

**POWER GENERATION JOINT STOCK CORPORATION 3**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**



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**TABLE OF CONTENTS**

**PAGE**

Corporate information	1
Statement by the Board of Directors	2
Independent Auditor's report	3
Consolidated balance sheet (Form B 01 – DN/HN)	5
Consolidated income statement (Form B 02 – DN/HN)	8
Consolidated cash flow statement (Form B 03 – DN/HN)	9
Notes to the consolidated financial statements (Form B 09 – DN/HN)	11

## POWER GENERATION JOINT STOCK CORPORATION 3

### CORPORATE INFORMATION

<b>Establishment Decision</b>	No. 3025/QD-BCT which was issued by the Ministry of Industry and Trade on 1 June 2012	
<b>Enterprise registration certificate</b>	No. 3502208399 dated 26 November 2012 which was initially issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province with the latest 8 <sup>th</sup> amendment dated 9 March 2021 issued by the Department of Planning and Investment of Ho Chi Minh City.	
<b>Board of Management</b>	Mr. Dinh Quoc Lam	Chairman (from 15 January 2020)
	Mr. Truong Quoc Phuc	Member
	Mr. Le Van Danh	Member (from 15 January 2020)
	Mr. Nguyen Minh Khoa	Member (from 15 January 2020)
	Mr. Do Mong Hung	Independent Member
<b>Board of Supervisors</b>	Mr. Pham Hung Minh	Head
	Mr. Dau Duc Chien	Member
	Ms. Vu Hai Ngoc	Member
<b>Board of Directors</b>	Mr. Le Van Danh	President (from 15 January 2020)
	Mr. Dinh Quoc Lam	President (until 14 January 2020)
	Mr. Phan Thanh Xuan	Vice President
	Mr. Le Van Danh	Vice President (until 14 January 2020)
	Mr. Cao Minh Trung	Vice President
	Mr. Nguyen Thanh Trung Duong	Vice President
	Ms. Nguyen Thi Thanh Huong	Vice President
<b>Legal Representative</b>	Mr. Le Van Danh	President
<b>Registered office</b>	60-66 Nguyen Co Thach Street, Sala Residence An Loi Dong Ward, Thu Duc City, Ho Chi Minh City, Vietnam.	
<b>Auditor</b>	PwC (Vietnam) Limited	

## POWER GENERATION JOINT STOCK CORPORATION 3

### STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS OF THE CORPORATION IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of Power Generation Joint Stock Corporation 3 (“the Corporation”) is responsible for preparing consolidated financial statements of the Corporation and its subsidiaries (together, referred to as “the Group”) which give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Directors is required to:

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

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

### APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 5 to 58 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated 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 consolidated financial statements.

On behalf of the Board of Directors *Uhe*



Nguyen Thi Thanh Huong  
Vice President  
Authorised Legal Representative

Ho Chi Minh City, SR Vietnam  
30 March 2021



## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF 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 (together referred to as "the Group") which were prepared on 31 December 2020 and approved by the Board of Directors on 30 March 2021. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 58.

### **Responsibility of the Board of Directors**

The Board of Directors of the Corporation is responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements and for such internal control which the Board of Directors determines as necessary to enable the preparation and fair presentation of the 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 the 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 standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Group are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an 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 Group's preparation and true 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2020, its consolidated financial performance and consolidated cash flows of the Group 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 consolidated financial statements.

### Other Matters

The consolidated financial statements of the Group for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 27 March 2020.

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



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Mai Viet Hung Tran  
Audit Practising Licence  
No. 0048-2018-006-1  
Authorised signatory

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Trieu Nguyen Duy  
Audit Practising Licence  
No. 3022-2019-006-1

Report reference number: HCM10567  
Ho Chi Minh City, 30 March 2021

## CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2020 VND	2019 VND (As restated - Note 33)
<b>100</b>	<b>CURRENT ASSETS</b>		<b>21,173,423,823,124</b>	<b>20,207,252,855,840</b>
<b>110</b>	<b>Cash and cash equivalents</b>	3	<b>2,607,079,192,090</b>	<b>2,901,217,252,835</b>
111	Cash		455,579,192,090	366,567,252,835
112	Cash equivalents		2,151,500,000,000	2,534,650,000,000
<b>120</b>	<b>Short-term investment</b>		<b>4,308,650,000,000</b>	<b>4,260,650,000,000</b>
123	Held to maturity investments	4(a)	4,308,650,000,000	4,260,650,000,000
<b>130</b>	<b>Short-term receivables</b>		<b>9,838,510,562,208</b>	<b>9,861,659,934,036</b>
131	Short-term trade accounts receivable	5	9,054,947,050,178	8,955,143,015,860
132	Short-term prepayments to suppliers		147,093,288,771	180,323,225,048
136	Other short-term receivables	6	636,470,223,259	727,045,534,281
137	Provision for doubtful debts - short-term		-	(851,841,153)
<b>140</b>	<b>Inventories</b>	7	<b>4,319,762,392,102</b>	<b>2,987,518,268,707</b>
141	Inventories		4,321,981,440,203	2,989,669,336,778
149	Provision for decline in value of inventories		(2,219,048,101)	(2,151,068,071)
<b>150</b>	<b>Other current assets</b>		<b>99,421,676,724</b>	<b>196,207,400,262</b>
151	Short-term prepaid expenses		17,222,013,010	6,068,450,113
152	Value Added Tax ("VAT") to be reclaimed		78,484,317,328	64,830,690,231
153	Tax and other receivables from the State	12(b)	3,715,346,386	125,308,259,918

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

**CONSOLIDATED BALANCE SHEET  
(continued)**

Code	ASSETS (continued)	Note	As at 31 December	
			2020 VND	2019 VND (As restated - Note 33)
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>51,726,544,582,661</b>	<b>55,818,470,188,971</b>
<b>210</b>	<b>Long-term receivable</b>		<b>3,324,424,000</b>	<b>3,314,424,000</b>
216	Other long-term receivables		3,324,424,000	3,314,424,000
<b>220</b>	<b>Fixed assets</b>		<b>48,198,699,900,076</b>	<b>52,326,723,629,267</b>
221	Tangible fixed assets	8(a)	48,093,835,822,945	52,228,931,533,754
222	Historical cost		113,603,102,173,261	113,091,086,031,465
223	Accumulated depreciation		(65,509,266,350,316)	(60,862,154,497,711)
227	Intangible fixed assets	8(b)	104,864,077,131	97,792,095,513
228	Historical cost		141,518,726,318	125,268,812,108
229	Accumulated amortisation		(36,654,649,187)	(27,476,716,595)
<b>240</b>	<b>Long-term assets in progress</b>		<b>117,776,262,642</b>	<b>143,564,801,613</b>
242	Construction in progress	9	117,776,262,642	143,564,801,613
<b>250</b>	<b>Long-term investments</b>		<b>2,245,774,490,666</b>	<b>2,002,225,789,277</b>
252	Investments in associates	4(b)	1,537,704,041,091	1,465,388,607,889
253	Investments in other entities	4(b)	522,294,589,388	536,837,181,388
254	Provision for long-term investments	4(b)	(6,224,139,813)	-
255	Held to maturity investments	4(b)	192,000,000,000	-
<b>260</b>	<b>Other long-term assets</b>		<b>1,160,969,505,277</b>	<b>1,342,641,544,814</b>
261	Long-term prepaid expenses		234,115,195,793	398,369,693,063
263	Long-term spare parts, supplies and equipment	10	926,854,309,484	944,271,851,751
<b>270</b>	<b>TOTAL ASSETS</b>		<b>72,899,968,405,785</b>	<b>76,025,723,044,811</b>

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

**CONSOLIDATED BALANCE SHEET**  
**(continued)**

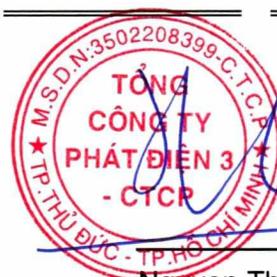
Code	RESOURCES	Note	As at 31 December	
			2020 VND	2019 VND (As restated - Note 33)
<b>300</b>	<b>LIABILITIES</b>		<b>57,935,983,253,532</b>	<b>62,833,381,169,926</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>11,740,234,481,392</b>	<b>11,648,098,139,934</b>
311	Short-term trade accounts payable	11	4,833,059,157,734	4,260,446,036,627
312	Short-term advances from customers		10,314,848,007	103,636,000
313	Tax and other payables to the State	12(a)	278,564,447,583	154,863,859,435
314	Payable to employees		430,365,639,148	316,188,483,821
315	Short-term accrued expenses	13	210,297,337,763	128,049,958,418
318	Short-term unearned revenue	14	16,010,207,364	16,010,207,364
319	Other short-term payables	15	867,479,076,863	1,214,270,692,695
320	Short-term borrowings	16(a)	4,942,506,709,596	5,373,362,414,031
322	Bonus and welfare fund		151,637,057,334	184,802,851,543
<b>330</b>	<b>Long-term liabilities</b>		<b>46,195,748,772,140</b>	<b>51,185,283,029,992</b>
336	Long-term unearned revenue	14	348,638,936,642	363,797,151,279
338	Long-term borrowings	16(b)	45,847,109,835,498	50,821,485,878,713
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>14,963,985,152,253</b>	<b>13,192,341,874,885</b>
<b>410</b>	<b>Capital and reserves</b>		<b>14,963,985,152,253</b>	<b>13,192,341,874,885</b>
411	Owners' capital	17, 18	10,699,695,770,000	10,699,695,770,000
411a	- Ordinary shares with voting rights		10,699,695,770,000	10,699,695,770,000
412	Share premium	18	6,014,917,945	6,014,917,945
414	Owners' other capital	18	46,494,391,137	45,439,387,466
418	Investment and development fund	18	184,357,112,169	141,871,395,148
420	Other funds	18	15,890,285,682	15,868,253,443
421	Undistributed earnings	18	3,641,098,585,198	1,916,442,908,642
421a	- Undistributed post-tax profits of previous years		1,855,041,684,034	837,521,316,557
421b	- Post-tax profits of current year		1,786,056,901,164	1,078,921,592,085
429	Non-controlling interests	18	370,434,090,122	367,009,242,241
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>72,899,968,405,785</b>	<b>76,025,723,044,811</b>



Tran Nguyen Khanh Linh  
Preparer



Vu Phuong Thao  
Chief Accountant



Nguyen Thi Thanh Huong  
Vice President  
30 March 2021

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

## CONSOLIDATED INCOME STATEMENT

Code	Note	For the year ended 31 December		
		2020 VND	2019 VND (As restated - Note 33)	
10	Net revenue from sales of goods and rendering of services	21	40,367,208,022,992	44,167,413,966,729
11	Cost of goods sold and services rendered	22	(35,606,980,127,514)	(39,105,572,138,741)
20	Gross profit from sales of goods and rendering of services		4,760,227,895,478	5,061,841,827,988
21	Financial income	23	330,430,696,355	345,830,369,050
22	Financial expenses	24	(2,279,412,014,372)	(3,712,498,107,861)
23	- Including: Interest expense	24	(1,872,083,873,918)	(2,719,469,297,945)
24	Profit sharing from associates		85,215,433,202	114,761,163,448
25	Selling expenses		(223,359,461)	(152,916,843)
26	General and administration expenses	25	(602,515,759,284)	(544,034,333,968)
30	Net operating profit		2,293,722,891,918	1,265,748,001,814
31	Other income		37,531,284,290	22,391,924,363
32	Other expenses		(38,915,803,643)	(49,187,565,239)
40	Net other expenses		(1,384,519,353)	(26,795,640,876)
50	Net accounting profit before tax		2,292,338,372,565	1,238,952,360,938
51	Corporate income tax ("CIT") - current	26	(477,073,608,005)	(86,924,921,977)
52	CIT - deferred	26	-	(26,606,710,591)
60	Net profit after tax		1,815,264,764,560	1,125,420,728,370
	Attributable to:			
61	Owners of the parent company		1,786,056,901,164	1,078,921,592,085
62	Non-controlling interests		29,207,863,396	46,499,136,285
70	Basic earnings per share	19(a)	1,669	992
71	Diluted earnings per share	19(b)	1,669	992



