



ANNUAL REPORT 2020

**“ Breakthrough
to Success in new development phase ”**



POWER CONSTRUCTION JOINT STOCK COMPANY NO.1



Established on March 2, 1963, after 58 years of construction and development, from the initial key task of constructing and installing national power transmission works, Power Construction Joint Stock Company No.1 (PCC1) has now proven its capacity not only in the field of power construction but also expanded into the fields of industrial production, energy investment, real estate investment, consulting and services.

The company is currently in the TOP 500 largest enterprises in Vietnam, TOP 500 most profitable enterprises in Vietnam, TOP 50 excellent enterprises in 2020 with a scale of more than 20 member units and revenue of over 6,600 billion dong.

Company name

CÔNG TY CỔ PHẦN XÂY LẮP ĐIỆN I

Abbreviated name

PCC1

English name

Power Construction Joint Stock Company No.1

Certificate of Business

0100100745

Registration

Business Registration Address

No. 18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi

Head office

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Charter capital

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Logo



Stock code

PC1

Listed place

Ho Chi Minh Stock Exchange

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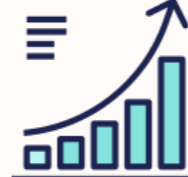
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Message from the Chairman of Board of Directors

Dear shareholders, partners, and customers!
Dear all of PCC1 officials and employees!

The year 2020 has just passed and is the last year of the 2016-2020 strategic period of PCC1 in the context of a volatile macroeconomic situation with numerous difficulties, the whole world has been working together to cope with the Covid-19 pandemic, it has had a terrible impact on all global socio-economic activities. In that context, PCC1 has promoted the spirit of creativity with the determination to win from the challenge, quickly deployed innovative and effective solutions to limit the negative effects from difficult challenges, as well as quickly grasp the opportunities to help the Company steadily advance to success and achieve very positive results in 2020. At the same time, we have also completed the basic targets of the 5-year plan of period 2016- 2020, following the outlines of the master plan for the period of 2021-2025.

In which, 05 important breakthrough results in 2020 are:

- 01** Business results in 2020 the whole company's profit exceeded the plan by 16%, making an important contribution to fulfilling the basic targets of the 5-year strategic plan 2016-2020 with the average annual revenue growth over 18%, profit after tax/average annual revenue is over 8%.
- 02** Completed the investment in 02 hydropower plants 6th and 7th ahead of schedule, successfully preparing and starting to invest in 03 wind power plants with installed capacity of 150MW in Quang Tri. Power construction has had breakthroughs in new products: EPC general contractor for wind power plants, large value contracts, affirming PCC1's new position and creating opportunities for positive growth in the coming years.
- 03** PCC1 brand name continues to develop and affirms trustworthiness. The leadership and management capacity of the apparatus has been enhanced from difficult challenges; all activities of the company are reliably controlled. The Company's financial capacity and credit rating continues to be improved.

- 04** Strategic relationship with international partners in the field of technology and electrical equipment, domestic target customer relationship continues to be developed to a new stage.
- 05** The Executive Board and the staff have been actively and voluntarily participating in charity and social responsibility activities.



The Executive Board of the Company would like to thank and send best wishes to the leadership team, managers at all levels and all our employees, especially the creative pioneers, collectives who have made breakthroughs and active contribution to the results and achievements of the Company in the past.

Ladies and gentlemen!

PCC1 enters the plan year 2021 - the first year of the 5-year strategy period 2021 - 2025, vision 2035 with the aspiration and determination to bring PCC1 to new heights - Brand and Prosperity, striving for well-off and happy life of employees, with the slogan:

"Breakthrough to Success in new development phase"

We are determined to successfully implement the key tasks that are:

- 01** Completing, announcing and implementing the Company strategy for the period 2021-2025, vision 2035. The annual average revenue growth target will not be less than 16%, Revenue in 2025 will not be less than 15,500 billion VND, the target of profit after tax / annual average revenue will not be less than 10%.
- 02** Continuing to improve the management capacity of the company's system through: Fundamentally adjusting the Organization Chart; Developing high-quality human resources; Effectively implementing policies to motivate employees; Developing strong culture PCC1; Applying 4.0 technology and digitizing company activities, accordingly:
 - ▶ **General contractor for power construction works:** Continuing to structure a reasonable organizational chart; Improving leadership capacity, reliable management of EPC general contractor projects at international level; Providing total solution for customers with smart, speed and efficient electrical works, to create power and difference, high reliability for PCC1. Successfully continuing to achieve breakthrough goals with projects of general contractors for power plants, power grid contracts with great value, high technical requirements, investing to catch opportunities with trending and potential project types in the future.
 - ▶ **Industrial Production Sector:** Innovating the organizational chart according to a new management model, effectively investing in a new production factory in Thai Nguyen; Successfully developing new products into EVN's projects; Consistently closely following the export market in the long term; Sticking to strategic goals and fulfilling business targets in 2021.

- ▶ **Energy Investment Sector:** Highly focusing on completing and generating electricity efficiently 03 wind power plants in Quang Tri; Commencing new hydropower project; Deploying cooperation and successfully developing large-scale power source projects; Having capital development solutions to meet the strategic goals of energy investment and investment implementation as planned for the period 2021-2030.
- ▶ **Real Estate Investment Sector:** Adjusting plan targets for the period of 2021-2030 in the direction of cooperation with strategic partners, successfully developing new projects of medium and large scale; Supplementing and improving the quality of human resources, rearranging the management model to meet the scale and investment objectives. Effectively managing and controlling 02 projects started in the period.
- ▶ **Commercial Business Sector:** Rearranging the import-export and trading business model, developing commercial business to a new, professional and efficient scale, contributing to supporting core business areas at the same time, contributing to the overall business efficiency of the Company.
- ▶ **Consulting, operation and service sector:** Performing well the synchronous role with the core business areas to provide comprehensive and synchronous solutions to satisfy the increasing demands of partners and customers, as well as to improve the prestige, position and competitiveness of the Company.

