revenue from related parties (Details stated in Note 39)	156,571,745,401	140,435,740,050
	156,571,745,401	140,435,740,050

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

	Current year VND	Prior year VND
Cost of fertilizers	5,531,111,056,410	4,344,054,439,131
Cost of chemicals	549,154,589,045	400,560,139,795
Others	22,625,632,572	21,814,927,914
	6,102,891,278,027	4,766,429,506,840

30. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	4,822,494,783,618	3,440,011,327,380
Labour	620,039,872,457	526,951,502,661
Depreciation and amortisation	536,986,110,692	549,648,417,025
Provision expenses	36,040,728,360	192,296,324,427
Out-sourced services	1,023,945,659,632	869,303,780,172
Other monetary expenses	746,629,271,362	494,411,077,643
	7,786,136,426,121	6,072,622,429,308

31. FINANCIAL INCOME

	Current year VND	Prior year VND
Bank interest	160,830,978,066	171,655,655,211
Foreign exchange gain	8,239,945,682	4,603,051,174
Dividends and profits received	5,415,161,879	3,377,310,462
Others	1,027,860,000	-
	175,513,945,627	179,636,016,847

32. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	69,266,472,919	88,463,426,175
Foreign exchange loss	4,537,158,664	4,242,236,038
Payment discount	627,500,000	-
Additional provision for impairment of long-term investments	216,935,448	2,141,440,881
	74,648,067,031	94,847,103,094

33. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses		
Transportation, loading, unloading and storages	279,574,552,884	140,039,457,792
Social security, advertisement and marketing	265,893,628,629	272,411,032,690
Salary and other benefits for sale staff	99,456,986,942	86,060,082,281
Others	172,837,786,798	156,106,484,738
	817,762,955,253	654,617,057,501
General and administration expenses		
Administration staff costs	165,684,583,410	150,223,169,513
Depreciation and amortisation	67,155,587,397	69,849,095,972
Others	192,133,425,565	188,999,552,665
	424,973,596,372	409,071,818,150

34. OTHER INCOME

	Current year VND	Prior year VND
Compensation from insurance	144,411,317,112	80,921,415,358
Sales, disposals of fixed assets	307,935,619	-
Others	10,535,922,262	15,554,520,734
	155,255,174,993	96,475,936,092

35. OTHER EXPENSES

	Current year VND	Prior year VND
Sales, disposals of fixed assets	10,789,645	68,389,503
Others	1,944,441,876	1,857,778,838
	1,955,231,521	1,926,168,341

36. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	605,412,217,929	166,619,580,888
Total current corporate income tax expense	605,412,217,929	166,619,580,888
	Current year VND	Prior year VND
Deferred corporate tax expense/(income)		
Taxable temporary differences	473,600,394	568,381,361
Deductible temporary differences	22,069,103,738	(20,916,870,263)
Total deferred corporate tax expense/(income)	22,542,704,132	(20,348,488,902)

37. BASIC EARNINGS PER SHARE

	Current year	Prior year (Restated)
Profit after corporate income tax (VND)	3,117,133,794,101	691,307,691,848
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:		
<i>Distributions to bonus and welfare fund (VND)</i>	<i>(84,824,178,691)</i>	<i>(138,261,538,370)</i>
Profit attributable to ordinary shareholders (VND)	3,032,309,615,410	553,046,153,478
Average ordinary shares in circulation for the year (shares)	391,334,260	391,334,260
Basic earnings per share (VND/share)	7,749	1,413

The bonus and welfare fund was accrued based on estimation basis, therefore, basic earnings per shares for the year ended 31 December 2021 can be changed according to the Resolution of the General Meeting of Shareholders about distribution of 2021 profit.