Tran Nguyen Khanh Linh  
Preparer



Vu Phuong Thao  
Chief Accountant



Nguyen Thi Thanh Huong  
Vice President  
33 March 2021

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

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

Code	Note	For the year ended 31 December	
		2020 VND	2019 VND (As restated - Note 33)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Net profit before tax</b>	<b>2,292,338,372,565</b>	<b>1,238,952,360,938</b>
	Adjustments for:		
02	Depreciation and amortisation	4,656,877,835,457	4,786,782,687,093
03	Provisions/ (reversal of provisions)	6,292,119,843	(12,136,233,932)
04	Unrealised foreign exchange losses	379,061,941,663	964,626,767,715
05	Profits from investing activities	(380,081,814,900)	(382,211,038,726)
06	Interest expense	1,872,083,873,918	2,719,469,297,945
08	<b>Operating profit before changes in working capital</b>	<b>8,826,572,328,546</b>	<b>9,315,483,841,033</b>
09	Increase in receivables	(6,384,608,519,984)	(6,627,821,027,066)
10	Increase in inventories	(1,325,978,088,066)	(675,519,143,015)
11	Increase in payables	702,353,578,513	568,768,008,264
12	Decrease in prepaid expenses	153,100,934,373	74,937,662,943
14	Interest paid	(536,159,005,161)	(407,836,807,273)
15	BIT paid	(272,812,215,086)	(171,036,992,528)
16	Other receipts from operating activities	1,801,030,000	36,780,000
17	Other payments on operating activities	(59,170,004,101)	(90,203,784,686)
20	<b>Net cash inflows from operating activities</b>	<b>1,105,100,039,034</b>	<b>1,986,808,537,672</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets	(366,084,898,871)	(1,147,636,178,683)
22	Proceeds from disposals of fixed assets and long-term assets	110,827,082	58,695,007,577
23	Term deposits with an original maturity above three months	(2,356,000,000,000)	(1,607,650,000,000)
24	Collection of term deposits with an original maturity above three months	2,116,000,000,000	1,300,820,000,000
27	Dividends and interest received	412,307,453,346	329,042,097,945
30	<b>Net cash outflows from investing activities</b>	<b>(193,666,618,443)</b>	<b>(1,066,729,073,161)</b>

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

**CONSOLIDATED CASH FLOW STATEMENT**  
(Indirect method)  
(continued)

Code	Note	For the year ended 31 December	
		2020 VND	2019 VND (As restated - Note 33)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33		642,480,630,483	1,286,559,989,743
34		(1,828,633,224,974)	(1,778,904,594,776)
36		(19,418,307,300)	(18,922,238,020)
40		<b>(1,205,570,901,791)</b>	<b>(511,266,843,053)</b>
50		<b>(294,137,481,200)</b>	<b>408,812,621,458</b>
60	3	2,901,217,252,835	2,492,402,081,429
61		(579,545)	2,549,948
70	3	<b>2,607,079,192,090</b>	<b>2,901,217,252,835</b>

Additional information relating to the consolidated cash flow statement is presented in Note 28



Tran Nguyen Khanh Linh  
Preparer



Vu Phuong Thao  
Chief Accountant



  
Nguyen Thi Thanh Huong  
Vice President  
30 March 2021

The notes on pages 11 to 58 are an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****1 GENERAL INFORMATION**

Power Generation Joint Stock Corporation 3 (the “Corporation”) is a joint stock company established from the equitisation of Parent company - Power Generation Corporation 3.

Pursuant to Decision No. 9494/QĐ-BCT dated 22 October 2014, the Ministry of Industry and Trade decided to equitise the Parent company – Power Generation Corporation 3.

Pursuant to Decision No. 2100/QĐ-TTg dated 27 December 2017, the Prime Minister approved the equitisation plan of Parent company – Power Generation Corporation 3.

The Corporation operates under the enterprise registration certificate No. 3502208399 initially issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province on 26 November 2012 and the latest amendment issued by the Department of Planning and Investment of Ho Chi Minh City on 9 March 2021.

The Corporation's shares have been listed and traded on UPCoM since 14 March 2018 pursuant to Decision No. 114/QĐ-SGDHCM issued by the Hanoi Stock Exchange on 14 March 2018.

The principal activities of the Corporation and its subsidiaries (together referred to as “the Group”) are to produce and trade electricity; provide operation and maintenance management, overhaul, renovation, upgrade of electrical equipment; and electrical constructions. In addition, the Corporation also operates in science, technology, research and development, and training to serve its principal activities.

The normal business cycle of the Group is 12 months.

As at 31 December 2020, the Group had 2,778 employees (as at 31 December 2019: 2,761 employees).

The Corporation's head office is located at 60-66 Nguyen Co Thach Street, Sala Residence, An Loi Dong Ward, Thu Duc City, Ho Chi Minh City, Vietnam. As at 31 December 2020, the Corporation had eight (8) dependent branches (as at 31 December 2019: eight (8) dependent branches) as follows:

- Buon Kuop Hydropower Company at No. 22, Mai Xuan Thuong Street, Thanh Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam;
- Mong Duong Thermal Power Company at Zone No. 8, Mong Duong Ward, Cam Pha City, Quang Ninh Province, Vietnam;
- Phu My Thermal Power Company at Phu My 1 Industrial Zone, Phu My Ward, Phu My Town, Ba Ria-Vung Tau Province, Vietnam;
- Vinh Tan Thermal Power Company at Vinh Tan 2 Thermal Power Plant, Vinh Phuc Village, Vinh Tan Commune, Tuy Phong District, Binh Thuan Province, Vietnam;
- EVNGENCO 3 Power Service Company at No. 332, Doc Lap Street (National Highway 51), Phu My Ward, Phu My Town, Ba Ria - Vung Tau, Vietnam;
- Vinh Tan Thermal Power Project Management Board at Hung Vuong Avenue, Zone No.5, Phu Thuy Ward, Phan Thiet City, Binh Thuan Province, Vietnam;
- Thermal Power 1 Project Management Board at Zone No. 8, Mong Duong Ward, Cam Pha City, Quang Ninh Province, Vietnam; and

**1 GENERAL INFORMATION (continued)**

- Thai Binh Thermal Power Project Management Board: My Loc Commune, Thai Thuy District, Thai Binh Province, Vietnam.

As at 31 December 2020, the Group had three (3) associates (as at 31 December 2019: three (3) associates) as presented in Note 4(b).

As at 31 December 2020, the Corporation had two (2) subsidiaries (as at 31 December 2019: two (2) subsidiaries) as presented below:

	Place of incorporation and operation	31.12.2020		31.12.2019	
		% of ownership	% of voting rights	% of ownership	% of voting rights
Ba Ria Thermal Power Joint Stock Company (i)	Ba Ria – Vung Tau Province	79.56	79.56	79.56	79.56
Ninh Binh Thermal Power Joint Stock Company (ii)	Ninh Binh Province	54.76	54.76	54.76	54.76

- (i) Ba Ria Thermal Power Joint Stock Company was transformed from a state-owned enterprise pursuant to the Decision No. 2744/QD-BCN dated 26 August 2005 of the Ministry of Industry and the enterprise registration certificate No. 4903000451 which was issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province on 1 November 2007. The principal activities of this company are to produce and trade electricity.
- (ii) Ninh Binh Thermal Power Joint Stock Company was established on the basis of equitisation of a wholly state-owned enterprise pursuant to the Decision No. 3945/QD-BCN dated 29 December 2006 of the Ministry of Industry and Trade and the enterprise registration certificate No. 0903000161 which was issued by the Department of Planning and Investment of Ninh Binh Province on 31 December 2007. The principal activities of this company are to produce and trade electricity.

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

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention, except for investments in associates as presented in Note 2.5.

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

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

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.2 Fiscal year**

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

**2.3 Currency**

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"). The Group determines its accounting currency based on the currency which is mainly used in sales of goods and rendering of services, which has a significant impact on selling prices of goods and services, which is normally used for listing selling prices and receiving payments; which is mainly used in purchases of goods or services, which has a significant impact on operating costs and normally used as payments of those costs.

**2.4 Exchange rates****(a) Foreign currency transactions**

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

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial bank where the Group regularly conducts transactions. Foreign currencies deposited in bank at the consolidated balance sheet date are translated at the buying exchange rate of the commercial bank where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

Liabilities with Vietnam Electricity ("EVN") as at the consolidated balance sheet date are converted at the selling rate (by bank transfer) of Joint Stock Commercial Bank for Foreign Trade of Vietnam announced at the time of preparing the consolidated financial statements under the guidance of Official letter No. 1779/BTC-CDKT dated 1 February 2013 of the Ministry of Finance ("Official letter 1779") and Official letter No. 6137/EVN-TCKT dated 11 September 2020 of EVN ("Official letter 6137").

Except for the accounting policy presented below, exchange rate differences arising from translations are recognised as income or expense in the consolidated income statement.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.4 Exchange rates (continued)****(b) Exchange rate differences arising in the construction stage of power projects in the National Electricity Development Plan**

Pursuant to the Government's Resolution No. 150/2018/NQ-CP dated 13 December 2018 ("Resolution 150"), for power projects within the National Electricity Development Plan approved by the Prime Minister, foreign exchange rate differences arising in the construction stage are recorded in "Exchange rate difference" in "Owners' equity" and amortised into the income statement over a period of not exceeding 5 years since the project commercial operation date. The guidance of Resolution 150 is different from the guidance of Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance ("Circular 200") in which these differences should be recognised in the income statement for the year in which they arise.

Had the Group recognised the foreign exchange differences arising during the construction stage consistently with Circular 200 over the years, the financial expenses and net accounting profit before tax on the consolidated income statement of the Group for the year ended 31 December 2020 would remain unchanged (for the year ended 31 December 2019: financial expenses would decrease and profit before tax would increase by the same amount of VND922,067,392,780), the "Exchange rate difference" in "Owners' equity", and "Undistributed post-tax profits" in the consolidated balance sheet of the Group as at 31 December 2020 and as at 31 December 2019 would remain unchanged.

**2.5 Basis of consolidation*****Subsidiaries***

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies 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 Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the Group's subsidiaries are prepared for the same accounting year. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting year and that of the Group's. The length of the reporting year and differences in reporting date must be consistent between years.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.5 Basis of consolidation (continued)*****Non-controlling transactions and interests***

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

***Associates***

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

**2.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in bank, demand deposits and other short-term investments with an original maturity of three months or less.