Ladies and gentlemen!

The plan year 2021, the global economy continues to face great difficulties and challenges due to the complicated development of the Covid pandemic. Vietnam has many development advantages with a GDP growth rate of 6%, which is a good opportunity for business development. PCC1 continues to promote its strengths and potentials to seize industry opportunities and economic recovery opportunities in the new luck and new political context of the country. With strategic development planning for the 2021-2025 period focusing on core business areas, continuing to improve its leading competitive position, differentiated capabilities and affirming a trusted brand, our PCC1 staffs with the spirit of effort - responsibility - creativity will confidently overcome the storm to create new successes and new development steps.

I am very excited and confident in the capacity of PCC1's staff and employees, and I appreciate and thank to the precious affection and trust of our shareholders, partners and customers who have been accompanying with PCC1. In 2021, we will definitely create new victories!

Thank you very much!

Chairman of the board

Trinh Van Tuan

Highlights 2020



TOTAL REVENUE

▲ 14%

6,679
billion



PROFIT AFTER TAX

▲ 45%

544
billion



POWER CONSTRUCTION BLOCK

Revenue

more than **3,000**
billion

Continuing to affirm its No. 1 position in the power grid general contractor inside and outside the industry, start signing and implementing EPC power plant general contractor contracts in accordance with the development strategy.



INDUSTRIAL PRODUCTION BLOCK

Revenue

826
billion

Completed supply of steel poles for the key project of 500kV circuit 3; initially expanding the export market with the signing of an order to export Monopole telecommunication pole to Australia and being highly appreciated by customers; Continuing to promote the development of new products with outstanding advantages.



ENERGY INVESTMENT BLOCK

Revenue

▲ 36%

748
billion

Completed power generation of 2 hydropower plants Bao Lac B and Song Nhiem 4, brought the total generating capacity of PCCI to 169MW. Simultaneously, the construction of 3 wind power projects Lien Lap, Phong Huy, Phong Nguyen with a total capacity of 150 MW in Quang Tri, planned to be generated before October 31, 2021.



REAL ESTATE INVESTMENT & BUSINESS BLOCK

Revenue

▲ 302%

856
billion

Completed handover on schedule of PCCI Thanh Xuan project, affirming the prestige of PCCI



Top 50

Best Listed Companies in 2020 awarded by Forbes Vietnam



Top 10

prestigious listed companies in 2020 – Mid cap stocks voted by Vietnam Report



Top 50

excellent Vietnamese enterprises in 2020 (top 50 The Best) voted by Vietnam Report



