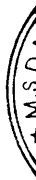


POWER GENERATION JOINT STOCK CORPORATION 3

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



POWER GENERATION JOINT STOCK CORPORATION 3

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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POWER GENERATION JOINT STOCK CORPORATION 3

CORPORATE INFORMATION

Establishment Decision	No. 3025/QD-BCT was issued by the Ministry of Industry and Trade on 1 June 2012.	
Enterprise registration certificate	No. 3502208399 dated 26 November 2012 was initially issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province with the latest 9th amendment dated 5 October 2021 issued by the Department of Planning and Investment of Ho Chi Minh City.	
Board of Management	Mr. Dinh Quoc Lam Mr. Truong Quoc Phuc Mr. Le Van Danh Mr. Nguyen Minh Khoa Mr. Do Mong Hung	Chairman Member Member Member Independent Member
Board of Supervisors	Mr. Pham Hung Minh Mr. Dau Duc Chien Ms. Vu Hai Ngoc	Head Member Member
Board of Directors	Mr. Le Van Danh Mr. Phan Thanh Xuan Mr. Cao Minh Trung Mr. Nguyen Thanh Trung Duong Ms. Nguyen Thi Thanh Huong Mr. Vo Minh Thang	President Vice President (until 1 October 2021) Vice President Vice President Vice President Vice President (from 14 April 2021)
Legal representative	Mr. Le Van Danh	President
Registered office	No. 60-66 Nguyen Co Thach Street, Sala Urban Area, An Loi Dong Ward, Thu Duc City, Ho Chi Minh City, Vietnam.	
Auditor	PwC (Vietnam) Limited	

POWER GENERATION JOINT STOCK CORPORATION 3

STATEMENT OF THE BOARD OF DIRECTORS

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

The Board of Directors of Power Generation Joint Stock Corporation 3 (“the Corporation”) is responsible for preparing consolidated financial statements of the Corporation and its subsidiaries (together, referred to as “the Group”) which give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Directors is required to:

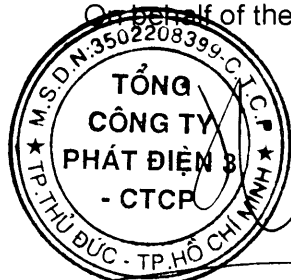
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 5 to 54 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Directors *Ute*



Nguyen Thi Thanh Huong
Vice President
Authorised Legal Representative

Ho Chi Minh City, SR Vietnam
30 March 2022



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF POWER GENERATION JOINT STOCK CORPORATION 3

We have audited the accompanying consolidated financial statements of Power Generation Joint Stock Corporation 3 ("the Corporation") and its subsidiaries (together, referred to as "the Group") which were prepared on 31 December 2021 and approved by the Board of Directors on 30 March 2022. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 54.

Responsibility of the Board of Directors

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

Auditor's Responsibility

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

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

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

Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at 31 December 2021, its consolidated financial performance and consolidated cash flows of the Corporation for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

Emphasis of Matter

As presented in Note 35 of the Notes to the consolidated financial statements, as at the issuance date of these consolidated financial statements, the relevant authorities have not yet approved the finalisation of the equitisation by the time that the Corporation officially became a joint stock company. Accordingly, the financial effects (if any) to the consolidated financial statements will be made upon the final approval of the relevant authority on the finalisation of the equitization by the Corporation. Our audit opinion is not modified in respect of this matter.

Other Matter

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

For and on behalf of PwC (Vietnam) Limited



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



Thai Van Cuong
Audit Practising Licence
No. 3435-2020-006-1

Report reference number: HCM12181
Ho Chi Minh City, 30 March 2022

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2021 VND	2020 VND
100	CURRENT ASSETS		18,823,828,629,511	21,173,423,823,124
110	Cash and cash equivalents	3	2,393,109,084,650	2,607,079,192,090
111	Cash		455,109,084,650	455,579,192,090
112	Cash equivalents		1,938,000,000,000	2,151,500,000,000
120	Short-term investment		4,112,650,000,000	4,308,650,000,000
123	Investments held to maturity	4(a)	4,112,650,000,000	4,308,650,000,000
130	Short-term receivables		9,144,287,998,333	9,838,510,562,208
131	Short-term trade accounts receivable	5	8,628,333,046,050	9,372,089,994,713
132	Short-term prepayments to suppliers		194,724,871,555	147,093,288,771
136	Other short-term receivables	6	321,230,080,728	319,327,278,724
140	Inventories	7	3,065,857,280,370	4,319,762,392,102
141	Inventories		3,068,493,224,605	4,321,981,440,203
149	Provision for decline in value of inventories		(2,635,944,235)	(2,219,048,101)
150	Other current assets		107,924,266,158	99,421,676,724
151	Short-term prepaid expenses	8(a)	41,553,026,092	17,222,013,010
152	Value Added Tax ("VAT") to be reclaimed	13(b)	36,090,153,662	78,484,317,328
153	Tax and other receivables from the State	13(b)	30,281,086,404	3,715,346,386

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.

**CONSOLIDATED BALANCE SHEET
(continued)**

Code	ASSETS (continued)	Note	As at 31 December	
			2021 VND	2020 VND
200	LONG-TERM ASSETS		49,133,370,089,140	51,726,544,582,661
210	Long-term receivable		3,324,424,000	3,324,424,000
216	Other long-term receivables		3,324,424,000	3,324,424,000
220	Fixed assets		44,484,432,498,953	48,198,699,900,076
221	Tangible fixed assets	9(a)	43,892,248,185,798	48,093,835,822,945
222	Historical cost		113,897,334,917,646	113,603,102,173,261
223	Accumulated depreciation		(70,005,086,731,848)	(65,509,266,350,316)
227	Intangible fixed assets	9(b)	592,184,313,155	104,864,077,131
228	Historical cost		640,634,704,693	141,518,726,318
229	Accumulated amortisation		(48,450,391,538)	(36,654,649,187)
240	Long-term asset in progress		395,448,757,956	117,776,262,642
242	Construction in progress	10	395,448,757,956	117,776,262,642
250	Long-term investments		2,417,344,495,857	2,245,774,490,666
252	Investments in associates	4(b)	1,696,435,122,469	1,537,704,041,091
253	Investments in other entities	4(b)	536,909,373,388	522,294,589,388
254	Provision for long-term investments	4(b)	-	(6,224,139,813)
255	Investments held to maturity	4(a)	184,000,000,000	192,000,000,000
260	Other long-term assets		1,832,819,912,374	1,160,969,505,277
261	Long-term prepaid expenses	8(b)	256,320,914,148	234,115,195,793
263	Long-term spare parts, supplies and equipment	11	1,576,498,998,226	926,854,309,484
270	TOTAL ASSETS		67,957,198,718,651	72,899,968,405,785

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.

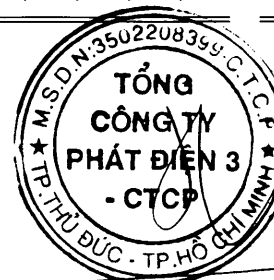
CONSOLIDATED BALANCE SHEET
 (continued)

Code	RESOURCES	Note	As at 31 December	
			2021 VND	2020 VND
300	LIABILITIES		50,548,049,490,150	57,935,983,253,532
310	Short-term liabilities		10,457,422,068,212	11,740,234,481,392
311	Short-term trade accounts payable	12	3,737,264,605,887	4,833,059,157,734
312	Short-term advances from customers		1,617,000,000	10,314,848,007
313	Tax and other payables to the State	13(a)	467,211,784,792	278,564,447,583
314	Payables to employees	14	487,629,069,916	430,365,639,148
315	Short-term accrued expenses	15	38,195,638,243	210,297,337,763
318	Short-term unearned revenue	16	16,010,207,364	16,010,207,364
319	Other short-term payables	17	575,332,163,878	867,479,076,863
320	Short-term borrowings	18(a)	4,898,437,444,941	4,942,506,709,596
322	Bonus and welfare fund		235,724,153,191	151,637,057,334
330	Long-term liabilities		40,090,627,421,938	46,195,748,772,140
336	Long-term unearned revenue	16	333,480,722,006	348,638,936,642
337	Other long-term payables		4,100,000	-
338	Long-term borrowings	18(b)	39,757,142,599,932	45,847,109,835,498
400	OWNERS' EQUITY		17,409,149,228,501	14,963,985,152,253
410	Capital and reserves		17,409,149,228,501	14,963,985,152,253
411	Owners' capital	19, 20	11,234,680,460,000	10,699,695,770,000
411a	- Ordinary shares with voting rights		11,234,680,460,000	10,699,695,770,000
412	Share premium	20	6,014,917,945	6,014,917,945
414	Owners' other capital	20	47,147,215,051	46,494,391,137
418	Investment and development fund	20	696,713,720,759	184,357,112,169
420	Other funds	20	15,890,285,682	15,890,285,682
421	Undistributed earnings	20	5,027,205,061,567	3,641,098,585,198
421a	- Undistributed post-tax profits of previous years		1,886,156,239,291	1,855,041,684,034
421b	- Post-tax profits of current year		3,141,048,822,276	1,786,056,901,164
429	Non-controlling interests	20	381,497,567,497	370,434,090,122
440	TOTAL RESOURCES		67,957,198,718,651	72,899,968,405,785



 Tran Nguyen Khanh Linh
 Preparer




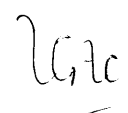
 Vu Phuong Thao
 Chief Accountant

 Nguyen Thi Thanh Huong
 Vice President
 30 March 2022

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.