**2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services 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. Bad debts are written off when identified.

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

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 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 other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method 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 are recognised as an increase or decrease of cost of goods sold in the year.

**2.9 Investments****(a) Held-to-maturity investments**

Held-to-maturity investments are investments which the Group has positive intention and ability to hold until maturity.

Held-to-maturity investments include term deposits, bonds. Those investments are initially accounted for at cost. Subsequently, the Board of Directors reviews all outstanding investments to determine the amount of provision to recognise at year end.

Provision for diminution in value of held-to-maturity investments is made when there is evidence that the investment is uncollectible in whole or in part.

**(b) Investments in associates**

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements (Note 2.5).

**(c) Investments in other entities**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Directors reviews all outstanding investments to determine the amount of provision to recognise at the year end.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Investments (continued)****(c) Investments in other entities (continued)**

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. Regarding investments in listed shares or those whose fair value can be determined reliably, the provision for diminution in value is made when cost is higher than market value. For other investments, provision for diminution in value is made when the investees make losses, except when the loss is anticipated by the Board of Directors before the date of investment.

Changes in the provision balance during the fiscal 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.

**2.10 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 incurred subsequently which 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 consolidated income statement when incurred.

*Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Buildings and structures	10 - 50 years
Machinery and equipment	5 - 20 years
Motor vehicles, transmissions	6 - 30 years
Office equipment	3 - 10 years
Other tangible fixed assets	5 - 10 years
Computer software	3 - 10 years
Technology transfer copyrights	10 years
Other intangible fixed assets	3 - 10 years

Land use rights are comprised of land use rights with an indefinite useful life and land use rights with a definite useful life, which are granted land use right certificates as follows:

- Land use rights with an indefinite useful life are recorded at historical cost and are not amortised; and
- Land use rights with a definite useful life are recorded in accordance with the terms indicated in the land use rights certificate and amortised using the straight-line method in 10 - 50 years in accordance with such land use rights certificate.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 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 consolidated income statement.

*Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, which are recorded at cost and comprise of such necessary costs to newly construct, to repair and maintain, to upgrade, to renew or equip the projects with technologies as construction and repairing costs; costs of tools and equipment for qualifying assets in accordance with the Group's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

**2.11 Operating leases**

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 consolidated income statement on a straight-line basis over the term of the lease.

**2.12 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

**2.13 Payables**

Classifications of payables are based on 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 classified as short-term and long-term payables on the consolidated balance sheet based on remaining year from the consolidated balance sheet date to the maturity date.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.14 Borrowings**

Borrowings include borrowings from banks and related parties.

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

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the year of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the consolidated income statement when incurred.

**2.15 Accrued expenses**

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

**2.16 Provisions**

Provisions are recognised when the Group 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 expenditures expected to be required to settle the obligation. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.

**2.17 Unearned revenue**

Unearned revenue mainly comprises the amounts that customers have paid in advance for one or many accounting years for assets leases. The Group records unearned revenue for the future obligations that the Group has to fulfil. Unearned revenue is recognised as revenue in the consolidated income statement to the extent recognition criteria have been met.

**2.18 Capital and reserves**

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

Share premium is the difference between the par value and the issue price of shares.

Owners' other capital represents other capital of the owners' at the reporting date.

Undistributed earnings record the Group's accumulated results after CIT at the reporting date.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Appropriation of profit**

The Group distributes profits and dividend as follows:

- Profit after CIT could be distributed to shareholders after approval at the General Meeting of shareholders, and after appropriation to other funds in accordance with Vietnamese regulations and the Group's charter.
- Bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the General Meeting of shareholders. This fund is presented as a liability on the consolidated balance sheet.
- The Group's dividends are recognised as a liability in the Group's consolidated financial statements in the year in which the dividends are approved by the Group's General Meeting of Shareholders.

**2.20 Revenue recognition****(a) Revenue from sales of goods**

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group 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 Group; 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.

**(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) following conditions are satisfied:

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

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.20 Revenue recognition (continued)****(c) Interest income**

Interest income is recognised on a basis with reference to the principal balance and the corresponding applicable interest rate.

**(d) Dividend income**

Income from dividend is recognised when the Group has established the receiving right from investees.

**2.21 Cost of goods sold and services rendered**

Cost of goods sold and services rendered are cost of finished goods or services rendered during the year and recorded on the basis of matching with revenue and on a prudence basis.

**2.22 Financial expenses**

Financial expenses are expenses incurred in the year for financial activities including interest expense and losses from foreign exchange differences.

**2.23 Selling expenses**

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services.

**2.24 General and administration expenses**

General and administration expenses represent expenses for administrative purposes.

**2.25 Current and deferred income tax**

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred 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 should be 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.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.25 Current and deferred income tax (continued)**

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 consolidated 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 financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred CIT 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.

**2.26 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 Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the Board of Directors of the Corporation and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

**2.27 Segment reporting**

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services (“business segment”), or sales of goods or rendering of services within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group’s business segment or the Group’s geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Group’s consolidated financial statements in order to help users of consolidated financial statements understand and evaluate the Group’s operations in a comprehensive way.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.28 Accounting estimates**

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

The area involving significant estimates and assumptions is estimated useful life of fixed assets (Note 2.10 and Note 8).

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 Group and that are believed to be reasonable under the circumstances.

**3 CASH AND CASH EQUIVALENTS**

	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	2,364,633,065	1,890,784,100
Cash at bank	453,214,559,025	364,676,468,735
Cash equivalents (*)	2,151,500,000,000	2,534,650,000,000
	<u>2,607,079,192,090</u>	<u>2,901,217,252,835</u>

(\*) Cash equivalents include term deposits at commercial banks with an original maturity of three months or less and earn interest at the rate from 3.0% – 3.5% per annum for the term deposits with an original maturity from 1 to 3 months (as at 31 December 2019: 0.8% per annum for the term deposits with an original maturity of one-week and 4.7% – 5.4% per annum for the term deposits with an original maturity from 1 to 3 months).

**4 INVESTMENTS****(a) Held-to-maturity investments**

	31.12.2020		31.12.2019	
	Cost VND	Book value VND	Cost VND	Book value VND
<b>i. Short-term</b>				
- Term deposits (*)	4,300,650,000,000	4,300,650,000,000	4,260,650,000,000	4,260,650,000,000
- Current portion of long-term bonds (**)	8,000,000,000	8,000,000,000	-	-
	<u>4,308,650,000,000</u>	<u>4,308,650,000,000</u>	<u>4,260,650,000,000</u>	<u>4,260,650,000,000</u>
<b>ii. Long-term</b>				
- Bonds (**)	<u>192,000,000,000</u>	<u>192,000,000,000</u>	<u>-</u>	<u>-</u>

(\*) Term deposits include term deposits at commercial banks and credit institutions with an original maturity from 6 to 12 months and earn interest at the rates from 3.7% to 7.1% per annum (as at 31 December 2019: from 5.5% to 7.1% per annum).

(\*\*) The bonds investment in Vinh Son - Song Hinh Hydropower Joint Stock Company was in accordance with Contract No. 01/2020/VCSH-HDMBTP dated 24 April 2020 and No. 02/2020/VCSH-HDMBTP dated 25 June 2020 with Vinh Son - Song Hinh Hydropower Joint Stock Company. The maturity of the bonds was 84 months from the date of issuance with the applicable interest rate of 10.5% per annum for the first 4 years of each issuance time and the interest rate of the Vietnamese Dong 12-month individual saving deposit (interest payment later) (or equivalent) announced on the website of the Joint Stock Commercial Bank for Foreign Trade of Vietnam plus 3.6% per annum for the following years. These bonds were secured by the properties associated with the land, machineries and equipment, and vehicles of Vinh Son Hydropower Plant with the total value based on the Valuation Certificate No. 497/2019/CT-CIVS-BD issued by Central Information and Valuation Joint Stock Company - Binh Dinh Branch dated 7 August 2019.

**POWER GENERATION JOINT STOCK CORPORATION 3**

**Form B 09 – DN/HN**

**4 INVESTMENTS (continued)**

**(b) Long-term investments**

	Percentage of ownership interest %	31.12.2020			Percentage of ownership interest %	31.12.2019		
		Cost VND	Fair value VND	Provision VND		Cost VND	Fair value VND	Provision VND
<b>Investments in associates</b>								
Vinh Son - Song Hinh Hydropower Joint Stock Company (i)	30.55	1,017,393,461,454	1,184,718,622,400	-	30.55	976,925,637,942	1,386,372,856,000	-
Thac Ba Hydropower Joint Stock Company (ii)	30.00	308,047,978,336	478,155,000,000	-	30.00	308,783,687,183	455,295,000,000	-
Se San 3A Power Investment and Development Joint Stock Company (iii)	30.00	212,262,601,301	(*)	-	30.00	179,679,282,764	(*)	-
		<u>1,537,704,041,091</u>	<u></u>	<u>-</u>		<u>1,465,388,607,889</u>	<u></u>	<u>-</u>
						-		
<b>Other long-term investments</b>								
Quang Ninh Thermal Power Joint Stock Company (iv)	1.80	114,770,927,800	113,383,169,497	(1,387,758,303)	1.80	114,770,927,800	117,970,927,800	-
Hai Phong Thermal Power Joint Stock Company (v)	1.60	108,730,000,000	184,766,666,667	-	1.60	108,730,000,000	134,600,000,000	-
Buon Don Hydropower Joint Stock Company (vi)	19.89	83,750,000,000	193,563,145,500	-	19.89	83,750,000,000	144,865,725,000	-
PetroVietnam Power Nhon Trach 2 JSC (vii)	2.47	68,480,000,000	175,199,232,000	-	2.47	83,022,592,000	154,189,568,000	-
GE PMTP Power Service Limited Liability Company (viii)	15.00	74,463,661,588	(*)	-	15.00	74,463,661,588	(*)	-
Phu Thanh My Joint Stock Company (ix)	6.43	50,000,000,000	(*)	(4,836,381,510)	6.43	50,000,000,000	(*)	-
Viet-Lao Power Joint Stock Company (x)	0.63	19,600,000,000	(*)	-	0.63	19,600,000,000	(*)	-
Northern Thermal Power Repairing Service Joint Stock Company (xi)	1.10	2,500,000,000	(*)	-	1.10	2,500,000,000	(*)	-
		<u>522,294,589,388</u>	<u></u>	<u>(6,224,139,813)</u>		<u>536,837,181,388</u>	<u></u>	<u>-</u>

