

**PETROVIETNAM GENERAL SERVICES
CORPORATION
PETROLEUM GENERAL DISTRIBUTION
SERVICES JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIET NAM
Freedom – Happiness

TP.Hồ Chí Minh, March, 15th 2025

No: 39 /CV-PSD

*About: Disclosure of the Separate Financial
Statements for 2024*

**To: - The State Securities Commission
- The Stock Exchange.**

1. Trading name: **Petroleum General Distribution Services Joint Stock Company**
2. Securities code: **PSD**
3. Address: R.207, PetroVietnam Tower, No 1-5 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
4. Tel: 028.39115578 Fax: 028.39115579
5. *Authorized person to disclose information:* Mr. PHAN HAI AU
6. Contents of the disclosed information
 - The Separate Financial Statements for 2024 of Petroleum General Distribution Services Joint Stock Company, prepared on March 15th, 2025, include the Balance Sheet, Income Statement, Cash Flow Statement, and Notes to the Financial Statements.
 - Official letter explaining the separate business results for 2024.

Website address for full access to the financial statements: www.psd.com.vn

We hereby certify that the disclosed information above is true and we take full legal responsibility for the content of the disclosed information.

Recipients:

- As mentioned above
- Archived at the Office

**AUTHORIZED PERSON TO DISCLOSE
INFORMATION**



PHAN HAI AU

**PETROVIETNAM GENERAL SERVICES
JOINT STOCK COMPANY
PETROLEUM GENERAL DISTRIBUTION
SERVICES JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIET NAM
Independence – Freedom – Happiness

No: 42/CV-PSD

V/v: *Explanation of differences income statement
on the separate financial statements the year
ended 31 December 2024*

Ho Chi Minh City, March 15th, 2025

**To: - Hanoi Stock Exchange
Listing Department**

Trading name: **PETROSETCO DISTRIBUTION JOINT STOCK COMPANY**

Address: Room 207, PetroVietnam Tower, No. 1-5 Le Duan Street, Ben Nghe Ward,
District 1, Ho Chi Minh City, Vietnam

Tax ID number: 0305482862

Mã chứng khoán/Securities code: **PSD**

Petrosetco Distribution Joint Stock Company (PSD) would like to provide an explanation for the changes in the Separate Income Statement for the year ended 31 December 2024 as follows:

Article	FY2024	FY2023	Increase/decrease (%)
Revenue	5,896,932,711,333	6,926,354,701,547	-15%
Profit after tax	89,728,791,700	68,866,800,685	30%

During the year, the company's gross profit margin has increased, coupled with a reduction in financial expenses, leading to a 30% increase in profit after tax compared to the same period last year.

With this official letter, PSD would like to provide a clear explanation to the Stock Exchange regarding the matter.

Sincerely,

**PETROSETCO DISTRIBUTION JOINT STOCK
COMPANY**

Recipients:

- As mentioned above;
- Archived at the Office



**PHÓ GIÁM ĐỐC
PHAN HẢI ÂU**

PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

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



PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise registration certificate

No. 0305482862 dated 4 February 2008 was initially issued by the Department of Planning and Investment of Ho Chi Minh City with the latest (32nd) amendment dated 15 December 2023.

Board of Directors (“BoD”)

Mr. Tran Quang Huy	Chairman (from 12 April 2024)
Mr. Nguyen Duc Minh	Chairman (until 12 April 2024)
Mr. Vu Tien Duong	Member
Mr. Cao Thanh Hung	Independence member (from 12 April 2024)
Mr. Le Hoang Giang	Independence member (until 12 April 2024)

Board of Supervision

Mr. Le Minh Kha	Chief Supervisor (from 12 April 2024)
Mr. Tran Quang Huy	Chief Supervisor (until 12 April 2024)
Mr. Son Chi Tan	Member
Ms. Bui Vu Quynh Nhu	Member

Board of Management

Mr. Vu Tien Duong	Director
Mr. Nguyen Manh Lan	Deputy Director
Mr. Phan Hai Au	Deputy Director cum Chief Accountant

Legal representative

Mr. Vu Tien Duong	Director
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Registered office

Room 207, PetroVietnam Tower, No. 1 - 5 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

Auditor

PwC (Vietnam) Limited

PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

STATEMENT OF THE DIRECTOR

Statement of responsibility of the Director of the Company in respect of the Separate Financial Statements

The Director of Petrosetco Distribution Joint Stock Company (“the Company”) is responsible for preparing the separate financial statements which give a true and fair view of the separate financial position in accordance the Company as at 31 December 2024, and of its separate financial performance and its separate cash flows for the year then ended. In preparing these separate financial statements, the Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director of the Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and enable the separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements. The Director of the Company is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the Seperate Financial Statements

I hereby, approve the accompanying separate financial statements as set out on pages 5 to 39 which give a true and fair view of the separate financial position of the Company as at 31 December 2024, and of its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2024 in order to obtain full information of the consolidated financial position, the consolidated results of its operations and consolidated cash flows of the Group.



Vu Tien Duong
Director

Ho Chi Minh City, SR Vietnam
15 March 2025



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

We have audited the accompanying separate financial statements of Petrosetco Distribution Joint Stock Company ("the Company") which were prepared on 31 December 2024 and approved by the Director of the Company on 15 March 2025. The separate financial statements comprise the separate balance sheet as at 31 December 2024, the separate income statement and the separate cash flow statement for the year then ended 31 December 2024, and explanatory notes to the separate financial statements including significant accounting policies, as set out on pages 5 to 39.