CONSOLIDATED INCOME STATEMENT

Code	Note	Year ended 31 December		
		2021 VND	2020 VND	
10	Net revenue from sales of goods and rendering of services	23	37,757,423,718,797	40,367,208,022,992
11	Cost of goods sold and services rendered	24	(33,470,586,793,821)	(35,606,980,127,514)
20	Gross profit from sales of goods and rendering of services		4,286,836,924,976	4,760,227,895,478
21	Financial income	25	1,260,808,123,657	330,430,696,355
22	Financial expenses	26	(1,217,742,963,056)	(2,279,412,014,372)
23	- Including: Interest expense	26	(1,221,622,521,691)	(1,872,083,873,918)
24	Profit sharing from associates	4(b)	207,095,071,378	85,215,433,202
25	Selling expenses		(224,928,362)	(223,359,461)
26	General and administration expenses	27	(615,369,329,470)	(602,515,759,284)
30	Net operating profit		3,921,402,899,123	2,293,722,891,918
31	Other income		29,528,270,392	37,531,284,290
32	Other expenses		(38,774,044,478)	(38,915,803,643)
40	Net other expenses		(9,245,774,086)	(1,384,519,353)
50	Net accounting profit before tax		3,912,157,125,037	2,292,338,372,565
51	Corporate income tax ("CIT") - current	28	(733,238,642,817)	(477,073,608,005)
60	Net profit after tax		3,178,918,482,220	1,815,264,764,560
	Attributable to:			
61	Corporation		3,141,048,822,276	1,786,056,901,164
62	Non-controlling interests		37,869,659,944	29,207,863,396
70	Basic earnings per share	21(a)	2,796	1,438
71	Diluted earnings per share	21(b)	2,796	1,438


Tran Nguyen Khanh Linh
Preparer


Vu Phuong Thao
Chief Accountant




Nguyen Thi Thanh Huong
Vice President

30 March 2022

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)


Code	Note	Year ended 31 December	
		2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	3,912,157,125,037	2,292,338,372,565
	Adjustments for:		
02	Depreciation and amortisation	4,503,213,059,711	4,656,877,835,457
03	(Reversal of provisions)/provisions	(5,807,243,679)	6,292,119,843
04	Unrealised foreign exchange (gains)/losses	(907,924,555,568)	379,061,941,663
05	Profits from investing activities	(474,749,621,605)	(380,081,814,900)
06	Interest expense	1,221,622,521,691	1,872,083,873,918
08	Operating profit before changes in working capital	8,248,511,285,587	8,826,572,328,546
09	Increase in receivables	(6,058,888,818,271)	(6,384,608,519,984)
10	Decrease/(increase) in inventories	1,254,271,314,829	(1,325,978,088,066)
11	(Decrease)/increase in payables	(1,110,952,749,278)	702,353,578,513
12	(Increase)/decrease in prepaid expenses	(46,536,731,437)	153,100,934,373
14	Interest paid	(361,521,168,900)	(536,159,005,161)
15	CIT paid	(537,478,331,324)	(272,812,215,086)
16	Other receipts from operating activities	154,719,600	1,801,030,000
17	Other payments on operating activities	(91,499,404,535)	(59,170,004,101)
20	Net cash inflows from operating activities	1,296,060,116,271	1,105,100,039,034
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases, construct of fixed assets	(1,067,617,673,672)	(366,084,898,871)
22	Proceeds from disposals of fixed assets	1,821,196	110,827,082
23	Term deposits with original maturity of more than three months	(812,000,000,000)	(2,356,000,000,000)
24	Collection of term deposits with original maturity of more than three months	1,016,000,000,000	2,116,000,000,000
25	Investments in other entities	(91,661,010,000)	-
27	Dividends and interest received	214,484,830,927	412,307,453,346
30	Net cash outflows from investing activities	(740,792,031,549)	(193,666,618,443)

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.

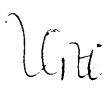
CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)
(continued)

Code	Note	Year ended 31 December	
		2021 VND	2020 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
33		206,172,417,592	642,480,630,483
34		(949,149,015,167)	(1,828,633,224,974)
36		(26,260,518,179)	(19,418,307,300)
40		(769,237,115,754)	(1,205,570,901,791)
50		(213,969,031,032)	(294,137,481,200)
60		Cash and cash equivalents at beginning of year	2,901,217,252,835
61	3	Effect of foreign exchange differences (1,076,408)	(579,545)
70	3	Cash and cash equivalents at end of year	2,607,079,192,090

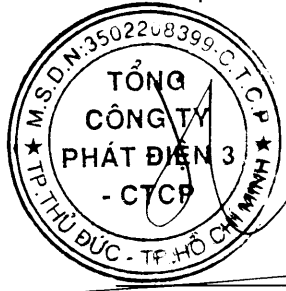
Additional information relating to the consolidated cash flow statement is presented in Note 30.



Tran Nguyen Khanh Linh
Preparer



Vu Phuong Thao
Chief Accountant



Nguyen Thi Thanh Huong
Vice President
30 March 2022

The notes on pages 11 to 54 are an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****1 GENERAL INFORMATION**

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

Pursuant to 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 Corporation operates under the Enterprise registration certificate No. 3502208399 initially issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province on 26 November 2012 and the latest 9th amendment issued by the Department of Planning and Investment of Ho Chi Minh City on 5 October 2021.

The Corporation'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 Corporation's shares have been deregistered for trading on the UPCoM market from 24 January 2022.

Accordingly, pursuant to the Decision No. 731/QD-SGDHCM dated 29 December 2021 of the Ho Chi Minh Stock Exchange, the Corporation'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 Ho Chi Minh City Stock Exchange.

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

The normal business cycle of the Group is 12 months.

The Corporation's head office is located at No. 60-66 Nguyen Co Thach Street, Sala Urban Area, An Loi Dong Ward, Thu Duc City, Ho Chi Minh City, Vietnam. As at 31 December 2021, the Corporation had 8 branches (as at 31 December 2020: 8 branches) as follows:

- Buon Kuop Hydropower Company at No. 22, Mai Xuan Thuong Street, Thanh Nhat Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam;
- Mong Duong Thermal Power Company at Zone No. 8, Mong Duong Ward, Cam Pha City, Quang Ninh Province, Vietnam;
- Phu My Thermal Power Company at Phu My 1 Industrial Zone, Phu My Ward, Phu My Town, Ba Ria-Vung Tau Province, Vietnam;
- Vinh Tan Thermal Power Company at Vinh Tan 2 Thermal Power Plant, Vinh Phuc Village, Vinh Tan Commune, Tuy Phong District, Binh Thuan Province, Vietnam;

1 GENERAL INFORMATION (continued)

- EVNGENCO3 Power Service Company at No. 332, Doc Lap Street (National Highway 51), Phu My Ward, Phu My Town, Ba Ria - Vung Tau, Vietnam;
- Vinh Tan Thermal Power Project Management Board at Hung Vuong Avenue, Zone No.5, Phu Thuy Ward, Phan Thiet City, Binh Thuan Province, Vietnam;
- Thermal Power 1 Project Management Board at Zone No. 8, Mong Duong Ward, Cam Pha City, Quang Ninh Province, Vietnam; and
- Thai Binh Thermal Power Project Management Board at My Loc Commune, Thai Thuy District, Thai Binh Province, Vietnam.

As at 31 December 2021, the Corporation had 2 subsidiaries (as at 31 December 2020: 2 subsidiaries) as presented below:

	Place of incorporation and operation	31.12.2021		31.12.2020	
		% of ownership	% of voting rights	% of ownership	% of voting rights
Ba Ria Thermal Power Joint Stock Company (i)	Ba Ria – Vung Tau Province	79.56	79.56	79.56	79.56
Ninh Binh Thermal Power Joint Stock Company (ii)	Ninh Binh Province	54.76	54.76	54.76	54.76

- (i) Ba Ria Thermal Power Joint Stock Company was transformed from a state-owned enterprise pursuant to the Decision No. 2744/QD-BCN dated 26 August 2005 of the Ministry of Industry and Trade and the Enterprise registration certificate No. 4903000451 which was issued by the Department of Planning and Investment of Ba Ria – Vung Tau Province on 1 November 2007. Registered office of Ba Ria Thermal Power Joint Stock Company is at Huong Giang Quarter, Long Huong Ward, Ba Ria City, Ba Ria – Vung Tau Province, Vietnam. The principal activities of this company are to produce and trade electricity.
- (ii) Ninh Binh Thermal Power Joint Stock Company was established on the basis of equitisation of Ninh Binh Thermal 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 which was issued by the Department of Planning and Investment of Ninh Binh Province on 31 December 2007. Registered office of Ninh Binh Thermal Power Joint Stock Company is at No. 1, Hoang Dieu Street, Thanh Binh Ward, Ninh Binh City, Ninh Binh Province, Vietnam. The principal activities of this company are to produce and trade electricity.