**4 INVESTMENTS (continued)****(b) Long-term investments (continued)**

- (\*) As at 31 December 2020 and 31 December 2019, the Group could not determine the fair value of these investments to disclose on the consolidated financial statements since the necessary information was not available. The fair value of such investments may be different from their book value.
- (i) Vinh Son - Song Hinh Hydropower Joint Stock Company was transformed from the state-owned enterprise - Vinh Son - Song Hinh Hydropower Plant, a dependent accounting unit of EVN. On 4 May 2005, this company was officially transformed into a joint stock company pursuant to the enterprise registration certificate No. 3503000058 which was issued by the Department of Planning and Investment of Binh Dinh Province. The principal activities of this company are to produce and trade electricity.
- (ii) Thac Ba Hydropower Joint Stock Company established pursuant to the enterprise registration certificate No. 1603000069 which was issued by the Department of Planning and Investment of Yen Bai Province on 31 March 2006. The principal activities of this company are to produce and trade electricity.
- (iii) Se San 3A Power Investment and Development Joint Stock Company officially started the operation on 1 November 2003 pursuant to the Official letter No. 1391/CP-CN which was issued by Prime of Minister on 10 October 2003 and the enterprise registration certificate No. 5900308540 which was issued by the Department of Planning and Investment of Gia Lai Province on 1 September 2003. The principal activities of this company are to construct civil works, invest and construct hydropower projects and industrial construction.
- (iv) Quang Ninh Thermal Power Joint Stock Company was established pursuant to the enterprise registration certificate No. 700434869 which was issued by the Department of Planning and Investment of Quang Ninh Province on 16 December 2002. The principal activities of this company are to produce and trade electricity.
- (v) Hai Phong Thermal Power Joint Stock Company was established pursuant to the enterprise registration certificate No. 0203000279 which was issued by the Department of Planning and Investment of Hai Phong City on 17 September 2002. The principal activities of this company are to produce and trade electricity.
- (vi) Buon Don Hydropower Joint Stock Company was established pursuant to the enterprise registration certificate No. 6000884487 which was issued by the Department of Planning and Investment of Dak Lak Province on 20 May 2009. The principal activities of this company are to produce and trade electricity.
- (vii) PetroVietnam Power Nhon Trach 2 Joint Stock Company was established pursuant to the enterprise registration certificate No. 4703000396 which was issued by the Department of Planning and Investment of Dong Nai Province on 20 June 2007. The principal activities of this company are to produce and trade electricity. In accordance with Clause 5, Article 3 of the Decree No. 140/2020/ND-CP dated 30 November 2020 issued by the Government, the Group reduced the value of the investment corresponding to the value of additional stock dividend received from PetroVietnam Power Nhon Trach 2 Joint Stock Company from the time of the enterprise evaluation to the time of equitisation.

**4 INVESTMENTS (continued)****(b) Long-term investments (continued)**

- (viii) GE PMTP Energy Services Company Limited was established pursuant to the enterprise registration certificate No. 3502208825 which was issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province on 5 October 2012. The principal activities of this company are to repair machinery and equipment.
- (ix) Phu Thanh My Joint Stock Company was established pursuant to the enterprise registration certificate No. 4000455251 which was issued by the Department of Planning and Investment of Quang Nam Province on 17 January 2007. The principal activities of this company are to produce and sell electricity.
- (x) Viet Lao Power Joint Stock Company was established pursuant to the enterprise registration certificate No. 0101389382 which was issued by the Department of Planning and Investment of Ha Noi City on 11 July 2003. The principal activities of this company are to produce and trade electricity.
- (xi) Northern Thermal Power Repair Service Joint Stock Company was established pursuant to the enterprise registration certificate No. 0800383471 which was issued by the Department of Planning and Investment of Hai Duong Province on 17 July 2007. The principal activities of this company are to repair, maintain, experiment, and calibrate power plant equipment and other equivalent industrial equipment.

Movements in investment in associates during the year are as follows:

	<b>2020</b>	<b>2019</b>
	<b>VND</b>	<b>VND</b>
Beginning of year	1,465,388,607,889	1,385,352,444,441
Profit sharing from associates	136,736,370,848	114,761,163,448
Dividend paid	(12,900,000,000)	(34,725,000,000)
Decrease in the associates' equity which was not recognised to the income statement	(51,520,937,646)	-
End of year	<u>1,537,704,041,091</u>	<u>1,465,388,607,889</u>

**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	<b>31.12.2020</b> <b>VND</b>	<b>31.12.2019</b> <b>VND</b> <b>(As restated -</b> <b>Note 33)</b>
Third parties	10,045,871,377	5,387,110,096
Related parties (Note 29(b))	9,044,901,178,801	8,949,755,905,764
	<u>9,054,947,050,178</u>	<u>8,955,143,015,860</u>

As at 31 December 2020, the Group had no balance of short-term trade accounts receivable that was past due or not past due but doubtful (as at 31 December 2019: VND851,841,153).

**6 OTHER SHORT-TERM RECEIVABLES**

	<b>31.12.2020</b> <b>VND</b>	<b>31.12.2019</b> <b>VND</b>
Other receivables for other goods and services (*)	470,362,943,140	451,157,665,619
Dividend receivables	17,500,000,000	60,031,040,000
Interest receivables from term-deposits	43,213,253,132	60,191,234,073
Receivable from insurance claims (**)	12,322,065,597	52,123,989,823
Others	93,071,961,390	103,541,604,766
	<u>636,470,223,259</u>	<u>727,045,534,281</u>
<b>In which:</b>		
Third parties	143,018,455,520	164,957,411,825
Related parties (Note 29(b))	493,451,767,739	562,088,122,456
	<u>636,470,223,259</u>	<u>727,045,534,281</u>

(\*) The balance represents the outstanding receivables for goods and services from the fellow group subsidiaries of EVN.

(\*\*) The balance represents a receivable from insurance company arising from compensation for business interruption at Phu My Thermal Power Company.

## 7 INVENTORIES

	31.12.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	3,533,735,544,563	(2,219,048,101)	2,817,029,591,302	(2,151,068,071)
Tools and supplies	133,864,535,415	-	109,349,349,139	-
Goods in transit	636,074,396,134	-	41,172,723,087	-
Work in progress	17,892,851,332	-	21,605,117,071	-
Finished goods	414,112,759	-	512,556,179	-
	<u>4,321,981,440,203</u>	<u>(2,219,048,101)</u>	<u>2,989,669,336,778</u>	<u>(2,151,068,071)</u>

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

	2020 VND	2019 VND
Beginning of year	2,151,068,071	285,606,943
Increase	67,980,030	1,865,741,671
Reversal		(280,543)
End of year	<u>2,219,048,101</u>	<u>2,151,068,071</u>

POWER GENERATION JOINT STOCK CORPORATION 3

Form B 09 – DN/HN

8 FIXED ASSETS

(a) Tangible fixed assets

	Building and structures VND	Machinery and equipment VND	Motor vehicles, transmissions VND	Office equipment VND	Others VND	Total VND
<b>Historical cost</b>						
As at 1 January 2020	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
New purchases	7,312,121,642	88,236,284,707	5,466,251,155	31,568,587,915	-	132,583,245,419
Transfers from construction in progress (Note 9)	213,636,823,058	129,830,651,888	7,640,967,723	8,260,261	591,249,080	351,707,952,010
Disposals	(44,476,061)	(7,154,753,021)	(415,952,948)	(168,610,619)	-	(7,783,792,649)
Adjustment upon finalisation	19,788,549,465	(2,983,834,003)	5,696,271,058	(8,000,000)	10,350,472,454	32,843,458,974
Others	-	(336,594,792)	3,082,990,000	(81,117,166)	-	2,665,278,042
As at 31 December 2020	20,625,819,039,152	85,967,284,777,782	6,739,016,997,084	241,056,178,534	29,925,180,709	113,603,102,173,261
<b>Accumulated depreciation</b>						
As at 1 January 2020	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
Charge for the year	729,901,044,168	3,580,909,656,515	314,785,597,605	28,157,072,045	3,477,746,368	4,657,231,116,701
Disposals	(27,353,562)	(7,081,862,269)	(415,952,948)	(168,610,619)	-	(7,693,779,398)
Adjustment upon finalisation	-	(2,344,367,532)	-	(81,117,166)	-	(2,425,484,698)
As at 31 December 2020	7,727,922,808,194	54,020,124,142,129	3,590,293,530,889	162,057,635,032	8,868,234,072	65,509,266,350,316
<b>Net book value</b>						
As at 1 January 2020	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
As at 31 December 2020	12,897,896,230,958	31,947,160,635,653	3,148,723,466,195	78,998,543,502	21,056,946,637	48,093,835,822,945

As at 31 December 2020, tangible fixed assets of the Group with a total net book value of VND21,654 billion (as at 31 December 2019: VND23,396 billion) were pledged to banks as collateral for the Group's borrowings (Note 16).

The historical cost of tangible fixed assets of the Group which were fully depreciated but still in use as at 31 December 2020 was VND36,063 billion (as at 31 December 2019: VND29,436 billion).

POWER GENERATION JOINT STOCK CORPORATION 3

Form B 09 – DN/HN

8 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Computer software VND	Technology transfer copyrights VND	Others VND	Total VND
<b>Historical cost</b>					
As at 1 January 2020	76,165,829,664	26,473,825,475	8,854,276,148	13,774,880,821	<b>125,268,812,108</b>
New purchases	2,874,010,917	8,035,930,683	-	693,000,000	<b>11,602,941,600</b>
Transfers from construction in progress (Note 9)	940,371,701	3,706,600,909	-	-	<b>4,646,972,610</b>
As at 31 December 2020	<u>79,980,212,282</u>	<u>38,216,357,067</u>	<u>8,854,276,148</u>	<u>14,467,880,821</u>	<b><u>141,518,726,318</u></b>
<b>Accumulated amortisation</b>					
As at 1 January 2020	13,641,748,737	7,742,542,133	4,699,617,359	1,392,808,366	<b>27,476,716,595</b>
Charge for the year	1,176,461,130	4,907,679,771	1,694,461,680	1,399,330,011	<b>9,177,932,592</b>
As at 31 December 2020	<u>14,818,209,867</u>	<u>12,650,221,904</u>	<u>6,394,079,039</u>	<u>2,792,138,377</u>	<b><u>36,654,649,187</u></b>
<b>Net book value</b>					
As at 1 January 2020	<u>62,524,080,927</u>	<u>18,731,283,342</u>	<u>4,154,658,789</u>	<u>12,382,072,455</u>	<b><u>97,792,095,513</u></b>
As at 31 December 2020	<u>65,162,002,415</u>	<u>25,566,135,163</u>	<u>2,460,197,109</u>	<u>11,675,742,444</u>	<b><u>104,864,077,131</u></b>

The historical cost of intangible fixed assets of the Corporation which were fully amortised but still in use as at 31 December 2020 and as at 31 December 2019 was VND8.3 billion.

**9 CONSTRUCTION IN PROGRESS**

Details of construction in progress by projects are as follows:

	<b>31.12.2020</b> <b>VND</b>	<b>31.12.2019</b> <b>VND</b>
Vinh Tan 2 Solar Power Plant	-	51,267,180,711
Vinh Tan 2 Thermal Power Plant	2,574,703,020	31,005,033,746
Vinh Tan Central Power's coal port	-	14,569,448,039
Vinh Tan Central Power's infrastructure	-	11,928,505,106
Others	115,201,559,622	34,794,634,011
	<u>117,776,262,642</u>	<u>143,564,801,613</u>

Movements in construction in progress during the year are as follows:

	<b>2020</b> <b>VND</b>	<b>2019</b> <b>VND</b>
Beginning of year	143,564,801,613	2,661,060,467,182
Purchase	392,201,651,510	1,063,260,696,526
Capitalises interest expense	-	17,736,766,528
Transfers from inventories	-	127,916,182,505
Adjustment upon finalisation	(32,843,458,974)	(1,025,985,923,225)
Transfers to tangible fixed assets (Note 8(a))	(351,707,952,010)	(2,111,951,923,601)
Transfers to intangible fixed assets (Note 8(b))	(4,646,972,610)	(6,661,488,000)
Transfers to prepaid expenses	-	(326,266,187,207)
Transfers to other parties	(26,398,407,452)	(83,508,612,476)
Transfers to expenses	(2,156,561,934)	(44,653,292,999)
Major repair projects finalisation	-	(119,222,953,535)
Others	(236,837,501)	(8,158,930,085)
	<u>117,776,262,642</u>	<u>143,564,801,613</u>

**10 LONG-TERM SPARE PARTS, SUPPLIES AND EQUIPMENT**

Long-term spare parts, supplies and equipment represent the net value of equipment, materials and spare parts used for storage, replacement, preventing damage of assets and have storage time of more than one normal operating cycle.