Top 500

largest enterprises in Vietnam (ranked 291/500) voted by Vietnam Report



Top 500

most profitable enterprises in Vietnam (ranked 112/500) voted by Vietnam Report



Top 10

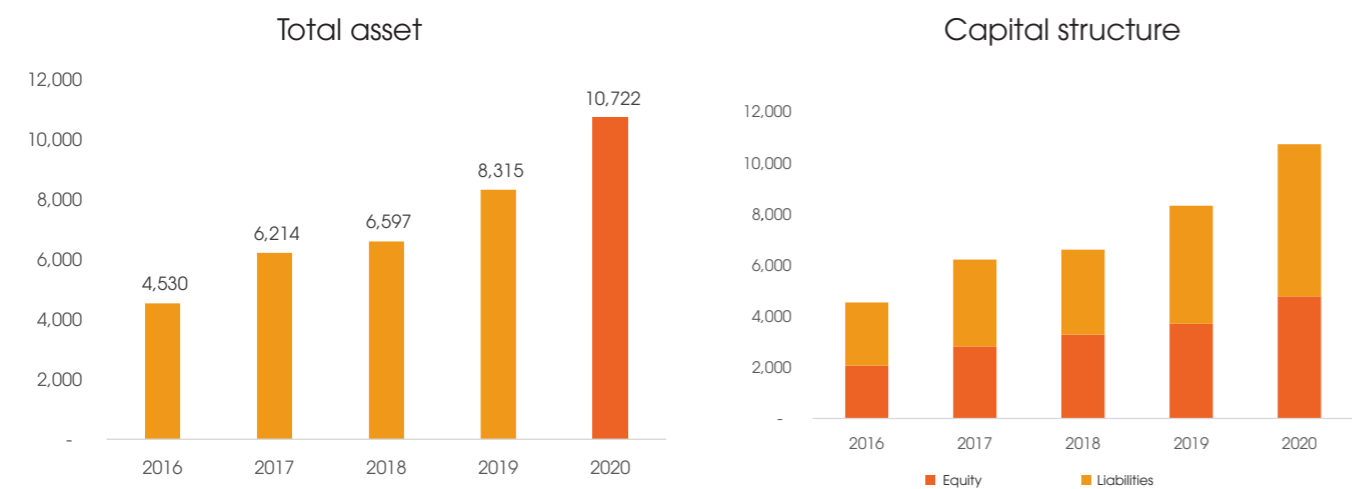
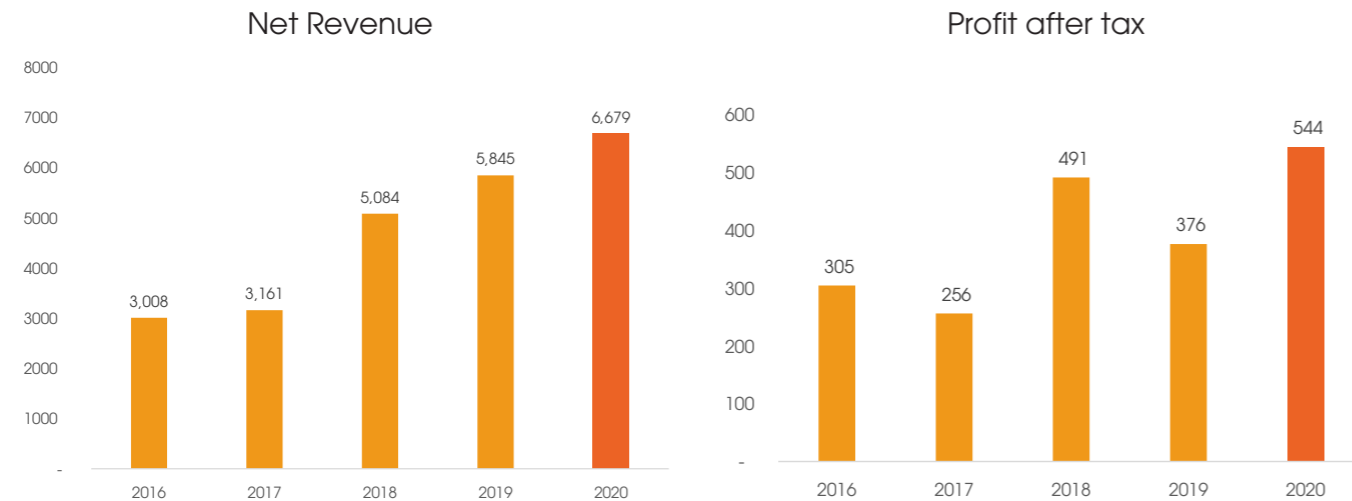
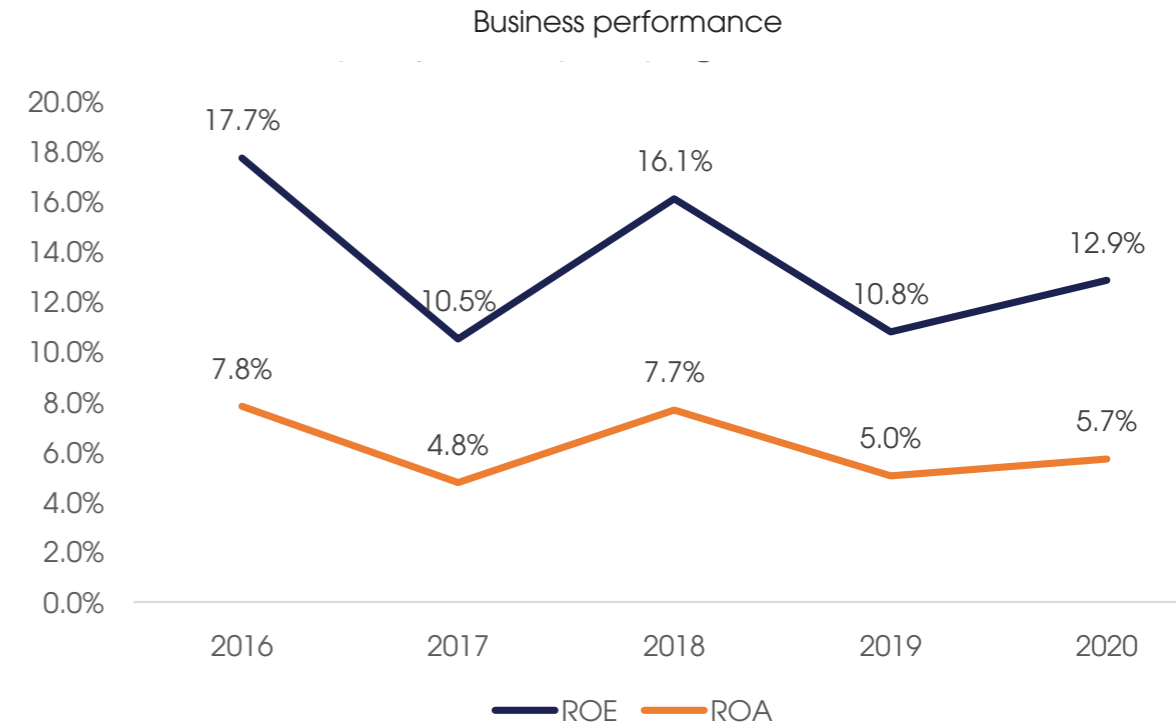
Listed Companies with Best 2019 Annual Reports



1 of 19 enterprises being awarded the flag of excellent units in the emulation movement in 2019 by the People's Committee of Hanoi at "Honoring Ceremony for Thang Long Entrepreneurs, Enterprises 2020" which was organized by Hanoi Association of Small and Medium Enterprises (Hanoisme).

Outstanding financial information

Targets	Unit	2016	2017	2018	2019	2020
Business results						
Net Revenue	Billions dong	3,008	3,161	5,084	5,845	6,679
Profit after tax	Billions dong	305	256	491	376	544
EPS	VND/share	4,532	2,336	3,514	3,346	2,682
Balance sheet						
Total assets	Billions dong	4,530	6,214	6,597	8,315	10,722
Equity	Billions dong	2,063	2,814	3,279	3,695	4,770
Payables	Billions dong	2,467	3,400	3,318	4,620	5,952
Main financial indicators						
Equity/Total Assets		46%	45%	50%	44%	44%
Liabilities/Total Assets		54%	55%	50%	56%	56%
ROE		17.7%	10.5%	16.1%	10.8%	12.9%
ROA		7.8%	4.8%	7.7%	5.0%	5.7%



VISION

Affirming the number 1 position in Vietnam, top 5 in Southeast Asia in the field of EPC general contractor for power grid projects and renewable energy projects. Professional renewable energy investor.