As at 31 December 2021, the Group had 3 associates (as at 31 December 2020: 3 associates) as presented in Note 4(b); and had 2,730 employees (as at 31 December 2020: 2,778 employees).

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

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

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

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

2.2 Fiscal year

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

2.3 Currency

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

2.4 Exchange rates

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation*****Subsidiaries***

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

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

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

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

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

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

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

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associates

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

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

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

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

2.6 Cash and cash equivalents

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off when identified.

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

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method for inventories.

Provision for inventory is made when there is reliable evidence that the decrease in net realisable value against original value of inventory. The difference between the provision of this period and the provision of the previous period are recognised as an increase or decrease of cost of goods sold in the year.

2.9 Investments**(a) Investments held to maturity**

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Investments (continued)****(a) Investments held to maturity (continued)**

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

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

(b) Investments in associates

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

(c) Investments in other entities

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

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. It is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable conditions for their intended use, in which the historical costs of purchased fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their suitable conditions for their intended use.

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

Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the year.

Depreciation and amortisation

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

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

Land use rights comprise land use rights granted by the State for which land use fees are collected and land use rights acquired in a legitimate transfer.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consists of its purchase prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line method over the terms of the land use right certificates.

Indefinite land use rights are stated at costs and not amortised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Fixed assets (continued)***Disposals*

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

Construction in progress

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

2.11 Operating leases

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

2.12 Prepaid expenses

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

2.13 Payables

Classifications of payables are based on their nature as follows:

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Borrowings

Borrowings include borrowings from banks and related parties.

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

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

2.15 Accrued expenses

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

2.16 Provisions

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

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

2.17 Unearned revenue

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Capital and reserves**

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

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

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

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

2.19 Appropriation of profit

The Group distributes profits and dividends as follows:

- Net profit after CIT could be distributed to shareholders after approval at the General Meeting of shareholders, and after appropriation to other funds in accordance with Vietnamese regulations and the Corporation's charter.
- The investment and development fund is appropriated from the Group's profit after CIT of the Group and approved by shareholders in the General Meeting of shareholders.
- Bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the General Meeting of shareholders. This fund is presented as a liability on the consolidated balance sheet.
- The Group's dividends are recognised as a liability in the Group's consolidated financial statements in the accounting period based on the date of record in accordance with the Resolution of the Board of Management after the dividend distribution plan are approved in the General Meeting of shareholders.

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Revenue recognition (continued)****(a) Revenue from sales of goods (continued)**

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

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

(b) Revenue from rendering of services

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

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

(c) Interest income

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

(d) Dividend income

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

2.21 Cost of goods sold and services rendered

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

2.22 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including interest expense, losses from foreign exchange differences and provision for long-term investments in other entities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Selling expenses**

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

2.24 General and administration expenses

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

2.25 Current and deferred income tax

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

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

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

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

2.26 Related parties

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.27 Segment reporting**

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

2.28 Critical accounting estimates

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

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

3 CASH AND CASH EQUIVALENTS

	31.12.2021 VND	31.12.2020 VND
Cash on hand	3,657,700,509	2,364,633,065
Cash at bank	451,451,384,141	453,214,559,025
Cash equivalents (*)	1,938,000,000,000	2,151,500,000,000
	<u>2,393,109,084,650</u>	<u>2,607,079,192,090</u>

(*) Cash equivalents include term deposits at commercial banks with an original maturity of three months or less and earn interest at 0.2% per annum for the term deposits with an original maturity of one-week and at the rate from 3.0% per annum to 3.3% per annum for the term deposits with an original maturity from 1 month to 3 months (as at 31 December 2020: from 3.0% per annum to 3.5% per annum for the term deposits with an original maturity from 1 month to 3 months).

4 INVESTMENTS

(a) Investments held to maturity

	31.12.2021		31.12.2020	
	Cost VND	Book value VND	Cost VND	Book value VND
i. Short-term				
- Term deposits (*)	4,104,650,000,000	4,104,650,000,000	4,300,650,000,000	4,300,650,000,000
- Current portion of long-term bonds (**)	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000
	<u>4,112,650,000,000</u>	<u>4,112,650,000,000</u>	<u>4,308,650,000,000</u>	<u>4,308,650,000,000</u>
ii. Long-term				
- Bonds (**)	<u>184,000,000,000</u>	<u>184,000,000,000</u>	<u>192,000,000,000</u>	<u>192,000,000,000</u>

(*) Term deposits include term deposits at commercial banks and credit institutions with an original maturity from 6 to 12 months and earn interest at the rates from 3.7% per annum to 6.4% per annum (as at 31 December 2020: from 3.7% per annum to 7.1% per annum).

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

At as 31 December 2021, term deposits with the value of VND806.2 billion have been used as collateral asset for Credit Limit contract No. 01/2021/13553572/HDTD dated 8 June 2021 between the Corporation and The Joint Stock Commercial Bank for Investment and Development of Vietnam.

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4 INVESTMENTS (continued)

(b) Long-term investments

	31.12.2021				31.12.2020			
	Percentage of ownership interest %	Net book value VND	Fair value (**) VND	Provision VND	Percentage of ownership interest %	Net book value VND	Fair value (**) VND	Provision VND
Investments in associates								
Vinh Son - Song Hinh Hydropower Joint Stock Company (i)	30.55	1,225,192,777,704	2,071,653,506,300	-	30.55	1,017,393,461,454	1,184,718,622,400	-
Thac Ba Hydropower Joint Stock Company (ii)	30.00	309,653,880,130	573,405,000,000	-	30.00	308,047,978,336	478,155,000,000	-
Se San 3A Power Investment and Development Joint Stock Company (iii)	30.00	161,588,464,635	(*)	-	30.00	212,262,601,301	(*)	-
		<u>1,696,435,122,469</u>		<u>-</u>		<u>1,537,704,041,091</u>		<u>-</u>
Other long-term investments								
Quang Ninh Thermal Power Joint Stock Company (iv)	1.80	114,770,927,800	180,336,845,187	-	1.80	114,770,927,800	113,383,169,497	(1,387,758,303)
Hai Phong Thermal Power Joint Stock Company (v)	1.60	108,730,000,000	187,866,666,667	-	1.60	108,730,000,000	184,766,666,667	-
Buon Don Hydropower Joint Stock Company (vi)	19.89	83,750,000,000	264,213,697,800	-	19.89	83,750,000,000	193,563,145,500	-
Petrovietnam Power Nhon Trach 2 JSC (vii)	2.47	83,094,784,000	187,306,496,000	-	2.47	68,480,000,000	175,199,232,000	-
GE PMTP Power Service Limited Liability Company (viii)	15.00	74,463,661,588	(*)	-	15.00	74,463,661,588	(*)	-
Phu Thanh My Joint Stock Company (ix)	6.43	50,000,000,000	(*)	-	6.43	50,000,000,000	(*)	(4,836,381,510)
Viet-Lao Power Joint Stock Company (x)	0.48	19,600,000,000	(*)	-	0.63	19,600,000,000	(*)	-
Northern Thermal Power Repairing Service Joint Stock Company (xi)	1.10	2,500,000,000	(*)	-	1.10	2,500,000,000	(*)	-
		<u>536,909,373,388</u>		<u>-</u>		<u>522,294,589,388</u>		<u>(6,224,139,813)</u>

(*) As at 31 December 2021 and 31 December 2020, 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.

(**) Fair value of the listed shares were determined based on the total shares hold by the Group and the closing price on the stock market at the end of financial year.

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

- (i) Vinh Son - Song Hinh Hydropower Joint Stock Company was transformed from the state-owned enterprise - Vinh Son - Song Hinh Hydropower Plant, a dependent accounting unit of EVN. On 4 May 2005, this company was officially transformed into a joint stock company pursuant to the Enterprise registration certificate No. 3503000058 which was issued by the Department of Planning and Investment of Binh Dinh Province. The principal activities of this company are to produce and trade electricity. In 2021, the Group purchased an additional 9,166,101 shares, equivalent to VND91,661,010,000 and the percentage of ownership interest still remained unchanged compared to that at 31 December 2020.
- (ii) Thac Ba Hydropower Joint Stock Company established pursuant to the Enterprise registration certificate No. 1603000069 which was issued by the Department of Planning and Investment of Yen Bai Province on 31 March 2006. The principal activities of this company are to produce and trade electricity.
- (iii) Se San 3A Power Investment and Development Joint Stock Company officially started 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 construct civil works, invest and construct hydropower projects and industrial construction.
- (iv) Quang Ninh Thermal Power Joint Stock Company was established pursuant to the Enterprise registration certificate No. 700434869 which was issued by the Department of Planning and Investment of Quang Ninh Province on 16 December 2002. The principal activities of this company are to produce and trade electricity.
- (v) Hai Phong Thermal Power Joint Stock Company was established pursuant to the Enterprise registration certificate No. 0203000279 which was issued by the Department of Planning and Investment of Hai Phong City on 17 September 2002. The principal activities of this company are to produce and trade electricity.
- (vi) Buon Don Hydropower Joint Stock Company was established pursuant to the Enterprise registration certificate No. 6000884487 which was issued by the Department of Planning and Investment of Dak Lak Province on 20 May 2009. The principal activities of this company are to produce and trade electricity.
- (vii) Petrovietnam Power Nhon Trach 2 Joint Stock Company was established pursuant to the Enterprise registration certificate No. 4703000396 which was issued by the Department of Planning and Investment of Dong Nai Province on 20 June 2007. The principal activities of this company are to produce and trade electricity.