The Director's Responsibility

The Director of the Company is responsible for the preparation and the true and fair presentation of these separate financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate financial statements, and for such internal control which the Director determines is necessary to enable the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2024, its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate financial statements.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited




Quach Thanh Chau
Audit Practising Licence No.
0875-2023-006-1
Authorised signatory



Tran Thi Cam Tu
Audit Practising Licence No.
2713-2023-006-1

Report reference number: HCM16271
Ho Chi Minh City, 15 March 2025

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2024 VND	2023 VND
100	CURRENT ASSETS		2,723,354,572,629	3,034,183,528,764
110	Cash		103,169,003,395	61,882,915,643
111	Cash	3	103,169,003,395	61,882,915,643
120	Short-term investments		1,271,400,000,000	929,500,000,000
123	Investments held to maturity	4(a)	1,271,400,000,000	929,500,000,000
130	Short-term receivables		723,019,522,373	1,031,531,737,731
131	Short-term trade accounts receivable	5	815,036,929,145	1,084,742,377,710
132	Short-term prepayments to suppliers		2,894,052,077	930,533,340
136	Other short-term receivables	6	66,834,704,323	107,217,989,853
137	Provision for doubtful debts – short-term	7	(161,746,163,172)	(161,359,163,172)
140	Inventories	8	525,687,570,967	863,772,914,945
141	Inventories		535,245,387,406	873,479,890,993
149	Provision for decline in value of inventories		(9,557,816,439)	(9,706,976,048)
150	Other current assets		100,078,475,894	147,495,960,445
151	Short-term prepaid expenses		1,360,489,797	786,568,453
152	Value added tax ("VAT") to be reclaimed	11(a)	98,717,986,097	146,709,391,992
200	LONG-TERM ASSETS		87,081,045,138	94,772,116,679
210	Long-term receivables		42,460,000	1,398,379,590
216	Other long-term receivables		42,460,000	1,398,379,590
220	Fixed assets		3,842,986,778	9,697,678,089
221	Tangible fixed assets	9	3,683,227,783	9,471,811,922
222	Historical cost		13,898,802,583	19,631,205,875
223	Accumulated depreciation		(10,215,574,800)	(10,159,393,953)
227	Intangible fixed assets		159,758,995	225,866,167
228	Historical cost		1,123,165,856	1,123,165,856
229	Accumulated amortisation		(963,406,861)	(897,299,689)
250	Long-term investments	4(b)	83,195,598,360	83,676,059,000
251	Investments in subsidiaries		96,927,518,434	96,927,518,434
252	Investments in associates		853,268,080	853,268,080
253	Investments in other entities		1,350,000,000	1,350,000,000
254	Provision for long-term investments		(15,935,188,154)	(15,454,727,514)
270	TOTAL ASSETS		2,810,435,617,767	3,128,955,645,443

The notes on pages 9 to 39 are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET (continued)

Code	RESOURCES	Note	As at 31 December	
			2024 VND	2023 VND
300	LIABILITIES		2,212,610,016,252	2,567,237,168,650
310	Short-term liabilities		2,211,902,997,983	2,566,630,150,381
311	Short-term trade accounts payable	10	391,946,193,544	798,741,025,607
312	Short-term advances from customers		3,443,064,271	4,198,193,317
313	Tax and other payables to the State	11(b)	5,642,942,586	7,530,717,138
314	Payables to employees	12	22,875,652,124	21,608,396,503
315	Short-term accrued expenses	13	6,203,837,066	5,814,687,641
319	Other short-term payables	14	228,745,382,874	187,819,368,185
320	Short-term borrowings	15	1,537,823,253,064	1,527,204,262,514
322	Bonus and welfare funds	16	15,222,672,454	13,713,499,476
330	Long-term liabilities		707,018,269	607,018,269
337	Other long-term payables		707,018,269	607,018,269
400	OWNERS' EQUITY		597,825,601,515	561,718,476,793
410	Capital and reserves		597,825,601,515	561,718,476,793
411	Owners' capital	17,18	518,278,940,000	518,278,940,000
411a	- Ordinary shares with voting rights		518,278,940,000	518,278,940,000
421	Undistributed earnings	18	79,546,661,515	43,439,536,793
421a	- Undistributed post-tax profits of previous years		43,439,536,793	17,412,387,322
421b	- Post-tax profit of current year		36,107,124,722	26,027,149,471
440	TOTAL RESOURCES		2,810,435,617,767	3,128,955,645,443



Nguyen Van Nghia
Preparer



Phan Hai Au
Chief Accountant



Vu Tien Duong
Director
15 March 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
01	Revenue from sales of goods	5,896,932,711,333	6,926,354,701,547
02	Less deductions	(194,403,798,309)	(170,406,661,811)
10	Net revenue from sales of goods	5,702,528,913,024	6,755,948,039,736
11	Cost of goods sold	(5,381,600,547,603)	(6,480,966,124,253)
20	Gross profit from sales of goods	320,928,365,421	274,981,915,483
21	Financial income	81,914,984,297	109,811,388,813
22	Financial expenses	(59,579,720,155)	(105,138,992,348)
23	- Including: Interest expense	(48,579,091,123)	(114,268,665,118)
25	Selling expenses	(190,090,556,031)	(165,777,166,694)
26	General and administration expenses	(47,094,047,845)	(30,508,825,984)
30	Net operating profit	106,079,025,687	83,368,319,270
31	Other income	6,393,583,425	3,616,748,898
32	Other expenses	(138,118,499)	(165,185,089)
40	Net other income	6,255,464,926	3,451,563,809
50	Accounting profit before tax	112,334,490,613	86,819,883,079
51	Corporate income tax ("CIT") - current	(22,605,698,913)	(17,953,082,394)
52	CIT - deferred	-	-
60	Profit after tax	89,728,791,700	68,866,800,685

Nguyen Van Nghia
Preparer

Phan Hai Au
Chief Accountant



Vu Tien Duong
Director
15 March 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

**SEPARATE CASH FLOW STATEMENT
(Indirect method)**

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		112,334,490,613	86,819,883,079
	Accounting profit before tax		
	Adjustments for:		
02	Depreciation and amortisation	2,687,923,955	2,441,766,446
03	Provisions/(reversal of provisions)	718,301,031	(14,628,387,719)
04	Unrealised foreign exchange losses/(gains)	636,625,863	(157,243,463)
05	Profits from investing activities	(57,104,517,138)	(85,377,756,049)
06	Interest expense	48,579,091,123	114,268,665,118
08	Operating profit before changes in working capital	107,851,915,447	103,366,927,412
09	Decrease in receivables	366,079,557,723	306,889,960,412
10	Decrease in inventories	338,234,503,587	360,722,168,844
11	Decrease in payables	(376,686,644,481)	(256,737,000,882)
12	(Increase)/decrease in prepaid expenses	(573,921,344)	2,752,571,595
13	Decrease in trading securities	-	3,610,867,269
14	Interest paid	(48,363,983,378)	(112,510,036,913)
15	CIT paid	(23,941,948,239)	(15,091,148,342)
17	Other payments on operating activities	(284,600,000)	(258,200,000)
20	Net cash inflows from operating activities	362,314,879,315	392,746,109,395
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	-	(4,452,185,312)
22	Proceeds from disposals of fixed assets	200,000,000	-
23	Term deposits above 3 months	(2,025,500,000,000)	(1,908,700,000,000)
24	Collection of term deposits above 3 months	1,683,600,000,000	1,577,529,000,000
27	Interest received from term deposits	51,464,267,614	48,153,086,431
30	Net cash outflows from investing activities	(290,235,732,386)	(287,470,098,881)
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issuance of shares	-	15,750,000,000
33	Proceeds from short-term borrowings	4,405,209,446,519	5,036,737,610,925
34	Repayments of short-term borrowings	(4,394,590,455,969)	(5,129,445,204,372)
36	Dividends paid to shareholders	(41,459,854,400)	(31,907,957,600)
40	Net cash outflows from financing activities	(30,840,863,850)	(108,865,551,047)
50	Net increase/(decrease) in cash	41,238,283,079	(3,589,540,533)
60	Cash at beginning of year	61,882,915,643	65,476,938,555
61	Effect of foreign exchange differences	47,804,673	(4,482,379)
70	Cash at end of year	103,169,003,395	61,882,915,643

