

POWER GENERATION JOINT STOCK CORPORATION 3

(Incorporated in the Socialist Republic of Vietnam)

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

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POWER GENERATION JOINT STOCK CORPORATION 3

No. 60-66 Nguyen Co Thach Street, Sala Urban Area, An Loi Dong Ward
Thu Duc City, Ho Chi Minh City, Vietnam.

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Power Generation Joint Stock Corporation 3 (the "Parent Company") presents this report together with the consolidated financial statements of the Parent Company and its subsidiaries (collectively referred as the "Group") for the the year ended 31 December 2023.

THE BOARDS OF DIRECTORS, MANAGEMENT AND SUPERVISORS

The members of the Boards of Directors, Management and supervisors of the Group during the year and to the date of this report are as follows:

Board of Directors

Mr. Dinh Quoc Lam	Chairman
Mr. Le Van Danh	Member
Ms. Nguyen Thi Hai Yen	Member (Appointed on 15 June 2023)
Mr. Nguyen Minh Khoa	Member
Mr. Do Mong Hung	Member

Board of Management

Mr. Le Van Danh	President
Mr. Cao Minh Trung	Vice President (Resigned on 01 October 2023)
Mr. Nguyen Thanh Trung Duong	Vice President
Ms. Nguyen Thi Thanh Huong	Vice President
Mr. Vo Minh Thang	Vice President
Mr. Tran Dinh An	Vice President (Appointed on 10 March 2023)

Board of Supervisors

Mr. Pham Hung Minh	Head of Board of Supervisor
Ms. Vu Hai Ngoc	Supervisor
Mr. Dau Duc Chien	Supervisor

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Group is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

POWER GENERATION JOINT STOCK CORPORATION 3

No. 60-66 Nguyen Co Thach Street, Sala Urban Area, An Loi Dong Ward
Thu Duc City, Ho Chi Minh City, Vietnam.

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Group and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Group has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Management, *me*



Nguyen Thi Thanh Huong
Vice President
Authorized by the Legal representative
30 March 2024

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Boards of Directors and Management
Power Generation Joint Stock Corporation 3**

We have audited the accompanying consolidated financial statements of Power Generation Joint Stock Corporation 3 (the "Parent Company") and its subsidiaries (collectively referred as the "Group") prepared 30 March 2024 as set out from page 5 to page 42, which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated statement of income, consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility

The Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matter

As presented in Note 4 - Restatement of the previous year's financial statements of the Notes to the consolidated financial statements, the Board of Management has made some necessary adjustments related to some figures of consolidated financial statements for the year ended 31 December 2022.

As presented in Note 37 - Equitization of the Notes to the consolidated financial statements, as at the issuance date of these consolidated financial statements, the competent authorities have not yet approved the finalization of the equitization at the time that the Parent Company officially became a joint stock company. Accordingly, the financial effects (if any) to these consolidated financial statements may be further made upon the final approval of the competent authorities on the finalization of the equitization.

Our opinion is not modified in respect of this matter.

Other Matter

The Group's consolidated financial statements for the year ended 31 December 2022 were audited by another auditing company, who expressed an unmodified opinion on those statements on 13 March 2023.



Nguyen Quang Trung
Audit Partner
Audit Practising Registration Certificate
No. 0733-2023-001-1
DELOITTE VIETNAM AUDIT COMPANY LIMITED
30 March 2024
Hanoi, S.R. Vietnam



Nguyen Do Duc Trung
Auditor
Audit Practising Registration Certificate
No. 5519-2020-001-1



POWER GENERATION JOINT STOCK CORPORATION 3

60-66 Nguyen Co Thach Street, Sala Urban Area

An Loi Dong Ward, Thu Duc City

Ho Chi Minh City, Vietnam.

FORM B 01-DN/HN

Issued under Circular No.202/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET

As at 31 December 2023

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance (Restated)
A. CURRENT ASSETS	100		16,976,944,445,030	19,886,583,521,227
I. Cash and cash equivalents	110	5	510,183,037,967	1,727,691,330,819
1. Cash	111		389,183,037,967	492,191,330,819
2. Cash equivalents	112		121,000,000,000	1,235,500,000,000
II. Short-term financial investments	120		2,935,000,000,000	3,837,650,000,000
1. Held-to-maturity investments	123	6	2,935,000,000,000	3,837,650,000,000
III. Short-term receivables	130		9,976,743,487,170	12,052,867,949,333
1. Short-term trade receivables	131	7	9,117,941,918,690	11,316,327,623,811
2. Short-term advances to suppliers	132		127,210,316,614	186,819,665,642
3. Other short-term receivables	136	8	731,591,251,866	549,720,659,880
IV. Inventories	140	9	3,095,495,426,093	1,920,190,836,695
1. Inventories	141		3,095,524,251,690	1,922,515,305,345
2. Provision for devaluation of inventories	149		(28,825,597)	(2,324,468,650)
V. Other short-term assets	150		459,522,493,800	348,183,404,380
1. Short-term prepayments	151		23,144,263,206	51,726,147,993
2. Value added tax deductibles	152		354,625,555,113	286,390,636,066
3. Taxes and other receivables from the State budget	153	15	81,752,675,481	10,066,620,321
B. NON-CURRENT ASSETS	200		41,864,154,683,090	46,413,662,233,572
I. Long-term receivables	210		3,575,246,000	3,274,424,000
1. Other long-term receivables	216		3,575,246,000	3,274,424,000
II. Fixed assets	220		37,112,875,018,352	41,183,764,655,282
1. Tangible fixed assets	221	10	36,521,061,737,923	40,584,063,525,792
- Cost	222		115,047,665,197,701	114,632,475,356,198
- Accumulated depreciation	223		(78,526,603,459,778)	(74,048,411,830,406)
2. Intangible assets	227	11	591,813,280,429	599,701,129,490
- Cost	228		658,826,984,717	659,981,216,961
- Accumulated amortization	229		(67,013,704,288)	(60,280,087,471)
III. Long-term assets in progress	240		25,114,185,858	342,714,757,716
1. Construction in progress	242	12	25,114,185,858	342,714,757,716
IV. Long-term financial investments	250	6	2,520,778,118,642	2,616,222,567,285
1. Investments in associates	252		1,984,832,768,300	2,026,710,839,437
2. Equity investments in other entities	253		536,909,373,388	536,909,373,388
3. Provision for impairment of long-term financial investments	254		(964,023,046)	(5,397,645,540)
4. Held-to-maturity investments	255		-	58,000,000,000
V. Other long-term assets	260		2,201,812,114,238	2,267,685,829,289
1. Long-term prepayments	261	13	266,014,286,243	266,684,645,678
2. Long-term reserved spare parts	263		1,935,797,827,995	2,001,001,183,611
TOTAL ASSETS (270=100+200)	270		58,841,099,128,120	66,300,245,754,799

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

POWER GENERATION JOINT STOCK CORPORATION 3

60-66 Nguyen Co Thach Street, Sala Urban Area

An Loi Dong Ward, Thu Duc City

Ho Chi Minh City, Vietnam.

FORM B 01-DN/HN

Issued under Circular No.202/2014/TT-BTC

dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET (Continued)


As at 31 December 2023

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance (Restated)
C. LIABILITIES	300		43,069,973,348,059	48,703,522,679,603
I. Current liabilities	310		11,479,894,580,236	13,266,788,567,581
1. Short-term trade payables	311	14	4,101,442,666,053	5,050,690,475,286
2. Short-term advances from customers	312		1,643,320	-
3. Taxes and amounts payable to the State budget	313	15	85,286,522,228	382,627,409,040
4. Payables to employees	314		394,699,603,112	338,894,242,474
5. Short-term accrued expenses	315	16	216,131,971,344	55,413,606,530
6. Short-term unearned revenue	318	17	42,107,962,265	16,034,281,212
7. Other current payables	319	18	892,833,495,455	1,726,289,688,926
8. Short-term loans	320	19	5,334,832,667,958	5,380,511,397,427
9. Bonus and welfare funds	322	21	412,558,048,501	316,327,466,686
II. Long-term liabilities	330		31,590,078,767,823	35,436,734,112,022
1. Long-term unearned revenue	336	17	914,511,753,335	318,322,507,370
2. Other long-term payables	337		109,785,989	24,613,000
3. Long-term loans	338	20	30,675,457,228,499	35,118,386,991,652
D. EQUITY	400		15,771,125,780,061	17,596,723,075,196
I. Owners' equity	410		15,771,125,780,061	17,596,723,075,196
1. Owner's contributed capital	411	22	11,234,680,460,000	11,234,680,460,000
2. Share premium	412		-	6,014,917,945
3. Other owner's capital	414		65,840,801,128	50,811,630,001
4. Investment and development fund	418		912,243,833,241	1,315,934,828,273
5. Other reserves	420		15,748,025,022	15,748,025,022
6. Retained earnings	421		3,184,022,130,153	4,599,491,275,047
- Retained earnings brought forward to the prior year end	421a		2,890,215,947,923	2,722,729,315,656
- Retained earnings of the current year	421b		293,806,182,230	1,876,761,959,391
7. Non-controlling interest	429		358,590,530,517	374,041,938,908
TOTAL RESOURCES (440=300+400)	440		58,841,999,128,120	66,300,245,754,799