4 INVESTMENTS (continued)

(b) Long-term investments (continued)

- (viii) GE PMTP Energy Services Company Limited was established pursuant to the Enterprise registration certificate No. 3502208825 which was issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province on 5 October 2012. The principal activities of this company are to repair machinery and equipment.
- (ix) Phu Thanh My Joint Stock Company was established pursuant to the Enterprise registration certificate No. 4000455251 which was issued by the Department of Planning and Investment of Quang Nam Province on 17 January 2007. The principal activities of this company are to produce and trade electricity.
- (x) Viet Lao Power Joint Stock Company was established pursuant to the Enterprise registration certificate No. 0101389382 which was issued by the Department of Planning and Investment of Ha Noi City on 11 July 2003. The principal activities of this company are to produce and trade electricity. In 2021, Viet Lao Power Joint Stock Company increased their charter capital from VND3,126,534,050,000 to VND4,065,732,920,909. Therefore, the percentage of ownership interest of the Corporation decreased from 0.63% to 0.48% because the Corporation did not register to buy additional issued shares.
- (xi) Northern Thermal Power Repair Service Joint Stock Company was established pursuant to the Enterprise registration certificate No. 0800383471 which was issued by the Department of Planning and Investment of Hai Duong Province on 17 July 2007. The principal activities of this company are to repair, maintain, experiment, and calibrate power plant equipment and other equivalent industrial equipment.

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

	2021 VND	2020 VND
Beginning of year	1,537,704,041,091	1,465,388,607,889
Increase during the year (Note 31(a))	91,661,010,000	-
Profit sharing from associates	207,095,071,378	85,215,433,202
<i>Profit sharing from associates</i>	212,039,399,169	136,736,370,848
<i>Impact of appropriation to funds from profit</i>	(4,944,327,791)	(51,520,937,646)
Dividend declared	(140,025,000,000)	(12,900,000,000)
End of year	<u>1,696,435,122,469</u>	<u>1,537,704,041,091</u>

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	31.12.2021 VND	31.12.2020 VND
Third parties	11,533,566,603	10,045,871,377
Related parties (Note 31(b))	8,616,799,479,447	9,362,044,123,336
	<u>8,628,333,046,050</u>	<u>9,372,089,994,713</u>

As at 31 December 2021 and 31 December 2020, the Group had no balance of short-term trade accounts receivable that was past due or not past due but doubtful.

6 OTHER SHORT-TERM RECEIVABLES

	31.12.2021 VND	31.12.2020 VND
Receivables for payment on behalf and other receivables from related parties	157,410,685,332	153,219,998,605
Dividend receivables	83,700,000,000	17,500,000,000
Interest receivables from term-deposits	30,553,551,236	43,213,253,132
Interest receivables from bonds	1,844,266,667	2,216,666,667
Others	47,721,577,493	103,177,360,320
	<u>321,230,080,728</u>	<u>319,327,278,724</u>
In which:		
Third parties	77,754,509,169	143,018,455,520
Related parties (Note 31(b))	243,475,571,559	176,308,823,204
	<u>321,230,080,728</u>	<u>319,327,278,724</u>

As at 31 December 2021 and 31 December 2020, the Group had no balance of other short-term receivables that was past due or not past due but doubtful.

7 INVENTORIES

	31.12.2021		31.12.2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	2,884,214,014,253	(2,635,944,235)	3,533,735,544,563	(2,219,048,101)
Tools and supplies	167,443,353,901	-	133,864,535,415	-
Goods in transit	7,571,588,689	-	636,074,396,134	-
Work in progress	8,933,486,416	-	17,892,851,332	-
Finished goods	330,781,346	-	414,112,759	-
	<u>3,068,493,224,605</u>	<u>(2,635,944,235)</u>	<u>4,321,981,440,203</u>	<u>(2,219,048,101)</u>

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

	2021 VND	2020 VND
Beginning of year	2,219,048,101	2,151,068,071
Increase	955,223,048	67,980,030
Written off	(538,326,914)	-
End of year	<u>2,635,944,235</u>	<u>2,219,048,101</u>

8 PREPAID EXPENSES

(a) Short-term

	31.12.2021 VND	31.12.2020 VND
Insurance	38,539,763,163	15,100,723,531
Others	3,013,262,929	2,121,289,479
	<u>41,553,026,092</u>	<u>17,222,013,010</u>

(b) Long-term

	31.12.2021 VND	31.12.2020 VND
Expenses related to leased lands (*)	203,065,469,168	167,556,843,730
Others	53,255,444,980	66,558,352,063
	<u>256,320,914,148</u>	<u>234,115,195,793</u>

(*) Expenses related to leased lands include land clearance expenses which were allocated on a straight-line basis over the term of the lease.

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9 FIXED ASSETS

(a) Tangible fixed assets

	Building and structures VND	Machinery and equipment VND	Motor vehicles, transmissions VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2021	20,625,819,039,152	85,967,284,777,782	6,739,016,997,084	241,056,178,534	29,925,180,709	113,603,102,173,261
New purchases	24,394,818,194	139,559,614,417	7,582,849,753	18,147,859,496	-	189,685,141,860
Transfers from construction in progress (Note 10)	1,695,371,747	94,124,724,453	-	4,122,090,000	9,086,126,075	109,028,312,275
Disposals	-	(818,308,707)	(2,599,122,811)	(279,966,141)	-	(3,697,397,659)
Write-off	(383,139,091)	-	(400,173,000)	-	-	(783,312,091)
As at 31 December 2021	<u>20,651,526,090,002</u>	<u>86,200,150,807,945</u>	<u>6,743,600,551,026</u>	<u>263,046,161,889</u>	<u>39,011,306,784</u>	<u>113,897,334,917,646</u>
Accumulated depreciation						
As at 1 January 2021	7,727,922,808,194	54,020,124,142,129	3,590,293,530,889	162,057,635,032	8,868,234,072	65,509,266,350,316
Charge for the year	718,766,951,540	3,432,416,720,750	313,240,256,592	31,639,868,280	4,237,294,120	4,500,301,091,282
Disposals	-	(818,308,707)	(2,599,122,811)	(279,966,141)	-	(3,697,397,659)
Write-off	(383,139,091)	-	(400,173,000)	-	-	(783,312,091)
As at 31 December 2021	<u>8,446,306,620,643</u>	<u>57,451,722,554,172</u>	<u>3,900,534,491,670</u>	<u>193,417,537,171</u>	<u>13,105,528,192</u>	<u>70,005,086,731,848</u>
Net book value						
As at 1 January 2021	<u>12,897,896,230,958</u>	<u>31,947,160,635,653</u>	<u>3,148,723,466,195</u>	<u>78,998,543,502</u>	<u>21,056,946,637</u>	<u>48,093,835,822,945</u>
As at 31 December 2021	<u>12,205,219,469,359</u>	<u>28,748,428,253,773</u>	<u>2,843,066,059,356</u>	<u>69,628,624,718</u>	<u>25,905,778,592</u>	<u>43,892,248,185,798</u>

As at 31 December 2021, tangible fixed assets of the Group with a total net book value of VND19,770 billion (as at 31 December 2020: VND21,654 billion) were pledged to banks as collateral for the Group's borrowings (Note 18).

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9 FIXED ASSETS (continued)

(a) Tangible fixed assets (continued)

The historical cost of tangible fixed assets of the Group which were fully depreciated but still in use as at 31 December 2021 was VND36,310 billion (as at 31 December 2020: VND36,063 billion).