The basic earnings per share for the year ended at 31 December 2020 were restated due to the effect of the distribution of 2020 after-tax profit under Resolution No. 47/NQ-DHDCD dated 27 April 2021 of the Corporation's General Shareholders' Meetings. Accordingly, the distribution to bonus and welfare funds for the year ended 31 December 2020 were recalculated and distributed are as follows:

	Reported amount	Restated amount
Profit after corporate income tax (VND)	691,307,691,848	691,307,691,848
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:		
<i>Distributions to bonus and welfare fund (VND)</i>	<i>(90,746,126,615)</i>	<i>(138,261,538,370)</i>
Profit attributable to ordinary shareholders (VND)	600,561,565,233	553,046,153,478
Average ordinary shares in circulation for the year (shares)	391,334,260	391,334,260
Basic earnings per share (VND/share)	1,535	1,413

38. CONTINGENT LIABILITIES

Land use fee and other costs of the 0.6ha road area which has been invested and built by the Corporation in Ca Mau province

As at 31 December 2021, the Corporation is in the process of working with the People's Committee of Ca Mau Province to determine obligations to pay land use fees and other costs that may arise related to the determination of land use purpose of the 0.6 ha road area which has been invested and built by the Corporation in Ca Mau province.

39. RELATED PARTY TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam Oil and Gas Group	Parent Company
Dam Phu My Packaging Joint Stock Company	Associate
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	Associate
PetroVietnam Urban Development Joint Stock Company	Associate
PetroVietnam Ca Mau Fertilizer Joint Stock Company	Company under Vietnam Oil and Gas Group
PetroVietnam Gas Joint Stock Company	Company under Vietnam Oil and Gas Group
Vietsovpetro	Company under Vietnam Oil and Gas Group
PTSC Phu My Port Joint Stock Company	Company under Vietnam Oil and Gas Group
PetroVietnam Exploration Production Corporation	Company under Vietnam Oil and Gas Group
Vietnam LPG Trade Company Limited	Company under Vietnam Oil and Gas Group
PetroVietnam Insurance Corporation	Company under Vietnam Oil and Gas Group
Vietnam Petroleum Institute	Company under Vietnam Oil and Gas Group
PetroVietnam Security Service Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam Transportation Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam Technical Services Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam Oil Corporation - JSC	Company under Vietnam Oil and Gas Group
PetroVietnam Technical Safety Registration Company Limited	Company under Vietnam Oil and Gas Group
PVD Technical Training and Certification JSC	Company under Vietnam Oil and Gas Group
PetroVietnam Maintenance and Repair Corporation	Company under Vietnam Oil and Gas Group
PetroVietnam General Services Joint Stock Corporation	Company under Vietnam Oil and Gas Group
Binh Son Refining and Petrochemical JSC	Company under Vietnam Oil and Gas Group
PTSC Thanh Hoa Port JSC	Company under Vietnam Oil and Gas Group
PetroVietnam Trade Union Finance Investment Corporation (PVFI)	Company under Vietnam Oil and Gas Group
PVI Insurance - Ho Chi Minh City	Company under Vietnam Oil and Gas Group
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	Company under Vietnam Oil and Gas Group
PetroVietnam Finance Corporation	Company under Vietnam Oil and Gas Group
Petroleum Well Logging Company Limited	Company under Vietnam Oil and Gas Group
PetroVietnam Securities Incorporated - Ho Chi Minh Branch	Company under Vietnam Oil and Gas Group
PTSC Thanh Hoa Port Joint Stock Company	Company under Vietnam Oil and Gas Group
Vietnam National Union of Oil and Gas Workers	Company under Vietnam Oil and Gas Group