Tran Nguyen Khanh Linh
Preparer



Vu Phuong Thao
Chief Accountant




Nguyen Thi Thanh Huong
Vice President

30 March 2024

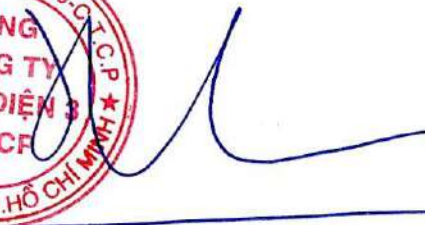
The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year (Restated)
1. Gross revenue from goods sold and services rendered	01		45,862,195,704,877	47,189,591,261,324
2. Net revenue from goods sold and services rendered (10=01)	10	25	45,862,195,704,877	47,189,591,261,324
3. Cost of sales	11	26	41,344,150,280,929	41,807,966,531,453
4. Gross profit from goods sold and services rendered (20=10-11)	20		4,518,045,423,948	5,381,624,729,871
5. Financial income	21	27	339,183,947,661	323,141,834,137
6. Financial expenses	22	28	3,331,970,808,327	2,543,103,087,532
- In which: Interest expense	23		2,468,022,741,831	1,576,833,210,859
7. Sharing profit from associates	24	6	375,725,222,863	513,938,765,968
8. Selling expenses	25		200,810,470	245,097,769
9. General and administration expenses	26	29	651,321,108,993	674,280,026,384
10. Operating profit (30=20+(21-22)+24-(25+26))	30		1,249,461,866,682	3,001,077,118,291
11. Other income	31		6,715,308,526	31,274,606,898
12. Other expenses	32		15,466,891,896	12,138,074,008
13. (Loss)/Profit from other activities (40=31-32)	40		(8,751,583,370)	19,136,532,890
14. Accounting profit before tax (50=30+40)	50		1,240,710,283,312	3,020,213,651,181
15. Current corporate income tax expense	51	31	156,986,975,976	500,107,327,266
16. Net profit after corporate income tax (60=50-51)	60		1,083,723,307,336	2,520,106,323,915
17. The parent company's net profit after tax	61		1,065,134,625,680	2,494,669,384,691
18. The non-controlling shareholders' net profit after tax	62		18,588,681,656	25,436,939,224
19. Basic earnings per share	70	32	948	2,042


Tran Nguyen Khanh Linh
Preparer

Vu Phuong Thao
Chief Accountant

 Nguyen Thi Thanh Huong
Vice President
30 March 2024

CONSOLIDATE CASH FLOW STATEMENT

For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	Current year	Prior year (Restated)
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	1,240,710,283,312	3,020,213,651,181
2. Adjustments for:			
Depreciation and amortization of fixed assets	02	4,518,775,545,796	4,469,572,298,806
Provisions	03	(6,729,265,547)	5,978,016,761
Foreign exchange loss	04	844,798,129,711	892,894,434,202
Gain from investing activities	05	(800,479,986,974)	(779,644,468,389)
Interest expense	06	2,468,022,741,831	1,576,833,210,859
3. Operating profit before movements in working capital	08	8,265,097,448,129	9,185,847,143,420
Changes in receivables	09	(7,952,608,502,852)	(9,488,254,325,533)
Changes in inventories	10	(1,107,805,590,729)	1,145,086,072,454
Changes in payables	11	(26,847,667,323)	185,387,536,833
Changes in prepaid expenses	12	29,252,244,222	(15,794,083,651)
Interest paid	14	(137,311,614,606)	(169,125,050,113)
Corporate income tax paid	15	(444,966,561,311)	(577,463,723,938)
Other cash inflows	16	347,840,000	110,320,000
Other cash outflows	17	(110,080,458,665)	(110,208,387,509)
Net cash (used in)/generated by operating activities	20	(1,484,922,863,135)	155,585,501,963
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(372,222,053,771)	(976,848,420,334)
2. Proceeds from sale, disposal of fixed assets	22	486,264,858	466,486,375
3. Cash outflow for time deposits	23	(2,794,000,000,000)	(5,049,000,000,000)
4. Cash recovered from time deposits	24	3,754,650,000,000	5,450,000,000,000
5. Equity investments in other entities	25	(90,000,000,000)	-
6. Interest, dividends and profits received	27	523,274,174,293	310,226,258,152
Net cash generated by/(used in) investing activities	30	1,022,188,385,380	(265,155,675,807)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	423,951,363,317	119,500,000,000
2. Repayment of borrowings	34	(1,138,669,012,599)	(636,738,214,128)
3. Dividends and profits paid	36	(40,056,165,815)	(38,611,613,275)
Net cash used in financing activities	40	(754,773,815,097)	(555,849,827,403)
Net decrease in cash (50=20+30+40)	50	(1,217,508,292,852)	(665,420,001,247)
Cash and cash equivalents at the beginning of the year	60	1,727,691,330,819	2,393,109,084,650
Effects of changes in foreign exchange rates	61	-	2,247,416
Cash and cash equivalents at the end of the year (70=50+60+61)	70	510,183,037,967	1,727,691,330,819


Tran Nguyen Khanh Linh
Preparer

Vu Phuong Thao
Chief AccountantNguyen Thi Thanh Huong
Vice President
30 March 2024

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

The structure of the Group includes Power Generation Joint Stock Corporation 3 ("the Parent Company"), 2 subsidiaries and 3 associated companies. Information about companies in the Group is as follows:

The Parent Company

Power Generation Joint Stock Corporation 3 is a joint stock company established from the equitisation of Parent Company - Power Generation Corporation 3. Pursuant to the Decision No. 9494/QD-BCT dated 22 October 2014, the Ministry of Industry and Trade decided to equitise the Parent Company – Power Generation Corporation 3. Pursuant to the Decision No. 2100/QD-TTg dated 27 December 2017, the Prime Minister approved the equitisation plan of Parent company – Power Generation Corporation 3.

The Parent Company 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 9th amendment issued by the Department of Planning and Investment of Ho Chi Minh City on 5 October 2021.

The Parent Company's shares were listed and traded on UPCoM since 14 March 2018 with the stock trading code "PGV" pursuant to the Decision No. 114/QD-SGDHN issued by the Hanoi Stock Exchange on 14 March 2018. According to the Decision No. 34/QD-SGDHN dated 19 January 2022 of the Hanoi Stock Exchange, the Parent Company's shares have been deregistered for trading on the UPCoM from 24 January 2022.

According to the Decision No. 731/QD-SGDHCM dated 29 December 2021 of the Ho Chi Minh City Stock Exchange, the Parent Company 's shares have been accepted to list on the Ho Chi Minh City Stock Exchange since 29 December 2021 with the stock trading code "PGV". The official trading date is on 10 February 2022 at the Ho Chi Minh City Stock Exchange.

The Parent Company's headquarters is located at 60-66 Nguyen Co Thach Street, Sala Urban Area, An Loi Dong Ward, Thu Duc City, Ho Chi Minh City, Vietnam.

The total number of employees of the Parent Company and its subsidiaries as at 31 December 2023 is 2,711 people (as at 31 December 2022: 2,698 people).

Dependent accounting branches of the Parent Company, including:

- 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;
- EVNGENCO3 Power Service Company at No. 332, Doc Lap Street (National Highway 51), Phu My Ward, Phu My Town, Ba Ria - Vung Tau Province, 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
- Thai Binh Thermal Power Project Management Board at My Loc Commune, Thai Thuy District, Thai Binh Province, Vietnam.

Subsidiaries and associates companies of the Parent Company at 31 December 2023 include:

Name of entity	Place of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activity
Subsidiaries				
Ba Ria Thermal Power Joint Stock Company	Ba Ria - Vung Tau Province	79.56	79.56	Produce and trading electricity
Ninh Binh Thermal Power Joint Stock Company	Ninh Binh Province	54.76	54.76	Produce and trading electricity
Associates				
Thac Ba Hydropower Joint Stock Company	Yen Bai Province	30.00	30.00	Produce and trading electricity
Vinh Son - Song Hinh Hydropower Joint Stock Company	Binh Dinh Province	30.55	30.55	Produce and trading electricity
Se San 3A Power Investment and Development Joint Stock Company	Gia Lai Province	30.00	30.00	Produce and trading electricity
Simacai Joint Stock Company	Lao Cai Province	28.64	36.00	Produce electricity

Subsidiaries

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 Trade and the Enterprise Registration certificate No. 4903000451 on 1 November 2007 which was issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province. The principal activities of this company are to produce and trade electricity.