(b) Intangible fixed assets

	Land use rights VND	Computer software VND	Technology transfer copyrights VND	Others VND	Total VND
Historical cost					
As at 1 January 2021	79,980,212,282	38,216,357,067	8,854,276,148	14,467,880,821	141,518,726,318
New purchases	2,874,010,917	6,358,497,458	406,000,000	3,277,970,000	12,916,478,375
Transfers from construction in progress (Note 10)	486,199,500,000	-	-	-	486,199,500,000
As at 31 December 2021	<u>569,053,723,199</u>	<u>44,574,854,525</u>	<u>9,260,276,148</u>	<u>17,745,850,821</u>	<u>640,634,704,693</u>
Accumulated amortisation					
As at 1 January 2021	14,818,209,867	12,650,221,904	6,394,079,039	2,792,138,377	36,654,649,187
Charge for the year	1,328,257,643	7,222,501,608	1,715,899,996	1,529,083,104	11,795,742,351
As at 31 December 2021	<u>16,146,467,510</u>	<u>19,872,723,512</u>	<u>8,109,979,035</u>	<u>4,321,221,481</u>	<u>48,450,391,538</u>
Net book value					
As at 1 January 2021	<u>65,162,002,415</u>	<u>25,566,135,163</u>	<u>2,460,197,109</u>	<u>11,675,742,444</u>	<u>104,864,077,131</u>
As at 31 December 2021	<u>552,907,255,689</u>	<u>24,702,131,013</u>	<u>1,150,297,113</u>	<u>13,424,629,340</u>	<u>592,184,313,155</u>

The historical cost of intangible fixed assets of the Group which were fully amortised but still in use as at 31 December 2021 was VND10.1 billion (as at 31 December 2020: VND8.3 billion).

10 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	31.12.2021 VND	31.12.2020 VND
Purchases of fixed assets which have not been put into use yet	362,527,268,872	96,020,064,204
Others	32,921,489,084	21,756,198,438
	<u>395,448,757,956</u>	<u>117,776,262,642</u>

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

	2021 VND	2020 VND
Beginning of year	117,776,262,642	143,564,801,613
Purchase	872,900,307,589	392,201,651,510
Transfers to tangible fixed assets (Note 9(a))	(109,028,312,275)	(351,707,952,010)
Transfers to intangible fixed assets (Note 9(b))	(486,199,500,000)	(4,646,972,610)
Others		(61,635,265,861)
End of year	<u>395,448,757,956</u>	<u>117,776,262,642</u>

11 LONG-TERM SPARE PARTS, SUPPLIES AND EQUIPMENT

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

12 SHORT-TERM TRADE ACCOUNTS PAYABLE

	31.12.2021 VND	31.12.2020 VND
Third parties		
Petrovietnam Gas South East Transmission Company	1,400,569,433,439	2,239,680,268,404
General Electric	458,886,739,376	881,015,236,722
Vietnam National Coal - Mineral Industries Holding Corporation Limited	413,553,873,402	572,093,626,678
Others	1,456,546,304,199	1,123,585,075,465
	<u>3,729,556,350,416</u>	<u>4,816,374,207,269</u>
Related parties (Note 31(b))	7,708,255,471	16,684,950,465
	<u>3,737,264,605,887</u>	<u>4,833,059,157,734</u>

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13 TAXES AND OTHER PAYABLES TO/RECEIVABLES FROM THE STATE

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

	As at 1.1.2021 VND	Receivable/Payable during the year VND	Payment during the year VND	Net-off during the year VND	classification durin the year VND	As at 31.12.2021 VND
(a) Tax payables						
VAT	73,530,053,802	4,248,639,831,341	(1,151,908,701,059)	(3,120,739,047,231)	21,118,336,756	70,640,473,609
Natural resource taxes	53,011,659,157	380,825,359,452	(392,884,055,741)	-	-	40,952,962,868
CIT	97,627,987,596	733,238,642,817	(537,478,331,324)	-	1,551,778,942	294,940,078,031
Forest environment services fee	41,680,097,640	94,796,432,214	(94,645,219,414)	-	-	41,831,310,440
Personal income tax	7,007,545,310	61,371,566,373	(56,030,882,003)	-	(158,644,735)	12,189,584,945
Other taxes	5,707,104,078	226,488,073,393	(229,592,071,627)	-	4,054,269,055	6,657,374,899
	<u>278,564,447,583</u>	<u>5,745,359,905,590</u>	<u>(2,462,539,261,168)</u>	<u>(3,120,739,047,231)</u>	<u>26,565,740,018</u>	<u>467,211,784,792</u>
(b) Tax receivables						
VAT to be reclaimed	78,484,317,328	3,078,344,883,565	-	(3,120,739,047,231)	-	36,090,153,662
Surplus payment VAT	9,552,824	-	-	-	21,118,336,756	21,127,889,580
Other taxes	3,705,793,562	-	-	-	5,447,403,262	9,153,196,824
	<u>82,199,663,714</u>	<u>3,078,344,883,565</u>	<u>-</u>	<u>(3,120,739,047,231)</u>	<u>26,565,740,018</u>	<u>66,371,240,066</u>

14 PAYABLES TO EMPLOYEES

At as 31 December 2021 and 31 December 2020, the balance represents the payable to employees according to the Corporation's policy.

15 SHORT-TERM ACCRUED EXPENSES

	31.12.2021 VND	31.12.2020 VND
Interest expense	16,903,947,245	23,218,009,658
Purchase of materials	-	169,791,359,389
Others	21,291,690,998	17,287,968,716
	<u>38,195,638,243</u>	<u>210,297,337,763</u>

16 UNEARNED REVENUE

As at 31 December 2021 and 31 December 2020, the unearned revenue is mainly revenue from leased assets received in advance from Vinh Tan 1 Power Company Limited.

17 OTHER SHORT-TERM PAYABLES

	31.12.2021 VND	31.12.2020 VND
Payables to EVN (*)	346,768,343,073	514,333,994,661
Provision of VAT payable	133,688,560,354	267,879,755,704
Payables due to sales of shares	39,969,577,665	25,354,793,665
Others	54,905,682,786	59,910,532,833
	<u>575,332,163,878</u>	<u>867,479,076,863</u>
In which:		
Third parties	223,361,721,332	347,942,982,729
Related parties (Note 31(b))	351,970,442,546	519,536,094,134
	<u>575,332,163,878</u>	<u>867,479,076,863</u>

(*) As at 31 December 2021 and 31 December 2020, the payables to EVN mainly include interest expense, re-borrowing fees and foreign contractor tax noticed by EVN.

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18 BORROWINGS

(a) Short-term

	As at 1.1.2021 VND	Increase during the year VND	Decrease during the year VND	Reclassification during the year VND	Foreign Exchange Differences as at year end VND	As at 31.12.2021 VND
Borrowings from banks	-	139,803,000,000	(139,803,000,000)	-	-	-
Current portion of long-term bank borrowings (*)	371,099,501,104	-	(371,099,501,104)	369,491,279,424	-	369,491,279,424
Current portion of related party borrowings (Note 31(b)(**))	4,571,407,208,492	-	(4,572,369,289,036)	4,635,529,909,584	(105,621,663,523)	4,528,946,165,517
	<u>4,942,506,709,596</u>	<u>139,803,000,000</u>	<u>(5,083,271,790,140)</u>	<u>5,005,021,189,008</u>	<u>(105,621,663,523)</u>	<u>4,898,437,444,941</u>

(b) Long-term

	As at 1.1.2021 VND	Increase during the year VND	Decrease during the year VND	Reclassification during the year VND	Foreign Exchange Differences as at year end VND	As at 31.12.2021 VND
Borrowings from banks (*)	2,420,365,952,195	66,369,417,592	(382,320,896,917)	(369,491,279,424)	-	1,734,923,193,446
Borrowings from related parties (Note 31(b)(**))	43,426,743,883,303	-	-	(4,635,529,909,584)	(768,994,567,233)	38,022,219,406,486
	<u>45,847,109,835,498</u>	<u>66,369,417,592</u>	<u>(382,320,896,917)</u>	<u>(5,005,021,189,008)</u>	<u>(768,994,567,233)</u>	<u>39,757,142,599,932</u>

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18 BORROWINGS (continued)

(*) Details of bank loans are as follows:

	Currency	Maturity	31.12.2021 VND	31.12.2020 VND	Interest rate	Collateral assets
Mong Duong 1 Thermal Power Plant Project Lien Viet Post Joint Stock Commercial Bank – Thang Long Branch	VND	2025	55,976,880,538	71,852,757,214	12-month deposit + 2.8% p.a.	(i)
Vinh Tan 2 Thermal Power Plant Project The Vietnam Development Bank – Operation Center I	VND	2024	470,000,000,000	846,000,000,000	Defined by the bank	(i)
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	2025	842,608,297,440	1,067,303,843,424	12-month deposit + 2% p.a.	(i)
Buon Kuop Hydropower Plant Project Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2025	130,000,000,000	170,000,000,000	12-month deposit + 2.8% p.a.	(i)
Military Commercial Joint Stock Bank - Hai Ba Trung Branch	VND	2021	-	7,929,118,612	12-month deposit + 2.2% p.a.	(i)
Vinh Tan Power Center's Infrastructure Project Saigon - Hanoi Commercial Joint Stock Bank – Ha Thanh Branch	VND	2026	193,235,908,648	238,724,882,596	12-month deposit + 2.8% p.a.	(i)
Vinh Tan 2 Solar Power Plant Project Saigon - Hanoi Commercial Joint Stock Bank – Ha Noi Branch	VND	2031	412,593,386,244	389,654,851,453	12-month deposit + 2.7% p.a.	(ii)
			<u>2,104,414,472,870</u>	<u>2,791,465,453,299</u>		
Current portion of long-term borrowings (Note 18(a))			(369,491,279,424)	(371,099,501,104)		
			<u>1,734,923,193,446</u>	<u>2,420,365,952,195</u>		

(i) All of the above borrowings are guaranteed for payment by EVN.