MISSION

Constantly creating smart and modern electrical works connecting the national and regional power systems;
Creating outstanding value for customers, investors, employees and society.

CORE VALUE

Creativity: is the foundation of development;
Speed: speed action, systems thinking leads all activities;
Trust: is the soul, the power to create sustainable development.

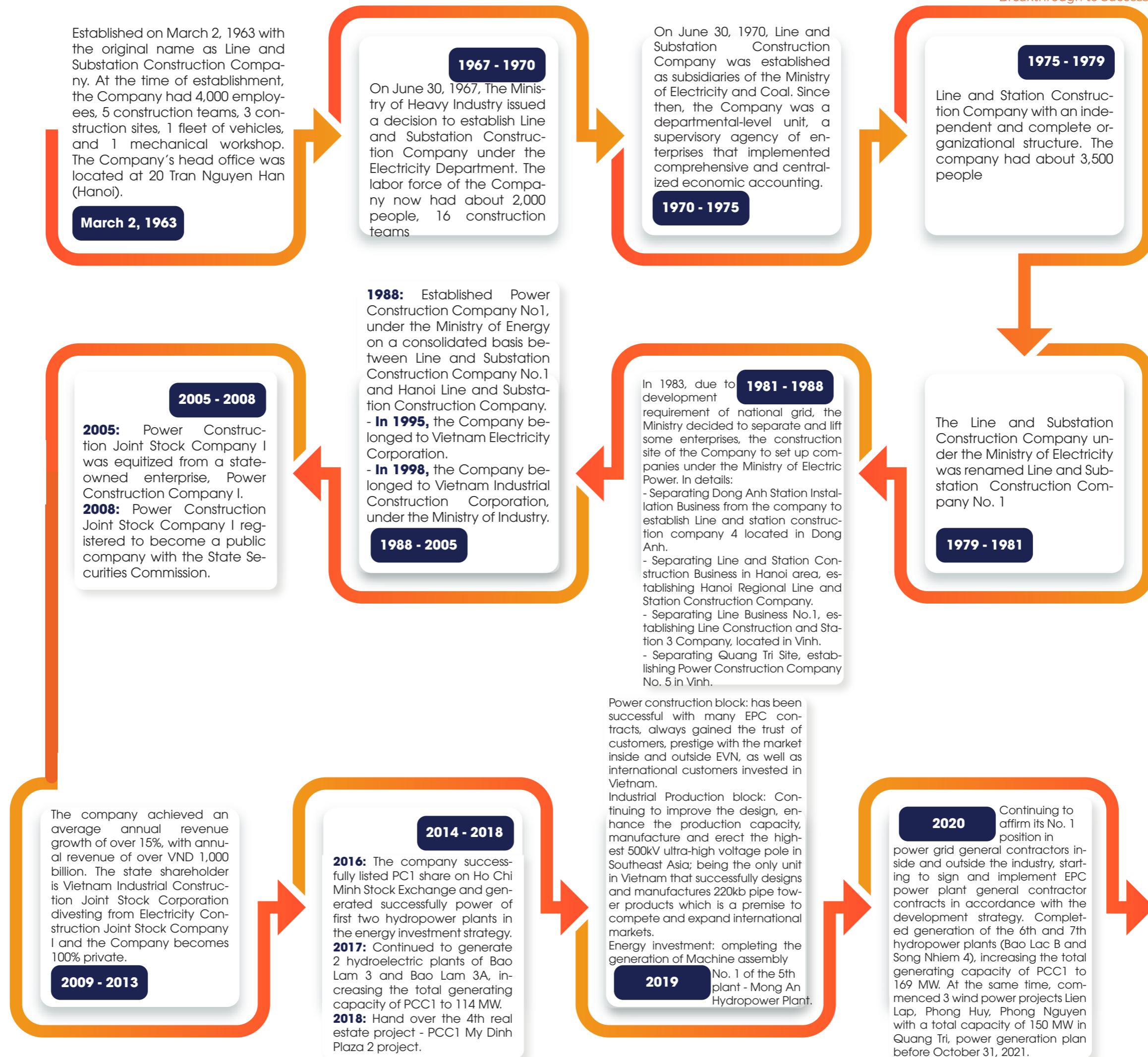
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General Information