Ninh Binh Thermal Power Joint Stock Company was established on the basis of equitisation of Ninh Binh Thermal Power Company 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 on 31 December 2007 which was issued by the Department of Planning and Investment of Ninh Binh Province. The principal activities of this company are to produce and trade electricity.

Associates

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.

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 Vietnam Electricity ("EVN"). The plant was officially transformed to operate under the form of Vinh Son – Song Hinh Hydropower 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 on 4 May 2005. The principal activities of this company are to produce and trade electricity.

Se San 3A Power Investment and Development Joint Stock Company officially started its operation on 1 November 2003 pursuant to the Official letter No. 1391/CP-CN which was issued by Prime 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 produce and trade electricity.

Simacai Joint Stock Company was established on 8 August 2018 pursuant to the Enterprise Registration Certificate No. 5300755744 which was issued by the Department of Planning and Investment of Lao Cai Province.

Operating industry and principal activities

The principal activities of the Parent Company 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 Group also operates in science, technology, research and development, and training to serve its principal activities.

Normal production and business cycle

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

Disclosure of information comparability in the consolidated financial statements

The comparative figures on the consolidated financial statements are the figures on the audited consolidated financial statements for the year ended 31 December 2022.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

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

The consolidated financial statements are prepared based on consolidation of separate financial statements of the Parent Company and its subsidiaries' financial statements.

The consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Group's financial year begins on 1 January and ends on 31 December.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Group in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and enterprises controlled by the Parent Company (its subsidiaries) for the year ended 31 December 2023. Control is achieved where the Parent Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

Intragroup transactions and balances are eliminated in full on consolidation.

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

Business combinations

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

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

Investments in associates

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



Investments in subsidiaries and associates are initially recognized at cost. The Group's share of the net accumulative profit of the investees after the acquisition is recognized in the consolidated income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries and associates are presented at cost less provisions for impairment in the consolidated balance sheet. Provisions for impairment of investments are made in accordance with current accounting regulations.

Cash and cash equivalents

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

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Group has the positive intent or ability to hold to maturity, including term deposits.

Post-acquisition interest income from held-to-maturity investments is recognized in the consolidated income statement on accrual basis.

Held-to-maturity investments are measured at cost less any impairment in accordance with prevailing regulations.

Equity investments in other entities

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

Equity investments in other entities are carried at cost less provision for impairment. Provision for impairment is made when there is evidence of the decreasing in value of investment at the end of financial year.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The Group calculated cost of inventory using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.



The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realizable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

	<u>Years</u>
Plants, buildings and structures	10 – 50
Machinery and equipment	5 – 20
Motor vehicles	6 – 30
Office equipment	3 – 10
Others	5 – 10

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

Leasing

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

The Company as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

The Company as lessee

A lease is considered an operating lease when the lessor retains most of the benefits and bears the risk of ownership of the asset. Operating lease expenses are recognized in the consolidated income statement on a straight-line basis over the lease term. Payments received or receivable to facilitate the conclusion of an operating lease are also recognized on a straight-line basis over the lease term.

Intangible assets and amortization

Intangible fixed assets include the value of land use rights (including costs incurred to acquire land use rights), computer software, technology copyrights and other intangible assets.

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Intangible fixed assets are amortized using the straight-line method based on their estimated useful lives, as follows:

	<u>Years</u>
Computer software	3 – 10
Land use rights – limited period of time	50
Technology copyright	3 – 10
Others	3 – 10

Construction in progress

Construction in progress is the amount of construction works in progress and major repairs in progress at the Group. This is determined by the actual costs incurred for construction works according to the actual volume paid to the supplier in invoices, or handover items for outsourced works, including interest expenses related to the Group's accounting policies. These costs will be transferred to the historical cost of fixed assets at the provisional price (in case there is no approved settlement) when these assets are handed over and put into use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple financial year. Prepayments comprise short-term and long-term prepayments.

Short-term prepayments comprise insurance expenses and other expenses.

Long-term prepayments comprise expense related to lease land and other expenses, which are expected to provide future economic benefits to the Group. These expenditures have been capitalized as long-term prepayments, and are allocated to the consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

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 but do not qualify for classification as fixed assets and have storage time of more than 12 months or more than one normal operating cycle.

Unearned revenue

Unearned revenue is the amounts received in advance relating to results of operations for multiple accounting periods for rental services that have been yet provided or delivered. The Group recognizes unearned revenue in proportion to its obligations that the Group will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the consolidated income statement during the period corresponding to the portion that meets the revenue recognition conditions.



Revenue recognition

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

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

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognized in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Group;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The Group's revenue from sales and service is mainly from electricity sales. Electricity sales revenue is determined based on the total electricity production quantity and electricity selling price specified in each electricity purchase contract of each power plant.

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

Interest on investments is recognized when the Group is entitled to receive interest.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of commercial bank where the Group usually transacts on the same date. Exchange differences arising from the translation are recognized in the consolidated income statement.

Borrowing costs

Borrowing costs are recognized in the consolidated income statement in the year when incurred unless they are capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, loan interests are capitalized even when the construction period is under 12 months.



Overhaul expenses

Overhaul expenses are accounted into expenses in the year when the overhaul project is completed. If the project has many items:

- (a) In case items can operate independently, the Group records expenses in the year corresponding by the time each overhaul item is completed, accepted and put into use;
- (b) In case the items of a overhaul project do not operate independently of each other, the Group records it into expenses in the corresponding financial year when the entire major repair project is it is probable that the economic benefits associated with the transaction will flow to the Group;

The Group accounts costs related to the preparing of repair work (consulting costs, surveys, appraisals...) corresponding with the time Accounting for production and business costs when the project and repaired items are completed, accepted and put into use as mentioned above.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Assessable income differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

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

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

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

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

4. RESTATEMENT OF PRIOR YEAR'S CONSOLIDATED FINANCIAL STATEMENTS

During the year, the Board of Management made some necessary adjustments related to some figures of the consolidated financial statements for the year ended 31 December 2022, based on the Audit Report dated 6 February 2024 of the State Audit on finalization of the value of state capital at the time of official transformation into a joint stock company of the Parent Company - Power Generation Corporation 3. In particular, a number of material adjustments are as follows:

- Adjustments related to changing the depreciation period of tangible fixed assets, Turbines, at Vinh Tan Thermal Power Company from 15 years to 20 years;
- Adjustments according to the Contract for providing shared infrastructure services for Vinh Tan 4 and Expanded Vinh Tan 4 Thermal Power Plant No. 01/2023/EVN-GENCO3-CSHT VT4 & 4MR with EVN.

At the same time, to ensure consistency principle, the Group has made adjustments related to the provision of shared infrastructure services for Vinh Tan 1 BOT Power Plant between the EVN and the Group.

Accordingly, figures of the consolidated financial statements ending 31 December 2022 are restated, specifically:

	Code	Previously Reported amount VND	Adjustment VND	Restated amount VND
Consolidated balance sheet				
Short-term trade receivables	131	11,710,481,578,712	(394,153,954,901)	11,316,327,623,811
Tangible fixed assets	221	40,107,624,331,926	476,439,193,866	40,584,063,525,792
- Cost	222	114,631,289,946,787	1,185,409,411	114,632,475,356,198
- Accumulated depreciation	223	(74,523,665,614,861)	475,253,784,455	(74,048,411,830,406)
Short-term trade payables	311	5,045,551,157,760	5,139,317,526	5,050,690,475,286
Taxes and amounts payable to the State budget	313	382,009,061,403	618,347,637	382,627,409,040
Other current payables	319	1,585,152,242,768	141,137,446,158	1,726,289,688,926
Bonus and welfare funds	322	334,914,842,561	(18,587,375,875)	316,327,466,686
Retained earnings brought forward to the prior year end	421a	2,739,041,723,588	(16,312,407,932)	2,722,729,315,656
Retained earnings of the current year	421b	1,906,472,047,941	(29,710,088,550)	1,876,761,959,391
Consolidated income statement				
Gross revenue from goods sold and services rendered	01	47,287,247,983,691	(97,656,722,367)	47,189,591,261,324
Cost of from goods sold and services rendered	11	41,868,485,643,133	(60,519,111,680)	41,807,966,531,453
Current corporate income tax expense	51	507,534,849,403	(7,427,522,137)	500,107,327,266
Net profit after corporate income tax	60	2,549,816,412,465	(29,710,088,550)	2,520,106,323,915
Consolidated cash flow				
Profit before tax	01	3,057,351,261,868	(37,137,610,687)	3,020,213,651,181
Depreciation and amortization of fixed assets	02	4,530,091,410,486	(60,519,111,680)	4,469,572,298,806
Changes in receivables	09	(9,585,911,047,900)	97,656,722,367	(9,488,254,325,533)

5. CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	3,719,392,191	2,962,084,245
Bank demand deposits	385,463,645,776	489,229,246,574
Cash equivalents (*)	121,000,000,000	1,235,500,000,000
	510,183,037,967	1,727,691,330,819

(*) Cash equivalents include term deposits at commercial banks with an original maturity of three months or less and earn interest rate specified in the deposit contracts.

