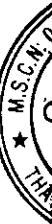




**Power Generation Joint Stock Corporation 3
and its subsidiaries**

Consolidated Financial Statements for the year
ended 31 December 2019



Power Generation Joint Stock Corporation 3 Corporate Information

Establishment Decision No. 3025/QD-BCT 1 June 2012

The establishment decision was issued by the Ministry of Industry and Trade.

Business Registration Certificate No. 3502208399 26 November 2012

The business registration certificate was issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province and the latest was the seventh amendment dated 17 January 2020.

Board of Management	Mr. Dinh Quoc Lam	Chairman (from 15 January 2020)
	Mr. Nguyen Van Le	Chairman (until 31 October 2019)
	Mr. Truong Quoc Phuc	Member
	Mr. Do Mong Hung	Member
	Mr. Le Van Danh	Member (from 15 January 2020)
	Mr. Nguyen Minh Khoa	Member (from 15 January 2020)

Board of Directors	Mr. Le Van Danh	General Director (from 15 January 2020)
	Mr. Dinh Quoc Lam	General Director (until 14 January 2020)
	Mr. Phan Thanh Xuan	Deputy General Director
	Mr. Le Van Danh	Deputy General Director (until 14 January 2020)
	Mr. Cao Minh Trung	Deputy General Director
	Mr. Nguyen Thanh Trung Duong	Deputy General Director
	Ms. Nguyen Thi Thanh Huong	Deputy General Director

Registered Office No. 60-66, Nguyen Co Thach street, Sala Residence
An Loi Dong Ward, District 2, Ho Chi Minh City
Vietnam

Auditor KPMG Limited
Vietnam

Power Generation Joint Stock Corporation 3 Statement of the Board of Directors

The Board of Directors of Power Generation Joint Stock Corporation 3 (“the Corporation”) presents this statement and the accompanying consolidated financial statements of the Corporation and its subsidiaries (collectively “the Group”) for the year ended 31 December 2019.

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the consolidated financial statements set out on pages 6 to 54 give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of the consolidated results of operations and the consolidated cash flows of the Group for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) the adjustments to restate corresponding figures described in Note 32 to the consolidated financial statements are appropriate and have been properly applied; and
- (c) at the date of this statement, there are no reasons for the Board of Directors to believe that the Group will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Directors, *Ure*



Nguyễn Phúc Hải Hương
Deputy General Director

Ho Chi Minh City, 27 March 2020



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Power Generation Joint Stock Corporation 3

We have audited the accompanying consolidated financial statements of Power Generation Joint Stock Corporation 3 ("the Corporation") and its subsidiaries (collectively "the Group"), which comprise the consolidated balance sheet as at 31 December 2019, the consolidated statements of income and the consolidated cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Corporation's Board of Directors on 27 March 2020, as set out on pages 6 to 54.

Management's Responsibility

The Corporation's Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated 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 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 of 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 auditor's judgement, 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 auditor considers 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 the Corporation's Board of Directors, 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.



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Power Generation Joint Stock Corporation 3 and its subsidiaries as at 31 December 2019 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

Emphasis of Matter

Without qualifying our opinion, we draw the attention to the following notes to the consolidated financial statements:

- ❖ Note 3(b)(ii) và 3(b)(iii).
- The Group applies the treatment of foreign exchange differences incurred in the period of construction of power projects within the National Electricity Development Plan approved by the Prime Minister in accordance with guidance of the Resolution No. 150/2018/ND-CP of the Government dated 13 December 2018 ("Resolution 150").

Under the guidance of Resolution 150, foreign exchange differences incurred in the period of construction are recorded in the "Foreign exchange differences" in "Equity" and will be amortised to the statement of income for a period not exceeding 5 years from the date the project starts its commercial operation. The guidance of this resolution is different from that of Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises issued by the Ministry of Finance on 22 December 2014 ("Circular 200"). The impact of applying this accounting policy to the consolidated financial statements for the year ended 31 December 2019 was disclosed in Note 3(b)(ii) to the consolidated financial statements.

- The Group applies the treatment of foreign exchange difference from revaluation of the balances of monetary items denominated in foreign currencies, upon transforming into joint stock company, in accordance with guidance of Article 21 of Decree No. 126/2017/ND-CP dated 16 November 2017 on transformation of State owned enterprises, one-member limited liability companies wholly owned by the State into joint stock company ("Decree 126"). Accordingly, foreign exchange differences from revaluation of the balances of monetary items denominated in foreign currencies upon transforming into joint stock company, the equitized enterprises shall revalue in accordance with regulations and not record to statement of income, instead such foreign exchange differences shall be transferred to joint stock companies (after transformation of State owned enterprises) for monitoring and accounting for in accordance with regulations, instead of "Financial income" or "Financial expense".

The guidance of Decree 126 is different from that of Circular 200. The impact of applying this accounting policy to the consolidated financial statements for the year ended 31 December 2019 was disclosed in Note 3(b)(iii) to the consolidated financial statements.

- ❖ Note 32 describes that the corresponding figures as at 1 January 2019 have been restated.



Other Matter

We conducted our audit in order to express an opinion on the consolidated financial statements as set out on pages 6 to 54. Additional information on page 55 is not an integral part of the consolidated financial statements and not within the scope of the audit of the consolidated financial statements, therefore, we do not express our opinion on this information.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No: 19-01-00317-20-3



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2018-007-1
Deputy General Director

Nguyen Anh Tuan
Practicing Auditor Registration
Certificate No. 0436-2018-007-1

Ho Chi Minh City, 27 March 2020

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated balance sheet as at 31 December 2019

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		19,160,580,084,849	18,657,040,929,623
Cash and cash equivalents	110	5	2,901,217,252,835	2,492,402,081,429
Cash	111		366,567,252,835	1,416,502,081,429
Cash equivalents	112		2,534,650,000,000	1,075,900,000,000
Short-term financial investments	120		4,260,650,000,000	3,953,820,000,000
Held-to-maturity investments	123	6(a)	4,260,650,000,000	3,953,820,000,000
Accounts receivable – short-term	130		8,937,780,141,979	9,240,025,455,652
Accounts receivable from customers	131	7	8,031,263,223,803	8,691,459,614,971
Prepayments to suppliers	132		180,323,225,048	128,818,263,821
Other receivables	136	8	727,045,534,281	420,599,418,013
Allowance for doubtful debts	137		(851,841,153)	(851,841,153)
Inventories	140	9	2,987,518,268,707	2,903,548,394,905
Inventories	141		2,989,669,336,778	2,903,834,001,848
Allowance for inventories	149		(2,151,068,071)	(285,606,943)
Other current assets	150		73,414,421,328	67,244,997,637
Short-term prepaid expenses	151		6,068,450,113	32,402,999,301
Deductible value added tax	152		64,830,690,231	32,581,406,696
Taxes receivable from State				
Treasury	153	14(b)	2,515,280,984	2,260,591,640

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated balance sheet as at 31 December 2019 (continued)

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		55,818,470,188,971	59,059,608,138,815
Accounts receivable – long-term	210		3,314,424,000	3,549,424,000
Other long-term receivables	216		3,314,424,000	3,549,424,000
Fixed assets	220		52,326,723,629,267	53,856,992,760,491
Tangible fixed assets	221	10	52,228,931,533,754	53,769,066,685,575
Cost	222		113,091,086,031,465	109,876,984,867,644
Accumulated depreciation	223		(60,862,154,497,711)	(56,107,918,182,069)
Intangible fixed assets	227	11	97,792,095,513	87,926,074,916
Cost	228		125,268,812,108	109,661,849,291
Accumulated amortisation	229		(27,476,716,595)	(21,735,774,375)
Long-term work in progress	240		143,564,801,613	2,661,060,467,182
Construction in progress	242	12	143,564,801,613	2,661,060,467,182
Long-term financial investments	250	6(b)	2,002,225,789,277	1,908,187,930,769
Investments in associates	252		1,465,388,607,889	1,385,352,444,441
Equity investments in other entities	253		536,837,181,388	536,837,181,388
Allowance for diminution in the value of long-term financial investments	254		-	(14,001,695,060)
Other long-term assets	260		1,342,641,544,814	629,817,556,373
Long-term prepaid expenses	261		398,369,693,063	120,706,619,611
Deferred tax assets	262		-	26,606,710,591
Long-term tools, supplies and spare parts	263		944,271,851,751	482,504,226,171
TOTAL ASSETS (270 = 100 + 200)	270		74,979,050,273,820	77,716,649,068,438

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated balance sheet as at 31 December 2019 (continued)