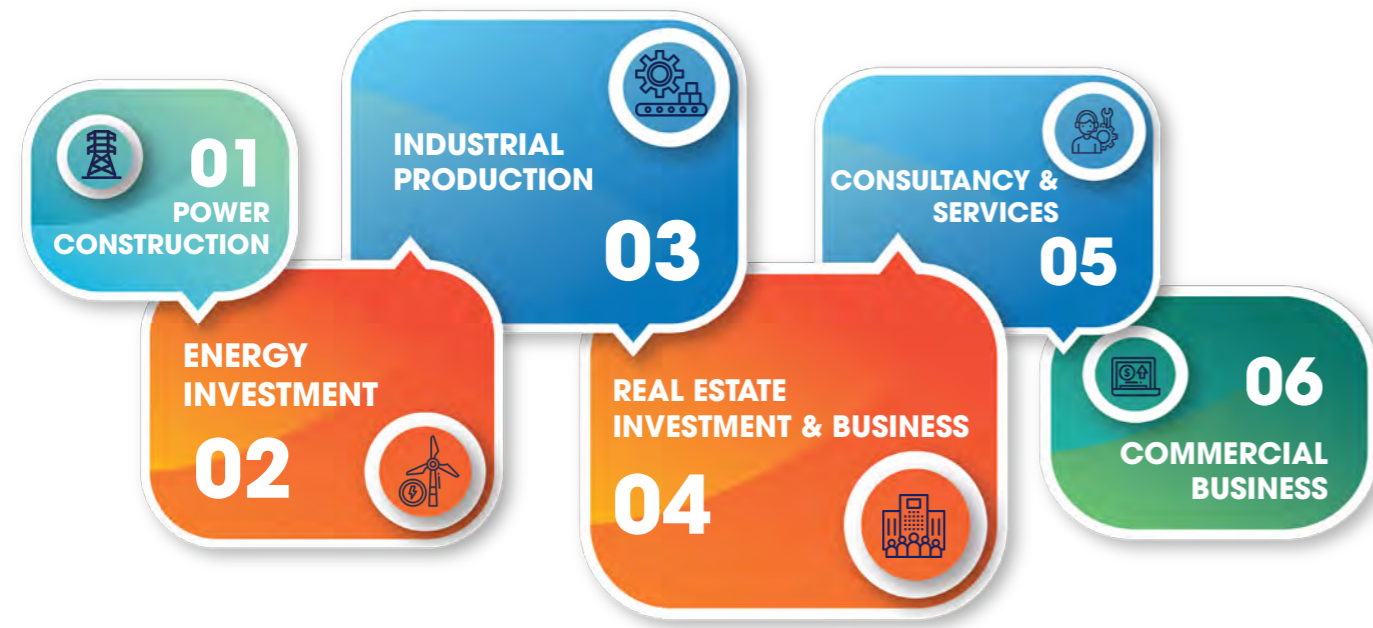
1. History of formation and development
2. Business activities and business locations
3. Development orientation



1. History of formation and development



2. Business activities and business locations



2.1. Power Construction



500kV transmission line to 500kV Pho Noi - Hung Yen station



Vinh Tan - Thap Cham transmission line

Currently, PCC1 is leading the country in the field of power construction and installation with experience in implementing many national power transmission projects, especially EPC and PC general contractor projects up to a voltage of 500 kV and projects with high specificity (Gis station, power supply to the island...), underground cable project...

PCC1 continuously executes important key projects with a team of highly qualified and skilled personnel, combined with the use of modern technology and equipment. PCC1 has researched, manufactured and applied since 2015 Navifly technology using UAV flying device to spread bait in the air. At present, this technology has been applied to most of the company's projects, making it easy, convenient, and time-saving to carry out the construction of high-voltage transmission lines in difficult terrain.

In 2020, PCC1 invested in the 800 ton Zomlion ZCC9800W crawler crane with the advantage of height of up to 180m, a system of cranes, vehicles and supporting equipment suitable for construction and installation methods of electric turbines wind at sea and on shore.

Some pictures of Zomlion ZCC98001W crawler crane



Some typical projects PCC1 has implemented:

► Customers in EVN:

Northern region:

- + 500kV Quang Ninh substation project;
- + 220kV Dong Hoi Substation (the first substation using steel tubular poles in Vietnam);
- + EPC contract of Yen Dinh 110 kV substation (using UNIC 10- ton crane (the only one in Southeast Asia) for construction);
- + Supply and install 110kV Underground Cable of 110kV Substation Project of Thu Le Park;
- + 500kV Pho Noi - Hung Yen transmission line project.

Central region:

- + 500kV Quang Trach - Doc Soi transmission line project;
- + 500kV Hiep Hoa substation project;
- + 200kV Quang Ngai - Quy Nhon transmission line;
- + Dak Nong - Phuoc Long - Binh Long 220kV transmission line project;
- + 220kV Vinh Tan - Thap Cham transmission line project.

South region:

- + 500kV O Mon Substation machine 2;
- + 500kV Tan Dinh Substation;
- + 500kV Pleiku - My Phuoc - Cau Bong transmission line project;
- + 500kV Phu Lam - O Mon transmission line project;
- + 500kV Chon Thanh Substation project and connection;
- + 220 kV Binh Long - Tay Ninh transmission line;
- + 220kV Kien Binh - Phu Quoc transmission line.

► Customers outside EVN:

- + Procurement and Construction of lines and substation for photovoltaic solar power plant in Thuan Nam district, Ninh Thuan province (BIM);
- + 110kV substation and connecting line for GAIA solar power plant;
- + General EPC contractor, construct 220kV transmission line and substation of Dau Tieng - Tay Ninh solar power plant;
- + EPC Contract of Tra Vinh Wind Power Project;
- + Transmission line and Substation of Phuoc Ninh-Thuan Nam-Ninh Thuan photovoltaic solar power plant of 250MW North-South BIM Project;
- + PC contract of Dai Phong wind power plant project. In addition, PC1 is also the general contractor and investor of 03 wind power projects in Quang Tri including Lien Lap, Phong Huy, Phong Nguyen with a total capacity of 150 MW.

2.2. Energy investment

2.2.1. Hydropower investment

In the field of energy investment, PCC1 affirms professional investment capacity with available resources, professional management process, advanced technology, as well as quality and progress control. Up to now, PCC1 has successfully operated 7 hydropower plants with a total capacity of 169 MW, exceeding design output. The next hydropower plants are being prepared for investment.