6. HELD-TO-MATURITY INVESTMENTS

a. Held-to-maturity financial investments

	<u>Closing balance</u> Cost and Book value VND	<u>Opening balance</u> Cost and Book value VND
Short-term		
Term deposits (*)	2,935,000,000,000	3,829,650,000,000
Bond	-	8,000,000,000
	<u>2,935,000,000,000</u>	<u>3,837,650,000,000</u>
Long-term		
Bond	-	58,000,000,000

(*) Term deposits include term deposits at commercial banks with an original maturity from 6 months to 12 months and earn interest rate specified in the deposit contracts.

As at 31 December 2023, term deposits with the value of VND 625.2 billion have been used as collateral asset for the Letter of Credit, Guarantee Letter issued pursuant to Credit Limit Contracts between the Parent Company and Joint Stock Commercial Bank for Investment and Development of Vietnam (as at 31 December 2022: VND 336.7 billion).

b. Investments in associates

The value recognized under the equity method of investment in associates at the end of the year is as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Thac Ba Hydropower Joint Stock Company	319,362,809,598	329,276,001,764
Vinh Son - Song Hinh Hydropower Joint Stock Company	1,406,121,780,238	1,535,556,161,954
Se San 3A Power Investment and Development Joint Stock Company	169,348,178,464	161,878,675,719
Simacai Joint Stock Company	90,000,000,000	-
	<u>1,984,832,768,300</u>	<u>2,026,710,839,437</u>

Movement during the year:

	<u>Current year</u> VND	<u>Prior year</u> VND
Opening balance	2,026,710,839,437	1,696,435,122,469
Increase	90,000,000,000	-
Profit sharing from associates	375,725,222,863	513,938,765,968
Dividend distribution	(507,603,294,000)	(183,663,049,000)
Closing balance	<u>1,984,832,768,300</u>	<u>2,026,710,839,437</u>

c. Equity investments in other entities

	Percentage of ownership %	Closing balance		Provision VND	Opening balance	
		Book value VND	Fair value (**) VND		Book value VND	Fair value (**) VND
Quang Ninh Thermal Power Joint Stock Company	1.99	114,770,927,800	146,581,366,480	-	114,770,927,800	133,734,879,263
Hai Phong Thermal Power Joint Stock Company	1.60	108,730,000,000	139,926,453,260	-	108,730,000,000	129,100,000,000
Buon Don Hydropower Joint Stock Company	19.89	83,750,000,000	291,287,501,193	-	83,750,000,000	269,757,380,053
Petro Vietnam Power Nhon Trach 2 Joint Stock Company	2.47	83,094,784,000	174,487,040,000	-	83,094,784,000	205,467,392,000
GE PMTP Power Service Limited Liability Company	15.00	74,463,661,588	(*)	(964,023,046)	74,463,661,588	(*)
Phu Thanh My Joint Stock Company	6.43	50,000,000,000	(*)	-	50,000,000,000	(*)
Viet Lao Power Joint Stock Company	0.45	19,600,000,000	(*)	-	19,600,000,000	(*)
North Power Service Joint Stock Company	1.14	2,500,000,000	(*)	-	2,500,000,000	(*)
		536,909,373,388		(964,023,046)	536,909,373,388	(5,397,645,540)

(*) As at 31 December 2023 and 31 December 2022, the Group had not determined the fair value of these investments to disclose on the consolidated financial statements because these investments are not listed on the stock market. The fair value of these investments may be different from the carrying amount.

(**) For investments with shares listed on the Ho Chi Minh City Stock Exchange ("HOSE") or the Hanoi Stock Exchange ("HNX"), the fair value of these shares is determined by reference to the closing prices of these securities at the balance sheet date. For investments whose shares are traded on the market of unlisted public companies ("UPCoM"), the fair value of these shares is determined by reference to the average reference price in the last 30 consecutive trading days prior to the date of preparation of the consolidated financial statements.

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.

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.

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.

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.

GE PMTP Power Services Limited Liability Company 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.

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 trade electricity.

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.

North Power 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.

7. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
Related parties (Details stated in Note 35)	9,061,184,424,889	11,289,410,171,494
Third parties	56,757,493,801	26,917,452,317
	<u>9,117,941,918,690</u>	<u>11,316,327,623,811</u>

8. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Undeclared input value added tax	85,235,880,603	283,237,369,103
Receivables from payment on behalf	214,521,297,043	148,879,081,794
Interest receivables	100,469,931,370	70,458,551,140
Dividend receivables	247,360,392,250	-
Others	84,003,750,600	47,145,657,843
	<u>731,591,251,866</u>	<u>549,720,659,880</u>
In which:		
Other short-term receivables from related parties (Details stated in Note 35)	<u>463,072,961,659</u>	<u>150,722,578,817</u>

9. INVENTORIES

	Closing balance	Opening balance
	VND	VND
Goods in transit	96,822,955,154	6,264,942,908
Raw materials	2,813,903,126,870	1,760,743,932,957
Tools and supplies	139,177,253,796	137,457,580,099
Work in progress	45,237,312,247	17,766,392,766
Finished goods	383,603,623	282,456,615
	<u>3,095,524,251,690</u>	<u>1,922,515,305,345</u>
Provision for devaluation	(28,825,597)	(2,324,468,650)
	<u>3,095,495,426,093</u>	<u>1,920,190,836,695</u>

During the year, an amount of VND 2,295,643,053 was made as a reversal of provision for devaluation of inventories (year 2022: VND 187,124,097).



POWER GENERATION JOINT STOCK CORPORATION 3
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Plants, building and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
HISTORICAL COST						
Opening balance (Restated)	20,640,974,608,951	86,852,770,437,251	6,755,945,085,672	343,652,446,577	39,132,777,747	114,632,475,356,198
Increase	75,554,438,175	259,792,615,414	39,641,117,236	54,640,873,423	476,415,167	430,105,459,415
Transfers from construction in progress	72,215,694,643	-	-	-	-	72,215,694,643
New purchases	1,291,052,834	254,913,682,415	38,072,264,501	54,128,554,768	476,415,167	348,881,969,685
Reclassification	-	-	-	378,808,000	-	378,808,000
Internal transfer	397,300,000	-	1,568,852,735	-	-	1,966,152,735
Others	1,650,390,698	4,878,932,999	-	133,510,655	-	6,662,834,352
Decrease	6,336,781,387	3,434,339,927	4,492,388,722	652,107,876	-	14,915,617,912
Disposals	77,312,000	2,582,159,286	2,839,883,757	204,049,714	-	5,703,404,757
Internal transfer	397,300,000	-	1,568,852,735	-	-	1,966,152,735
Reclassification	-	378,808,000	-	-	-	378,808,000
Others	5,862,169,387	473,372,641	83,652,230	448,058,162	-	6,867,252,420
Closing balance	20,710,192,265,739	87,109,128,712,738	6,791,093,814,186	397,641,212,124	39,609,192,914	115,047,665,197,701
ACCUMULATED DEPRECIATION						
Opening balance (Restated)	9,159,064,426,334	60,425,624,453,550	4,209,567,441,701	236,251,028,026	17,904,480,795	74,048,411,830,406
Increase	701,691,888,849	3,424,404,482,261	312,869,919,916	42,583,338,811	4,811,002,162	4,486,360,631,999
Charge for the year	700,813,785,893	3,424,258,382,063	311,301,067,181	42,533,338,811	4,811,002,162	4,483,717,576,110
Depreciated	652,608,360	136,079,652	-	-	-	788,688,012
Internal transfer	225,494,596	-	1,568,852,735	-	-	1,794,347,331
Others	-	10,020,546	-	50,000,000	-	60,020,546
Decrease	964,036,589	2,592,179,832	4,408,736,492	204,049,714	-	8,169,002,627
Disposals	77,312,000	2,582,159,286	2,839,883,757	204,049,714	-	5,703,404,757
Internal transfer	225,494,596	-	1,568,852,735	-	-	1,794,347,331
Others	661,229,993	10,020,546	-	-	-	671,250,539
Closing balance	9,859,792,278,594	63,847,436,755,979	4,518,028,625,125	278,630,317,123	22,715,482,957	78,526,603,459,778
NET BOOK VALUE						
Opening balance (Restated)	11,481,910,182,617	26,427,145,983,701	2,546,377,643,971	107,401,418,551	21,228,296,952	40,584,063,525,792
Closing balance	10,850,399,987,145	23,261,691,956,759	2,273,065,189,061	119,010,895,001	16,893,709,957	36,521,061,737,923



The historical cost of tangible fixed assets of the Group which were fully depreciated but still in use as at 31 December 2023 was VND 37,861 billion (as at 31 December 2022: VND 37,366 billion).