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

	Code	Note	31/12/2019 VND	1/1/2019 VND Restated
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		62,913,740,240,040	67,447,581,603,027
Current liabilities	310		11,728,457,210,048	11,397,482,450,724
Accounts payable to suppliers	311	13	4,260,446,036,627	3,864,809,168,154
Advances from customers	312		103,636,000	103,636,000
Taxes payable to State Treasury	313	14(a)	367,773,630,563	328,547,327,437
Payables to employees	314		316,188,483,821	102,294,632,728
Accrued expenses	315		128,049,958,418	52,102,756,457
Unearned revenue	318		16,010,207,364	15,944,744,132
Other payables	319	15	1,081,711,584,031	1,171,811,074,073
Short-term borrowings	320	16(a)	5,373,362,414,031	5,473,408,154,411
Provisions – short-term	321		-	133,033,552,953
Bonus and welfare funds	322		184,811,259,193	255,427,404,379
Long-term liabilities	330		51,185,283,029,992	56,050,099,152,303
Unearned revenue	336		363,797,151,279	378,955,365,915
Long-term borrowings	338	16(b)	50,821,485,878,713	55,671,143,786,388
EQUITY (400 = 410)	400		12,065,310,033,780	10,269,067,465,411
Owners' equity	410	17	12,065,310,033,780	10,269,067,465,411
Share capital	411	18	10,699,695,770,000	10,699,695,770,000
Capital surplus	412		6,014,917,945	6,014,917,945
Other capital	414		45,439,387,466	18,876,854,562
Foreign exchange differences	417	19	-	(922,067,392,780)
Investment and development fund	418		141,871,395,148	134,210,488,996
Other equity funds	420		15,868,253,443	15,939,926,044
Retained profits/(Accumulated losses)	421		789,411,067,537	(20,046,414,799)
- (Accumulated losses)/retained profits brought forward	421a		(68,180,500,192)	853,491,634,889
- Retained profit/(loss) for the current year	421b		857,591,567,729	(873,538,049,688)
Non-controlling interest	429		367,009,242,241	336,443,315,443
TOTAL RESOURCES (440 = 300 + 400)	440		74,979,050,273,820	77,716,649,068,438

27 March 2020

Prepared by:

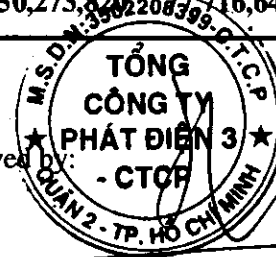
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Vu Thi Thanh Hai
Preparer

Approved by:

Vre

Vu Phuong Thao
Head of Finance - Accounting Department



Nguyen Thi Thanh Huong
Deputy General Director

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated statement of income for the year ended 31 December 2019

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

	Code	Note	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Revenue from sales of goods and provision of services	01	22	44,117,182,872,044	10,047,930,226,021
Cost of sales	11	23	39,105,572,138,741	8,809,853,242,137
Gross profit (20 = 10 - 11)	20		5,011,610,733,303	1,238,076,983,884
Financial income	21	24	345,830,369,050	83,785,001,348
Financial expenses	22	25	3,712,498,107,861	1,949,906,094,139
<i>In which: Interest expense</i>	23		2,719,469,297,945	699,539,293,509
Share of profit in associates	24	6(b)	114,761,163,448	26,984,730,311
Selling expenses	25		152,916,843	31,684,721
General and administration expenses	26	26	544,034,333,968	139,156,246,216
Net operating profit/(loss) {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		1,215,516,907,129	(740,247,309,533)
Other income	31		22,391,924,363	38,592,912,146
Other expenses	32		49,187,565,239	34,355,305,077
Results of other activities (40 = 31 - 32)	40		(26,795,640,876)	4,237,607,069
Accounting profit/(loss) before tax (50 = 30 + 40)	50		1,188,721,266,253	(736,009,702,464)
Income tax expense – current	51	28	258,023,851,648	144,128,554,766
Income tax expense/(benefit) – deferred	52	28	26,606,710,591	(26,606,710,591)
Net profit/(loss) after tax (60 = 50 - 51 - 52) (carried forward)	60		904,090,704,014	(853,531,546,639)

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

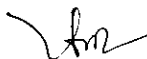
Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated statement of income for the year ended 31 December 2019 (continued)

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

	Code	Note	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Net profit/(loss) after tax (60 = 50 - 51 - 52) (brought forward)	60		904,090,704,014	(853,531,546,639)
Attributable to:				
Equity holders of the Corporation	61		857,591,567,729	(873,538,049,688)
Non-controlling interest	62		46,499,136,285	20,006,503,049
Earnings per share				
Basic earnings/(loss) per share	70	28	802	(816)

27 March 2020

Prepared by:

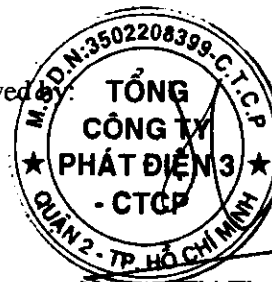


Vu Thi Thanh Hai
Preparer

Approved:



Vu Phuong Thao
Head of Finance - Accounting Department



Nguyễn Thị Thanh Hương
Deputy General Director

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2019
(Indirect method)

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

	Code	Note	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit/(loss) before tax	01		1,188,721,266,253	(736,009,702,464)
Adjustments for				
Depreciation and amortisation	02		4,786,782,687,093	1,158,307,954,529
Allowances and provisions	03		(12,136,233,932)	45,826,326,632
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		964,626,767,715	1,227,158,793,591
Profits from investing activities	05		(312,103,168,277)	(69,023,454,275)
Share of profit in associates	05		(114,761,163,448)	(26,984,730,311)
Transfer from construction in progress to expenses	05		44,653,292,999	-
Interest expense	06		2,719,469,297,945	699,539,293,509
Operating profit before changes in working capital	08		9,265,252,746,348	2,298,814,481,211
Change in receivables	09		(6,577,589,932,381)	(1,424,275,378,073)
Change in inventories	10		(675,519,143,015)	(36,202,068,359)
Change in payables and other liabilities	11		568,768,008,264	518,838,852,296
Change in prepaid expenses	12		74,937,662,943	24,502,053,677
			2,655,849,342,159	1,381,677,940,752
Interest paid	14		(407,836,807,273)	(128,158,988,948)
Income tax paid	15		(171,036,992,528)	(10,266,543,316)
Other receipts from operating activities	16		36,780,000	-
Other payments for operating activities	17		(90,203,784,686)	(11,828,704,584)
Net cash flows from operating activities	20		1,986,808,537,672	1,231,423,703,904

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Consolidated statement of cash flows for the year ended 31 December 2019
(Indirect method – continued)

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

	Code	Note	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(1,147,636,178,683)	(1,809,671,206,244)
Proceeds from transfer and disposals of fixed assets	22		58,695,007,577	-
Payments for term deposits	23		(1,607,650,000,000)	(3,921,820,000,000)
Receipts from term deposits	24		1,300,820,000,000	1,381,320,000,000
Receipts of interests and dividends	27		329,042,097,945	62,821,694,465
Net cash flows from investing activities	30		(1,066,729,073,161)	(4,287,349,511,779)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments for capital refunds	32		-	(221,350,148,719)
Proceeds from borrowings	33		1,286,559,989,743	1,586,899,285,954
Payments to settle loan principals	34		(1,778,904,594,776)	(305,856,073,050)
Payments of dividends for non-controlling shareholders	36		(18,922,238,020)	(25,638,647,529)
Net cash flows from financing activities	40		(511,266,843,053)	1,034,054,416,656
Net cash flows during the year (50 = 20 + 30 + 40)	50		408,812,621,458	(2,021,871,391,219)
Cash and cash equivalents at the beginning of the year	60		2,492,402,081,429	4,514,277,821,705
Effect of exchange rate fluctuations on cash and cash equivalents	61		2,549,948	(4,349,057)
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	5	2,901,217,252,835	2,492,402,081,429

27 March 2020

Prepared by:


 Vu Thi Thanh Hai
 Preparer


 Vu Phuong Thao
 Head of Finance - Accounting Department

Approved by:




 Nguyen Thi Thanh Huong
 Deputy General Director

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

Power Generation Joint Stock Corporation 3 and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2019

Form B 09 – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

Pursuant to Decision No. 9494/QD-BCT dated 22 October 2014, the Ministry of Industry and Trade decided to equitize the Parent Company-Power Generation Corporation 3.

Pursuant to Decision No. 2100/QD-TTg dated 27 December 2017, the Prime Minister approved the equitization plan of the Parent Company-Power Generation Corporation 3.

The Corporation was approved by the Hanoi Stock Exchange to register its shares on UPCoM of the Hanoi Stock Exchange with transaction code PGV pursuant to Decision No. 114/QD-SGDHN dated 14 March 2018.