(ii) The collateral assets are the total value of construction of Vinh Tan 2 Solar Power Plant Project (Note 9(a)) and debts collection rights arising from the Power Purchase Contract of Vinh Tan 2 Solar Power Plant signed between the Group and EVN.

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18 BORROWINGS (continued)

As at 31 December 2021, the applicable interest rate applied for the above bank borrowing is from 7.6% per annum to 9.2% per annum (as at 31 December 2020: from 7.7% per annum to 9.8% per annum).

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

	Currency	Maturity	31.12.2021 VND	31.12.2020 VND	Interest rate	Collateral assets
Re-borrowing from a related party (Note 31(b))						
Mong Duong 1 Thermal Power Plant Project						
Asian Development Bank ("ADB")	USD	2032	383,673,646,210	408,855,249,399	LIBOR 6 months + 1% p.a.	(iii)
ADB	USD	2034	17,227,531,267,362	18,084,035,458,704	LIBOR 6 months + 0.65% p.a.	(iii)
Korea Export Import Commercial Joint Stock Bank ("KEXIM")	USD	2028	6,071,605,004,087	7,095,867,406,503	LIBOR 1 year + 4.05% p.a.	(iii)
Vinh Tan 2 Thermal Power Plant Project						
The Export-import Bank of China ("China Eximbank")	USD	2027	4,125,459,684,448	4,874,984,191,273	3.45% p.a.	(iv)
China Eximbank	CNY	2027	1,205,306,231,805	1,406,265,195,714	3.4% p.a.	(iv)
China Eximbank	USD	2028	10,167,779,239,327	11,769,882,556,197	LIBOR 6 months + 2.65% p.a.	(iv)
Buon Kuop Hydropower Plant Project						
Japan Bank for International Cooperation ("JBIC")	JPY	2026	53,555,196,233	71,974,642,230	2.75% p.a.	(iv)
JBIC	JPY	2028	44,139,098,681	57,038,490,260	2.55% p.a.	(iv)

18 BORROWINGS (continued)

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

	Currency	Maturity	31.12.2021 VND	31.12.2020 VND	Interest rate	Collateral assets
Re-borrowing from a related party (Note 31(b))						
Phu My 1 Thermal Power Plant Project						
JBIC	JPY	2028	2,969,847,989,121	3,837,768,581,709	from 1.15% p.a. to 2.7% p.a.	(iv)
Project of Steam Tail 306-2 Ba Ria Power Plant						
Ba Ria - Vung Tau Development Bank	KRW	2027	302,268,214,729	391,479,319,806	2.4% p.a.	(iv)
			<u>42,551,165,572,003</u>	<u>47,998,151,091,795</u>		
Current portion of long-term borrowings (Note 18(a))			<u>(4,528,946,165,517)</u>	<u>(4,571,407,208,492)</u>		
			<u>38,022,219,406,486</u>	<u>43,426,743,883,303</u>		

(iii) The collateral assets are the entire value of construction of Mong Duong 1 Thermal Power Plant Project (Note 9(a)).

(iv) The above borrowings did not have collateral assets.

As at 31 December 2021, the floating interest rate applied for the EVN's re-borrowing denominated in USD is from 0.89% per annum to 4.3% per annum (as at 31 December 2020: from 1.31% per annum to 4.6% per annum).

19 OWNERS' CAPITAL

(a) Number of shares

	31.12.2021		31.12.2020	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered, issued and existing in circulation (*)	1,123,468,046	-	1,069,969,577	-

(*) During the year, the Corporation has issued an additional 53,498,469 shares (Note 20).

(b) Details of owners' shareholding

	31.12.2021		31.12.2020	
	Ordinary shares	%	Ordinary shares	%
EVN	1,114,422,994	99.19	1,061,355,233	99.19
Others	9,045,052	0.81	8,614,344	0.81
Number of issued shares	1,123,468,046	100.00	1,069,969,577	100.00

(c) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2020 and 31 December 2020	1,069,969,577	10,699,695,770,000
New shares issued (Note 20)	53,498,469	534,984,690,000
As at 31 December 2021	1,123,468,046	11,234,680,460,000

Par value per share: VND10,000.

The Corporation has no preference shares.

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20 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Owners' other capital VND	Investment and development fund VND	Other funds VND	Undistributed earnings VND	Non-controlling interests VND	Total VND
As at 1 January 2020	10,699,695,770,000	6,014,917,945	45,439,387,466	141,871,395,148	15,868,253,443	1,916,442,908,642	367,009,242,241	13,192,341,874,885
Net profit for the year	-	-	-	-	-	1,786,056,901,164	29,207,863,396	1,815,264,764,560
Appropriation to investment and development fund	-	-	-	43,540,720,692	-	(43,540,720,692)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(17,862,131,120)	(6,368,741,380)	(24,230,872,500)
Dividends paid to non- controlling	-	-	-	-	-	-	(19,418,307,300)	(19,418,307,300)
Utilisation of investment and development fund	-	-	1,055,003,671	(1,055,003,671)	-	-	-	-
Others	-	-	-	-	22,032,239	1,627,204	4,033,165	27,692,608
As at 31 December 2020	10,699,695,770,000	6,014,917,945	46,494,391,137	184,357,112,169	15,890,285,682	3,641,098,585,198	370,434,090,122	14,963,985,152,253
Capital increased during the year (**)	534,984,690,000	-	-	-	-	(534,984,690,000)	-	-
Net profit for the year	-	-	-	-	-	3,141,048,822,276	37,869,659,944	3,178,918,482,220
Appropriation to investment and development fund (*)	-	-	-	514,017,158,580	-	(514,017,158,580)	-	-
Appropriation to bonus and welfare fund (*)	-	-	-	-	-	(170,955,708,827)	(4,476,071,965)	(175,431,780,792)
Dividends declared (**)	-	-	-	-	-	(534,984,788,500)	(22,330,110,604)	(557,314,899,104)
Utilisation of investment and development fund	-	-	652,823,914	(1,660,549,990)	-	-	-	(1,007,726,076)
As at 31 December 2021	11,234,680,460,000	6,014,917,945	47,147,215,051	696,713,720,759	15,890,285,682	5,027,205,061,567	381,497,567,497	17,409,149,228,501

20 MOVEMENTS IN OWNERS' EQUITY (continued)

(*) Pursuant to the Resolution No. 52/NQ-DHDCD dated 27 May 2021 of the General Meeting of Shareholders of the Corporation, the Resolution No. 814/NQ-NDBR dated 29 June 2021 of the General Meeting of Shareholders of Ba Ria Thermal Power Joint Stock Company and the Resolution No. 315/NQ-DHDCD-NBTPC dated 25 May 2021 of the General Meeting of Shareholders of Ninh Binh Thermal Power Joint Stock Company.

(**) In accordance with the Resolution No. 61/NQ-HDQT dated 11 June 2021 of the Board of Management of the Corporation on implementation of the Corporation's 2020 dividend payment, the Resolution No. 315/NQ-DHDCD-NBTPC dated 25 May 2021 of the General Meeting of Shareholders of Ninh Binh Thermal Power Joint Stock Company and the Resolution No. 398/NQ-NBTPC-HDQT dated 23 July 2021 about the Company's 2020 dividend payment and the Resolution No. 814/NQ-NDBR dated 29 June 2021 of the General Meeting of Shareholders of Ba Ria Thermal Power Joint Stock Company about the Company's 2020 profit distribution. Details are as follows:

- The Corporation paid out the dividend in cash at the rate of 5%, equivalent to the total amount of VND534,984,788,500 and the dividend in shares with the number of additional issued shares of 53,498,469, lower than the plan of 9 shares due to the cancellation of odd shares, equivalent to VND534,984,690,000 from the accumulated undistributed earnings as of 31 December 2020.
- Ninh Binh Thermal Power Joint Stock Company declared the dividend in cash at the rate of 15% of its charter capital; and
- Ba Ria Thermal Power Joint Stock Company declared the dividend in cash at the rate of 11% of its charter capital.

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

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

	2021	2020 (As restated (**))
Net profit attributable to shareholders (VND)	3,141,048,822,276	1,786,056,901,164
Less amount allocated to bonus and welfare fund (VND) (*)	(*)	(170,955,708,827)
	<u>3,141,048,822,276</u>	<u>1,615,101,192,337</u>
Weighted average number of ordinary shares in issue (shares)	1,123,468,046	1,123,468,046
Basic earnings per share (VND)	<u>2,796</u>	<u>1,438</u>

21 EARNINGS PER SHARE (continued)

(a) Basic earnings per share (continued)

(*) As at 31 December 2021, the Group did not reliably estimate the amount of the bonus and welfare fund appropriated from the profits for year ended 31 December 2021 since the General Meeting of Shareholders has not determined profit distribution plan. Had the Group appropriated bonus and welfare fund, net profit attributable to shareholders and basic earnings per share would decrease.