As stated in Note 20, tangible fixed assets of the Group were pledged to banks as collateral for borrowings from banks. The carrying value of these assets as at 31 December 2023 were VND 15,967 billion (as at 31 December 2022: VND 18,047 billion).

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Technology copyrights	Others	Total
	VND	VND	VND	VND	VND
HISTORICAL COST					
Opening balance	569,053,723,199	66,772,154,253	17,418,486,148	6,736,853,361	659,981,216,961
Increase	10,803,037,879	10,105,565,000	-	8,809,128,982	29,717,731,861
New purchases	-	10,105,565,000	-	8,809,128,982	18,914,693,982
Other	10,803,037,879	-	-	-	10,803,037,879
Decrease	30,714,408,750	157,555,355	-	-	30,871,964,105
Disposals	-	157,555,355	-	-	157,555,355
Adjustment according to Competent Authority's Decision	30,714,408,750	-	-	-	30,714,408,750
Closing balance	549,142,352,328	76,720,163,898	17,418,486,148	15,545,982,343	658,826,984,717
ACCUMULATED AMORTIZATION					
Opening balance	17,482,984,634	29,555,938,134	11,631,236,837	1,609,927,866	60,280,087,471
Increase	1,223,429,118	10,192,839,080	2,854,736,664	1,373,773,777	15,644,778,639
Charge for the year	1,223,429,118	10,192,839,080	2,854,736,664	1,373,773,777	15,644,778,639
Decrease	8,753,606,467	157,555,355	-	-	8,911,161,822
Disposals	-	157,555,355	-	-	157,555,355
Adjustment according to Competent Authority's Decision	8,753,606,467	-	-	-	8,753,606,467
Closing balance	9,952,807,285	39,591,221,859	14,485,973,501	2,983,701,643	67,013,704,288
NET BOOK VALUE					
Opening balance	551,570,738,565	37,216,216,119	5,787,249,311	5,126,925,495	599,701,129,490
Closing balance	539,189,545,043	37,128,942,039	2,932,512,647	12,562,280,700	591,813,280,429

The historical cost of intangible fixed assets of the Group which were fully amortized but still in use as at 31 December 2023 was VND 26.5 billion (as at 31 December 2022: VND: 17.2 billion).

12. CONSTRUCTION IN PROGRESS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Overhauls of fixed asset in progress	3,905,884,878	200,982,542,924
Purchases of fixed assets which have not been put into use yet	16,388,457,300	87,662,429,032
Others	4,819,843,680	54,069,785,760
	<u>25,114,185,858</u>	<u>342,714,757,716</u>

13. LONG-TERM PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Expenses related to leased lands	212,957,279,965	195,718,262,372
Others	53,057,006,278	70,966,383,306
	<u>266,014,286,243</u>	<u>266,684,645,678</u>

14. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
Third parties	4,083,730,471,492	5,045,607,894,626
Petrovietnam Gas South East Transmission Company	1,903,565,681,722	2,657,549,850,230
Vietnam National Coal - Mineral Industries Holding Corporation Limited	1,017,969,878,853	760,335,977,572
Dong Bac Corporation	374,868,084,314	867,883,019,531
Others	787,326,826,603	759,839,047,293
Related parties (Details stated in Note 35)	17,712,194,561	5,082,580,660
	<u>4,101,442,666,053</u>	<u>5,050,690,475,286</u>

The Group has the ability to repay all amounts of short-term trade payables to suppliers when in due.

15. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Receivables	Payment	Reclassification	Closing balance
	VND	during the year	during year	VND	VND
a. Receivables					
Value added tax	-	-	-	8,255,137,460	8,255,137,460
Corporate income tax	7,718,744,707	-	-	58,185,890,963	65,904,635,670
Personal income tax	2,347,825,989	-	-	746,313,243	3,094,139,232
Land tax	49,625	-	-	4,498,713,494	4,498,763,119
Total	10,066,620,321	-	-	71,686,055,160	81,752,675,481
	Opening balance	Payable	Payment	Reclassification	Closing balance
	(Restated)	during the year	during year	VND	VND
Payables					
Value added tax	63,768,870,041	557,552,044,799	(616,216,709,863)	8,255,137,460	13,359,342,437
Import/Export tax	-	5,368,439,814	(5,368,439,814)	-	-
Personal income tax	10,160,110,221	49,745,202,176	(57,884,047,259)	746,313,243	2,767,578,381
Corporate income tax	231,796,516,898	156,986,975,976	(444,966,561,311)	58,185,890,963	2,002,822,526
Natural resource taxes	37,436,545,721	408,091,034,707	(416,084,203,345)	-	29,443,377,083
Land tax	-	54,330,319,123	(58,829,032,617)	4,498,713,494	-
Forest environment services fee	36,868,981,896	105,761,990,608	(107,228,352,652)	-	35,402,619,852
Other taxes, fees and other charges	2,596,384,263	81,129,643,700	(81,415,246,014)	-	2,310,781,949
Total	382,627,409,040	1,418,965,650,903	(1,787,992,592,875)	71,686,055,160	85,286,522,228

16. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Interest expense	14,809,462,325	18,439,068,960
Fuel expense	187,800,622,455	-
Others	13,521,886,564	36,974,537,570
	<u>216,131,971,344</u>	<u>55,413,606,530</u>

17. UNEARNED REVENUE

As at 31 December 2023 and 31 December 2022, the unearned revenue is mainly revenue from leasing infrastructure of Vinh Tan Power Center received in advance from customers, including the related party Vinh Tan 4 Power Plant (Details in Note 35).

18. OTHER CURRENT PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
Dividend payable	22,746,804,061	625,910,262,784
Payables of interest expense and re-borrowings fees to EVN	668,111,256,215	606,161,178,867
Temporary VAT payable	844,474,215	280,272,385,669
Payables due to sales of shares	29,428,264,877	29,428,264,877
Profits waiting to be distributed according to equitization settlement records	154,148,830,896	154,148,830,896
Others	17,553,865,191	30,368,765,833
	<u>892,833,495,455</u>	<u>1,726,289,688,926</u>
In which:		
Related parties (Details stated in Note 35)	<u>696,060,159,749</u>	<u>1,237,346,852,964</u>

19. SHORT-TERM LOANS

	Opening balance	Increase	Decrease	Reclassification	Revaluation	Closing balance
	VND	during the year	during the year	VND	VND	VND
Short-term loans						
Borrowings from banks (*)	-	1,250,136,965,941	(1,200,320,186,391)	-	-	49,816,779,550
Current portion of long-term loans (Details stated in Note 20)						
Borrowings from banks	700,002,305,484	-	(743,433,188,272)	461,433,188,200	-	418,002,305,412
Borrowings from related parties	4,680,509,091,943	-	(4,680,509,091,942)	4,763,824,588,777	103,188,994,218	4,867,013,582,996
	5,380,511,397,427	1,250,136,965,941	(6,624,262,466,605)	5,225,257,776,977	103,188,994,218	5,334,832,667,958

(*) The Group entered into short-term credit limit contracts with Military Commercial Joint Stock Bank, Joint Stock Commercial Bank for Investment and Development of Viet Nam and Vietnam Joint Stock Commercial Bank for Industry and Trade with a total credit limit of VND 2,680 billion to finance L/C, guarantee and funding the working capital. The loans bear a floating interest rate informed by the bank in each disbursement. The Group used term deposits as collaterals for the Credit limit Contract of the Group and Joint Stock Commercial Bank for Investment and Development of Viet Nam (see further in Note 6).