## 11 SHORT-TERM TRADE ACCOUNTS PAYABLE

	31.12.2020 VND	31.12.2019 VND
<b>Third parties</b>		
Petrovietnam Gas South East Transmission Company	2,239,680,268,404	2,270,594,781,473
GE Global Parts & Products GmbH	881,015,236,722	25,797,450,961
Vietnam National Coal - Mineral Industries Holding Corporation Limited	572,093,626,678	550,344,398,768
Others	1,123,585,075,465	1,391,379,180,684
	<u>4,816,374,207,269</u>	<u>4,238,115,811,886</u>
<b>Related parties (Note 29(b))</b>	16,684,950,465	22,330,224,741
	<u>4,833,059,157,734</u>	<u>4,260,446,036,627</u>

As at 31 December 2020 and 31 December 2019, the Group had no balance of short-term trade accounts payable that was past due.

**POWER GENERATION JOINT STOCK CORPORATION 3**

**Form B 09 – DN/HN**

**12 TAXES AND RECEIVABLES FROM/PAYABLES TO THE STATE**

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

	<b>As at 1.1.2020 VND (As restated - Note 33)</b>	<b>Receivable/payable during the year VND</b>	<b>Payment during the year VND</b>	<b>Reclassification during the year VND</b>	<b>As at 31.12.2020 VND</b>
<b>(a) Tax payables</b>					
VAT	57,482,172,372	1,200,796,061,551	(1,184,534,280,263)	(213,899,858)	73,530,053,802
Natural Resource taxes	33,928,603,821	432,169,812,745	(413,086,757,409)	-	53,011,659,157
CIT	16,491,778,565	477,073,608,005	(272,812,215,086)	(123,125,183,888)	97,627,987,596
Forest environment services fee	29,655,664,776	97,172,297,676	(85,147,864,812)	-	41,680,097,640
PIT	4,986,888,716	40,311,464,605	(40,064,911,624)	1,774,103,613	7,007,545,310
Fees for the right to exploit water resources	1,098,395,500	43,076,573,989	(43,001,628,233)	(74,940,756)	1,098,400,500
Other taxes	11,220,355,685	217,263,558,644	(223,922,218,108)	47,007,357	4,608,703,578
	<u>154,863,859,435</u>	<u>2,507,863,377,215</u>	<u>(2,262,569,875,535)</u>	<u>(121,592,913,532)</u>	<u>278,564,447,583</u>
<b>(c) Tax receivables</b>					
CIT	123,125,183,888	-	-	(123,125,183,888)	-
Other taxes	2,183,076,030	-	-	1,532,270,356	3,715,346,386
	<u>125,308,259,918</u>	<u>-</u>	<u>-</u>	<u>(121,592,913,532)</u>	<u>3,715,346,386</u>

**13 SHORT-TERM ACCRUED EXPENSES**

	<b>31.12.2020</b> <b>VND</b>	<b>31.12.2019</b> <b>VND</b>
Purchase of materials	169,791,359,389	54,799,683,285
Interest expense	23,218,009,658	31,734,270,647
Others	17,287,968,716	41,516,004,486
	<u>210,297,337,763</u>	<u>128,049,958,418</u>

**14 UNEARNED REVENUE**

As at 31 December 2020 and 31 December 2019, the balance represents the payments from leased assets received in advance from Vinh Tan 1 Power Company Limited.

**15 OTHER SHORT-TERM PAYABLES**

	<b>31.12.2020</b> <b>VND</b>	<b>31.12.2019</b> <b>VND</b> <b>(As restated -</b> <b>Note 33)</b>
Payables to EVN (*)	514,333,994,661	872,430,867,697
Provisions of VAT payable	267,879,755,704	161,508,746,312
Others	85,265,326,498	180,331,078,686
	<u>867,479,076,863</u>	<u>1,214,270,692,695</u>
<b>In which:</b>		
Third parties	347,942,982,729	210,922,985,404
Related parties (Note 29(b))	519,536,094,134	1,003,347,707,291
	<u>867,479,076,863</u>	<u>1,214,270,692,695</u>

(\*) As at 31 December 2020, the payables mainly include principal, interest expense, re-borrowing fees and foreign contractor tax noticed by EVN (as at 31 December 2019: included interest expense, re-borrowing fees and foreign contractor tax).

**POWER GENERATION JOINT STOCK CORPORATION 3**

**Form B 09 – DN/HN**

**16 BORROWINGS**

**(a) Short-term**

	As at 1.1.2020 VND	Increase during the year VND	Decrease during the year VND	Reclassification during the year VND	Revaluation of foreign currency as at year end VND	As at 31.12.2020 VND
Borrowings from banks	25,030,325,023	605,655,789,000	(630,686,114,023)	-	-	-
Current portion of long-term bank loans (i)	767,292,858,460	-	(957,270,077,464)	561,076,720,108	-	371,099,501,104
Current portion of related party loans (Note 29(b)(ii))	4,581,039,230,548	-	(4,581,039,234,185)	4,527,932,699,071	43,474,513,058	4,571,407,208,492
	<u>5,373,362,414,031</u>	<u>605,655,789,000</u>	<u>(6,168,995,425,672)</u>	<u>5,089,009,419,179</u>	<u>43,474,513,058</u>	<u>4,942,506,709,596</u>

**(b) Long-term**

	As at 1.1.2020 VND	Increase during the year VND	Decrease during the year VND	Reclassification during the year VND	Revaluation of foreign currency as at year end VND	As at 31.12.2020 VND
Borrowings from banks (i)	3,132,617,830,820	36,824,841,483	(188,000,000,000)	(561,076,720,108)	-	2,420,365,952,195
Borrowings from related parties (Note 29(b)(ii))	47,688,868,047,893	-	-	(4,527,932,699,071)	265,808,534,481	43,426,743,883,303
	<u>50,821,485,878,713</u>	<u>36,824,841,483</u>	<u>(188,000,000,000)</u>	<u>(5,089,009,419,179)</u>	<u>265,808,534,481</u>	<u>45,847,109,835,498</u>

## 16 BORROWINGS (continued)

(i) Details of bank loans are as follows:

		Maturity	31.12.2020 VND	31.12.2019 VND
<b>Mong Duong 1 Thermal Power Plant Project</b>				
Lien Viet Post Joint Stock Commercial Bank ("Lien Viet Post Bank") – Thang Long Branch	(1)	2025	71,852,757,214	87,728,633,890
<b>Vinh Tan 2 Thermal Power Plant Project</b>				
The Vietnam Development Bank – Operation Center I	(2)	2024	846,000,000,000	1,598,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	(3)	2025	1,067,303,843,424	1,291,999,389,408
<b>Buon Kuop Hydropower Plant Project</b>				
Saigon - Hanoi Commercial Joint Stock Bank ("SHB") – Ha Noi Branch	(4)	2025	170,000,000,000	210,000,000,000
Military Commercial Joint Stock Bank ("MB Bank") - Hai Ba Trung Branch	(5)	2021	7,929,118,612	39,417,118,612
<b>Vinh Tan Power Center's Infrastructure Project</b>				
SHB – Ha Thanh Branch	(6)	2026	238,724,882,596	283,678,850,123
<b>Vinh Tan 2 Solar Power Plant Project</b>				
SHB – Ha Noi Branch	(7)	2031	389,654,851,453	389,086,697,247
			<u>2,791,465,453,299</u>	<u>3,899,910,689,280</u>
Current portion of long-term borrowings (Note 16(a))			(371,099,501,104)	(767,292,858,460)
			<u>2,420,365,952,195</u>	<u>3,132,617,830,820</u>

- (1) The borrowing was secured by the EVN's guarantee and provided by Lien Viet Post Bank – Thang Long Branch for the purpose of investing in Mong Duong 1 Thermal Power Plant Project with a term of 10 years since the first drawdown date, including grace period. As at 31 December 2020, the applicable interest rate was 7.7% per annum (as at 31 December 2019: 9.475% per annum).
- (2) The borrowing was secured by the EVN's guarantee and provided by The Vietnam Development Bank – Operation Center I for the purpose of investing in Vinh Tan 2 Thermal Power Plant Project and Vinh Tan coal port with a term of 12 years since the first drawdown date. As at 31 December 2020, the applicable interest rate was 9.8% per annum (as at 31 December 2019: 9.8% per annum).

**16 BORROWINGS (continued)**

- (3) The borrowing was secured by the EVN's guarantee and provided by Vietcombank for the purpose of investing in Vinh Tan 2 Thermal Power Plant Project with a term of 12 years since the loan transfer date. As at 31 December 2020, the applicable interest rate was 8.5% per annum (as at 31 December 2019: 9.1% per annum).
- (4) The borrowing was secured by the EVN's guarantee and provided by SHB – Ha Noi Branch for the purpose of investing in Buon Kuop and Srepok 3 Hydropower Plant Projects with a term of 10 years since the first drawdown date. As at 31 December 2020, the applicable interest rate was 8.46% per annum (as at 31 December 2019: 9.66% per annum).
- (5) The borrowing was secured by the EVN's guarantee and provided by MB Bank – Ha Ba Trung Branch for the purpose of payment of retained expenses of Buon Kuop, Buon Tua Srah and Srepok 3 Hydropower Plant Projects with a term of 5 years since the first drawdown date. As at 31 December 2020, the interest rate was 8.04% per annum (as at 31 December 2019: 8.98% per annum).
- (6) The borrowing was secured by the EVN's guarantee and provided by SHB – Ha Thanh Branch for the purpose of investing in Vinh Tan Power Center's Infrastructure Project with a term of 10 years since the first drawdown date. As at 31 December 2020, the applicable interest rate was 8.52% per annum (as at 31 December 2019: 9.66% per annum).
- (7) The borrowing was from SHB – Ha Noi Branch for the purpose of investing in Vinh Tan 2 Solar Power Plant Project with a term of 12 years since the first drawdown date. As at 31 December 2020, the applicable interest rate was 8.3% per annum (as at 31 December 2019: 9.5% per annum). The collateral assets were the total value of construction of Vinh Tan 2 Solar Power Plant Project (Note 8(a)) and the debts collection right arising from the Power Purchase Agreement of Vinh Tan 2 Solar Power Plant signed between the Corporation and EVN.