(**) Basic earnings per share of year ended 31 December 2020 were recomputed as per Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 200") as follows:

	For the year ended 31.12.2020		
	As previously reported VND	Adjustments VND	As restated VND
Net profit attributable to shareholders (VND)	1,786,056,901,164	-	1,786,056,901,164
Adjust amount allocated to bonus and welfare fund (VND)	-	(170,955,708,827)	(170,955,708,827)
	<u>1,786,056,901,164</u>	<u>(170,955,708,827)</u>	<u>1,615,101,192,337</u>
Weighted average number of existing shares in circulation (shares)	1,069,969,577	53,498,469	1,123,468,046
Basic earnings per share (VND)	<u>1,669</u>	<u>(232)</u>	<u>1,438</u>

(b) Diluted earnings per share

The Corporation did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. Therefore, Therefore, the diluted earnings per share is equal to the basic earnings per share.

22 OFF BALANCE SHEET ITEMS**(a) Foreign currency**

As at 31 December 2021, included in cash and cash equivalents were balances held in foreign currency of USD3,072.8 (at as 31 December 2020: USD3,596).

(b) Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases were presented in Note 32(a).

23 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2021 VND	2020 VND
Net revenue from sales of electricity	36,973,868,379,756	39,895,449,663,636
Net revenue from rendering of other business activities	783,555,339,041	471,758,359,356
	<u>37,757,423,718,797</u>	<u>40,367,208,022,992</u>

24 COST OF GOODS SOLD AND SERVICES RENDERED

	2021 VND	2020 VND
Cost of electricity sold	32,739,374,223,482	35,182,763,886,881
Cost of other business activities rendered	731,212,570,339	424,216,240,633
	<u>33,470,586,793,821</u>	<u>35,606,980,127,514</u>

25 FINANCIAL INCOME

	2021 VND	2020 VND
Interest income from deposits	194,166,870,904	262,139,625,737
Interest income from bonds	19,339,470,323	12,797,205,153
Dividend income, profit distribution	54,146,387,804	32,721,783,605
Realised foreign exchange gains	85,230,839,058	22,772,081,860
Net gain from foreign currency revaluation at year-end	907,924,555,568	-
	<u>1,260,808,123,657</u>	<u>330,430,696,355</u>

POWER GENERATION JOINT STOCK CORPORATION 3

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26 FINANCIAL EXPENSES

	2021 VND	2020 VND
Interest expense	1,221,622,521,691	1,872,083,873,918
Realised foreign exchange losses	2,344,581,178	22,042,058,978
(Reversal of provision)/provision for long-term investments (Note 4(b))	(6,224,139,813)	6,224,139,813
Net loss from foreign currency revaluation at year-end	-	379,061,941,663
	<u>1,217,742,963,056</u>	<u>2,279,412,014,372</u>

27 GENERAL AND ADMINISTRATION EXPENSES

	2021 VND	2020 VND
Staff costs	321,828,640,704	267,975,500,384
External service expenses	36,462,393,200	88,737,876,742
Depreciation and amortisation	51,826,489,065	41,719,503,249
Tools and supplies	19,332,273,711	13,564,927,686
Others	185,919,532,790	190,517,951,223
	<u>615,369,329,470</u>	<u>602,515,759,284</u>

28 CORPORATE INCOME TAX

The Group is subject to CIT at a rate of 20% on taxable income.

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

	2021 VND	2020 VND
Net accounting profit before tax	3,912,157,125,037	2,292,338,372,565
Tax calculated at a rate of 20%	782,431,425,007	458,467,674,513
Effect of:		
Income not subject to tax	(52,248,291,836)	(23,587,443,361)
Expenses not deductible for tax purposes	1,894,194,042	8,977,851,207
Tax losses for which no deferred income tax asset was recognised	1,161,315,604	-
Income from restatement	-	184,775,958,410
Tax reduction	-	(145,942,155,687)
Deductible interest expense from previous years	-	(5,745,536,424)
Under-provision in previous years	-	127,259,347
CIT charge (*)	<u>733,238,642,817</u>	<u>477,073,608,005</u>
Charged to the consolidated income statement:		
CIT – current	<u>733,238,642,817</u>	<u>477,073,608,005</u>

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

29 COSTS OF OPERATION BY FACTOR

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

	2021 VND	2020 VND
Raw materials	25,354,051,792,589	28,026,417,037,304
Depreciation and amortisation	4,477,723,940,240	4,638,169,141,181
Major repair expenses	1,210,633,825,558	774,343,222,597
Staff costs	1,125,009,132,447	987,988,246,656
External service expenses	698,306,059,951	597,710,168,395
Others	1,220,456,300,868	1,185,091,430,126
	<u>34,086,181,051,653</u>	<u>36,209,719,246,259</u>

30 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CONSOLIDATED CASH FLOW STATEMENT

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

	2021 VND	2020 VND
Offset borrowings from EVN with short-term trade accounts receivable from Electricity Power Trading Company	4,470,065,572,771	4,528,347,031,195
Offset interest expense, re-borrowing fees and foreign contractor tax from EVN with short-term trade accounts receivable from Electricity Power Trading Company	1,080,359,165,911	1,795,430,225,397
Offset short-term trade accounts receivable from Electric Power Trading Company against the dividend payable to EVN	530,677,616,500	-
Offset short-term trade account receivables from Electric Power Trading Company against the short-term trade account payables and other short-term payables to EVN	231,385,659,974	125,593,958,918
Purchases of fixed assets and construction in progress that have not been settled	337,975,952,594	331,877,172,226
Appropriated dividend to be collected	83,700,000,000	17,500,000,000
Unpaid declared dividend	7,582,728,659	7,205,964,234
Dividend paid in shares	534,984,690,000	-
Increase/(decrease) of non-cash investment in other entities	14,614,784,000	(14,614,784,000)
	7,291,346,170,409	6,791,339,567,970

31 RELATED PARTY DISCLOSURES

The Corporation is a joint stock company. Details of the shareholders are presented in Note 19(b). The list of related parties that have transactions with the Group during the year are as follows:

Parent company

EVN

Associates

Thac Ba Hydropower Joint-Stock Company

Vinh Son - Song Hinh Hydropower Joint Stock Company

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

Other related parties

Hai Phong Thermal Power Joint Stock Company

Electric Power Trading Company

Duyen Hai Thermal Power Company

Quang Ninh Power Company – Branch of Northern Power Corporation

Northern Electrical Testing One Member Company Limited

Power Engineering Consulting Joint Stock Company 2

Power Engineering Consulting Joint Stock Company 3

Power Engineering Consulting Joint Stock Company 4

Information and Communications Technology Company of Vietnam Electricity – Branch of Vietnam Electricity

Pha Lai Thermal Power Joint Stock Company

31 RELATED PARTY DISCLOSURES (continued)

Other related parties (continued)

Power Transmission Company No.2
 Nghi Son Thermal Power Company – Branch of Power Generation Corporation 1
 (“Nghi Son Thermal Power Company”
 Vinh Tan 4 Thermal Power Plant - Branch of Vietnam Electricity (“Vinh Tan 4 Thermal
 Power Plant”)
 Thai Binh Thermal Power Company
 EVN Construction and Technology Investment Management Board
 Branch of Southern Power Corporation - Southern Electrical Testing Company
 (“Southern Electrical Testing Company”)
 Petrovietnam Power Nhon Trach 2 Joint Stock Company
 Viet Lao Power Joint Stock Company
 Quang Ninh Thermal Power Joint Stock Company - Branch of Power Generation
 Corporation 1 (“Quang Ninh Thermal Power Joint Stock Company”)
 Vinh Tan 4 and Expanded Vinh Tan 4 Thermal Power Plant Project
 Hydropower 5 Project Management Board of - Branch of EVN
 Thai Binh Thermal Power Project Management Board - Branch of EVN
 Uong Bi Thermal Power Company
 Binh Thuan Power Company
 Dac Nong Power Company
 Dac Lac Power Company
 Ba Ria – Vung Tau Power Company
 Ho Chi Minh City Electric Power College
 Thu Thiem Power Company
 Electricity Hotel - Tourism and Trading Service One Member Company Limited
 Central Electrical Testing One Member Company Limited
 Power Transmission Company No. 1
 Power Engineering Consulting Joint Stock Company 1
 Can Tho Thermal Power Company

(a) Related party transactions

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

	2021 VND	2020 VND
<i>i) Sales of goods and rendering of services</i>		
Electricity Power Trading Company	36,970,872,194,934	39,895,315,312,816
Duyen Hai Thermal Power Company	79,609,825,318	-
Vinh Tan 4 Thermal Power Plant	612,692,676,766	297,764,455,928
Thai Binh Thermal Power Company	-	87,213,943,169
Others	1,657,416,898	15,941,622,350
	<u>37,664,832,113,916</u>	<u>40,296,235,334,263</u>