The Corporation's Business Registration Certificate No. 3502208399 was issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province on 26 November 2012 and the seventh amendment was on 17 January 2020. The start date of operation of Power Generation Joint Stock Corporation 3 was on 1 October 2018.

(b) Principal activities

The principal activities of the Corporation are to produce and trade electricity; provide operation and maintenance management, overhaul, renovation, upgrading electrical equipment, electrical constructions; in addition, the Corporation also operates in science, technology, research and development, training to serve its principal activities.

(c) Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

(d) Group structure

As at 31 December 2019, the Corporation had 2 subsidiaries (1/1/2019: 2 subsidiaries).

The organizational structure of the Corporation includes:

- Dependent power generation companies: Buon Kuop Hydropower Company, Vinh Tan Thermal Power Company, Mong Duong Thermal Power Company, Phu My Thermal Power Company, EVNGENCO3 Power Service Company;
- Power project management units: Project Management Unit of Thermal Power 1, Project Management Unit of Vinh Tan Thermal Power; Project Management Unit of Thai Binh Thermal Power; and
- The Corporation's office.

Power Generation Joint Stock Corporation 3 and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2019
(continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

The subsidiaries are as follows:

Subsidiaries	Principal activities	% of equity owned and voting rights	
		31/12/2019	1/1/2019
Ninh Binh Thermal Power Joint Stock Company	Produce electricity, produce chemical products, repair and install electrical equipment and other related services.	54.76%	54.76%
Ba Ria Thermal Power Joint Stock Company	Produce and trade electricity, provide operation and maintenance management, repair, experiment, adjustment, renovation of electrical equipment, electrical construction and related services and products.	79.56%	79.56%

As at 31 December 2019, the Group had 2,761 employees (1/1/2019: 2,765 employees).

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

(b) Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The period from 1 October 2018 to 31 December 2018 is the first accounting period of the Power Generation Joint Stock Corporation 3. Succeeding annual accounting periods of the Corporation will be from 1 January to 31 December.

(d) Accounting and presentation currency

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated financial statement presentation purpose.

Power Generation Joint Stock Corporation 3 and its subsidiaries
Notes to the consolidated financial statements for the year ended 31 December 2019
(continued)

Form B 09 – DN/HN
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3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Corporation. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests (“NCI”) are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Corporation's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. Difference between the change in the Corporation's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

(iii) Loss of control

When the Corporation loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated income statement. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

(iv) Associates

Associates are those entities in which the Corporation has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method. The consolidated financial statements include the Corporation's share of the income and expenses of the associates, after adjustments to align the accounting policies with those of the Corporation, from the date that significant influence commences until the date that significant influence ceases. When the Corporation's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Corporation has an obligation or has made payments on behalf of the associate.

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(v) *Transactions eliminated on consolidation*

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the associate.

(vi) *Business combination*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Corporation. Control exists when the Corporation has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

(b) *Foreign currency*

(i) *Foreign currency transactions*

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Corporation or its subsidiaries most frequently conducts transactions.

Liabilities with Vietnam Electricity at the end of the annual accounting period are translated at the selling rate (by transfer) of Joint Stock Commercial Bank for Foreign Trade of Vietnam announced at the time of reporting under the guidance of Official Letter No. 1779/BTC-CDKT dated 1 February 2013 of the Ministry of Finance on the use of exchange rates to revalue monetary items denominated in foreign currencies at the end of the year ("Official Letter 1779") and Official Letter No. 4891/EVN-TCKT dated 16 September 2019 of Vietnam Electricity on guiding the preparation of financial statements for 2019 ("Official Letter 4891").

Except for the accounting policies set out below, all foreign exchange differences are recorded in the consolidated statement of income.

(ii) *Foreign exchange differences incurred during the period of construction of power projects included in the National Electricity Development Plan*

Under the guidance of Resolution No. 150/2018/ND-CP of the Government dated 13 December 2018 ("Resolution 150"), for power projects within the National Electricity Development Plan approved by the Prime Minister, foreign exchange differences incurred in the period of construction are recorded in the "Foreign exchange differences" in "Equity" and will be amortised to the statement of income for a period not exceeding 5 years from the date the project starts its commercial operation. The guidance of Resolution 150 is different from the guidance of Circular 200 which requires the exchange differences to be recognised in the statement of income in the year which they are incurred.

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If the Group recognised foreign exchange differences incurred during the period of construction consistently with Circular 200 over the years, the Group's financial expenses would decrease and profit before tax would increase by the same amount of VND922,067,392,780 for the year ended 31 December 2019 (period from 1/1/2018 to 31/12/2018: financial expenses would increase and profit before tax would decrease by the same amount of VND121,939,976,041), "Foreign exchange differences" in "Equity" and "Retained profits" in the consolidated balance sheet of the Group as at 31 December 2019 (under the assumption that no taxation impact, if any), would not change (1/1/2019: increase and decrease by VND922,067,392,780 respectively).

(iii) *Foreign exchange differences due to revaluation of the balances of monetary items denominated in foreign currencies upon transforming into joint stock company*

As guided in the Government's Decree No. 126/2017/ND-CP dated 16 November 2017 on transformation of State owned enterprises, one-member limited liability companies wholly owned by the State into joint stock company ("Decree 126") foreign exchange differences due to revaluation of the balances of monetary items denominated in foreign currencies upon transforming into joint stock company, the equitized enterprises shall revalue in accordance with regulations and not record to statement of income, instead such foreign exchange differences shall be transferred to joint stock companies (after transformation of State owned enterprises) for monitoring and accounting for in accordance with regulations.

If the Group recognised foreign exchange differences upon transforming into joint stock company consistently with Circular 200, the Group's financial expenses and profit before tax for the year ended 31 December 2019 would not change (period from 1/10/2018 to 31/12/2019: increase and decrease by VND1,401,755,252,988 respectively).

(c) **Cash and cash equivalent**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(d) **Investments**

(i) *Held-to-maturity investments*

Held-to-maturity investments are those that the Group's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.

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(ii) Equity investments in other entities

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values when the fair value of the investment is lower than the carrying amount of the investment. For investments whose fair value is not available at the reporting date, an allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Corporation's management before making the investment. The allowance is reversed if the fair value of the securities increases or the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(e) Account receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and direct selling expenses.

The Group applies the perpetual method of accounting for inventories.

(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Tangible fixed assets formed through construction under contractual assignment or self-construction and manufacturing, cost is the finalisation price of construction works in accordance with the current Investment and Construction Management Regulation, other directly attributable costs and registration fee (if any). In case the construction has been completed and put into use but the finalisation is not approved, cost of items of tangible fixed assets is stated at estimated cost. The estimated cost is determined in the following methods: by actual investment cost if all construction costs have been incurred, by the approved budget or by value of the equivalent assets. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

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(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ building and structures	10 – 50 years
▪ machinery and equipment	5 – 20 years
▪ motor vehicles	5 – 20 years
▪ office equipment	3 – 10 years
▪ others	5 – 10 years

(h) Intangible assets

(i) Land use rights

Land use rights comprise:

- those granted by the State for which land use payments are collected;
- those acquired in a legitimate transfer; and
- rights to use leased land obtained before the effective date of Land Law (2003) for which payments have been made in advance for more than 5 years and supported by land use right certificate issued by competent authority.

Land use rights with definite term are stated at cost less accumulated amortisation. The initial cost of land use rights comprises purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 50 years.

Land use rights with indefinite term are stated at cost and not amortised.

(ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

(iii) Technology transfer rights

Technology transfer rights is stated at cost and amortised on a straight-line basis over 10 years.

(i) Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

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(j) Long-term prepaid expenses

Tools and instruments

Tools and instruments include assets held for use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over 3 years.

(k) Trade and other payables

Trade and other payables are stated at their cost.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(m) Share capital

Ordinary shares

Ordinary shares are stated at par value. Excess of cash received from share issues over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

(n) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous periods/years.

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Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Revenue and other income

(i) Electricity sold

Revenue from sales of electricity is recognised in the statement of income based on electricity output generated to the electricity grid and confirmed by customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(ii) Service rendered

Revenue from services rendered is recognised in the statement of income in proportion to the percentage of completion of the transaction. The percentage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Rental income

Rental income from lease of assets is recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(iv) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(v) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as financial income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

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(p) Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense.

(q) Borrowing cost

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in that case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(r) Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(s) Earnings per share (EPS)

The Group presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

The Group had no potentially dilutive shares, therefore the presentation of diluted earnings per share is not applicable.

(t) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group’s primary format for segment reporting is based on business segments.