Major non-cash transactions that have impact on the separate cash flow statement are presented in Note 32.



Nguyen Van Nghia
Preparer



Phan Hai Au
Chief Accountant



Vu Tien Duong
Director
15 March 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Petrosetco Distribution Joint Stock Company ("the Company") was formerly known as Petroleum General Distribution Services One Member Company Limited, which was incorporated with the origination of Petroleum Telecommunication Enterprise in accordance with the Enterprise registration certificate No. 0305482862 dated 4 February 2008.

According to the Resolution No. 28/NQ-DVTHDK dated 13 September 2011 of PetroVietnam General Services Joint Stock Corporation ("Petrosetco"), its parent company, on the restructuring plan of Petrosetco, Petroleum General Distribution Services One Member Company Limited was transformed into a joint stock company. The Company has officially operated under a joint stock company according to the 6th amendment of Enterprise registration certificate No. 0305482862 dated 7 November 2011 and the following amendments of Enterprise registration certificate issued by the Department of Planning and Investment of Ho Chi Minh City with the latest (32nd) amendment dated 15 December 2023.

On 28 June 2013, the Company's shares were listed on the Hanoi Stock Exchange with the stock trading code "PSD".

The owners of the Company include Petrosetco and other shareholders. Details of capital contributions are presented in Note 17(b).

The principal activities of the Company are trading of telecommunication equipments; wholesale of computers and equipments; wholesale of toys, game products; computers and peripheral equipments repairing services; supporting services including freight formatting services, logistic services.

The normal business cycle of the Company is within 12 months.

As at 31 December 2024, the Company had 156 employees (as at 31 December 2023: 260 employees).

PETROSETCO DISTRIBUTION JOINT STOCK COMPANY

Form B 09 – DN

1 GENERAL INFORMATION (continued)

As at 31 December 2024, the Company had two subsidiaries, an associate, and an other invested entity as disclosed in Note 4(b), and two dependent accounting units which have no legal status (as at 31 December 2023: two subsidiaries, an associate, an other invested entity and three dependent accounting units which have no legal status). Details are as follows:

	Principal activities	Place of incorporation and operation	2024		2023	
			Percentage of ownership %	Percentage of voting rights %	Percentage of ownership %	Percentage of voting rights %
Subsidiaries						
Binh Minh Electronics Refrigeration Joint Stock Company ("Binh Minh")	Trading of electronic products, refrigeration and electrical applicants	Ho Chi Minh City	92.5	92.5	92.5	92.5
An Lac Nhon Trach Single-member Limited Liability Company ("An Lac Nhon Trach")	Providing the packaging services for the paper products	Dong Nai Province	100	100	100	100
Associate						
Vietecom Digital Trade and Investment Joint Stock Company ("Vietecom")	Trading of electronics, technology, technology transfer and delivery	Ha Noi City	20	20	20	20
Other entity						
Petroleum Retail Services Joint Stock Company	Trading of electronics, technology, software	Ho Chi Minh City	11.25	11.25	11.25	11.25
Dependent accounting units which have no legal status						
Petrossetco Distribution Joint Stock Company – Branch Ha Noi	Principal activities Trading machinery, equipment and spare parts	Place of incorporation and operation Ha Noi City				
Petrossetco Distribution Joint Stock Company – Branch Can Tho (*)	Trading machinery, equipment and spare parts	Can Tho City				
Petrossetco Distribution Joint Stock Company – Branch Da Nang	Trading machinery, equipment and spare parts	Da Nang City				

1 GENERAL INFORMATION (continued)

- (*) According to the Resolution No. 06/NQ-PSD-HDQT dated 24 April 2024, the BoD approved the termination of the operation of the Company's branch and transit warehouse in Can Tho City. On 6 May 2024, the Company received the Notice No. 254/TB-DKKD of the Department of Planning and Investment of Can Tho City on terminating the operation of the Company's transit warehouse in Can Tho City. On 8 August 2024, the Company received the Notice No. 458/TB-DKKD of the Department of Planning and Investment of Can Tho City on terminating the operation of the Company's branch in Can Tho City.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of separate financial statements**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements. The separate financial statements have been prepared under the historical cost convention.

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

Separately, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2024 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

The separate financial statements in the Vietnamese language are the official statutory separate financial statements of the Company. The separate financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.3 Currency

The separate financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"), which is the Company's accounting currency.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial banks with which the Company regularly transacts. Foreign currencies deposited in banks at the separate balance sheet date are translated at the buying exchange rate of the commercial banks with where the Company opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the separate income statement.

2.5 Cash

Cash comprise cash on hand and cash at banks.

2.6 Receivables

Receivables represent trade receivables from customers arising from sales of goods or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of general and administration expenses in the year. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase and directly-related costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less selling expenses.

The Company applies the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Investments****(a) Investments held to maturity**

Investments held to maturity are investments which the Company has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits. Those investments are initially accounted for at cost. Subsequently, the Director reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

(b) Investments in subsidiaries

Subsidiaries are all entities whose financial and operating policies the Company has the power to govern in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition plus other expenditure directly attributable to the investment. Subsequently, the Director reviews all outstanding investments to determine the amount of provision to recognise at the year end.

(c) Investments in associates

Associates are investments that the Company has significant influence but not control over and the Company would generally have from 20% to less than 50% of the voting rights of the investee.