## 16 BORROWINGS (continued)

(ii) Details of re-borrowings from EVN are as follows:

		Maturity	31.12.2020 VND	31.12.2019 VND
<b>Mong Duong 1 Thermal Power Plant Project</b>				
Asian Development Bank ("ADB")	(8)	2032	408,855,249,399	427,483,250,258
ADB	(9)	2034	18,084,035,458,704	18,671,848,548,822
Korea Export Import Commercial Joint Stock Bank ("KEXIM")	(10)	2028	7,095,867,406,503	8,047,179,258,796
<b>Vinh Tan 2 Thermal Power Plant Project</b>				
The Export-import Bank of China ("China Eximbank")	(11)	2027	4,874,984,191,273	5,575,010,381,641
China Eximbank	(12)	2027	1,406,265,195,714	1,492,127,865,941
China Eximbank	(13)	2028	11,769,882,556,197	13,249,673,395,282
<b>Buon Kuop Hydropower Plant Project</b>				
Japan Bank for International Cooperation ("JBIC")	(14)	2026	71,974,642,230	79,720,990,095
JBIC	(15)	2028	57,038,490,260	61,372,252,756
<b>Buon Tua Srah Hydropower Plant Project</b>				
China Eximbank	(16)	2020	-	36,704,803,789
<b>Srepok 3 Hydropower Plant Project</b>				
ANZ Bank (Vietnam) Limited ("ANZ")	(17)	2020	-	78,009,490,453
<b>Phu My 1 Thermal Power Plant Project</b>				
JBIC	(18)	2028	3,837,768,581,709	4,129,360,772,916
<b>Project of Steam Tail 306-2 Ba Ria Power Plant</b>				
Ba Ria - Vung Tau Development Bank	(19)	2028	391,479,319,806	421,416,267,692
			<u>47,998,151,091,795</u>	<u>52,269,907,278,441</u>
Current portion of long-term borrowings (Note 16(a))			<u>(4,571,407,208,492)</u>	<u>(4,581,039,230,548)</u>
			<u>43,426,743,883,303</u>	<u>47,688,868,047,893</u>

**16 BORROWINGS (continued)**

- (8) The re-borrowing has been obtained from EVN with ADB for the purpose of investing in Mong Duong 1 Thermal Power Plant Project with a term of 19.5 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 1.41% per annum (as at 31 December 2019: 3.31% per annum). The collateral assets are the entire value of construction of Mong Duong 1 Thermal Power Plant Project (Note 8(a)).
- (9) The re-borrowing has been obtained from EVN with ADB for the purpose of investing in Mong Duong 1 Thermal Power Plant Project with a term of 21.9 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 1.31% per annum (as at 31 December 2019: 3.23% per annum). The collateral assets are the total value of construction of Mong Duong 1 Thermal Power Plant Project (Note 8(a)).
- (10) The re-borrowing has been obtained from EVN with KEXIM for the purpose of investing in Mong Duong 1 Thermal Power Plant Project with a term of 15 years since EVN signed the borrowing contract with KEXIM. As at 31 December 2020, the applicable interest rate was 4.6% per annum (as at 31 December 2019: 6.13% per annum). The collateral assets are the total value of construction of Mong Duong 1 Thermal Power Plant Project (Note 8(a)).
- (11) The re-borrowing has been obtained from EVN with China Eximbank for the purpose of investing in Vinh Tan 2 Thermal Power Plant Project with a term of 14.8 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 3.45% per annum (as at 31 December 2019: 3.45% per annum).
- (12) The re-borrowing has been obtained from EVN with China Eximbank for the purpose of investing in Vinh Tan 2 Thermal Power Plant Project with a term of 14.3 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 3.4% per annum (as at 31 December 2019: 3.4% per annum).
- (13) The re-borrowing has been obtained from EVN with China Eximbank for the purpose of investing in Vinh Tan 2 Thermal Power Plant Project with a term of 15.6 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 2.98% per annum (as at 31 December 2019: 4.82% per annum).
- (14) The re-borrowing has been obtained from EVN with JBIC for investing in Buon Kuop Hydropower Plant Project with a term of 13.7 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 2.75% per annum (as at 31 December 2019: 2.75% per annum).
- (15) The re-borrowing has been obtained from EVN with JBIC for investing in Buon Kuop Hydropower Plant Project with a term of 15.4 years since 1 January 2013. As at 31 December 2020, the applicable interest rate was 2.55% per annum (as at 31 December 2019: 2.55% per annum).
- (16) The re-borrowing has been obtained from EVN with China Eximbank for the purpose of investing in Tua Srah Hydropower Plant Project with a term of 9 years since 21 July 2011. As at 31 December 2020, the Group had fully repaid this borrowing.

**16 BORROWINGS (continued)**

- (17) The re-borrowing has been obtained from EVN with ANZ for the purpose of investing in Srepok 3 Hydropower Plant Project with a term of 9.5 years since 6 June 2011. As at 31 December 2020, the Group had fully repaid this borrowing.
- (18) The re-borrowing has been obtained from EVN with JBIC for the purpose of investing in Phy My 1 Thermal Power Plant Project with a term of 20 years since 31 December 2008. As at 31 December 2020, the applicable interest rates were from 1.15% to 2.7% per annum (as at 31 December 2019: from 1.15% - 2.7% per annum).
- (19) The re-borrowing has been obtained under the re-borrowing contract No. 2015/EVN-BARIA/EDCF dated 1 September 2015, inherited from the ODA contract No. 21/TNDN dated 20 December 2004 between the Branch of Ba Ria - Vung Tau Development Assistance Fund (currently known as a branch of Ba Ria - Vung Tau Development Bank) and Ba Ria Power Plant (currently known as Ba Ria Thermal Power Joint Stock Company) with a total debt of KRW 49,987,210,130. This borrowing was obtained from the Korean Economic Development Cooperation Fund - EDCF for the purpose of implementing the 306-2 Ba Ria Power Plant Steam Tail Project. The re-borrowing term is 13-year at the annual interest rate of 2.4%. The borrowing balance as at 31 December 2020, which is equivalent to KRW18,741,828,792.5, will be repaid equally over 15 semi-annual years amounted to KRW 1,249,455,253.5 and final payment of the remaining balance of KRW 1,249,455,243.5 as of 20 November 2027.

**17 OWNERS' CAPITAL****(a) Number of shares**

	2020		2019	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered, issued and existing in circulation	1,069,969,577	-	1,069,969,577	-

**(b) Details of owners' shareholding**

	31.12.2020		31.12.2019	
	Ordinary shares	%	Ordinary shares	%
EVN	1,061,355,233	99.19	1,061,355,233	99.19
Others	8,614,344	0.81	8,614,344	0.81
Number of shares	1,069,969,577	100.00	1,069,969,577	100.00

## 17 OWNERS' CAPITAL (continued)

## (c) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2019 and 31 December 2020	1,069,969,577	10,699,695,770,000
New shares issued	-	-
As at 31 December 2020	<u>1,069,969,577</u>	<u>10,699,695,770,000</u>

Par value per share: VND10,000.

The Corporation has no preference shares.

**POWER GENERATION JOINT STOCK CORPORATION 3**

**Form B 09 – DN/HN**

**18 MOVEMENTS IN OWNERS' EQUITY**

	Owners' capital VND	Share premium VND	Owners' other capital VND	Foreign exchange difference VND	Investment and development fund VND	Other funds VND	Undistributed earnings VND (As restated - Note 33)	Non-controlling interest VND	Total VND
As at 1 January 2019	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	885,655,401,950	336,443,315,443	<b>11,174,769,282,160</b>
Net profit for the year	-	-	-	-	-	-	1,078,921,592,085	46,499,136,285	<b>1,125,420,728,370</b>
Appropriation to investment and development fund	-	-	-	-	34,223,439,056	-	(34,223,439,056)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	-	(13,895,928,218)	(5,654,931,282)	<b>(19,550,859,500)</b>
Dividends paid	-	-	-	-	-	-	-	(10,255,063,500)	<b>(10,255,063,500)</b>
Foreign exchange difference allocation	-	-	-	922,067,392,780	-	-	-	-	<b>922,067,392,780</b>
Utilisation of investment and development fund	-	-	26,562,532,904	-	(26,562,532,904)	-	-	-	-
Utilisation of owners' other fund	-	-	-	-	-	(71,672,601)	-	(18,413,624)	<b>(90,086,225)</b>
Others	-	-	-	-	-	-	(14,718,119)	(4,801,081)	<b>(19,519,200)</b>
As 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	1,916,442,908,642	367,009,242,241	<b>13,192,341,874,885</b>
Net profit for the year	-	-	-	-	-	-	1,786,056,901,164	29,207,863,396	<b>1,815,264,764,560</b>
Appropriation to investment and development fund (*)	-	-	-	-	43,540,720,692	-	(43,540,720,692)	-	-
Appropriation to bonus and welfare fund (*)	-	-	-	-	-	-	(17,862,131,120)	(6,368,741,380)	<b>(24,230,872,500)</b>
Dividends declared (*)	-	-	-	-	-	-	-	(19,418,307,300)	<b>(19,418,307,300)</b>
Utilisation of investment and development fund	-	-	1,055,003,671	-	(1,055,003,671)	-	-	-	-
Others	-	-	-	-	-	22,032,239	1,627,204	4,033,165	<b>27,692,608</b>
As at 31 December 2020	10,699,695,770,000	6,014,917,945	46,494,391,137	-	184,357,112,169	15,890,285,682	3,641,098,585,198	370,434,090,122	<b>14,963,985,152,253</b>

(\*) In accordance with Resolution No. 550/NQ-DHDCD dated 28 April 2020 of the General Meeting of Shareholders of Ba Ria Thermal Power Joint Stock Company and Resolution No. 413/NQ-DHDCD-NBTPC dated 25 May 2020 of the General Meeting of Shareholders of Ninh Binh Thermal Power Joint Stock Company.

**19 EARNINGS PER SHARE****(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Corporation and held as treasury shares. Details are as follows:

	<b>2020</b>	<b>2019</b> <b>(As restated -</b> <b>Note 33)</b>
Net profit attributable to shareholders (VND)	1,786,056,901,164	1,078,921,592,085
Less amount allocated to bonus and welfare fund (VND) (*)	(*)	(17,862,131,120)
	<u>1,786,056,901,164</u>	<u>1,061,059,460,965</u>
Weighted average number of ordinary shares in issue (shares)	1,069,969,577	1,069,969,577
Basic earnings per share (VND)	<u>1,669</u>	<u>992</u>

(\*) As at 31 December 2020, the Group could not reliably estimate the amount of the bonus and welfare fund to be appropriated from the profits for the fiscal year 2020 since the General Meeting of Shareholders has not determined the rate of appropriation to this fund. If the Group appropriated bonus and welfare fund, net profit attributable to shareholders and basic earnings per share would decrease.

**(b) Diluted earnings per share**

The Corporation did not have any ordinary shares potentially diluted during the year and up to the date of these consolidated financial statements.

**20 OFF BALANCE SHEET ITEMS****(a) Foreign currencies**

As at 31 December 2020, included in cash and cash equivalents were balances held in foreign currencies of US\$3,596 (as at 31 December 2019: US\$5,715.64).

**(b) Operating lease assets**

The future minimum lease payments under non-cancellable operating leases were presented in Note 30(a).