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4. Segment reporting

The principal business activities of the Group are to trade electricity and other related services. During the year, other related services accounted for an insignificant proportion of total revenue and operating results of the Group. Accordingly, the financial information presented in the consolidated balance sheet as at 31 December 2019 and 1 January 2019 and all revenue and expenses presented in the consolidated statement of income for the years ended 31 December 2019 and for the period from 1 October 2018 to 31 December 2018 mainly related to the Group's principal business activities.

Geographically, the Group only operates in Vietnam.

5. Cash and cash equivalents

	31/12/2019	1/1/2019
	VND	VND
Cash on hand	1,890,784,100	2,912,617,687
Cash in banks	364,676,468,735	1,413,589,463,742
Cash equivalents	2,534,650,000,000	1,075,900,000,000
	<hr/>	<hr/>
	2,901,217,252,835	2,492,402,081,429
	<hr/>	<hr/>

Cash equivalents represented terms deposits with maturities ranging from one week to three months at banks with interest rate applicable to one week 0.8% per annum and terms deposits from one month to three months at rates ranging from 4.7% to 5.4% per annum (period from 1/10/2018 to 31/12/2018 : terms deposits from one month to 3 months at rates ranging from 4.7% to 5.5% per annum).

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6. Financial investments

(a) Held-to-maturity investments

Held-to-maturity investments represented term deposits at banks and other credit institutions with maturities from 6 months to 12 months and earned interest at rates ranging from 5.5% to 7.1% per annum (period from 1/10/2018 to 31/12/2018: 4.8% - 7.2% per annum).

(b) Long-term financial investments

Movements of investments in associates during the year were as follows:

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Opening balance	1,385,352,444,441	1,386,942,714,130
Share of profit in associates	114,761,163,448	26,984,730,311
Dividends	(34,725,000,000)	(28,575,000,000)
	<hr/>	<hr/>
Closing balance	1,465,388,607,889	1,385,352,444,441

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	31/12/2019		1/1/2019		Allowance VND	% of equity owned	Fair value VND	Carrying amount VND	Fair value VND	Allowance VND
	% of equity owned	Carrying amount VND	Fair value VND	Allowance VND						
Investments in associates										
▪ Thac Ba Hydropower JSC	(i) 30.00%	308,783,687,183	455,295,000,000	-	-	30.00%	279,877,226,103	476,250,000,000	-	-
▪ Vinh Son - Song Hinh Hydropower JSC	(ii) 30.55%	976,925,637,942	1,386,372,856,000	-	-	30.55%	928,345,577,277	1,055,533,879,000	-	-
▪ Se San 3A Power Investment and Development JSC	(iii) 30.00%	179,679,282,764	(*)	-	-	30.00%	177,129,641,061	(*)	-	-
		1,465,388,607,889		-	-		1,385,352,444,441			

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- (i) Thac Ba Hydropower JSC was established under Business Registration Certificate No. 1603000069 dated 31 March 2006 issued by the Department of Planning and Investment of Yen Bai Province. The principal activities of Thac Ba Hydropower JSC are to produce and trade electricity.
- (ii) Vinh Son – Song Hinh Hydropower JSC was converted from a state-owned enterprise – Vinh Son – Song Hinh Hydropower Plant, a dependent accounting unit of Vietnam Electricity. On 4 May 2005, the Plant was officially converted to Vinh Son – Song Hinh Hydropower JSC under Business Registration Certificate No. 3503000058 issued by the Department of Planning and Investment of Binh Dinh Province. The principal activities of Vinh Son – Song Hinh Hydropower JSC are to produce and trade electricity.
- (iii) Se San 3A Power Investment and Development JSC officially went into operation on 1 November 2003 under Official Letter No. 1391/CP-CN dated 10 October 2003 of the Prime Minister. The principal activities of Se San 3A Power Investment and Development JSC are to construct civil works, invest and construct hydropower projects and industrial construction.
- (*) The Corporation has not determined fair values of these financial investments at the reporting date because information about their market prices is not available.

Summarised financial information in respect of the Group's associates is set out below:

	31/12/2019	1/1/2019
	VND	VND
Total assets	11,596,288,212,657	9,913,782,260,407
Total liabilities	6,751,822,655,620	5,480,917,796,001
Net assets	4,844,465,557,037	4,475,085,560,197
Share of net assets in associates	1,465,388,607,889	1,385,352,444,441
	Year ended	Period
	31/12/2019	from 1/10/2018
	VND	to 31/12/2018
		VND
Revenue	994,241,151,427	264,870,199,092
Net profit after tax	379,621,877,796	89,446,141,616
Share of profit in associates	114,761,163,448	26,984,730,311

Movements in allowance for diminution in the value of long-term financial investments during the year were as follows:

	Year ended	Period
	31/12/2019	from 1/10/2018
	VND	to 31/12/2018
		VND
Opening balance	14,001,695,060	3,483,263,880
Allowance (reversed)/ made	(14,001,695,060)	10,518,431,180
Closing balance	-	14,001,695,060

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	31/12/2019			1/1/2019				
	% of equity owned	Carrying amount VND	Fair value VND	Allowance VND	% of equity owned	Carrying amount VND	Fair value VND	Allowance VND
Investments in other entities								
▪ Petro Vietnam Power								
▪ Nhon Trach 2 JSC	2.47%	83,022,592,000	154,189,568,000	-	2.47%	83,022,592,000	175,199,232,000	-
▪ GE PMTP Power Service Limited								
▪ Liability Company	15.00%	74,463,661,588	(*)	-	15.00%	74,463,661,588	(*)	-
▪ Viet - Lao Power JSC	0.63%	19,600,000,000	(*)	-	0.63%	19,600,000,000	(*)	-
▪ Quang Ninh Thermal Power JSC	1.8%	114,770,927,800	117,970,927,800	-	1.8%	114,770,927,800	109,899,232,740	4,871,695,060
▪ Hai Phong Thermal Power JSC	1.6%	108,730,000,000	134,600,000,000	-	1.6%	108,730,000,000	99,600,000,000	9,130,000,000
▪ Buon Don Hydro Power JSC	19.89%	83,750,000,000	(*)	-	19.89%	83,750,000,000	(*)	-
▪ Phu Thanh My JSC	6.43%	50,000,000,000	(*)	-	6.43%	50,000,000,000	(*)	-
▪ Northern Thermal Power Repairing Service JSC	1.1%	2,500,000,000	(*)	-	1.4%	2,500,000,000	(*)	-
		536,837,181,388		-		536,837,181,388		(*) 14,001,695,060

(*) The Corporation has not determined fair values of these financial investments at the reporting date because information about their market prices is not available.

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7. Accounts receivable from customers

	31/12/2019 VND	1/1/2019 VND Restated
Related parties		
Electricity Power Trading Company	7,822,111,492,770	8,584,371,458,958
Thai Binh Thermal Power Plant	61,789,068,119	35,093,793,900
Vinh Tan 4 Power Plant	120,260,587,334	54,824,844,800
Other related parties	21,714,965,484	82,140,145
Third parties		
Other customers	5,387,110,096	17,087,377,168
	8,031,263,223,803	8,691,459,614,971

8. Other short-term receivables

	31/12/2019 VND	1/1/2019 VND
Related parties		
Vietnam Electricity	15,772,071,287	15,256,171,287
Vinh Tan 4 and Vinh Tan 4 Expansion Project	171,636,851,711	146,187,229,278
Vinh Tan 4 Power Plant	211,554,444,964	107,765,015,778
EVN Construction and Technology Investment Management Board	67,966,368,944	-
Dividends receivable	56,228,790,000	52,984,728,000
Northern Power Corporation (Quang Ninh Power Company)	25,029,396,590	-
Management unit of Thai Binh Thermal Power Project	9,705,597,521	10,307,578,223
Other related parties	7,660,691,439	7,468,387,981
Third parties		
Interest receivables on deposits	60,191,234,073	45,865,017,432
Insurance receivables	52,123,989,823	420,028,226
Other receivables	49,176,097,929	34,345,261,808
	727,045,534,281	420,599,418,013

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9. Inventories

	31/12/2019		1/1/2019	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	41,172,723,087	-	2,289,837,243	-
Raw materials	2,817,029,591,302	(2,151,068,071)	2,813,283,077,995	(285,606,943)
Tools and supplies	109,349,349,139	-	83,063,188,397	-
Work in progress	21,605,117,071	-	4,565,535,210	-
Finish goods	512,556,179	-	632,363,003	-
	2,989,669,336,778	(2,151,068,071)	2,903,834,001,848	(285,606,943)

Movements in allowance for inventories during the year as follows:

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Opening balance	285,606,943	124,721,551
Additions	1,865,741,671	160,885,392
Reversals	(280,543)	-
Closing balance	2,151,068,071	285,606,943