Project	Place	Deployment time	Total investment capital (billion VND)	Capacity (MW)	Design output (million kWh)
Completed and put into operation					
Trung Thu	Dien Bien	2013 - 2016	910	30	113
Bao Lam 1	Cao Bang	2014 - 2017	767	30	104
Bao Lam 3	Cao Bang	2015 - 2017	890	46	173
Bao Lam 3A	Cao Bang	2016 - 2017	330	8	30
Mong An	Cao Bang	2017 - 2020	916	30	104
Bao Lac B	Cao Bang	2018 - 2020	559	18	72
Song nhien 4	Ha Giang	2018 - 2020	228	7	24
Planning to invest					
Bao Lac A	Cao Bang	2021 - 2023	1,080	30	104
Thuong Ha	Cao Bang	2023 - 2025	481	13	40
Nam Po 5A	Dien Bien	2023 - 2025	760	20	57
Nam Po 5B	Dien Bien	2023 - 2025	684	18	52

2.2.2. Wind power investment

Together with the invested hydropower plants, PCC1 continues to develop renewable energy projects such as solar power and wind power in advantageous areas with the target of generating capacity of 700 MW by 2025, contributing positively to energy security assurance, meeting the nation's clean energy demand.

Currently, PCC1 is investing in 3 wind power projects: Lien Lap wind power project, Phong Huy wind power project, Phong Nguyen wind power project with total capacity of 150MW in Quang Tri.

In addition, PCC1 was also licensed to survey more than 2000 MW of wind power including onshore and offshore.

Project	Place	Deployment time	Total investment capital (billion VND)	Capacity (MW)	Design output (million kWh)
Investing					
Lien Lap	Quang Tri	2019 - 2021	1,921	48	145
Phong Huy	Quang Tri	2020 - 2021	1,921	48	177
Phong Nguyen	Quang Tri	2020 - 2021	1,921	48	173



Bao Lam 3 Hydropower



BIM 3 Project



2.3. Industrial production

In the field of industrial production, PCC1 is the only and largest unit in Vietnam in designing and manufacturing steel tubular poles of 110 kV, 220 kV - 1, 2, 4 circuits and connecting steel bars up to 750kV, with a modern technology line integrated with CNC control system with a total capacity of over 50,000 tons of products / year.

Some projects PCC1 has been provided such as:

Grid column:

- + Supplying steel poles for 500kV Son La - Hiep Hoa transmission line.
- + Supplying steel pipe piles for the widening of expressway No. 5.
- + Supplying electric poles for 765kV Shingori line.
- + The 500kV transmission line circuit 3 of Quang Trach - Doc Soi and Doc Soi - Pleiku 2;
- + 500kV transmission line connecting Nghi Son 2 Power Plant.
- + 500kV Song Hau - Duc Hoa transmission line (the highest electricity pole in Southeast Asia)

Steel tubular poles:

- + Supplying 220kV-500kV electric pole to Chile.
- + Supplying 220kV electric pole to Pakistan.
- + Cat Lai - Tan Cang project.

New products: Steel pipe tower

- + 220kV transmission line and substation of BIM solar power plant (Ninh Thuan).

PCC1 has received the transfer and mastered the technology of designing and manufacturing complete products of Steel pipe tower from partner AG-AJKAWA (Japan), in 2019, it successfully deployed to the market at the BIM Ninh Thuan solar power project. The new steel column product of PCC1 with many preeminent features has been highly appreciated by the leaders of Vietnam Electricity (EVN) and partners, customers about their suitability that meet the increasing requirements of National power transmission works.

Along with the domestic market, the Company still follows foreign projects such as Bangladesh, Papua New Guinea, Myanmar to increase export revenue.



2.4. Real estate investment and business

Up to now, PCC1 has completed, handed over and put into use some of the following projects which are highly appreciated by the market and customers, thereby enhancing the prestige and image of PCC1:

- ▶ PCC1 Nang Huong in Van Quan, Ha Dong, Hanoi has two 21-storey towers; villas and townhouses. My Dinh Plaza 1 at 140 Tran Binh, Cau Giay, Hanoi has the scale of 25-storey luxury apartment tower, including 3 commercial floors; 352 apartments.
- ▶ PCC1 Ha Dong Complex in Phu Luong, Ha Dong, Hanoi has four 15-storey towers, 03 floors for rent; 540 apartments.
- ▶ My Dinh Plaza 2 at 2 Nguyen Hoang, Nam Tu Liem, Hanoi has two 28-storey luxury apartment towers, 4 commercial floors; 472 apartments.
- ▶ PCC1 Thanh Xuan at No. 44 Trieu Khuc, Thanh Xuan, Hanoi has two 27-storey apartment towers, 3 basements, kindergartens and 480 apartments.

In addition, PCC1 is implementing the following projects:

No	Content	PCC1 Vinh Hung (Hoang Mai) Project	PCC1 Thang Long (Bac Tu Liem) Project
1	Location	No. 321 Vinh Hung, Vinh Hung, Hoang Mai, Hanoi	Tan Xuan, Bac Tu Liem, Hanoi
2	Scale	- Project land area: 5160 m2. - The project includes 2 zones: high-rise mixed-use building and low-rise commercial service area. In which: + High-rise mixed-use building includes 27 floors, 3 basements, 1 tum. + Low-rise commercial service area includes 05 commercial floors, 01 tum floor.	- Project land area: > 20,000 m2. - The project includes 2 zones: High-rise mixed house and low-rise townhouse. In which: + High-rise mixed-use building includes 27 floors, 3 basements, 1 tum. + Low-rise commercial service work includes 04 floors, 01 tum.
3	Product Type and Segment	- Type of product: Mixed: Apartment, Office, Commercial, Low-rise commercial house. - Segment: Intermediate	- Type of product: Mixed: Apartment, Low-rise townhouse, Office, Commercial. - Segment: High-end
4	Expected progress	2021 - 2022	2021-2023
5	Expected gross profit	>15%	>15%