Investments in associates are initially recorded at cost of acquisition including purchase cost or capital contribution value plus other expenditures directly attributable to the investment. Subsequently, the Director reviews all outstanding investments to determine the amount of provision to recognise at the year end.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Investments (continued)

(d) Investments in other entity

Investments in other entity are investment in equity instruments of other entity without controlling rights or co-controlling rights, or without significant influence over investee. This investment is initially recorded at cost. Subsequently, the Director reviews all outstanding investments to determine the amount of provision to recognise at the year end.

(e) Provision for investments in subsidiaries, associates and other entities

Provision for investments in subsidiaries, associates, and other entities is made when there is a diminution in value of the investments at the year end.

Provision for investments in subsidiaries, associates and joint ventures is calculated based on the loss of investees.

Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries, associates and joint ventures.

Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.9 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the separate income statement when incurred in the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the separate financial statements minus (-) the estimated disposal value of such assets. The principal annual rates of each asset class are as follows:

Machinery, equipment	20%/year
Motor vehicles	16.67%/year
Office equipment	20% - 33%/year
Software	20%/year

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Fixed assets (continued)***Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the separate income statement.

2.10 Leased assets

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

2.11 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the separate balance sheet. Short-term prepaid expenses represent prepayments for services, or tools that do not meet the recognition criteria for fixed assets, prepaid interest expenses for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services, or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on the straight-line basis over their estimated useful lives.

2.12 Payables

Classifications of payables are based in their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and payables not relating to purchases of goods and services .

Payables are reclassified into short-term and long-term payables on the separate balance sheet based on remaining period from the separate balance sheet date to the payment date.

2.13 Borrowings

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term based on remaining period from the separate balance sheet date to the maturity date.

Borrowing costs are recognised in the separate income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

2.15 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the year are recorded as an increase or decrease in separate operating expenses.

2.16 Capital and reserves

Owners' capital is recorded according to actual amounts contributed at the par value of the shares.

Undistributed earnings record the Company's separate results (profit) after CIT at the separate reporting date.

2.17 Appropriation of profit

The Company's dividends are recognised as a liability in the Company's separate financial statements in the year in which the dividends are approved by the Company's General Meeting of shareholders.

Profit after CIT could be distributed to shareholders after approval at a General Meeting of shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's fund is as below:

Bonus and welfare fund

The bonus and welfare fund is appropriated from the Company's profit after CIT and subject to shareholders approval at the Annual General Meeting of shareholders. This fund is presented as a liability on the separate balance sheet. This fund is used for rewarding and encouraging, enhancing the physical and mental well-being of the employees.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Revenue recognition****(a) Revenue from sales of goods**

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

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

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the “substance over form” principle and allocated to each sale obligation. If the Company gives promotional goods to customers associated with their purchases, the Company allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the separate income statement.

(b) Interest income

Interest income is recognised in the separate income statement on the basis of the actual time and interest rates for each period when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

2.19 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same year of the related revenue from sales of merchandises and rendering of services are recorded as deduction of revenue of that year.

Sales deductions for the merchandises which are sold in the year but are incurred after the separate balance sheet date but before the issuance of the separate financial statements are recorded as deduction of revenue of the year.

2.20 Cost of goods sold

Cost of goods sold are cost of merchandises sold during the year, and recorded on the basis of matching with revenue and on a prudent basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Financial expenses**

Financial expenses are expenses incurred in the year for financial activities including expenses or losses relating to financial investment activities; interest expenses; provision for diminution in value of investments in other entities; losses incurred on selling foreign currencies; losses from foreign exchange differences and payment discounts.

2.22 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products.

2.23 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes of the Company.

2.24 Current and deferred income tax

Income taxes includes all income taxes which is based on taxable profits. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.25 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the BoD, the Board of Management of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Related parties (continued)

In considering its relationship with each related party, the Company considers the substance of the relationship, not merely the legal form.

2.26 Segment reporting

A segment is a component which can be separated by the Company engaged in sales of goods (“business segment”), or sales of goods within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. The Director of the Company has determined that the business's risk and profitability are primarily influenced by differences in the types of products and services the Company provides and the fact that the Company operates in various geographical areas. As a result, the primary segment reporting of the Company is presented in respect of the Company’s business segment and geographical segments.

2.27 Critical accounting estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements requires the Director to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the year.

The areas involving significant estimates and assumptions in separate financial statements are as follows:

- Estimated useful life of fixed assets (Note 2.9);
- Provision for investments (Notes 2.8);
- Provision for doubtful debts (Note 2.6); and
- Provision for decline in value of inventories (Notes 2.7).

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Director to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	2024	2023
	VND	VND
Cash on hand	659,821,595	506,515,595
Cash at bank	102,509,181,800	61,376,400,048
	<u>103,169,003,395</u>	<u>61,882,915,643</u>

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4 INVESTMENTS
 (a) Investments held-to-maturity

	2024		2023	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term				
- Term deposits	1,271,400,000,000	1,271,400,000,000	929,500,000,000	929,500,000,000

As at 31 December 2024, term deposits represent bank deposits in VND with the original maturity term of more than 3 months and the remaining term of less than 12 months at commercial banks (as at 31 December 2023: at commercial banks and VPS Securities Joint Stock Company), earns interest at the interest rate applicable to the specific term of the deposits.

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4 INVESTMENTS (continued)	(b) Investments in other entities	2024			2023		
		Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
i. Investments in subsidiaries							
Binh Minh Electronics Refrigeration Joint Stock Company (“Binh Minh”)		27,086,250,000	(*)	(13,731,920,074)	27,086,250,000	(*)	(13,251,459,434)
An Lac Nhon Trach Single-member Limited Liability Company (“An Lac Nhon Trach”)		69,841,268,434	(*)	-	69,841,268,434	(*)	-
		<u>96,927,518,434</u>		<u>(13,731,920,074)</u>	<u>96,927,518,434</u>		<u>(13,251,459,434)</u>
ii. Investments in an associate							
Vietecom Digital Trade and Investment Joint Stock Company (“Vietecom”) (**)		853,268,080	(*)	(853,268,080)	853,268,080	(*)	(853,268,080)
iii. Investments in an other entity							
Petroleum Retail Services Joint Stock Company		1,350,000,000	(*)	(1,350,000,000)	1,350,000,000	(*)	(1,350,000,000)

(*) As at 31 December 2024 and 31 December 2023, the Company has not determined the fair value of these financial investments to disclose in the separate financial statements because these investments have no value on the stock market. The fair value of these financial investments may differ from the carrying amount.