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10. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	18,474,722,817,181	84,671,035,088,552	6,578,031,416,896	152,142,526,589	1,053,018,426	109,876,984,867,644
Additions	2,832,669,386	60,625,784,192	2,830,636,696	31,756,285,197	-	98,045,375,471
Transfer from construction in progress (Note 12)	777,973,876,293	1,166,925,152,150	138,545,260,929	25,937,724,307	2,569,909,922	2,111,951,923,601
Adjustments according to finalisation (Note 12)	458,016,379,424	568,280,433,030	(310,889,229)	-	-	1,025,985,923,225
Other adjustment	(1,642,464,049)	2,953,914,634	-	-	-	1,311,450,585
Reclassification	673,222,742,813	(688,583,273,640)	-	(99,477,950)	15,360,530,827	-
Disposals	-	(1,635,469,253)	(1,549,955,196)	-	-	(3,284,902,399)
Written off	-	(19,908,606,662)	-	-	-	(19,908,606,662)
Closing balance	20,385,126,021,048	85,759,693,023,003	6,717,546,470,096	209,737,058,143	18,983,459,175	113,091,086,031,465
Accumulated depreciation						
Opening balance	6,142,050,161,930	46,886,125,914,380	2,965,621,320,043	113,106,071,421	1,014,714,295	56,107,918,182,069
Charge for the year	696,655,650,260	3,750,257,888,626	312,182,180,959	21,143,697,301	802,327,727	4,781,041,744,873
Other adjustment	(5,403,589,770)	2,121,329,174	(329,659,574)	-	-	(3,611,920,170)
Reclassification	164,746,895,168	(168,320,340,850)	-	(99,477,950)	3,573,445,682	-
Disposals	-	(1,635,469,253)	(1,549,955,196)	-	-	(3,284,902,399)
Written off	-	(19,908,606,662)	-	-	-	(19,908,606,662)
Closing balance	6,998,049,117,588	50,448,640,715,415	3,275,923,886,232	134,150,290,772	5,390,487,704	60,862,154,497,711
Net book value						
Opening balance	12,332,672,655,251	37,784,909,174,172	3,612,410,096,853	39,036,455,168	38,304,131	53,769,066,685,575
Closing balance	13,387,076,903,460	35,311,052,307,588	3,441,622,583,864	75,586,767,371	13,592,971,471	52,228,931,533,754

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Included in tangible fixed assets were assets costing VND29,436 billion which were fully depreciated as of 31 December 2019 (1/1/2019: VND32,628 billion), but which are still in active use.

As at 31 December 2019, tangible fixed assets with carrying amount of VND23,396 billion (1/1/2019: VND1,857 billion) were pledged with banks as security for loans granted to the Group (Note 16(b)).

11. Intangible fixed assets

	Land use rights VND	Software VND	Technology transfer rights VND	Others VND	Total VND
Cost					
Opening balance	76,165,829,664	16,179,748,658	4,025,390,148	13,290,880,821	109,661,849,291
Additions	-	3,632,588,817	4,828,886,000	484,000,000	8,945,474,817
Transfer from construction in progress (Note 12)	-	6,661,488,000	-	-	6,661,488,000
Closing balance	76,165,829,664	26,473,825,475	8,854,276,148	13,774,880,821	125,268,812,108
Accumulated amortisation					
Opening balance	12,480,231,285	5,408,477,078	3,810,571,101	36,494,911	21,735,774,375
Charge for the year	1,161,517,452	2,334,065,055	889,046,258	1,356,313,455	5,740,942,220
Closing balance	13,641,748,737	7,742,542,133	4,699,617,359	1,392,808,366	27,476,716,595
Net book value					
Opening balance	63,685,598,379	10,771,271,580	214,819,047	13,254,385,910	87,926,074,916
Closing balance	62,524,080,927	18,731,283,342	4,154,658,789	12,382,072,455	97,792,095,513

Included in land use rights were land use rights with indefinite term costing VND8 billion were not amortised as of 31 December 2019 (1/1/2019: VND8 billion).

Included in intangible fixed assets were assets costing VND8 billion which were fully amortised as of 31 December 2019 (1/1/2019: VND8 billion), but which are still in use.

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12. Construction in progress

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND Restated
Opening balance	2,661,060,467,182	2,477,612,095,809
Additions	1,063,260,696,526	339,909,929,374
Interest capitalised	17,736,766,528	6,056,765,400
Transfer from inventories	127,916,182,505	(335,748,162)
Decrease due to finalisation (Note 10)	(1,025,985,923,225)	-
Transfer to tangible fixed assets (Note 10)	(2,111,951,923,601)	(127,860,710,743)
Transfer to intangible fixed assets (Note 11)	(6,661,488,000)	(2,552,429,342)
Transfer to prepaid expenses	(326,266,187,207)	-
Transfer to other parties (*)	(83,508,612,476)	-
Transfer to expenses	(44,653,292,999)	-
Decrease relating to overhaul due to finalisation	(119,222,953,535)	-
Other deductions	(8,158,930,085)	(31,769,435,154)
	<hr/>	<hr/>
Closing balance	143,564,801,613	2,661,060,467,182

(*) Relating to transfer of assets from the Corporation to the Northern Power Corporation and the finalisation of ground filling expenses for Vinacomin - Power Holding Corporation.

Constructions in progress included the following construction projects:

	31/12/2019 VND	1/1/2019 VND Restated
Vinh Tan 2 Solar Power Plant	51,267,180,711	8,066,079,120
Vinh Tan 2 Thermal Power Plant	31,005,033,746	148,924,891,353
Vinh Tan Coal Terminal	14,569,448,039	383,746,615,607
Vinh Tan Power Center Infrastructure	11,928,505,106	666,446,239,405
Mong Duong 1 Thermal Power Plant	-	1,221,295,137,450
Other constructions	34,794,634,011	232,581,504,247
	<hr/>	<hr/>
	143,564,801,613	2,661,060,467,182

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13. Accounts payable to suppliers

	31/12/2019	1/1/2019
	VND	VND
Related parties		
Vietnam Electricity	1,069,801,058	1,311,294,219
Other related parties	21,260,423,683	17,075,702,451
Third parties		
Petrovietnam Gas South East Transmission Company	2,270,594,781,473	2,549,808,266,172
Vietnam National Coal and Mineral Industries Holding Corporation Limited	550,344,398,768	441,556,254,530
Dong Bac Corporation	228,660,413,448	99,485,647,532
TATA International Singapore PTE Limited	154,940,697,270	-
Other suppliers	1,033,575,520,927	755,572,003,250
	<hr/>	<hr/>
	4,260,446,036,627	3,864,809,168,154
	<hr/>	<hr/>
Amount within payment capacity	4,260,446,036,627	3,864,809,168,154
	<hr/>	<hr/>

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14. Taxes payable to and receivable from State Treasury

(a) Taxes payable to State Treasury

	1/1/2019 VND	Incurred VND	Paid VND	Reclassified VND	31/12/2019 VND
Value added tax	93,048,397,297	1,103,706,440,496	(1,137,472,005,112)	(1,800,660,309)	57,482,172,372
Withholding tax	9,874,077,902	28,302,903,485	(30,545,570,607)	-	7,631,410,780
Import-export tax	-	35,472,015,944	(35,515,826,885)	43,810,941	-
Natural resource taxes	40,920,182,673	418,292,412,681	(425,274,401,641)	(9,589,892)	33,928,603,821
Corporate income tax	135,774,754,846	258,018,971,848	(171,036,992,528)	6,644,815,527	229,401,549,693
Personal income tax	5,767,974,005	14,908,206,097	(18,213,344,878)	2,524,053,492	4,986,888,716
Duty and fees - fees for forest environmental services	43,161,940,714	153,658,262,140	(162,675,342,329)	75,109,656	34,219,970,181
Land and housing taxes, land rental	-	20,267,179,322	(20,267,179,322)	-	-
Other taxes	-	13,585,642,692	(7,227,071,504)	(6,235,536,188)	123,035,000
	328,547,327,437	2,046,212,034,705	(2,008,227,734,806)	1,242,003,227	367,773,630,563

(b) Taxes receivable from State Treasury

	1/1/2019 VND	Incurred VND	Received VND	Reclassified VND	31/12/2019 VND
Value added tax	-	-	-	223,452,682	223,452,682
Corporate income tax	-	-	-	332,204,954	332,204,954
Personal income tax	2,250,952,123	(987,313,883)	-	577,014,886	1,840,653,126
Natural resource taxes	9,589,892	-	-	(9,589,892)	-
Import-export tax	-	-	-	43,810,941	43,810,941
Duty and fees - fees for forest environmental services	-	-	-	75,109,656	75,109,656
Land and housing taxes, land rental	49,625	-	-	-	49,625
	2,260,591,640	(987,313,883)	-	1,242,003,227	2,515,280,984