20. LONG-TERM LOANS

	Opening balance	Increase	Decrease	Reclassification	Revaluation	Closing balance
	VND	during the year	during the year	VND	VND	VND
Borrowings from banks (*)	887,173,953,258	347,447,062,012	(304,016,179,188)	(461,433,188,200)	-	469,171,647,882
Borrowings from related parties (**)	34,231,213,038,394	-	-	(4,763,824,588,777)	739,859,211,544	30,206,285,580,617
	35,118,386,991,652	347,447,062,012	(304,016,179,188)	(5,225,257,776,977)	739,859,211,544	30,675,457,228,499

(*) The detail of Borrowings from banks:

	Currency	Maturity	Closing balance	Opening balance	Interest rate
			VND	VND	
Mong Duong 1 Thermal Power Plant Project					
Lien Viet Post Joint Stock Commercial Bank – Thang Long Branch	VND	2025	24,225,127,186	40,101,003,862	12-month deposit + 2.8% per annum
Vinh Tan 2 Thermal Power Plant Project					
The Vietnam Development Bank – Operation Center I	VND	2024	94,000,000,000	470,000,000,000	Defined by the bank
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2025	393,217,205,472	617,912,751,456	12-month deposit + 2.8% per annum
Buon Kuop Hydropower Plant Project					
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	50,000,000,000	90,000,000,000	12-month deposit + 2.8% per annum
Vinh Tan 2 Solar Power Plant Project					
Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2031	-	369,162,503,424	12-month deposit + 2.7% per annum
Shinhan Bank Vietnam Limited	VND	2031	325,731,620,636	-	12-month deposit + 1.7% per annum
			887,173,953,294	1,587,176,258,742	
Less: Current portion of long-term borrowings			(418,002,305,412)	(700,002,305,484)	
Amount due for settlement after 12 months			469,171,647,882	887,173,953,258	

Collateral for the loan of Vinh Tan 2 Solar Power Plant Project includes the entire value of construction works, machinery and equipment of Vinh Tan Solar Power Plant Project (see Note 10); debt collection rights arising from the Power Purchase Contract of Vinh Tan 2 Solar Power Plant signed between the Group and EVN; proceeds from the Project's land in Vinh Tan Commune, Tuy Phong District, Binh Thuan Province.

Remaining loans are guaranteed for payment by EVN.

As at 31 December 2023, the applicable interest rate applied for the above banks borrowings is from 6.9% per annum to 9.2% per annum (as at 31 December 2022: from 9.05% per annum to 10.26% per annum).

(**) The detail of re-borrowing from EVN:

	Currency	Maturity	Closing balance	Opening balance	Interest rate
			VND	VND	
Mong Duong 1 Thermal Power Plant Project					
Asian Development Bank	USD	2032	359,473,237,108	374,450,171,403	Compounded SOFR + 1.22% per annum
Asian Development Bank	USD	2034	16,807,208,953,946	17,120,997,292,319	Compounded SOFR + 0.87% per annum
Korea Export Import Commercial Joint Stock Bank	USD	2028	4,478,511,706,343	5,319,073,212,262	LIBOR 6 months + 4.05% per annum
Vinh Tan 2 Thermal Power Plant Project					
The Export-Import Bank of China	USD	2027	2,930,300,334,898	3,559,378,938,320	3.45% per annum
The Export-Import Bank of China	CNY	2027	731,468,118,816	933,636,851,270	3.4% per annum
The Export-Import Bank of China	USD	2028	7,738,007,052,217	9,023,238,663,512	LIBOR 6 months + 2.65% per annum
Buon Kuop Hydropower Plant Project					
Japan Bank for International Cooperation	JPY	2026	27,796,744,033	38,582,084,753	2.75% per annum
Japan Bank for International Cooperation	JPY	2028	26,434,048,170	33,633,098,653	2.55% per annum
Phu My 1 Thermal Power Plant Project					
Japan Bank for International Cooperation	JPY	2028	1,778,584,210,206	2,262,963,969,675	From 1.15% per annum to 2.7% per annum
Project 306-2 Ba Ria Thermal Power Plant Project					
The Viet Nam Development Bank - Ba Ria - Vung Tau Branch	KRW	2027	195,514,757,876	245,767,848,170	2.4% per annum
			35,073,299,163,613	38,911,722,130,337	
			(4,867,013,582,996)	(4,680,509,091,943)	
			30,206,285,580,617	34,231,213,038,394	

Less: Current portion of long-term borrowings
Amount due for settlement after 12 months

The collateral assets for the loan related to Mong Duong 1 Thermal Power Plant are the entire value of construction of Mong Duong 1 Thermal Power Plant Project (Details stated in Note 10).

As at 31 December 2023, the applicable interest rate applied for the borrowing in USD currency is from 3.45% per annum to 10.41% per annum (as at 31 December 2022: from 3.45% per annum to 7.56% per annum).

Loans are repayable as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
On demand or within one year	5,334,832,667,958	5,380,511,397,427
In the second year	5,191,883,242,109	5,181,964,334,336
In the third to fifth year inclusive	13,873,386,659,397	15,085,982,398,320
After five years	<u>11,610,187,326,993</u>	<u>14,850,440,258,996</u>
	<u>36,010,289,896,457</u>	<u>40,498,898,389,079</u>
Less: Amount due for settlement within 12 months (Details stated in Note 19)	(5,334,832,667,958)	(5,380,511,397,427)
Amount due for settlement after 12 months	<u>30,675,457,228,499</u>	<u>35,118,386,991,652</u>

21. BONUS AND WELFARE FUNDS

	<u>Closing balance</u> VND	<u>Opening balance</u> (Restated) VND
Bonus funds	174,971,433,817	150,247,388,557
Welfare funds	232,268,389,568	161,314,611,956
Welfare funds forming fixed assets	4,228,084,744	4,221,713,010
Bonus funds of management and directors	<u>1,090,140,372</u>	<u>543,753,163</u>
	<u>412,558,048,501</u>	<u>316,327,466,686</u>

Changes in Bonus and welfare funds

	<u>Current year</u> VND	<u>Prior year</u> (Restated) VND
Opening balance	316,327,466,686	217,136,777,316
Appropriation	206,751,888,492	209,892,140,413
Reclassification	-	178,809,276
Other increase	347,840,000	110,320,000
Usage of fund	(110,080,458,665)	(110,208,387,509)
Depreciation of fixed assets formed welfare fund	(788,688,012)	(782,192,810)
Closing balance	<u>412,558,048,501</u>	<u>316,327,466,686</u>

22. OWNERS' EQUITY

Charter capital and investment capital

According to the Parent company's Enterprise Registration Certificate, the Parent company's investment capital and charter capital are VND 11,234,680,460,000 (as at 31 December 2022: VND 11,234,680,460,000). The charter capital contributions by the shareholder as at 31 December 2023 had been fully made.

Number of shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares registered, issued and existing in circulation	1,123,468,046	1,123,468,046

The Parent company has only issued ordinary share which is not entitled to a fixed dividend with a par value of VND 10,000/share. Shareholders owning ordinary shares are entitled to receive dividends when they are announced and have the right to vote at the rate of one voting right per share held at the shareholders' meetings of the Parent company. All shares have the same right to inherit the Parent company's net assets.

Details of owners' shareholding as below:

	<u>Closing balances and Opening balance</u>	
	<u>Ordinary shares</u>	<u>%</u>
EVN	1,114,422,994	99.19
Others	9,045,052	0.81
Number of shares issued	<u>1,123,468,046</u>	<u>100</u>



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Movement in Owner's equity:

	Owners' contributed capital		Share premium		Other owners' capital		Investment and development fund		Other reserves		Retained earnings		Non-controlling interests		Total		
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	
Prior year's opening balance (Restated)	11,234,680,460,000	6,014,917,945	47,147,215,051	696,713,720,759	15,890,285,682	5,010,892,653,635	381,497,567,497	17,392,836,820,569									
Profit for the year	-	-	-	-	-	2,494,669,384,691	25,436,939,224	2,520,106,323,915									
Appropriation to investment and development fund	-	-	-	623,345,602,464	-	(623,345,602,464)	-	-									
Appropriation to Bonus and welfare fund	-	-	-	-	-	(204,309,275,716)	(5,582,864,697)	(209,892,140,413)									
Dividends declared	-	-	-	-	-	(2,078,415,885,100)	(27,273,154,500)	(2,105,689,039,600)									
Usage of investment and development fund	-	-	3,664,414,950	(4,124,494,950)	-	-	-	(460,080,000)									
Reclassification	-	-	-	-	(142,260,660)	-	(36,548,616)	(178,809,276)									
Current year's opening balance (Restated)	11,234,680,460,000	6,014,917,945	50,811,630,001	1,315,934,828,273	15,748,025,022	4,599,491,275,047	374,041,938,908	17,596,723,075,196									
Profit for the year	-	-	-	-	-	1,065,134,625,680	18,588,681,656	1,083,723,307,336									
Appropriation to Bonus and welfare fund (*)	-	-	-	-	-	(201,048,527,460)	(5,703,361,032)	(206,751,888,492)									
Dividends declared of 2022 (*)	-	-	-	-	-	(1,605,929,941,888)	(22,402,365,828)	(1,628,332,307,716)									
Dividend advance (**)	-	-	-	-	-	(771,328,443,449)	(5,934,363,187)	(777,262,806,636)									
Reversal of investment and development fund (***)	-	-	-	(389,804,834,183)	-	389,804,834,183	-	-									
Dividends declared from Reversal of investment and development funds (***)	-	-	-	-	-	(292,101,691,960)	-	(292,101,691,960)									
Usage of investment and development fund	-	-	9,014,253,182	(13,886,160,849)	-	-	-	(4,871,907,667)									
Other adjustments	-	(6,014,917,945)	6,014,917,945	-	-	-	-	-									
Current year's closing balance	11,234,680,460,000	-	65,840,801,128	912,243,833,241	15,748,025,022	3,184,022,130,153	358,590,530,517	15,771,125,780,061									

(*) Pursuant to the Resolution No. 66/NQ-DHDCD dated 15 June 2023, Resolution No. 422/ NQ-NDBR dated 19 April 2023 and Resolution No. 206/NQ-DHDCD-NBTPC dated 8 June 2023 of the Annual General Meeting of Shareholders, the Parent Company and subsidiaries has appropriated to bonus and welfare funds from profit after tax of the year 2022. In addition, in these resolutions, the shareholders have approved the dividend distribution plan to shareholders.