PCC1 My Dinh Plaza 2



PCC1 Thanh Xuan



PCC1 Vinh Hung

2.5. Consulting and Services; Commercial business

With a synchronous role of above core business areas, contributing to the overall business results and enhancing the reputation of PCC1, the Company has strongly developed activities:

- Design consultancy for electrical works; Consulting on compensation and site clearance; surveying cadastral maps, measuring land plots to serve compensation for construction works. Over the years, the Company has presided over works and projects including transmission lines and substations with voltage up to 220kV, renovation works for city and town grids, Rural Energy Project II (RE2), telecommunications projects and many other projects which are implemented with ODA, World Bank (WB) loans, capital of Electricity of Vietnam (EVN), Northern Power Corporation (NPC), capital from provinces and customers throughout the country.
- Hydropower project management consulting, post-investment hydropower management.
- Building management services.
- Commercial business: mainly steel billets.

2.6. Business locations

Spread across 3 regions of North, Central and South.

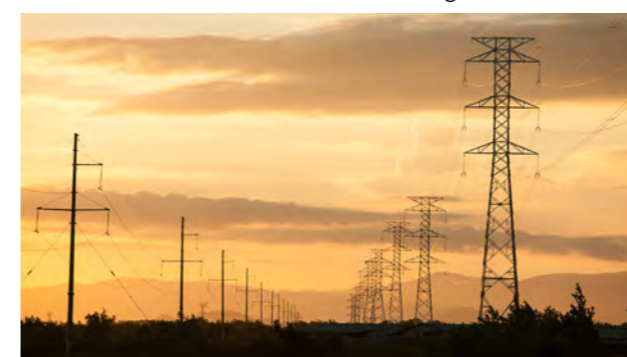
Currently, PCC1 has exported products to foreign markets such as Japan, Indonesia, Laos, Myanmar, ...



110kV transmission line bringing electricity to Co To Island district - Quang Ninh



Bac Kan substation



220kV Vinh Tan - Thap Cham transmission line



220kV Bim solar power - Ninh Thuan transmission line

3. Development orientations

3.1 Development strategy

- ▶ Affirming the number 1 position in Vietnam, top 5 in Southeast Asia in the field of EPC general contractor for power grid projects and renewable energy projects. Professional renewable energy investor;
- ▶ Continuing to improve the management capacity of the company's system through: Fundamentally adjusting the company's organizational chart; Developing high-quality human resources; Effectively implementing policies to motivate employees; Developing strong company culture; Applying 4.0 technology and digitizing company activities;
- ▶ The field of EPC general contractor for electrical works: Becoming the top 5 company in Vietnam in the field of electrical works general contractor;
- ▶ Industrial manufacturing sector: Developing high-tech products, specific products such as high-pressure steel pipe tower, multi-circuit high-pressure steel tubular poles through the design and manufacture of high quality product with reasonable price; not only developing domestic products but also steadily developing foreign markets;
- ▶ Energy investment: Concentrating the majority of resources throughout the energy investment development strategy, Focusing on renewable energy, smart technology, environmentally friendly projects, changing business structure, affirming the new position of PCC1;
- ▶ Real Estate Investment: continuing to affirm that the company is a reputable, reliable investor with modern, environmentally friendly design and wishes the success of each project associated with the satisfaction and companion of customers;

3.2. The key goals

- Determining to successfully implement the strategic goals for the period 2021-2025.
- Affirming and continuing to develop PCC1 brand in the fields of production and business activities and PCC1 image of social responsibility and environmental protection;
- Creating value and gaining high trust from partners, customers, investors.
- Developing core value and increasing company value.
- ▶ Power Construction Block: Making breakthrough to affirm the position of EPC general contractor for power projects. Continuing to structure a reasonable organizational chart; Improving leadership capacity, reliable management of EPC general contractor projects at international level; Providing synchronous to customers with smart and efficient electrical works. Investing to seize the opportunity with trending and potential projects of the industry such as: offshore wind power plants, LNG plants, solar power plants on the lake bed, investment and operation of transmission electricity grid.
- ▶ Industrial Production Block: Innovating the organizational chart according to new management model, effectively investing in a new production plant; Successfully developing new products into EVN projects; Continuing to closely follow the export market; Sticking to strategic goals and fulfilling business targets well.
- ▶ Energy Investment Block: Highly focusing on completing and generating electricity efficiently 03 wind power plants in Quang Tri; Commencing new hydropower projects; Deploying cooperation and successfully developing large-scale power source projects; Having solutions to develop resources to meet the strategic goals of energy investment and deploy the investment as planned for the period 2021-2025 to 2030.
- ▶ Real Estate Investment Block: Adjusting the plan target for the 2021-2025 period in the direction of increasing the scale associated with new cooperation opportunities; Managing and controlling the quality, progress, and investment efficiency of 02 projects in the period; Successfully cooperate and develop new projects of medium and large scale; Supplementing and improving the quality of human resources, rearranging the management model to meet the strategic goals of 2021-2030.
- ▶ Commercial business: Rearranging the import-export and commercial business model, developing the commercial business to a new scale, professional and efficient, supporting the core business areas as well as supplementing overall business performance of the company. Improving initiative and increasing investment efficiency when PCC1 invests in building new production plants outside the power sector.
- ▶ Consulting, operation and service fields: Together with the system to provide complete and synchronous solutions, products and services on the basis of core products in order to meet the increasing needs of partners, customer; The goal is to improve the prestige, brand, position and competitiveness of the whole system. Each unit needs to continue to innovate, create, build long-term development goals along with promoting the advantages of the parent company in order to develop scale, product quality, service, professionalism, business efficiency, corporate reputation of the unit, constantly improving the lives of employees.