(**) Vietecom is in the process of dissolution procedures according to Resolution No.15/NQ-PSD-HDQT dated 11 May 2017. As at the date of these separate financial statements, the liquidation of Vietecom has been still in progress.

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5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2024 VND	2023 VND
Third parties		
Nguyen Kim Co., Ltd	52,879,660,421	161,002,979,442
Sieu Viet Solution Joint Stock Company	37,176,105,647	15,365,787,450
Lan Anh Company Limited	31,996,738,000	30,545,289,000
Dieu Phuc Technology Services and Trading Company Limited	28,027,783,984	49,721,929,128
Proegis Pte. Ltd	23,424,521,578	-
HTV Trading General Company Limited	20,526,373,799	38,964,419,263
Istone Technology Development and Investment Corporation	12,877,996,188	153,462,795,507
Thanh Anh Telecommunications Technology Company Limited	8,082,151,000	34,994,943,000
Mobile World Joint Stock Company	5,453,250,388	36,369,303,910
Others	434,468,307,592	398,463,480,054
Related parties (Note 31(b))	160,124,040,548	165,851,450,956
	<u>815,036,929,145</u>	<u>1,084,742,377,710</u>

As at 31 December 2024 and 31 December 2023, the balances of short-term trade accounts receivable which were past due and made provision for doubtful debts, amounted to VND162,649,163,172 and VND161,469,309,412 respectively, and are presented in Note 7.

6 OTHER SHORT-TERM RECEIVABLES

	2024 VND	2023 VND
Third parties		
Other receivables from suppliers	27,423,204,999	30,928,750,234
Interest receivables from term deposits	24,454,271,500	19,227,945,208
Short-term deposits	485,000,000	1,570,243,952
Receivable from employees	409,863,510	485,916,880
Others	5,833,876,711	3,610,648,839
Related parties (Note 31(b))		
Short-term deposits	7,494,664,590	-
Receivables from support working capital	733,823,013	51,394,484,740
	<u>66,834,704,323</u>	<u>107,217,989,853</u>

As at 31 December 2024 and 31 December 2023, there were no balance of other short-term receivables that was past due or not past due but doubtful.

7 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

2024				
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue period
A fellow company in Petrosetco group	155,363,412,766	-	155,363,412,766	Over 3 years
Others	7,285,750,406	903,000,000	6,382,750,406	Over 6 months and over 3 years
	<u>162,649,163,172</u>	<u>903,000,000</u>	<u>161,746,163,172</u>	
2023				
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue period
A fellow company in Petrosetco group	155,473,559,006	110,146,240	155,363,412,766	Over 3 years
Others	5,995,750,406	-	5,995,750,406	Over 3 years
	<u>161,469,309,412</u>	<u>110,146,240</u>	<u>161,359,163,172</u>	

8 INVENTORIES

	2024		2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	71,672,769,967	-	61,448,567,918	-
Merchandise	462,993,751,303	(9,557,816,439)	811,780,413,116	(9,706,976,048)
Goods on consignment	578,866,136	-	250,909,959	-
	<u>535,245,387,406</u>	<u>(9,557,816,439)</u>	<u>873,479,890,993</u>	<u>(9,706,976,048)</u>

Movements in the provision for decline in value of inventories during the year were as follows:

	2024 VND	2023 VND
Beginning of year	9,706,976,048	10,333,295,024
Reversal of provision (Note 22)	(149,159,609)	(626,318,976)
End of year	<u>9,557,816,439</u>	<u>9,706,976,048</u>

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9 FIXED ASSETS

Tangible fixed assets

	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost				
As at 1 January 2024	122,118,182	13,095,087,365	6,414,000,328	19,631,205,875
Disposal	(122,118,182)	(5,109,460,954)	(500,824,156)	(5,732,403,292)
As at 31 December 2024	-	7,985,626,411	5,913,176,172	13,898,802,583
Accumulated depreciation				
As at 1 January 2024	90,754,544	4,817,934,944	5,250,704,465	10,159,393,953
Charge for the year	10,454,544	1,742,365,316	868,996,923	2,621,816,783
Disposal	(101,209,088)	(1,979,602,674)	(484,824,174)	(2,565,635,936)
As at 31 December 2024	-	4,580,697,586	5,634,877,214	10,215,574,800
Net book value				
As at 1 January 2024	31,363,638	8,277,152,421	1,163,295,863	9,471,811,922
As at 31 December 2024	-	3,404,928,825	278,298,958	3,683,227,783

As at 31 December 2024, the historical cost of tangible fixed assets that were fully depreciated but still in use was VND4.8 billion (as at 31 December 2023 was VND6.3 billion)

10 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2024 Value/Able-to-pay amount VND	2023 Value/Able-to-pay amount VND
Third parties		
Dell Global B.V. (Singapore Branch)	85,914,601,791	47,734,384,500
Dell Global B.V. (Singapore Branch) - TT CCS	67,054,966,659	45,563,946,622
Samsung Electronics Viet Nam Thai Nguyen Company Limited	55,892,916,200	366,950,392,100
Microsoft Regional Sales Pte Ltd	52,561,201,258	34,373,226,922
Lenovo (Singapore) Pte Ltd	28,546,575,478	100,174,301,291
LG Electronics Vietnam Hai Phong Co., Ltd	16,407,696,451	17,233,513,139
Asus Global Pte Ltd	12,972,237,590	67,551,689,469
Others	66,471,459,013	55,806,873,438
Related parties (Note 31(b))	6,124,539,104	63,352,698,126
	<u>391,946,193,544</u>	<u>798,741,025,607</u>

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11 TAX AND OTHER RECEIVABLES FROM/ PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State were as follows:

	As at 1.1.2024 VND	Receivables/payables during the year VND	Offset during the year VND	Payment during the year VND	As at 31.12.2024 VND
(a) Receivables					
VAT to be reclaimed	146,709,391,992	492,722,662,488	(540,714,068,383)	-	98,717,986,097
(b) Payables					
CIT	6,175,838,445	22,605,698,913	-	(23,941,948,239)	4,839,589,119
Personal income tax	1,354,878,693	6,776,436,136	-	(7,327,961,362)	803,353,467
VAT	-	813,572,289,209	(540,714,068,383)	(272,858,220,826)	-
Withholding tax	-	39,714,618,722	-	(39,714,618,722)	-
Import tax	-	1,089,881,671	-	(1,089,881,671)	-
Others taxes	-	11,000,000	-	(11,000,000)	-
	7,530,717,138	883,769,924,651	(540,714,068,383)	(344,943,630,820)	5,642,942,586

12 PAYABLE TO EMPLOYEES

As at 31 December 2024 and 31 December 2023, the balance represented salaries and bonuses payable to employees of the Company.