**21 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES**

	<b>2020 VND</b>	<b>2019 VND (As restated - Note 33)</b>
Net revenue from sales of electricity	39,895,449,663,636	43,774,515,961,206
Net revenue from rendering of services	471,758,359,356	392,898,005,523
	<u>40,367,208,022,992</u>	<u>44,167,413,966,729</u>

**22 COST OF GOODS SOLD AND SERVICES RENDERED**

	<b>2020 VND</b>	<b>2019 VND</b>
Cost of electricity sold	35,182,763,886,881	38,786,701,642,969
Cost of services rendered	424,216,240,633	318,870,495,772
	<u>35,606,980,127,514</u>	<u>39,105,572,138,741</u>

**23 FINANCIAL INCOME**

	<b>2020 VND</b>	<b>2019 VND</b>
Interest income from deposits	262,139,625,737	291,133,586,586
Interest income from bonds	12,797,205,153	-
Dividend income	32,721,783,605	20,753,790,000
Realised foreign exchange gains	22,772,081,860	12,065,030,985
Net gain from foreign currency translation at year-end	-	21,877,961,479
	<u>330,430,696,355</u>	<u>345,830,369,050</u>

**24 FINANCIAL EXPENSES**

	<b>2020 VND</b>	<b>2019 VND</b>
Interest expense	1,872,083,873,918	2,719,469,297,945
Net loss from foreign currency revaluation at year-end	379,061,941,663	986,504,729,194
Realised foreign exchange losses	22,042,058,978	20,525,775,782
Provision/(reversal of provision) for diminution in value of investments (Note 4(b))	6,224,139,813	(14,001,695,060)
	<u>2,279,412,014,372</u>	<u>3,712,498,107,861</u>

**25 GENERAL AND ADMINISTRATION EXPENSES**

	<b>2020 VND</b>	<b>2019 VND</b>
Staff costs	267,975,500,384	250,150,407,963
External service expenses	88,737,876,742	72,491,318,994
Depreciation and amortisation	41,719,503,249	33,056,437,756
Tools and supplies	13,564,927,686	12,871,406,912
Taxes and fees	15,262,578,056	15,091,948,268
Others	175,255,373,167	160,372,814,075
	<u>602,515,759,284</u>	<u>544,034,333,968</u>

**26 CORPORATE INCOME TAX (“CIT”)**

The Group is subject to CIT at a rate of 20% on taxable income in accordance with the current tax regulations. For new investment projects in tax incentive areas or fields eligible for CIT incentives the applicable CIT is in accordance with Article 15 of Decree No. 218/2013/ND-CP dated 26 December 2013; Article 18, Article 19, Article 20, and Article 23 of Decree No. 78/2014/TT-BTC dated 18 June 2014 which were issued by the Ministry of Finance; Article 13 of Decree No. 96/2015/TT-BTC dated 22 June 2015 which were issued by the Ministry of Finance as follows:

- For Mong Duong 1 Thermal Power Plant, the Group is subject to a CIT rate of 20%, entitled to four (4) years of CIT exemption starting from the first year it has revenue (from 2015 to 2018) and 50% CIT reduction for the following nine (9) years (from 2019 to 2027); and
- For Vinh Tan 2 Thermal Power Plant, the Group is subject to a CIT rate of 20%, entitled to four (4) years of CIT exemption starting from the first year it has revenue (from 2015 to 2018) and 50% CIT reduction for the following nine (9) years (from 2019 to 2027).

## 26 CORPORATE INCOME TAX (“CIT”) (continued)

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

	2020 VND	2019 VND (As restated - Note 33)
Net accounting profit before tax	2,292,338,372,565	1,238,952,360,938
Tax calculated at a rate of 20%	458,467,674,513	247,790,472,188
Effect of:		
Income not subject to tax	(23,587,443,361)	(37,149,209,627)
Income from restatement	184,775,958,410	-
Expenses not deductible for tax purposes	8,977,851,207	11,939,177,228
Deductible interest expenses from previous years (**)	(5,745,536,424)	-
Tax reduction	(145,942,155,687)	(18,303,218,505)
Under-provision in previous years	127,259,347	8,176,045,610
Tax loss utilisation	-	(98,921,634,326)
CIT charge (*)	<u>477,073,608,005</u>	<u>113,531,632,568</u>
Charged to the interim consolidated income statement:		
CIT – current	477,073,608,005	86,924,921,977
CIT – deferred (***)	-	26,606,710,591
	<u>477,073,608,005</u>	<u>113,531,632,568</u>

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

(\*\*) Pursuant to Decree No. 68/2020/ND-CP dated 24 June 2020 issued by the Government related to the amendment of Clause 3, Article 8 of Decree No. 20 (“Decree 68”), total deductible interest expense (excluding deposit interests and lending interests) arising within a specific tax year shall not exceed 30% of total net profit generated from business activities plus interest expense (excluding deposit interests and lending interests) and depreciation and amortisation costs arising within that year. The non-deductible interest expense shall be carried forward to the next tax year for CIT calculation in case the total interest expense to be deducted in the next tax year is lower than the deductible interest expense level. The interest expense can be carried forward to offset against future non-deductible interest expense for a maximum period of no more than five (5) consecutive years from the year right after the year in which the non-deductible interest expense was incurred.

**26 CORPORATE INCOME TAX (“CIT”) (continued)**

For the CIT in year 2017 and 2018, under Clause 2, Article 2 of Decree 68, the Tax Department of Ba Ria - Vung Tau Province has sent the notification to the Corporation to net-off the CIT's variance which is re-determined in accordance with Decree 68.

For the CIT in year 2019, the Corporation re-determined the 2019 CIT finalisation returns in accordance with Article 1, Decree 68.

Accordingly, the Group applied retrospective adjustments for the periods from 2017 to 2019 as follows:

Year	Previously declared VND	Re-declared VND	Variance VND
2017	123,812,012,657	34,949,034,820	88,862,977,837
2018	205,564,765,295	138,732,836,994	66,831,928,301
2019	238,033,796,162	66,934,866,491	171,098,929,671

(\*\*\*) Deferred income tax expenses incurred during the year are mainly as follows:

	2020 VND	2019 VND
Taxable temporary differences	-	26,606,710,591

**27 COSTS OF OPERATION BY FACTOR**

Costs of operation by factor represent all costs incurred during the year from the Group's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	2020 VND	2019 VND
Raw materials	28,026,417,037,304	31,366,168,612,738
Depreciation and amortisation	4,638,169,141,181	4,759,642,992,439
Major repair expenses	774,343,222,597	1,230,197,808,954
Staff costs	987,988,246,656	875,880,210,324
External service expenses	597,710,168,395	489,711,001,631
Others	1,185,091,430,126	928,158,763,466
	<u>36,209,719,246,259</u>	<u>39,649,759,389,552</u>

**28 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CASH FLOW STATEMENT**

The major non-cash transactions affecting the consolidated cash flow statement as follows:

	<b>2020</b>	<b>2019</b>
	<b>VND</b>	<b>VND</b>
Offset borrowings from EVN against short-term trade accounts receivable from Electricity Power Trading Company	4,528,347,031,195	4,501,807,692,513
Offset interest expense, re-borrowing fees and foreign contractor from EVN against short-term trade accounts receivable from Electricity Power Trading Company	1,795,430,225,397	2,401,786,423,160
Offset short-term trade accounts receivable from the Power Trading Company against short-term trade accounts payable and other short-term payables to EVN	125,593,958,918	93,910,159,399
Appropriated dividend to be collected	17,500,000,000	56,228,790,000
Unpaid declared dividend	7,205,964,234	6,767,019,384
Construction in progress transfers from prepaid expenses	-	326,266,187,207
Construction in progress transfers from inventories	-	(127,916,182,505)
Purchases of fixed assets and construction in progress that have not been settled	331,877,172,226	161,574,232,568
Asset transfers for which cash has not been collected	-	25,029,396,590
	<u>6,805,954,351,970</u>	<u>7,445,453,718,316</u>

**29 RELATED PARTY DISCLOSURES**

The Corporation is a joint stock company. Details of the shareholders are presented in Note 17(b). The list of related parties that had transactions and balances with the Group during the year was as follows:

**Parent company**

EVN

**Associates**

Thac Ba Hydropower Joint-Stock Company

Vinh Son - Song Hinh Hydropower Joint Stock Company

Se San 3A Power Investment and Development Joint-Stock Company

**Other related parties**

Hai Phong Thermal Power Joint Stock Company

Electric Power Trading Company

Duyen Hai Thermal Power Company

Northern Power Corporation (Quang Ninh Power Company)

Northern Electrical Testing One Member Company Limited

Power Engineering Consulting Joint Stock Company 2

Power Engineering Consulting Joint Stock Company 3

## 29 RELATED PARTY DISCLOSURES (continued)

**Other related parties (continued)**

Power Engineering Consulting Joint Stock Company 4  
Information and Communications Technology Company of Vietnam Electricity  
Branch of Southern Power Corporation - Southern Electrical Testing Company  
Pha Lai Thermal Power Joint Stock Company  
Nghi Son Thermal Power Company – Branch of Power Generation Corporation 1  
Power Transmission Company No.2  
Vinh Tan 4 Thermal Power Plant - Branch of Vietnam Electricity (“Vinh Tan 4 Thermal  
Power Plant”)  
Thai Binh Thermal Power Company  
EVN Construction and Technology Investment Management Board

**(a) Related party transactions**

During the year, the following major transactions were carried out with related parties:

	2020 VND	2019 VND
<b>i) Sales of goods and rendering of services</b>		
Electricity Power Trading Company	39,895,315,312,816	43,723,795,451,967
Vinh Tan 4 Thermal Power Plant	297,764,455,928	225,808,479,004
Thai Binh Thermal Power Company	87,213,943,169	86,704,409,025
Power Engineering Consulting Joint Stock Company 2	756,575,326	3,760,659,945
Power Engineering Consulting Joint Stock Company 4	518,181,818	-
Others	14,087,194,386	22,044,469,000
	<u>40,296,235,334,263</u>	<u>44,062,113,468,941</u>
<b>ii) Purchases of goods and services</b>		
EVN	106,632,342,632	98,734,869,011
Northern Power Corporation (Quang Ninh Power Company)	8,846,018,803	5,197,917,718
Power Engineering Consulting Joint Stock Company 3	6,212,541,289	18,981,382,783
Branch of Southern Power Corporation - Southern Electrical Testing Company	-	5,524,502,948
Power Engineering Consulting Joint Stock Company 2	1,807,915,149	1,736,045,461
Power Engineering Consulting Joint Stock Company 4	1,487,115,395	3,758,733,427
Northern Electrical Testing One Member Company Limited	541,052,000	2,191,376,629
Information and Communications Technology Company of Vietnam Electricity	472,827,626	2,960,863,957
Others	13,086,053,418	-
	<u>139,085,866,312</u>	<u>139,085,691,934</u>

## 29 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

	2020 VND	2019 VND
<b>iii) Transfer of fixed assets</b>		
Power Transmission Company 2	-	9,937,685,000
<b>iv) Financing activities</b>		
<b>Dividend income</b>		
Nhon Trach Oil and Gas Power Joint Stock Company 2	17,804,800,000	-
Hai Phong Thermal Power Joint Stock Company	13,500,000,000	12,500,000,000
Others	1,416,983,605	8,028,790,000
	<u>32,721,783,605</u>	<u>20,528,790,000</u>
<b>Offset borrowings with short-term trade accounts receivable</b>		
EVN	<u>4,528,347,031,195</u>	<u>4,501,807,692,513</u>
<b>Offset interest expense, re-borrowing fees with short-term trade accounts receivable</b>		
EVN	<u>1,795,430,225,397</u>	<u>2,401,786,423,160</u>
<b>Interest expense</b>		
EVN	<u>1,540,691,524,513</u>	<u>2,318,396,952,144</u>
<b>Repayment of borrowing</b>		
EVN	<u>49,940,726,482</u>	<u>49,003,635,042</u>
<b>Payment of Interest</b>		
EVN	<u>9,429,402,229</u>	<u>10,428,966,434</u>