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15. Other payables

	31/12/2019 VND	1/1/2019 VND Restated
Accrued interest expense, re-loan fees, withholding tax	779,538,645,082	873,202,030,132
Estimated value added tax	161,508,746,312	156,962,849,626
Payable from issuance of shares	6,919,519,000	43,171,192,020
Professional fees	-	14,680,695,065
Other payables	133,744,673,637	83,794,307,230
	<hr/> 1,081,711,584,031	<hr/> 1,171,811,074,073 <hr/>

Detail of other payables to related parties:

	31/12/2019 VND	1/1/2019 VND Restated
Vietnam Electricity	779,538,645,082	873,945,409,339
Other related parties	130,916,839,594	116,070,726,297
	<hr/> 910,455,484,676	<hr/> 990,016,135,636 <hr/>

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16. Borrowings

(a) Short-term borrowings

	1/1/2019 VND	Movements		Foreign exchange difference VND	31/12/2019 VND
		Increase VND	Decrease VND		
Current portion of long-term borrowings	5,473,408,154,411	5,361,662,886,900	(5,489,914,611,609)	3,175,659,306	5,348,332,089,008
Short-term borrowing	-	815,828,000,703	(790,797,675,680)	-	25,030,325,023
Amount within payment capacity	5,473,408,154,411				5,373,362,414,031

(b) Long-term borrowings

	1/1/2019 VND	Movements		Foreign exchange difference VND	31/12/2019 VND
		Increase VND	Decrease VND		
Long-term borrowings	55,671,143,786,388	470,731,989,040	(5,361,662,886,900)	41,272,990,185	50,821,485,878,713

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Terms and conditions of outstanding long-term borrowings were as follows:

Borrowing from organisations	Currency	Year of Maturity	31/12/2019 VND	1/1/2019 VND
<i>Mong Duong 1 Thermal Power Project</i>				
Lien Viet Post Joint Stock Commercial Bank – Thang Long Branch	VND	2025	87,728,633,890	103,604,510,566
<i>Vinh Tan 2 Thermal Power Project</i>				
Vietnam Development Bank – Transaction Center I	VND	2024	1,598,000,000,000	1,974,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2025	1,291,999,389,408	1,516,694,935,392
<i>Buon Kuop Hydropower Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	210,000,000,000	250,000,000,000
Military Commercial Joint Stock Bank - Hai Ba Trung Branch	VND	2021	39,417,118,612	70,905,118,612
Vietnam Bank for Agriculture and Rural Development	VND	2019	-	92,068,364,311
<i>Srepok 3 Hydropower Project</i>				
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2019	-	110,684,549,761
<i>Vinh Tan Power Center Infrastructure Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi South West Branch	VND	2026	283,678,850,123	258,153,558,834
<i>Vinh Tan 2 Solar Power Project</i>				
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch (*)	VND	2031	389,086,697,247	-
			3,899,910,689,280	4,376,111,037,476

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	Currency	Year of Maturity	31/12/2019 VND	1/1/2019 VND
Re-borrowings from Vietnam Electricity				
<i>Mong Duong 1 Thermal Power Project</i>				
Asian Development Bank (**)	USD	2032	427,483,250,258	444,445,836,309
Asian Development Bank (**)	USD	2034	18,671,848,548,822	19,206,808,016,325
Export-Import Bank of Korea (**)	USD	2028	8,047,179,258,796	8,999,713,746,007
<i>Vinh Tan 2 Thermal Power Project</i>				
Export-Import Bank of China	USD	2027	5,575,010,381,641	6,275,936,541,397
Export-Import Bank of China	CNY	2027	1,492,127,865,941	1,688,212,359,504
Export-Import Bank of China	USD	2028	13,249,673,395,282	14,731,365,464,567
<i>Buon Kuop Hydropower Project</i>				
Japan Bank for International Cooperation	JPY	2026	79,720,990,095	89,444,501,596
Japan Bank for International Cooperation	JPY	2028	61,372,252,756	67,338,860,225
<i>Buon Tua Srah Hydropower Project</i>				
Export-Import Bank of China	USD	2020	36,704,803,789	73,457,010,088
Asia Commercial Joint Stock Bank	VND	2019	-	27,989,680,391
<i>Srepok 3 Hydropower Project</i>				
Credit Agricole Corporate and Investment Bank	USD	2020	78,009,490,453	156,119,724,974
<i>Phu My Thermal Power Project</i>				
Japan Bank for International Cooperation	JPY	2028	4,129,360,772,916	4,530,817,037,415
<i>Steam tail 306-2 Ba Ria Power Plant</i>				
Vietnam Development Bank - Ba Ria – Vung Tau	KRW	2028	421,416,267,692	476,792,124,525
			52,269,907,278,441	56,768,440,903,323
			56,169,817,967,721	61,144,551,940,799
In which, repayable within 12 months			5,348,332,089,008	5,473,408,154,411

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Effective interest rate of borrowings during the year were as follows:

- Borrowings dominated in USD bore interest at rates ranging from 3.31% to 6.56% per annum (period from 1/10/2018 to 31/12/2018: from 3.15% to 6.56% per annum).
 - Borrowings dominated in VND bore interest at rates ranging from 8.98% to 9.86% per annum (period from 1/10/2018 to 31/12/2018: from 8.98% to 10.05% per annum).
 - Borrowings dominated in JPY bore interest at rates ranging from 1.15% to 2.75% per annum (period from 1/10/2018 to 31/12/2018: from 1.15% to 2.75% per annum).
 - Borrowings dominated in CNY bore interest at rate of 3.40% per annum (period from 1/10/2018 to 31/12/2018: 3.40% per annum).
 - Borrowings dominated in KRW bore interest at rate of 2.40% per annum over the borrowing period of 13 years.
- (*) Borrowing from Saigon - Hanoi Commercial Joint Stock Bank was secured by Vinh Tan 2 Solar Power Plant with carrying amount of VND643 billion as at 31 December 2019 (1/1/2019: nil).
- (**) Borrowing from Export-Import Bank of Korea and Asian Development Bank was secured by Mong Duong Thermal Power Plant with carrying amount of VND22,753 billion as at 31 December 2019 (1/1/2019: nil).

Other borrowings from domestic commercial banks were guaranteed by its parent company, Vietnam Electricity, without any pledged asset.

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17. Changes in owners' equity

	Share capital VND	Capital surplus VND	Other capital VND	Foreign exchange differences VND	Investment and development fund VND	Other equity fund VND	Retained profits VND	Capital expenditure fund VND	Non – controlling interest VND	Total VND	Restated
Balance at 1 October 2018 (as previously reported)	10,478,234,644,194	6,014,917,945	18,387,593,875	(2,378,304,250,451)	362,518,284,511	15,939,926,044	853,491,634,889	110,593,427,602	339,002,490,764	9,805,878,669,373	
Restatement (Note 32)	-	-	-	176,421,580,724	-	-	-	-	-	176,421,580,724	
Balance at 1 October 2018 (as restated)	10,478,234,644,194	6,014,917,945	18,387,593,875	(2,201,882,669,727)	362,518,284,511	15,939,926,044	853,491,634,889	110,593,427,602	339,002,490,764	9,982,300,250,097	
Payment to Enterprise Arrangement and Development Fund	-	-	-	-	(221,350,148,719)	-	-	-	-	(221,350,148,719)	
Transfer to owners' equity	117,061,813,711	-	489,260,687	-	(6,957,646,796)	-	-	(110,593,427,602)	-	86,143,440,000	
Share issuance	86,143,440,000	-	-	-	-	-	-	-	-	1,279,815,276,947	
Exchange differences	-	-	-	1,279,815,276,947	-	-	-	-	-	(853,531,546,639)	
Net loss for the year	-	-	-	-	-	-	(873,538,049,688)	-	20,006,503,049	(22,565,678,370)	
Dividend	-	-	-	-	-	-	-	-	-	(22,565,678,370)	
Financial adjustments upon transferring into joint stock company	18,255,872,095	-	-	-	-	-	-	-	-	18,255,872,095	
Balance at 31 September 2018 (as restated)	10,699,695,770,000	6,014,917,945	18,876,854,562	(922,067,392,780)	134,210,488,996	15,939,926,044	(20,046,414,799)	-	336,443,315,443	10,269,067,465,411	