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

	Current year VND	Prior year VND
Sales		
PetroVietnam Ca Mau Fertilizer Joint Stock Company	131,028,122,949	119,699,693,580
PetroVietnam Gas Joint Stock Company	8,279,396,000	12,991,968,000
PetroVietnam Transportation Corporation	7,539,656,448	-
Vietsovpetro	5,918,518,983	7,496,046,295
Petroleum Well Logging Company Limited	1,231,147,143	
PetroVietnam Securities Incorporated - Ho Chi Minh Branch	1,128,371,616	-
PTSC Thanh Hoa Port Joint Stock Company	781,560,450	-
PetroVietnam Finance Corporation	664,971,812	-
PTSC Phu My Port Joint Stock Company	-	248,032,175
	156,571,745,401	140,435,740,050
Purchases		
PetroVietnam Gas Joint Stock Company	3,469,114,467,696	2,653,400,478,506
Vietnam Oil and Gas Group	75,915,511,814	9,655,852,554
Dam Phu My Packaging Joint Stock Company	74,780,207,370	185,516,765,500
Vietnam National Union of Oil and Gas Workers	17,640,000,000	-
PTSC Phu My Port Joint Stock Company	17,560,335,352	20,721,303,109
PetroVietnam Insurance Corporation	13,953,048,824	33,226,091,193
PetroVietnam Security Service Corporation	12,260,249,561	9,822,456,780
PetroVietnam Technical Services Corporation	8,330,024,691	6,249,317,193
PetroVietnam Transportation Corporation	3,309,512,235	9,571,532,300
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	1,462,314,427	-
PetroVietnam General Services Joint Stock Corporation	1,100,000,000	-
PVD Technical Training and Certification JSC	602,484,415	260,409,813
Vietnam Petroleum Institute	312,980,705	10,450,119,689
PetroVietnam Technical Safety Registration Company Limited	45,257,000	1,062,510,977
PetroVietnam Oil Corporation - JSC	-	4,306,246,344
PetroVietnam Maintenance and Repair Corporation	-	185,657,240
	3,696,386,394,090	2,944,428,741,198
Loans paid		
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	194,657,305,391	90,386,573,373
Loans received		
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	49,787,745,286	-
Dividends paid		
Vietnam Oil and Gas Group	326,485,954,200	279,845,103,600
Interest expenses		
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	68,232,608,348	86,967,787,022

Related party balances as at 31 December 2021 were as follows:

	Closing balance VND	Opening balance VND
Short-term trade receivables		
PetroVietnam Ca Mau Fertilizer Joint Stock Company	19,672,314,273	23,999,917,671
PTSC Thanh Hoa Port JSC	108,900,000	99,000,000
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	95,704,205	195,253,105
Vietsovet	45,893,100	2,275,223,087
PetroVietnam Transportation Corporation	19,533,730	-
Binh Son Refining and Petrochemical JSC	-	556,886,002
PTSC Phu My Port Joint Stock Company	-	18,600,000
PetroVietnam Finance Corporation	2,475,000	-
	19,944,820,308	27,144,879,865
Short-term advances to suppliers		
Dam Phu My Packaging Joint Stock Company	31,783,021,069	23,147,234,000
PetroVietnam Urban Development Joint Stock Company	4,860,607,417	4,860,607,417
PetroVietnam Securities Incorporated - Ho Chi Minh Branch	107,107,515	-
	36,750,736,001	28,007,841,417
Other short-term receivables		
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	115,630,049,443	114,509,081,543
PetroVietnam Trade Union Finance Investment Corporation (PVFI)	110,143,267,289	110,143,267,289
PetroVietnam Finance Corporation	29,589,041	-
PetroVietnam Gas Joint Stock Company	-	4,460,873,861
	225,802,905,773	229,113,222,693
Short-term trade payables		
PetroVietnam Gas Joint Stock Company	330,013,157,891	236,962,736,585
PetroVietnam Technical Services Corporation	15,728,559,939	23,240,985,361
Dam Phu My Packaging Joint Stock Company	10,407,772,890	15,572,141,400
PTSC Phu My Port Joint Stock Company	4,853,381,597	3,362,291,993
PetroVietnam Urban Development Joint Stock Company	2,719,205,271	2,719,205,271
PVI Insurance - Ho Chi Minh City	1,400,992,856	54,090,381
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	727,925,000	-
PetroVietnam Transportation Corporation	304,105,995	1,598,635,420
Vietnam Petroleum Institute	34,993,614	42,065,875
PetroVietnam Securities Incorporated - Ho Chi Minh Branch	11,000,000	-
	366,201,095,053	283,552,152,286