13 SHORT-TERM ACCRUED EXPENSES

	2024	2023
	VND	VND
Third parties		
Interest expense	1,193,466,505	978,358,760
Goods import expenses	242,582,954	125,988,931
Others	3,831,051,281	4,710,339,950
Related parties (Note 31(b))		
Goods import expenses	936,736,326	-
	<u>6,203,837,066</u>	<u>5,814,687,641</u>

14 OTHER SHORT-TERM PAYABLES

	2024	2023
	VND	VND
Third parties		
Payable for sales supports to customers received from suppliers	134,282,378,411	106,305,079,560
Payable for sales rebate received from suppliers	30,586,622,602	27,035,254,296
Dividends payable (Note 19)	12,211,687,748	9,818,368,148
Others	11,791,094,113	12,761,786,181
Related parties (Note 31(b))		
Dividends payable (Note 19)	39,873,600,000	31,898,880,000
	<u>228,745,382,874</u>	<u>187,819,368,185</u>

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15 SHORT-TERM BORROWINGS

	As at 1.1.2024 VND	Increase VND	Decrease VND	As at 31.12.2024 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam (i)	446,671,808,150	1,270,997,776,496	(1,304,493,649,401)	413,175,935,245
Joint Stock Company Commercial Bank for Investment and Development of Vietnam - Binh Tan Branch (ii)	499,334,523,341	768,219,059,184	(858,165,246,450)	409,388,336,075
Vietnam Joint Stock Commercial Bank for Industry and Trade (iii)	199,576,209,317	1,177,899,283,503	(1,024,094,462,947)	353,381,029,873
HSBC Bank (Viet Nam) Ltd. (iv)	197,897,867,804	846,788,589,761	(776,604,625,147)	268,081,832,418
KASIKORN BANK Public Company Limited – Ho Chi Minh City Branch (v)	-	66,054,856,813	-	66,054,856,813
Military Commercial Joint Stock Bank (vi)	-	29,298,352,640	(1,557,090,000)	27,741,262,640
Vietnam Export Import Commercial Joint Stock Bank (vii)	183,723,853,902	245,951,528,122	(429,675,382,024)	-
	<u>1,527,204,262,514</u>	<u>4,405,209,446,519</u>	<u>(4,394,590,455,969)</u>	<u>1,537,823,253,064</u>

(i) The loans has a credit limit of VND450 billion or in equivalent foreign currency, is secured by Petrosetco's Letter of Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.

(ii) The loans has a credit limit of VND500 billion or in equivalent foreign currency, is secured by Petrosetco's Letter of Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.

(iii) The loans has a credit limit of VND400 billion or in equivalent foreign currency, is secured by Petrosetco's Letter of Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.

(iv) The loan can be withdrawn in USD or equivalent currencies with the maximum amount of VND450 billion. The loan is secured by Petrosetco's Letter of Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.

15 SHORT-TERM BORROWINGS (continued)

- (v) The loans have a credit limit of VND250 billion, is secured by Petrosetco's Letter Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.
- (vi) The loans have a credit limit of VND500 billion, is secured by Petrosetco's Letter Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.
- (vii) The loans have a credit limit of VND270 billion, is secured by Petrosetco's Letter Guarantee, with the maturity of less than 12 months and bears interest at the rate adjusted by the Bank from time to time.

16 BONUS AND WELFARE FUND

	2024 VND	2023 VND
Beginning of year	13,713,499,476	12,594,363,462
Fund appropriation during the year (Note 18)	1,793,772,978	1,377,336,014
Utilisation during the year	(284,600,000)	(258,200,000)
End of year	<u>15,222,672,454</u>	<u>13,713,499,476</u>

17 OWNERS' CAPITAL

(a) Number of shares

	2024 Ordinary shares	2023 Ordinary shares
Number of shares registered, issued and existing in circulation	<u>51,827,894</u>	<u>51,827,894</u>

(b) Details of share capital

	<u>2024</u>		<u>2023</u>	
	Ordinary shares	%	Ordinary shares	%
Petrosetco	39,873,600	76.93	39,873,600	76.93
Others shareholders	11,954,294	23.07	11,954,294	23.07
Number of shares issued	<u>51,827,894</u>	<u>100</u>	<u>51,827,894</u>	<u>100</u>

17 OWNERS' CAPITAL (continued)

(c) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2023	39,887,409	398,874,090,000
New shares issued	11,940,485	119,404,850,000
As at 31 December 2023 and as at 31 December 2024	<u>51,827,894</u>	<u>518,278,940,000</u>

Par value per share: VND10,000.

The company has no preferred shares.

18 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Undistributed earnings VND	Total VND
As at 1 January 2023	398,874,090,000	121,067,237,322	519,941,327,322
Capital increase during the year	119,404,850,000	(103,654,850,000)	15,750,000,000
Net profit for the year	-	68,866,800,685	68,866,800,685
Dividends paid (Note 19)	-	(41,462,315,200)	(41,462,315,200)
Appropriation to the bonus and welfare fund (Note 16)	-	(1,377,336,014)	(1,377,336,014)
As at 31 December 2023	<u>518,278,940,000</u>	<u>43,439,536,793</u>	561,718,476,793
Net profit for the year	-	89,728,791,700	89,728,791,700
Dividends paid (Note 19)(i)	-	(51,827,894,000)	(51,827,894,000)
Appropriation to the bonus and welfare fund (Note 16)(ii)	-	(1,793,772,978)	(1,793,772,978)
As at 31 December 2024	<u>518,278,940,000</u>	<u>79,546,661,515</u>	597,825,601,515

- (i) According to the Resolution of the General Meeting of Shareholders No. 01/NQ-PSD-DHDCD dated 12 April 2024, the General Meeting of Shareholders approved the 2024 profit distribution plan with the 2024 dividend payment ratio expected to be 10%, simultaneously assigned the BoD of the Company to make an advanced dividend payment for 2024, but not exceeding 10% if business conditions are favorable. According to the Resolution No. 16/NQ-PSD-HDQT dated 26 December 2024, the BoD of the Company has approved the 1st 2024 dividend advance in cash at the rate of 10% share capital, equivalent to VND51,827,894,000.
- (ii) According to the Resolution of the General Meeting of Shareholders No. 01/NQ-PSD-DHDCD dated 12 April 2024 at a rate of 2% from the undistributed profit after tax of the year 2024, equivalent to VND1,793,772,978.