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	Share capital VND	Capital surplus VND	Other capital VND	Foreign exchange differences VND	Investment and development fund VND	Other equity fund VND	Retained profits VND	Non – controlling interest VND	Total VND
Balance at 1 January 2019 (as restated)	10,699,695,770,000	6,014,917,945	18,876,854,562	(922,067,392,780)	134,210,488,996	15,939,926,044	(20,046,414,799)	336,443,315,443	10,269,067,465,411
Utilisation of funds	-	-	-	-	-	(71,672,601)	-	(18,413,624)	(90,086,225)
Transfer funds	-	-	26,562,532,904	-	(26,562,532,904)	-	-	-	-
Exchange differences	-	-	-	922,067,392,780	-	-	-	-	922,067,392,780
Appropriation to investment and development fund	-	-	-	-	34,223,439,056	-	(34,223,439,056)	-	-
Appropriation to bonus and welfare funds	-	-	-	-	-	-	(13,895,928,218)	(5,654,931,282)	(19,550,859,500)
Profit for the year	-	-	-	-	-	-	857,591,567,729	46,499,136,285	904,090,704,014
Dividend	-	-	-	-	-	-	-	(10,255,063,500)	(10,255,063,500)
Other adjustment	-	-	-	-	-	-	(14,718,119)	(4,801,081)	(19,519,200)
Balance at 31 December 2019	10,699,695,770,000	6,014,917,945	45,439,387,466	-	141,871,395,148	15,868,253,443	789,411,067,537	367,009,242,241	12,065,310,033,780

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18. Share capital

The Corporation's authorised and issued share capital are:

	31/12/2019 and 1/1/2019	
	Number of shares	VND
Authorised share capital	1,069,969,577	10,699,695,770,000
Issued share capital		
Ordinary shares	1,069,969,577	10,699,695,770,000
Shares in circulation	1,069,969,577	10,699,695,770,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Corporation. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Corporation's residual assets.

Movements in share capital during the year were as follows:

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Balance at beginning of the year	10,699,695,770,000	10,478,234,644,194
Share issuance	-	86,143,440,000
Financial adjustment upon transformation into joint stock company	-	18,255,872,095
Transfer to owners' equity	-	117,061,813,711
Balance at end of the year	10,699,695,770,000	10,699,695,770,000

Details of shareholders as at reporting date were as follows:

	31/12/2019 and 1/1/2019		
	Share capital	Number of ordinary shares	Percentage %
Vietnam Electricity	10,613,552,330,000	1,061,355,233	99.19%
Employees	14,647,000,000	1,464,700	0.14%
Other shareholders	71,496,440,000	7,149,644	0.67%
	10,699,695,770,000	1,069,969,577	100.00%

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19. Foreign exchange differences

	Note	1/1/2019 VND Restated	Incurred VND	Amortised VND	31/12/2019 VND
Foreign exchange differences incurred in the period of construction	3(b)(ii)	922,067,392,780	-	(922,067,392,780)	
Foreign exchange differences due to revaluation of the balances of monetary items in foreign currencies		-	64,437,336,414	(64,437,336,414)	-
		922,067,392,780	64,437,336,414	(986,504,729,194)	-
	Note	1/10/2018 VND Restated	Incurred VND	Amortised VND	31/12/2018 VND Restated
Foreign exchange differences incurred in the period of construction	3(b)(ii)	429,098,456,269	-	121,939,976,041	922,067,392,780
Foreign exchange differences due to revaluation of the balances of long-term monetary liabilities in foreign currencies		371,028,960,470	(143,502,828,713)	143,502,828,713	-
Foreign exchange differences due to financial adjustments in accordance with Decree 126/2017/ND-CP	3(b)(iii)	1,401,755,252,988	-	(1,504,071,597,567)	-
		2,201,882,669,727	(41,186,484,134)	(1,238,628,792,813)	922,067,392,780

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20. Dividends

Profit distribution follows the Resolutions of the General Meeting of Shareholders.

21. Off balance sheet items

(a) Lease

At the reporting dates, the future minimum lease payments under operating leases were:

	31/12/2019	1/1/2019
	VND	VND
Within one year	22,318,127,773	17,497,494,087
Within two to five years	84,203,488,994	74,866,060,886
More than five years	434,889,315,130	280,468,865,098
	<hr/>	<hr/>
	541,410,931,897	372,832,420,071
	<hr/>	<hr/>

Operating lease commitments represented:

- Land rental in Phu My Ward, Phu My Town, Ba Ria - Vung Tau Province, Vietnam including 1 parcel of leased land in 38 years from 26 November 2012; 1 parcel of leased land in 49 years from 11 November 1999 and 3 parcels of leased land in Vinh Tan Commune, Tuy Phong District, Binh Thuan Province, Vietnam for 70 years from 28 November 2013 and 1 parcel of leased land in Cam Pha Commune, Cam Pha City, Quang Ninh Province.
- Land rental in Huong Giang Quarter, Long Hung Ward, Ba Ria - Vung Tau Province, Vietnam for 50 years from 9 May 2005.
- Office rental at 60-66 Nguyen Co Thach Street, Sala Residence, An Loi Dong Ward, District 2, Ho Chi Minh City.

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(b) Foreign currency

	31/12/2019		1/1/2019	
	Original currency	VND equivalent	Original currency	VND equivalent
United States Dollars	5,715	133,127,365	28,223	653,373,165

(c) Investment commitments

As at 31 December 2019, in accordance with the approved construction plan, the Group will invest VND382,524 million to build power plants and other works during 2020 (1/1/2019: VND1,553,121 million).

22. Revenue from sales of goods and provision of services

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Sales of electricity	43,724,284,866,521	9,923,521,583,253
Sales of other goods and services	392,898,005,523	124,408,642,768
	<u>44,117,182,872,044</u>	<u>10,047,930,226,021</u>

23. Cost of sales

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Cost of electricity	38,786,701,642,969	8,692,535,637,363
Cost of other goods and services	318,870,495,772	117,317,604,774
	<u>39,105,572,138,741</u>	<u>8,809,853,242,137</u>

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24. Financial income

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Interest income from deposits	291,133,586,586	58,811,476,275
Dividends	20,753,790,000	10,211,978,000
Foreign exchange gains arising from payments	12,065,030,985	3,291,547,851
Foreign exchange gains arising from revaluation	21,877,961,479	11,469,999,222
	345,830,369,050	83,785,001,348

25. Financial expenses

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Interest expense	2,719,469,297,945	699,539,293,509
Foreign exchange losses arising from payments	20,525,775,782	1,174,491,410
Foreign exchange losses arising from revaluation	986,504,729,194	1,238,628,792,813
(Reversal of)/addition to allowance for long-term investment	(14,001,695,060)	10,518,431,180
Others	-	45,085,227
	3,712,498,107,861	1,949,906,094,139

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26. General and administration

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Staff costs	250,150,407,963	43,643,304,237
Outside services	72,491,318,994	19,906,261,176
Other expenses	221,392,607,011	75,606,680,803
	544,034,333,968	139,156,246,216

27. Production and business costs by element

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Raw material costs	31,366,168,612,738	6,669,857,526,291
Labour costs and staff costs	875,880,210,324	192,006,937,427
Depreciation of fixed assets	4,759,642,992,439	1,129,473,775,722
Outside services	489,711,001,631	143,406,271,037
Overhaul expenses	1,230,197,808,954	501,048,517,551
Other expenses	928,158,763,466	313,248,145,046

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28. Corporate income tax

(a) Recognised in the statement of income

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Current tax expense		
Current year	249,847,806,038	38,539,224,092
Previous year	8,176,045,610	105,589,330,674
	258,023,851,648	144,128,554,766
Deferred tax expense/(benefit)		
Origination of temporary differences	26,606,710,591	(26,606,710,591)
	284,630,562,239	117,521,844,175

(b) Reconciliation of effective tax rate

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Accounting profit/(loss) before tax	1,188,721,266,253	(736,009,702,464)
Tax at the Corporation's tax rate	237,744,253,251	(147,201,940,493)
Non-deductible expenses	213,502,445,673	98,346,663,186
Tax incentives	(74,849,553,375)	-
Non-taxable income	(27,041,912,289)	(7,439,341,662)
Deferred tax assets not recognised	-	72,900,716,631
Tax losses utilised	(72,900,716,631)	(4,648,540,509)
Income tax expense in previous year	8,176,045,610	105,564,287,022
	284,630,562,239	117,521,844,175

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(c) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	31/12/2019		1/1/2019	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Tax losses	-	-	364,503,583,155	72,900,716,631

Deferred tax assets have not been recognised in respect of tax losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

(d) Applicable tax rates

Under the current Law on Corporate Income Tax, the Group has an obligation to pay the government income tax at the rate of 20% on taxable profits.

Vinh Tan 2 Thermal Project and Mong Duong 1 Thermal Project are exempt from corporate income tax for 4 years since the year that taxable income was generated (from 2015 to 2018), and eligible for 50% reduction on tax rate for the next 9 years.

29. Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

(a) Net profit/(loss) attributable to ordinary shareholders

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
	Net profit/(loss) attributable to ordinary shareholders	857,591,567,729

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(b) Weighted average number of ordinary shares

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Issued ordinary shares at the beginning of the year and weighted average number of ordinary shares at the end of the year	1,069,969,577	1,069,969,577

As at 31 December 2019 and 1 January 2019, the Corporation did not have potentially dilutive ordinary shares.

30. Significant transactions with related parties

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Group had the following significant transactions with related parties during the year:

	Transaction value	
	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
<i>Parent company</i>		
Vietnam Electricity		
Purchases of electricity	98,734,869,011	31,262,775,465
Borrowings during the year	-	1,562,690,839,201
Repayments of borrowings during the year	6,966,974,995,750	2,968,463,360,784
Interest on loans	2,318,396,952,144	335,257,017,954
<i>Associates</i>		
Thac Ba Hydropower JSC		
Dividend	9,525,000,000	28,575,000,000
Se San 3A Power Investment and Development JSC		
Dividend	25,200,000,000	-
<i>Other related parties</i>		
Electricity Power Trading Company		
Sales of electricity	43,723,795,451,967	9,923,521,583,253
Duyen Hai Thermal Power Company		
Sales of services	-	649,766,000

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	Transaction value	
	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Northern Power Corporation (Quang Ninh Power Company)		
Purchases of electricity	5,197,917,748	712,692,956
Transfer assets	25,029,396,590	-
Electrical Power Testing Center – Northern Power Corporation		
Purchases of services	2,191,376,629	2,075,253,137
Power Engineering Consulting Joint Stock Company 2		
Purchases of services	1,736,045,461	966,843,461
Sales of services	3,760,659,945	214,275,100
Power Engineering Consulting Joint Stock Company 3		
Purchases of services	18,981,382,783	1,021,404,136
Power Engineering Consulting Joint Stock Company 4		
Purchases of services	3,758,733,427	79,410,845
Telecommunication and Information Technology Center		
Purchases of services	2,960,863,957	1,463,663,543
Electrical Power Testing Center – Southern Power Corporation		
Purchases of services	5,524,502,948	1,352,417,791
Viet Lao Power Joint Stock Company		
Dividend	3,466,090,000	-
Petro Vietnam Power Nhon Trach 2 JSC		
Dividend	-	6,409,728,000
Pha Lai Thermal Power JSC		
Sales of services	-	1,011,326,364
Dividend	670,000,000	1,400,300,000
Nghi Son Thermal Power Company		
Sales of services	21,374,469,000	-
Power Transmission Company No. 2		
Purchases of equipments	9,937,685,000	-

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	Transaction value	
	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Vinh Tan 2 Thermal Power Plant		
Sales of services	225,808,479,004	63,170,861,002
Thai Binh Thermal Power Company		
Sales of services	86,704,409,025	31,903,449,000
Board of Management (including Chairman, independent members, full-time members)		
Salary and bonus	1,101,210,000	73,773,000
Board of Directors		
Salary and bonus	3,322,134,000	215,775,000
Other Management Officers		
Salary and bonus	6,836,572,000	1,923,749,500

31. Non-cash investing and financing activities

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/12/2018 VND
Fixed assets and construction in progress acquired but not yet paid	161,574,232,568	111,939,835,662
Transferring assets but not yet collected	25,029,396,590	-
Net-off loan principals payable to EVN and receivables from Electricity Power Trading Company	4,501,807,692,513	2,594,577,542,666
Net-off loan interest, re-loan fee and foreign contractor tax payable to EVN and receivables from Electricity Power Trading Company	2,401,786,423,160	322,758,109,144
Transfer construction in progress to prepaid expenses	326,266,187,207	-
Transfer construction in progress (from)/to inventories	(127,916,182,505)	335,748,162
Dividends receivables	56,228,790,000	52,984,728,000
Dividends declared but not yet paid	6,767,019,384	15,434,193,904
Net-off profits transferred to Vietnam Electricity and receivables from Electricity Power Trading Company	-	74,444,898,826
Share issued from equitisation fund retained	-	86,143,440,000
Financial adjustments upon transforming into joint stock company	-	18,255,872,095

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32. Corresponding figures

Corresponding figures as at 1 January 2019 were derived from the balances and amounts reported in the Corporation's consolidated financial statements as at 31 December 2018 and for the period from 1 October 2018 to 31 December 2018 (the first fiscal year of Power Generation Joint Stock Corporation 3 – Joint Stock Company – Note 2(c)), except the following figures have been restated.

During the preparation of the consolidated financial statements for the year ended 31 December 2019, the Board of Directors of the Corporation had retrospectively adjusted figures related to revenue, financial expenses, construction in progress and foreign exchange differences before the Corporation is officially transformed into the joint stock company (1 October 2018), details were as follows:

- Increase revenue from sales of electricity of VND280,094,882,933 in 2017 due to realised foreign exchange difference in 2017 of power plants in accordance with Decision No. 841/QĐ-BCT dated 5 April 2019 of the Ministry of Industry and Trade.
- Decrease partial interest capitalised of VND94,012,593,377 in 2013 of Ban Chat Hydropower Plant Project in accordance with Document No. 7261/EVN-TCKT dated 31 December 2019 of Vietnam Electricity (based on the announcement No. 404/TB-KTNN dated 16 September 2019 of the State Audit).
- Decrease partial interest capitalised of VND9,660,708,832 from 2010 to 30 September 2018 of Vinh Tan Power Center Infrastructure Project in accordance with Minutes of appraisal and approval for finalisation dated 6 December 2019 of Electricity of Vietnam.
- Increase amortisation of VND176,421,580,724 of foreign exchange difference incurred during the period of construction of power projects included in the National Electricity Development Plan (Note 3 (b)(ii)).

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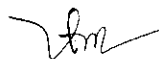
A comparison of the amounts previously reported and as restated is as follows:

Consolidated balance sheet

	1/1/2019 (As previously reported) VND	Adjustment VND	1/1/2019 (As restated) VND
Accounts receivable from customers	8,411,364,732,038	280,094,882,933	8,691,459,614,971
Construction in progress	2,670,721,176,014	(9,660,708,832)	2,661,060,467,182
Other payables	1,077,798,480,696	94,012,593,377	1,171,811,074,073
Foreign exchange differences	(1,098,488,973,504)	176,421,580,724	(922,067,392,780)

27 March 2020

Prepared by:



Vu Thi Thanh Hai
Preparer

Approved by:



Vu Phuong Thao
Head of Finance - Accounting Department



Nguyen Thi Thanh Huong
Deputy General Director

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STATEMENT OF ELECTRICITY PRODUCTION AND BUSINESS COSTS BY ELEMENT

	Year ended 31/12/2019 VND	Period from 1/10/2018 to 31/1/2018 VND
Fuel	30,867,414,198,109	6,526,556,898,447
Materials	482,688,590,431	122,888,548,294
Salary and insurance	796,685,694,911	147,054,051,440
- Salary	738,682,847,000	132,517,573,007
- Social insurance, health insurance, trade union fee, unemployment insurance	58,002,847,911	14,536,478,433
Depreciation and amortisation	4,672,453,023,015	1,127,380,081,534
Outside services	469,592,450,511	141,813,610,725
- Electricity for internal use	4,197,466,406	918,259,896
- Electricity purchase expenses from the Group	98,734,869,011	31,262,775,465
- Electricity purchase expenses from the Corporation	538,070,004	-
- Other outside services	366,122,045,090	109,632,575,364
Overhaul expenses	1,161,294,257,008	500,125,321,208
Other expenses	879,254,987,974	263,288,942,418
- Natural resource taxes	418,292,412,681	117,645,585,068
- Forest environmental fees	86,323,457,196	25,481,132,892
- Water environmental fees	45,046,428,007	10,595,731,371
- Land taxes	14,110,916,716	3,588,348,178
- Meal allowance	21,569,683,591	5,332,015,612
- Unemployment allowance	1,013,641,002	76,021,155
- Allowance for inventories	1,865,461,128	160,885,392
- Other expenses	291,032,987,653	100,409,222,750
Total	39,329,383,201,959	8,829,107,454,066
- Interest expense	2,719,469,297,945	699,539,293,509
- Foreign exchange differences	973,086,707,912	1,225,041,737,150
- Decrease in cost due to liquidation, sale of recovered materials, fixed assets	(507,822,334)	(85,721,566)
Total	43,021,431,385,482	10,753,602,763,159
- Output	31,833,310,472	7,508,926,114
- Power cost per unit (VND)	1,351	1,432