	Closing balance VND	Opening balance VND
Short-term advances from customers		
PVI Insurance - Ho Chi Minh City	448,586,028	-
PetroVietnam Finance Corporation	238,682,356	-
	687,268,384	-
Short-term accruals		
Vietnam Oil and Gas Group	66,436,088,191	4,670,756,490
PetroVietnam Technical Services Corporation	45,559,641,063	155,952,238,698
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	25,870,992,080	30,441,072,326
PetroVietnam Petrochemical and Textile Fiber JSC (VNPOLY)	273,000,000	-
	138,139,721,334	191,064,067,514
Loans and obligations under finance leases		
Vietnam Public Joint Stock Commercial Bank - Ho Chi Minh Branch	900,602,139,369	1,049,794,666,633

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

	Current year VND	Prior year VND
Salaries, bonus and benefits in kind	17,379,234,302	12,616,254,269

40. GUARANTEE COMMITMENT

Guarantee commitment obligations for medium and long-term loans of PetroVietnam Petrochemical and Textile Fiber Joint Stock Company ("VNPOLY")

As at 31 December 2021, the Corporation has reciprocal guarantee commitments with Vietnam Oil and Gas Group ("PVN") relating to the guarantee obligations for medium and long-term loans of PetroVietnam Petrochemical and Textile Fiber Joint Stock Company ("VNPOLY") - the Corporation's associate.

41. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest paid during the year excludes VND 25,870,992,080 (in 2020: VND 30,441,072,326), representing the unpaid interest amount of the long-term loan for the year. Consequently, changes in payables have been adjusted by the same amount.

Dividends and profits paid to shareholders during the year exclude VND 26,650,909,709 (in 2020: VND 27,360,189,449), representing the amount of dividends declared but not yet paid to shareholders. Consequently, changes in payables have been adjusted by the same amount.

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 29,350,148,949 (in 2020: VND VND 29,476,148,949), representing an addition in fixed assets and construction in progress during the year that has not yet been paid. Consequently, changes in payables have been adjusted by the same amount.

Unused cash and cash equivalents held by the Corporation

As at 31 December 2021, the Corporation's deposits with term under three months at Ocean Commercial One Member Limited Liability Bank (previously known as Ocean Commercial Joint Stock Bank) amounting to VND 284 billion are restricted. According to Official Letter No.5351/2016/CV-OCEANBANK dated 04 October 2016, Official Letter No.60/2018/CV-OCEANBANK dated 28 December 2018 and Official Letter No.76/2020/CV-OJB-CNHCM dated 12 August 2020, Ocean Commercial One Member Limited Liability Bank ensured the return of deposits held by its clients following the restructuring plan which has been submitted to the State Bank of Vietnam and the Government for approval. Interest income from these deposits has been paid by Ocean Commercial One Member Limited Liability Bank from 01 October 2015 to present. The Executive Board assessed that the Corporation's deposits will be recovered as committed by Ocean Commercial One Member Limited Liability Bank.

42. SUBSEQUENT EVENTS

On 20 January 2022, the Corporation announced that the first dividend advance payment from 2021 profit after tax was VND 391,400,000,000 (VND 1,000 per share) according to the Resolution No. 47/NQ-DHDCD dated 27 April 2021 of the General Shareholders' Meetings and Resolution No. 25/NQ-PBHC of the Corporation's Board of Directors dated 17 January 2022, the ex-dividend date is 28 January 2022 and the dividends have been paid since 16 February 2022.




Tran Xuan Thao
Preparer

Vo Ngoc Phuong
Chief Accountant



Le Cu Tan
Chief Executive Officer

17 March 2022



The separated financial statements and the digital version of Annual Report are available at the website: www.dpm.vn