19 DIVIDENDS

Movements in dividends payable during the year were as follows:

	2024 VND	2023 VND
Beginning of year	41,717,248,148	32,162,890,548
Dividends declared during the year (Note 18)	51,827,894,000	41,462,315,200
Dividends paid in cash	(41,459,854,400)	(31,907,957,600)
	<u>52,085,287,748</u>	<u>41,717,248,148</u>

20 OFF SEPARATE BALANCE SHEET ITEMS

Foreign currency

As at 31 December 2024, included in cash and cash equivalents are balances held in USD of US\$868,481.99 (as at 31 December 2023: US\$88,758.34).

21 NET REVENUE FROM SALES OF GOODS

	2024 VND	2023 VND
Revenue		
Revenue from sales of merchandises	5,852,637,329,379	6,879,357,533,886
Revenue from others	44,295,381,954	46,997,167,661
	<u>5,896,932,711,333</u>	<u>6,926,354,701,547</u>
Sales deductions		
Trade discounts	(148,365,418,204)	(122,578,579,073)
Sales allowances	(25,362,385,596)	(22,692,659,263)
Sales returns	(20,675,994,509)	(25,135,423,475)
	<u>(194,403,798,309)</u>	<u>(170,406,661,811)</u>
Net revenue from sales of goods and others		
Net revenue from sales of merchandises	5,658,233,531,070	6,708,950,872,075
Net revenue from others	44,295,381,954	46,997,167,661
	<u>5,702,528,913,024</u>	<u>6,755,948,039,736</u>

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22 COST OF GOODS SOLD

	2024 VND	2023 VND
Cost of goods sold	5,381,749,707,212	6,481,592,443,229
Resersal of provision for decline in value of inventories (Note 8)	(149,159,609)	(626,318,976)
	<u>5,381,600,547,603</u>	<u>6,480,966,124,253</u>

23 FINANCIAL INCOME

	2024 VND	2023 VND
Interest income from deposits	56,690,593,906	85,377,756,049
Realised foreign exchange gains	19,440,589,982	16,562,028,715
Penalty interest income on late payments	361,169,297	3,871,784,450
Gains from trading securities	-	798,150,992
Net gain from foreign currency translation at year-end	-	157,243,463
Others	5,422,631,112	3,044,425,144
	<u>81,914,984,297</u>	<u>109,811,388,813</u>

24 FINANCIAL EXPENSES

	2024 VND	2023 VND
Interest expense	48,579,091,123	81,157,109,440
Realised foreign exchange losses	8,741,958,456	4,000,848,523
Net losses from foreign currency translation at year-end	636,625,863	-
Provision/(reversal of provision) for diminution in value of investments	480,460,640	(13,834,790,566)
Fee for Usance Payable At Sight Letter of Credit	-	33,111,555,678
Losses from trading securities	-	44,963,303
Reversal of provision for diminution in value of trading securities	-	(167,278,177)
Others	1,141,584,073	826,584,147
	<u>59,579,720,155</u>	<u>105,138,992,348</u>

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25 SELLING EXPENSES

	2024 VND	2023 VND
Staff costs	56,819,672,357	55,515,211,975
Marketing expenses	41,228,881,168	28,533,422,776
Rental expenses	16,971,130,815	15,491,326,455
Sale support expenses	10,703,784,376	14,257,142,596
Transportation expenses	10,497,202,006	11,921,824,801
Insurance fees	5,500,185,596	7,267,761,037
Depreciation and amortisation	1,017,946,775	772,565,703
Others	47,351,752,938	32,017,911,351
	<u>190,090,556,031</u>	<u>165,777,166,694</u>

26 GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Management fee charged by the parent company (Note 31(a))	20,000,000,000	-
Staff costs	16,576,686,167	21,512,945,018
Rental expenses	2,467,122,069	2,540,133,950
Depreciation and amortisation	1,669,977,180	1,669,200,743
External services	1,326,094,666	786,262,011
Audit fee	310,000,000	290,000,000
Provision for doubtful debts	387,000,000	-
Others	4,357,167,763	3,710,284,262
	<u>47,094,047,845</u>	<u>30,508,825,984</u>

27 OTHER INCOME

	2024 VND	2023 VND
Income from promotion goods	3,429,560,905	3,227,156,721
Income from leasing warehouse and transportation services	1,800,000,000	-
Net gains on disposal of fixed assets	413,923,232	-
Others	750,099,288	389,592,177
	<u>6,393,583,425</u>	<u>3,616,748,898</u>

28 CORPORATE INCOME TAX (“CIT”)

The CIT on the Company’s accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2024 VND	2023 VND
Net accounting profit before tax	112,334,490,613	86,819,883,079
Tax calculated at a rate of 20%	22,466,898,123	17,363,976,616
Effect of:		
Expenses not deductible for tax purposes	168,632,712	714,369,573
Over provision in previous years	(29,831,922)	(125,263,795)
CIT charge (*)	<u>22,605,698,913</u>	<u>17,953,082,394</u>
Charged to separate income statement:		
CIT – current	22,605,698,913	17,953,082,394
CIT – deferred	-	-
	<u>22,605,698,913</u>	<u>17,953,082,394</u>

(*) The CIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the local tax authorities.

29 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Company’s operating activities, excluding cost of merchandises for trading activities. The details are as follows:

	2024 VND	2023 VND
Staff costs	73,396,358,524	77,028,156,993
Marketing expenses	41,228,881,168	28,533,422,776
Management fee charged by the parent company	20,000,000,000	-
Rental expenses	19,438,252,884	18,031,460,405
Sale support expenses	10,703,784,376	14,257,142,596
Transportation expenses	10,497,202,006	11,921,824,801
Depreciation and amortisation	2,687,923,955	2,441,766,446
External services	1,636,094,666	1,076,262,011
Provision for doubtful debts	387,000,000	-
Others	57,209,106,297	42,995,956,650
	<u>237,184,603,876</u>	<u>196,285,992,678</u>

30 SEGMENT REPORTING

Geographical segments

The Company does not have any operation outside the territory of Vietnam; therefore, no business segments by geography are presented.