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2021 VND	2020 VND
ii) Purchases of goods and services		
EVN	137,661,724,695	106,632,342,632
Quang Ninh Power Company	6,928,106,507	8,846,018,803
Power Engineering Consulting Joint Stock Company 3	2,808,640,841	6,212,541,289
Southern Electrical Testing Company Power Engineering Consulting Joint Stock Company 2	2,598,932,749	4,892,050,387
Power Engineering Consulting Joint Stock Company 4	1,450,052,273	1,807,915,149
Northern Electrical Testing One Member Company Limited	3,596,546,908	1,487,115,395
Information and Communications Technology Company of Vietnam Electricity	750,000,000	541,052,000
Others	2,362,834,636	472,827,626
	8,144,829,216	8,194,003,031
	<u>166,301,667,825</u>	<u>139,085,866,312</u>
iii) Financing activities		
Dividend income, profit distribution		
Petrovietnam Power Nhon Trach 2 Joint Stock Company	14,243,840,000	17,804,800,000
Hai Phong Thermal Power Joint Stock Company	21,750,000,000	13,500,000,000
Others	158,177,547,804	14,316,983,605
	<u>194,171,387,804</u>	<u>45,621,783,605</u>
Offset borrowings with short-term trade accounts receivable		
EVN	4,470,065,572,771	4,528,347,031,195
Offset interest expense with short- term trade accounts receivable		
EVN	1,080,359,165,911	1,795,430,225,397
Interest expense		
EVN	1,013,673,019,580	1,540,691,524,513
Repayment of borrowing		
EVN	50,128,144,770	49,940,726,482

31 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2021 VND	2020 VND
iii) Financing activities (continued)		
Payment of Interest		
EVN	8,237,073,736	9,429,402,229
iv) Investment activities		
Investment in associate		
Vinh Son - Song Hinh Hydropower Joint Stock Company	91,661,010,000	-
v) Other transactions		
Offset short-term receivables from customers against short-term payables to suppliers and other short-term payables		
EVN	762,063,276,474	125,593,958,918
vi) Compensation of key management		
Chairman (1 person)	945,264,000	544,500,000
Members of the Board of Management cum President (1 person)	916,620,000	576,000,000
Full-time members of the Board of Management (1 person)	830,688,000	522,000,000
Independent members of the Board of Management (1 people)	166,140,000	100,050,000
Part-time member of the Board of the Management (1 people)	166,140,000	100,050,000
Vice President (1 person)	685,620,000	532,875,000
Vice President (1 person)	900,248,000	532,875,000
Vice President (1 person)	900,248,000	532,875,000
Vice President (1 person)	830,688,000	532,875,000
Vice President (1 person, from 1 April 2021)	588,404,000	-
Chief Accountant (1 person)	773,400,000	404,294,000
Full-time head of the Board of Supervisors (1 person)	859,332,000	540,000,000
Part-time member of the Board of Supervisor (1 person)	166,140,000	104,000,000
Part-time member of the Board of Supervisor (1 person)	166,140,000	104,000,000
	<u>8,895,072,000</u>	<u>5,126,394,000</u>

31 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

	31.12.2021 VND	31.12.2020 VND
i) Short-term trade accounts receivable (Note 5)		
Electricity Power Trading Company	7,636,241,034,912	8,817,357,846,739
Vinh Tan 4 Thermal Power Plant	902,526,554,588	469,595,450,049
Thai Binh Thermal Power Company	12,615,620,139	55,839,091,635
Duyen Hai Thermal Power Company	36,708,328,507	-
Nghi Son Thermal Power Company	1,157,785,145	1,665,447,145
Power Engineering Consulting Joint Stock Company 2	186,328,082	527,162,364
Power Engineering Consulting Joint Stock Company 4	-	466,364,000
Others	27,363,828,074	16,592,761,404
	<u>8,616,799,479,447</u>	<u>9,362,044,123,336</u>
ii) Short-term prepayments to suppliers		
Power Engineering Consulting Joint Stock Company 3	-	225,060,000
Power Engineering Consulting Joint Stock Company 4	-	643,272,655
Others	-	1,096,743,841
	<u>-</u>	<u>1,965,076,496</u>
iii) Other short-term receivables (Note 6)		
Vinh Tan 4 and Vinh Tan 4 Expansion Thermal Power Plant Project	69,982,724,313	66,557,084,850
EVN Construction and Technology Investment Management Board	67,966,368,944	67,966,368,944
Vinh Son - Song Hinh Hydropower Joint Stock Company	1,844,266,667	2,216,666,667
EVN	15,256,171,287	15,256,171,287
Thai Binh Thermal Power Company	601,980,702	-
Se San 3A Power Investment and Development Joint Stock Company	83,700,000,000	15,000,000,000
Hai Phong Thermal Power Joint Stock Company	-	3,538,733,360
Others	4,124,059,646	4,238,845,360
	<u>243,475,571,559</u>	<u>176,308,823,204</u>

31 RELATED PARTY DISCLOSURES (continued)

(b) Period end balances with related parties (continued)

	31.12.2021 VND	31.12.2020 VND
iv) Short-term trade accounts payable (Note 12)		
EVN	918,536,099	1,200,705,393
Se San 3A Power Investment and Development Joint Stock Company	2,887,600,516	-
Power Engineering Consulting Joint Stock Company 3	612,178,000	4,051,004,884
Northern Electrical Testing One Member Company Limited	825,000,000	1,162,053,242
Southern Electrical Testing Company	1,316,265,263	2,208,950,828
Others	1,148,675,593	8,062,236,118
	<u>7,708,255,471</u>	<u>16,684,950,465</u>
v) Short-term advances from customers		
Duyen Hai Thermal Power Company	-	10,149,848,007
	<u>-</u>	<u>10,149,848,007</u>
vi) Other short-term payables (Note 17)		
EVN	346,768,343,073	514,333,994,661
Others	5,202,099,473	5,202,099,473
	<u>351,970,442,546</u>	<u>519,536,094,134</u>
vii) Short-term borrowings (Note 18(a))		
EVN	4,528,946,165,517	4,571,407,208,492
	<u>4,528,946,165,517</u>	<u>4,571,407,208,492</u>
viii) Long-term borrowings (Note 18(b))		
EVN	38,022,219,406,486	43,426,743,883,303
	<u>38,022,219,406,486</u>	<u>43,426,743,883,303</u>

32 COMMITMENTS**(a) Commitments under operating leases**

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

	31.12.2021 VND	31.12.2020 VND
Within one year	23,293,638,489	27,387,785,310
Between one and five years	105,874,012,122	89,557,433,760
Over five years	768,430,550,325	553,717,735,510
Total minimum payments	<u>897,598,200,936</u>	<u>670,662,954,580</u>

(b) Capital commitments

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

	31.12.2021 VND	31.12.2020 VND
Power plant and other constructions	<u>514,455,000,000</u>	<u>769,844,000,000</u>

33 SEGMENT REPORTING

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

34 CONTINGENT LIABILITIES

In according with Circular 200, the Group is required to make provisions for restoration costs incurred upon the return of land and leased land in accordance with the regulations and policies applicable to the business industry of the Group. Accordingly, the Group has the obligation to clear, restore and return the premises at the end of the lease term or the termination of the project. As at the date of these consolidated financial statements, the Group has not made such provision because there was no sufficient information to come up with a reliable estimation to be made.

35 EQUITISATION

Pursuant to the Decision No. 9494/QĐ-BCT dated 22 October 2014, the Ministry of Industry and Trade decided to equitise the Corporation. Pursuant to the Decision No. 2100/QĐ-TTg dated 27 December 2017 of the Prime Minister, the Prime Minister approved the equitisation plan of the Corporation. Accordingly, the Corporation completed the preparation of the financial statements by the time that the Corporation became a joint stock company on 27 September 2018, as well as the audit of its financial statements, the finalisation of tax and other payables to the state budget with tax authorities. On 11 November 2021, the Steering Committee for equitisation of Power Generation Corporation 3 (established in accordance with the Decision No 110/QĐ-UBND dated 9 March 2020 issued by the Commission for the Management of State Capital at Enterprises) submitted the finalisation documents of the equitisation to the Commission for the Management of State Capital at Enterprises to request for the approval of the state capital value at the time of equitisation and the finalisation of the equitisation. Accordingly, the remaining amount to be paid to the Fund for Support of Arrangement and Development of Enterprises is VND39,953,410,753.

As at the issuance date of the consolidated financial statements, the Corporation has not received the approval of the finalisation of the equitisation. The financial effects (if any) to the consolidated financial statements will be made upon the final approval of the relevant authority on the finalisation of the equitisation by the Corporation.

36 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year presentation of the consolidated financial statements. Details are as follow:

Consolidated balance sheet statement (extracted):

Code	ASSETS	As at 31 December 2020		
		As previously reported VND	Reclassification VND	As reclassified VND
131	Short-term trade accounts receivable	9,054,947,050,178	317,142,944,535	9,372,089,994,713
136	Other short-term receivables	636,470,223,259	(317,142,944,535)	319,327,278,724

The consolidated financial statements were approved by the Board of Directors on 30 March 2022.



Tran Nguyen Khanh Linh
Preparer



Vu Phuong Thao
Chief Accountant



Nguyen Thi Thanh Huong
Vice President