## 29 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

	2020 VND	2019 VND
<b>v) Other transactions</b>		
<b>Offset short-term receivables from customers against short-term payables to suppliers and other short-term payables</b>		
EVN	125,593,958,918	93,910,159,399
<b>vi) Compensation of key management</b>		
Gross salaries and other benefits		
Board of Management	1,295,700,000	1,101,210,000
Board of Directors	2,899,644,000	3,322,134,000
Others	931,050,000	735,312,000
	<u>5,126,394,000</u>	<u>5,158,656,000</u>
<b>(b) Year-end balances with related parties</b>		
	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>VND</b>	<b>VND</b>
<b>i) Short-term trade accounts receivable (Note 5)</b>		
Electricity Power Trading Company	8,817,357,846,739	8,745,991,284,827
Power Engineering Consulting Joint Stock Company 2	527,162,364	-
Power Engineering Consulting Joint Stock Company 4	466,364,000	-
Vinh Tan 4 Thermal Power Plant	152,452,505,514	120,260,587,334
Thai Binh Thermal Power Company	55,839,091,635	61,789,068,119
Nghi Son Thermal Power Company – Branch of Power Generation Corporation 1	1,665,447,145	-
Others	16,592,761,404	21,714,965,484
	<u>9,044,901,178,801</u>	<u>8,949,755,905,764</u>
<b>ii) Short-term prepayments to suppliers</b>		
Power Engineering Consulting Joint Stock Company 3	225,060,000	529,517,326
Power Engineering Consulting Joint Stock Company 4	643,272,655	-
Others	1,096,743,841	-
	<u>1,965,076,496</u>	<u>529,517,326</u>

## 29 RELATED PARTY DISCLOSURES (continued)

## (b) Year-end balances with related parties (continued)

	31.12.2020 VND	31.12.2019 VND
<b>iii) Other short-term receivables (Note 6)</b>		
Vinh Tan 4 Thermal Power Plant	318,677,897,271	211,554,444,964
Vinh Tan 4 and Vinh Tan 4 Expansion Thermal Power Plant Project	66,557,084,850	171,636,851,711
Se San 3A Power Investment and Development Joint Stock Company	15,000,000,000	43,200,000,000
EVN Construction and Technology Investment Management Board	67,966,368,944	67,966,368,944
Vinh Son - Song Hinh Hydropower Joint Stock Company	2,216,666,667	-
Hai Phong Thermal Power Joint Stock Company	3,538,733,360	5,000,000,000
EVN	15,256,171,287	15,772,071,287
Thai Binh Project Management Board	-	9,705,597,521
Northern Power Corporation (Quang Ninh Power Company)	-	25,029,396,590
Buon Don Hydropower Joint Stock Company	-	8,364,950,000
Others	4,238,845,360	3,858,441,439
	<u>493,451,767,739</u>	<u>562,088,122,456</u>
<b>iv) Short-term trade accounts payable (Note 11)</b>		
EVN	1,200,705,393	1,069,801,058
Power Transmission Company 2	-	10,931,453,500
Power Engineering Consulting Joint Stock Company 3	4,051,004,884	2,296,079,019
Branch of Southern Power Corporation - Southern Electrical Testing Company	2,208,950,828	2,273,922,104
Others	9,224,289,360	5,758,969,060
	<u>16,684,950,465</u>	<u>22,330,224,741</u>
<b>v) Other short-term payables (Note 15)</b>		
EVN	514,333,994,661	872,430,867,697
Thai Binh Thermal Power Company	-	39,938,208,116
Vinh Tan 4 Thermal Power Plant	-	84,211,612,094
Others	5,202,099,473	6,767,019,384
	<u>519,536,094,134</u>	<u>1,003,347,707,291</u>

## 29 RELATED PARTY DISCLOSURES (continued)

## (b) Year-end balances with related parties (continued)

	31.12.2020 VND	31.12.2019 VND
<i>vi) Short-term borrowings (Note 16(a))</i> EVN	4,571,407,208,492	4,581,039,230,548
<i>vii) Long-term borrowings (Note 16(b))</i> EVN	43,426,743,883,303	47,688,868,047,893

## 30 COMMITMENTS

## (a) Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases are as follows:

	31.12.2020 VND	31.12.2019 VND
Within one year	27,387,785,310	22,318,127,773
Between one and five years	89,557,433,760	84,203,488,994
Over five years	553,717,735,510	434,889,315,130
Total minimum payments	670,662,954,580	541,410,931,897

## (b) Capital commitments

At the consolidated balance sheet date, the approved capital expenditure of the Group was as follows:

	31.12.2020 VND	31.12.2019 VND
Property, plant and equipment	769,844,000,000	382,524,000,000

## 31 SEGMENT REPORTING

The Group's principal activities are to produce and trade electricity. The risks and profitability of the Group will not be impacted by the differences in businesses provided by the Group or the geographic areas in which the Group operates. Therefore, the Board of Directors determines that the other businesses of the Group will not be significantly impacted by the business segments or geographical segments. As a result, it is not necessary to present segment reporting.

**32 CONTINGENT LIABILITIES**

In accordance with Circular 200, from 1 January 2015, the Group is required to make provisions for restoration costs incurred upon the return of land and leased land in accordance with the regulations and policies applicable to the business industry of the Group. Accordingly, the Group has the obligation to clear, restore and return the premises at the end of the lease term or the termination of the project. As at the date of these consolidated financial statements, the Group has not made such provision because there was not sufficient information which enable a reliable estimation to be made.

**33 COMPARATIVE FIGURES**

The comparative figures include adjustments related to:

- CIT expenses and CIT payable are re-determined in accordance with Decree 68. Accordingly, the Group has re-determined the CIT finalisation returns and applied retrospective adjustments of the corresponding CIT from 2017 to 2019, amounting to VND 335 billion (Note 26);
- revenue from fly ash treatment costs incurred for the financial year ended 31 December 2018 and 31 December 2019 in accordance with the Amendment of the Contract No. 08 Power Purchase Contract of Vinh Tan 2 Thermal Power Plant in an amount of VND79.7 billion and VND50.2 billion, respectively;
- the exchange rate difference which was factored in sales of electricity for the financial year ended 31 December 2015 and 31 December 2018 in accordance with Decision No. 2682/QD-BCT dated 15 October 2020, Decision No. 3594/QD-BCT and No.3599/QD-BCT dated 31 December 2020 of the Ministry of Industry and Trade with an amount of VND793.9 billion; and
- the financial settlement entries in accordance with the equitisation finalisation file of the Parent Company - Power Generation Corporation 3 including the reduction in bonus and welfare fund and increase in other short-term payables with an amount of VND0.008 billion and VND132.6 billion, respectively.

Effects of the restatements on the consolidated balance sheet as at 31 December 2019, the consolidated income statement and the consolidated cash flow statement for the year ended 31 December 2019 are as follows:

## 33 COMPARATIVE FIGURES (continued)

## Consolidated balance sheet statement

Code	ASSETS	As at 31 December 2019		
		As previously reported VND	Adjustments VND	As restated VND
100	<b>CURRENT ASSETS</b>	<b>19,160,580,084,849</b>	<b>1,046,672,770,991</b>	<b>20,207,252,855,840</b>
130	<b>Short-term receivables</b>	<b>8,937,780,141,979</b>	<b>923,879,792,057</b>	<b>9,861,659,934,036</b>
131	Short-term trade accounts receivable	8,031,263,223,803	923,879,792,057	8,955,143,015,860
150	<b>Other current assets</b>	<b>73,414,421,328</b>	<b>122,792,978,934</b>	<b>196,207,400,262</b>
153	Tax and other receivables from the State	2,515,280,984	122,792,978,934	125,308,259,918
270	<b>TOTAL ASSETS</b>	<b>74,979,050,273,820</b>	<b>1,046,672,770,991</b>	<b>76,025,723,044,811</b>
	<b>RESOURCES</b>			
300	<b>LIABILITIES</b>	<b>62,913,740,240,040</b>	<b>(80,359,070,114)</b>	<b>62,833,381,169,926</b>
310	<b>Short-term liabilities</b>	<b>11,728,457,210,048</b>	<b>(80,359,070,114)</b>	<b>11,648,098,139,934</b>
313	Tax and other payables to the State	367,773,630,563	(212,909,771,128)	154,863,859,435
319	Other short-term payables	1,081,711,584,031	132,559,108,664	1,214,270,692,695
322	Bonus and welfare funds	184,811,259,193	(8,407,650)	184,802,851,543
400	<b>OWNERS' EQUITY</b>	<b>12,065,310,033,780</b>	<b>1,127,031,841,105</b>	<b>13,192,341,874,885</b>
410	<b>Capital and reserves</b>	<b>12,065,310,033,780</b>	<b>1,127,031,841,105</b>	<b>13,192,341,874,885</b>
421	Undistributed earnings/ (Accumulated losses)	789,411,067,537	1,127,031,841,105	1,916,442,908,642
421a	- (Accumulated losses)/ Undistributed post-tax profits of previous years	(68,180,500,192)	905,701,816,749	837,521,316,557
421b	- Post-tax profit of current year	857,591,567,729	221,330,024,356	1,078,921,592,085
440	<b>TOTAL RESOURCES</b>	<b>74,979,050,273,820</b>	<b>1,046,672,770,991</b>	<b>76,025,723,044,811</b>

## 34 COMPARATIVE FIGURES (continued)

## Consolidated income statement

Code		For the year ended 31 December 2019		
		As previously reported VND	Adjustments VND	As restated VND
10	Net revenue from sales of goods and rendering of services	44,117,182,872,044	50,231,094,685	44,167,413,966,729
20	Gross profit from sales of goods and rendering of services	5,011,610,733,303	50,231,094,685	5,061,841,827,988
30	Net operating profit	1,215,516,907,129	50,231,094,685	1,265,748,001,814
50	Net accounting profit before tax	1,188,721,266,253	50,231,094,685	1,238,952,360,938
51	CIT - current	(258,023,851,648)	171,098,929,671	(86,924,921,977)
60	Net profit after tax	904,090,704,014	221,330,024,356	1,125,420,728,370
	Attributable to:			
61	Owners of the parent company	857,591,567,729	221,330,024,356	1,078,921,592,085
70	Basic earnings per share	802	190	992
71	Diluted earnings per share	802	190	992

## 33 COMPARATIVE FIGURES (continued)

## Consolidated cash flow statement

Code		For the year ended 31 December 2019		
		As previously reported VND	Adjustments VND	As restated VND
	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Net accounting profit before tax	1,188,721,266,253	50,231,094,685	1,238,952,360,938
08	Operating profit before changes in working capital	9,265,252,746,348	50,231,094,685	9,315,483,841,033
09	Increase in receivables	(6,577,589,932,381)	(50,231,094,685)	(6,627,821,027,066)

The consolidated financial statements were approved by the Board of Directors on 30 March 2021.



Tran Nguyen Khanh Linh  
Preparer



Vu Phuong Thao  
Chief Accountant




Nguyen Thi Thanh Huong  
Vice President