Business activity segments

The principal activity of the Company is trading of electronic devices (primarily cellphones and laptops), while other kinds of business accounted for an insignificant portion. Therefore, the Company does not present business activity segment report.

31 RELATED PARTY DISCLOSURES

The largest shareholders of the Company is Petrosetco, which owns 76.93% of the Company's share capital (Note 17). The largest shareholder of Petrosetco is Vietnam Oil and Gas Group ("PetroVietnam"), which owns 23.2% of share capital of Petrosetco.

Accordingly, Petrosetco and fellow companies in Petrosetco group, PetroVietnam and fellow companies in PetroVietnam group, its subsidiaries are considered as related parties of the Company.

Details of subsidiaries and associates are given in Note 1.

Details of the key related parties and relationship are given as below:

Related party	Relationship
PetroVietnam	Large shareholder of the Parent
Petrosetco	Parent
Binh Minh Electronics Refrigeration Joint Stock Company	Subsidiary
Petroleum High Technology Products Distribution Joint Stock Company	Fellow in Petrosetco group
Smart Convergence Joint Stock Company	Fellow in Petrosetco group
Vietnam Petroleum Logistics Services Joint Stock Company	Fellow in Petrosetco group
Petroleum Offshore Trading and services Joint Stock Company	Fellow in Petrosetco group
Petrosetco Assets Management Joint Stock Company	Fellow in Petrosetco group
Mien Trung Petroleum Services and trading Joint Stock Company	Fellow in Petrosetco group
Vietnam Petroleum Institute	Fellow in PetroVietnam group

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

The primary transactions with related parties incurred in the year are:

	2024 VND	2023 VND
<i>i) Revenue from sales of goods</i>		
Petrosetco	653,308,621	182,863,636
Fellow companies in Petrosetco group	298,415,170,599	19,024,905,045
Fellow companies in PetroVietnam group	-	893,200,000
Subsidiaries	-	83,577,182
	<u>299,068,479,220</u>	<u>20,184,545,863</u>
<i>ii) Purchases of goods and services</i>		
Petrosetco	217,720,454,416	878,810,866,184
Fellow companies in Petrosetco group	281,329,994,005	460,806,349,750
Fellow companies in PetroVietnam group	1,195,739,310	8,668,191,318
Subsidiaries	1,688,784,404	219,486,462,548
	<u>501,934,972,135</u>	<u>1,567,771,869,800</u>
<i>iii) Purchase of fixed assets</i>		
Subsidiaries	-	2,500,909,090
	<u>-</u>	<u>2,500,909,090</u>
<i>iv) Dividends paid</i>		
Petrosetco	39,873,600,000	31,898,880,000
	<u>39,873,600,000</u>	<u>31,898,880,000</u>
<i>v) Management fees (Note 26)</i>		
Petrosetco	20,000,000,000	-
	<u>20,000,000,000</u>	<u>-</u>
<i>vi) Proceeds from working capital support</i>		
Petrosetco	2,750,000,000,000	2,997,500,000,000
	<u>2,750,000,000,000</u>	<u>2,997,500,000,000</u>
<i>vii) Repayments for working capital support</i>		
Petrosetco	2,720,500,000,000	3,027,000,000,000
	<u>2,720,500,000,000</u>	<u>3,027,000,000,000</u>

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2024 VND	2023 VND
viii) Compensation of key management		
Gross salaries and other benefits	4,262,826,721	3,994,576,503
In which:		
1. Salary for the Board of Management		
Mr Vu Tien Duong	1,745,502,000	1,672,566,000
Mr Nguyen Manh Lan	1,163,302,982	1,143,677,170
Mr Phan Hai Au	1,006,021,739	986,333,333
	<u>3,914,826,721</u>	<u>3,802,576,503</u>
2. Remuneration for the Board of Directors		
Mr. Tran Quang Huy	68,800,000	-
Mr. Vu Tien Duong	60,000,000	36,000,000
Mr. Cao Thanh Hung	43,232,877	-
Mr. Nguyen Duc Minh	27,200,000	40,602,740
Mr. Le Hoang Giang	16,767,123	24,361,644
Mr. Pham Minh Thu	-	19,397,260
Mr. Ho Hoang Nguyen Vu	-	11,638,356
	<u>216,000,000</u>	<u>132,000,000</u>
3. Remuneration for the Board of Supervision		
Mr Le Minh Kha	43,232,877	-
Mr Son Chi Tan	36,000,000	18,000,000
Ms Bui Vu Quynh Nhu	36,000,000	18,000,000
Mr Tran Quang Huy	16,767,123	24,000,000
	<u>132,000,000</u>	<u>60,000,000</u>

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31 RELATED PARTY DISCLOSURES (continued)

(b) Year-end balances with related parties

	2024 VND	2023 VND
<i>i) Short-term trade accounts receivable (Note 5)</i>		
Petrosetco	25,985,000	-
Fellow companies in Petrosetco group	160,098,055,548	157,709,657,918
Subsidiaries	-	8,141,793,038
	<u>160,124,040,548</u>	<u>165,851,450,956</u>
<i>ii) Other short-term receivables (Note 6)</i>		
Petrosetco	733,823,013	51,394,484,740
Fellow companies in Petrosetco group	7,494,664,590	-
	<u>8,228,487,603</u>	<u>51,394,484,740</u>
<i>iii) Other long-term receivables</i>		
Fellow companies in Petrosetco group	-	1,102,479,590
	<u>-</u>	<u>1,102,479,590</u>
<i>iv) Short-term trade accounts payable (Note 10)</i>		
Petrosetco	-	59,761,287,398
Fellow companies in Petrosetco group	6,110,253,372	3,576,020,091
Fellow companies in PetroVietnam group	14,285,732	15,390,637
	<u>6,124,539,104</u>	<u>63,352,698,126</u>
<i>v) Short-term accrued expenses (Note 13)</i>		
Fellow companies in Petrosetco group	936,736,326	-
	<u>936,736,326</u>	<u>-</u>
<i>vi) Other short-term payables (Note 14)</i>		
Petrosetco	39,873,600,000	31,898,880,000
	<u>39,873,600,000</u>	<u>31,898,880,000</u>