(**) Pursuant to the Resolution No. 125/NQ-HDQIT dated 12 December 2023 and Resolution No. 1317/ NQ-NDBR dated 07 December 2023, The Group has advanced dividends from the retained earnings of the year 2023.

(**) Pursuant to the Resolution No. 127/NQ-DHDCD dated 19 December 2023 and Resolution No. 1430/ NQ-NDBR dated 29 December 2023, The Shareholders of The Group has approved the plan of reversal of investment and development fund and the dividend distribution plan from this reversal.

23. OFF BALANCE SHEET ITEM

Foreign currencies

As at 31 December 2023, the Group had no cash and cash equivalents in foreign currencies (as at 31 December 2022: USD 3,046.4).

24. BUSINESS AND GEOGRAPHICAL SEGMENT REPORT

The main production and business activities of the Group are producing and trading electricity. Other production and business activities of the Group accounted for a very small proportion of total revenue and performance of the Group in the year as well as in previous accounting periods. The Board of Management believes that the Group's business risk and profitability are not affected by differences in the business lines provided by the Group and the geographical areas in which the Group operates. Therefore, the Group does not present segment reports by business lines and geographical areas.

25. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	(Restated) VND
Net revenue from sales of electricity	45,498,959,954,021	46,779,421,537,943
Net revenue from other business activities	363,235,750,856	410,169,723,381
	<u>45,862,195,704,877</u>	<u>47,189,591,261,324</u>

26. COST OF SALES

	<u>Current year</u>	<u>Prior year</u>
	VND	(Restated) VND
Cost of electricity sold	41,021,367,998,363	41,458,625,148,990
Cost of other business activities	322,782,282,566	349,341,382,463
	<u>41,344,150,280,929</u>	<u>41,807,966,531,453</u>

27. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	(Restated) VND
Deposit interest	197,911,669,544	195,145,189,215
Foreign exchange gain	45,575,723,821	57,902,618,091
Share of net profit from investment	91,694,933,915	55,115,183,909
Others	4,001,620,381	14,978,842,922
	<u>339,183,947,661</u>	<u>323,141,834,137</u>

28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	2,468,022,741,831	1,576,833,210,859
Foreign exchange loss	868,381,688,990	966,269,876,673
Reversal of provision	(4,433,622,494)	-
	<u>3,331,970,808,327</u>	<u>2,543,103,087,532</u>

29. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labour cost	324,192,281,257	319,558,926,968
Tools and supplies	14,891,270,794	19,102,565,151
Depreciation and amortization	68,138,203,324	59,976,439,592
Out-sourced services expenses (*)	45,708,054,993	38,339,892,267
Other expenses	198,391,298,625	237,302,202,406
	<u>651,321,108,993</u>	<u>674,280,026,384</u>

(*) The services fee for auditor include: The audit services for the financial statement for the year ended 31 December 2023 is VND 900,000,000 and review services for the 6-month period ended 30 June 2023 is VND 700,000,000.

30. PRODUCTION COST BY NATURE

	Current year	Prior year (Restated)
	VND	VND
Raw materials	33,863,343,129,334	34,752,905,406,542
Labor cost	1,154,647,795,384	1,109,691,675,029
Depreciation and amortization	4,503,934,254,192	4,436,232,207,078
Out-sourced services expenses	544,222,476,087	529,445,455,662
Overhaul expense	996,979,003,379	548,789,444,696
Other expenses	932,545,542,016	1,105,427,466,599
	<u>41,995,672,200,392</u>	<u>42,482,491,655,606</u>

31. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year (Restated)
	VND	VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	157,607,434,862	499,846,456,578
Adjustments for corporate income tax expense in previous years to the current year	(620,458,886)	260,870,688
Total current corporate income tax expense	<u>156,986,975,976</u>	<u>500,107,327,266</u>

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

	Current year	Prior year (Restated)
	VND	VND
Profit before tax	1,240,710,283,312	3,020,213,651,181
Adjustments for taxable profit		
<i>Less: non-taxable profit</i>	<i>(467,561,911,192)</i>	<i>(571,121,947,808)</i>
<i>Add back: non-deductible expenses</i>	<i>14,888,802,190</i>	<i>50,140,579,510</i>
Taxable profit	788,037,174,310	2,499,232,282,883
<i>Tax rate</i>	<i>20%</i>	<i>20%</i>
Corporate income tax expense based on taxable profit in the current year	157,607,434,862	499,846,456,578

The Group is obliged to pay corporate income tax at the rate of 20% of its taxable profit.

32. BASIS EARNINGS PER SHARE

	Current year	Prior year (Restated)
	VND	VND
Profit for the year	1,065,134,625,680	2,494,669,384,691
<i>Less: Appropriated to bonus and welfare fund (*)</i>	<i>-</i>	<i>(201,048,527,460)</i>
Profit attributable to ordinary shareholders	1,065,134,625,680	2,293,620,857,231
Weighted average ordinary shares in circulation for the year (share)	1,123,468,046	1,123,468,046
Basic earnings per share (VND/share)	948	2,042

(*) As presented in Note 22, the Group has approved the plan to appropriate Bonus and Welfare Fund from the retained earnings of the year 2022. Accordingly, the Group restates basic earnings per share for the prior year as below:

	Prior year	Prior year (Restated)
Profit for the year	2,494,669,384,691	2,494,669,384,691
<i>Less: Appropriated to bonus and welfare fund</i>	<i>-</i>	<i>(201,048,527,460)</i>
Profit attributable to ordinary shareholders	2,494,669,384,691	2,293,620,857,231
Weighted average ordinary shares in circulation for the year (share)	1,123,468,046	1,123,468,046
Basic earnings per share (VND/share)	2,221	2,042

As at 31 December 2023, the Group has not reliably estimated the amount of profit that can be appropriated for the Bonus and Welfare Fund for this year because the General Meeting of Shareholders has not yet decided on the rate of appropriation. If the Group appropriates the Bonus and Welfare Fund, the net profit belonging to shareholders and basic earnings per share will be decreased.



33. **DISMANTLING RESPONSIBILITY**

As at 31 December 2023, the Board of Management assessed that the Group bore the responsibility for the clearance, restoration, and returning the premises of land at the end of lease agreements or termination of the certain power plant projects. In accordance with related regulations, the accrual for this responsibility shall follow policies tailored to relevant sectors and individual entities. The Group is not able to estimate the value of this obligation because of the complicated technical matter and its relation to calculating the cost of electricity. Consequently, the Group is in discussion with our Parent Company for specific guidance. In addition to that, the Group is looking for further updates from regulators related to this matter.

34. **COMMITMENTS**

Capital commitment

At the date of preparation of the consolidated balance sheet, the approved construction investment plan of the Group is as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Power plant and other construction	<u>177,684,000,000</u>	<u>277,999,936,000</u>

Operating leases commitment

At the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within the first year	40,456,082,111	34,549,972,046
In the second to fifth year inclusive	138,429,048,439	116,285,505,127
After five years	818,985,043,837	844,993,186,884
	<u>997,870,174,387</u>	<u>995,828,664,057</u>

Operating lease payments represent the total rental payables for leasing office premises and land rental at power plants of the Group.

35. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties having significant transaction and balances during the year:

<u>Related parties</u>	<u>Relationship</u>
Vietnam Electricity ("EVN")	Parent Company
Thac Ba Hydropower Joint-Stock Company	Associate
Vinh Son - Song Hinh Hydropower Joint Stock Company	Associate
Se San 3A Power Investment and Development Joint-Stock Company	Associate
Viet Lao Power Joint Stock Company	Other related party
Power Engineering Consulting Joint Stock Company 2	Other related party
Electric Power Trading Company - EVN Branch ("Electric Power Trading Company")	Other related party
Duyen Hai Thermal Power Company - Branch of Power Generation Corporation 1 ("Duyen Hai Thermal Power Company")	Other related party
Phu Thanh My Joint Stock Company	Other related party
EVN Construction and Technology Investment Management Board - EVN Branch ("EVN Construction and Technology Investment Management Board")	Other related party
Thai Binh Thermal Power Company - EVN Branch ("Thai Binh Thermal Power Company")	Other related party
Quang Ninh Thermal Power Joint Stock Company	Other related party
North Power Service Joint Stock Company	Other related party
Vinh Tan Thermal Power Project Management Board ("Vinh Tan 4 and Vinh Tan 4 Extension Thermal Power Plant Project")	Other related party
Vinh Tan 4 Thermal Power Plant - EVN Branch ("Vinh Tan 4 Thermal Power Plant")	Other related party
Information and Communications Technology Company of Vietnam Electricity (Information and Communications Technology Company)	Other related party

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

	<u>Current year</u>	<u>Prior year</u>
	VND	(Restated) VND
Revenues		
Electric Power Trading Company	45,496,013,709,175	46,776,381,874,288
Vinh Tan 4 Thermal Power Plant	187,788,056,123	309,008,821,321
Other related parties	<u>74,350,691,495</u>	<u>32,583,342,068</u>
Purchasing		
EVN	110,377,284,167	118,422,082,499
Other related parties	<u>40,477,869,316</u>	<u>36,836,026,509</u>
Loan repayment		
EVN	<u>49,153,569,672</u>	<u>50,378,035,822</u>
Interest		
EVN	<u>2,339,353,732,819</u>	<u>1,412,400,303,940</u>

	Current year	Prior year (Restated)
	VND	VND
Dividend income		
Petro Vietnam Power Nhon Trach 2 JSC	17,804,800,000	11,751,168,000
Quang Ninh Thermal Power Joint Stock Company	31,044,981,000	16,557,323,200
Buon Don Hydropower Joint Stock Company	16,383,802,915	12,603,102,709
Hai Phong Thermal Power Joint Stock Company	13,850,000,000	8,000,000,000
Phu Thanh My Joint Stock Company	9,250,000,000	2,500,000,000
Viet Lao Power Joint Stock Company	3,223,850,000	3,466,090,000
North Power Service Joint Stock Company	137,500,000	237,500,000
Interest paid		
EVN	5,213,192,111	6,298,164,077
Bonds collection		
Vinh Son - Song Hinh Hydropower Joint Stock Company	66,000,000,000	126,000,000,000
Bonds interest		
Vinh Son - Song Hinh Hydropower Joint Stock Company	2,783,824,657	14,978,842,922
Capital contributed		
Simacai Joint Stock Company	90,000,000,000	-

Remunerations paid to the Group's Board of Directors, Board of Management, Chief Accountant and other management personnel during the year was as follows:

Name	Position	Current year VND	Prior year VND
Mr. Dinh Quoc Lam	Chairman	902,820,000	897,996,000
Mr. Le Van Danh	Member of Board of Directors cum President	875,460,000	870,792,000
Mr. Truong Quoc Phuc	Member of Board of Directors (to 14 June 2022)	-	361,697,000
Ms. Nguyen Thi Hai Yen	Member of Board of Directors (from 15 June 2023)	429,748,000	-
Mr. Do Mong Hung	Member of Board of Directors	158,676,000	157,836,000
Mr. Nguyen Minh Khoa	Member of Board of Directors	158,676,000	157,836,000
Mr. Cao Minh Trung	Vice President (to 01 October 2023)	528,920,000	789,156,000
Mr. Nguyen Thanh Trung Duong	Vice President	793,380,000	789,156,000
Ms. Nguyen Thi Thanh Huong	Vice President	793,380,000	789,156,000
Mr. Vo Minh Thang	Vice President	793,380,000	789,156,000
Mr. Tran Dinh An	Vice President (From 10 March 2023)	628,093,000	-
Ms. Vu Phuong Thao	Chief Accountant	738,672,000	734,736,000
Mr. Pham Hung Minh	Head of Board of Supervisor	820,752,000	816,360,000
Ms. Vu Hai Ngoc	Supervisor	158,676,000	157,836,000
Mr. Dau Duc Chien	Supervisor	158,676,000	157,836,000
		7,939,309,000	7,469,549,000

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

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
Short-term trade receivables		
Electric Power Trading Company	8,812,463,189,700	10,795,483,459,416
Vinh Tan 4 Thermal Power Plant	177,907,195,181	447,861,851,881
Quang Ninh Thermal Power Joint Stock Company	21,819,807,261	33,130,626,267
Duyen Hai Thermal Power Company	42,561,423,912	6,210,749,473
Thai Binh Thermal Power Company	6,015,620,139	6,015,620,139
Other related parties	417,188,696	707,864,318
	<u>9,061,184,424,889</u>	<u>11,289,410,171,494</u>
Other short-term receivables		
EVN	15,256,171,287	15,256,171,287
EVN Construction and Technology Investment Management Board	67,966,368,944	67,966,368,944
Vinh Tan 4 and Vinh Tan 4 Extension Thermal Power Plant Project	130,896,250,922	65,091,830,980
Other related parties	248,954,170,506	2,408,207,606
	<u>463,072,961,659</u>	<u>150,722,578,817</u>
Short-term trade payables		
EVN	1,716,422,962	965,412,038
Se San 3A Power Investment and Development Joint-Stock Company	4,289,053,899	450,227,479
Information and Communications Technology Company	1,922,496,957	322,457,255
Power Engineering Consulting Joint Stock Company 2	1,185,813,676	-
Other related parties	8,598,407,067	3,344,483,888
	<u>17,712,194,561</u>	<u>5,082,580,660</u>
Short-term unearned revenue		
Vinh Tan 4 Thermal Power Plant	26,069,333,328	-
Long-term unearned revenue		
Vinh Tan 4 Thermal Power Plant	611,347,460,601	-
Other short-term payables		
EVN	668,111,256,215	1,219,167,137,407
Other related parties	27,948,903,534	18,179,715,557
	<u>696,060,159,749</u>	<u>1,237,346,852,964</u>
Short-term loans		
EVN	4,867,013,582,996	4,680,509,091,943
Long-term loans		
EVN	30,206,285,580,617	34,231,213,038,394

36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

The non-cash transaction have impact to the consolidated cash flow statement as follow:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Offset borrowing principals of EVN against short-term trade receivables	4,615,976,968,558	4,510,989,167,077
Offset interest expense and borrowing fees of EVN against short-term trade receivables	2,272,331,172,013	1,146,706,891,397
Offset dividend payable to EVN against short-term trade receivables	3,260,801,680,444	1,448,749,892,200

Supplemental information of cash flow information:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Dividend declared not paid in the year	22,746,804,061	615,910,262,784
Purchasing fixed assets and construction in progress but not paid in the year	42,999,725,387	123,113,249,439
Advance to purchase fixed assets and construction in progress but not received	41,110,193,698	49,373,086,524
Interest accrual not paid in the year	682,980,203,039	624,600,247,827
Interest, dividend declared but not received	347,830,323,620	70,458,551,140

In addition, the cash proceeds from borrowings and cash repayment to borrowings in the year do not include an amount of VND 1,259,234,702,516 (2022: nil), represent for the amounts of borrowing that have payment term which is not more than 3 months.

37. EQUITIZATION

Pursuant to the Decision No. 9494/QĐ-BCT dated 22 October 2014, the Ministry of Industry and Trade decided to equitize the Parent company. Pursuant to the Decision No. 2100/QĐ-TTg dated 27 December 2017 of the Prime Minister, the Prime Minister approved the equitization plan of the Parent company. The Parent company has completed the preparation of the financial statements at the time that the Group initially registered its joint stock form on 27 September 2018, including financial settlements at the time that the Group officially became a joint stock company, the independent audit of its financial statements, as well as the finalization of tax and other payables to the State Budget with tax authorities.



On 11 November 2021, the Steering Committee for equitization of the Parent company - Power Generation Joint Stock Corporation 3 (established in accordance with the Decision No. 110/QD-UBQLV dated 9 March 2020 issued by the Commission for the Management of State Capital at Enterprises) submitted the Report No. 6932/BC-EVN on the review of the finalization documents of equitization to the Commission for the Management of State Capital at Enterprises, requesting for the approval of the State's capital value at the time the entity officially becomes a joint stock company and the finalization of the equitization.

On 6 February 2024, the State Audit has issued the Audit Report finalizing the value of the State's capital share at the time of officially turning into a joint stock company of the Parent company - Power Generation Corporation 3. Accordingly, some retrospective adjustments have been made as mentioned in Note 4.

As at the issuance date of these consolidated financial statements, the Commission for the Management of State Capital at Enterprises has not approved the finalization of the equitization of the Parent company. Accordingly, the financial effects (if any) to the consolidated financial statements may be further made upon the final approval of the competent authorities on the finalization of the equitization.

38. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2023 were approved by the Board of Management for issuing on 30 March 2024.



Tran Nguyen Khanh Linh
Preparer



Vu Phuong Thao
Chief Accountant



Nguyễn Thị Thanh Hương
Vice President
30 March 2024