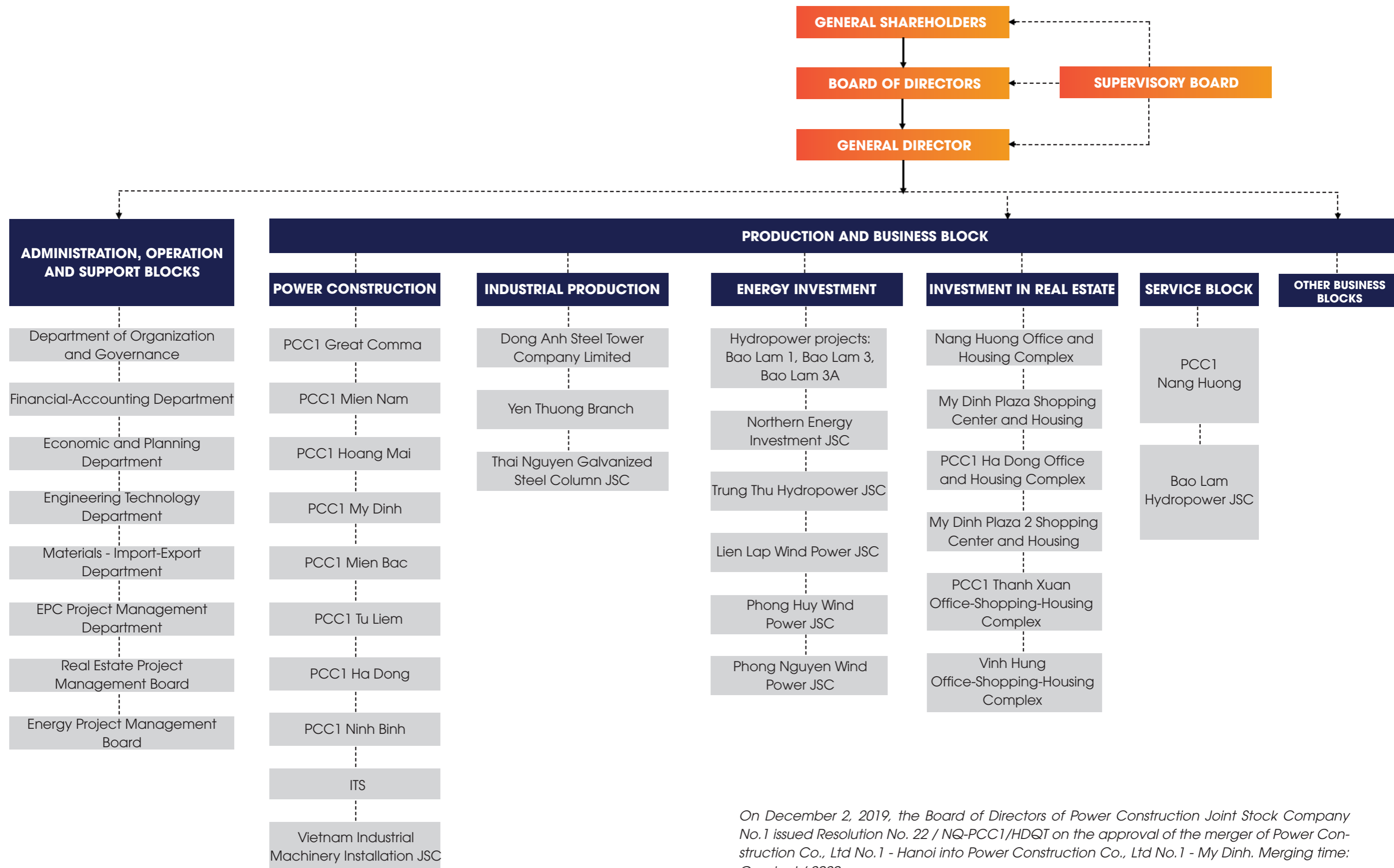


02

COMPANY GOVERNANCE

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4. Information of share and process of charter capital increase
5. Investor relations (IR)
6. Corporate governance report
7. Transactions between the Company and related parties
8. Risks and risk management
9. Governance strengthening

1. Organizational model



On December 2, 2019, the Board of Directors of Power Construction Joint Stock Company No.1 issued Resolution No. 22 / NQ-PCC1/HDQT on the approval of the merger of Power Construction Co., Ltd No.1 - Hanoi into Power Construction Co., Ltd No.1 - My Dinh. Merging time: Quarter I / 2020.

2. Executive Board

2.1. BOARD OF DIRECTORS (“BOD”)

In 2020, PCC1 has a change in the members of the Board of Directors as follows:

- ▶ Dismissing: Mr. Vu Van Tu - Board member and Ms. Nguyen Thi Huong - Board member since June 3, 2020.
- ▶ Appointing: Mr. Vu Anh Duong and Mr. Mai Luong Viet are members of the BOD for the term 2020 - 2025 from June 3, 2020.
- ▶ The company does not have independent members of the BOD.



1. Mr. Trinh Van Tuan- Chairman of the BOD cum General Director

Year of birth: 1962

Qualifications: Electrical Engineer - Master of Business Administration

Working process:

- From Jun 1999 to Mar 2001: Head of business planning department of Electric Construction Business;
- From April 2001 to Jun 2002: Deputy Director of Electrical Installation and Construction Business;
- From Jul 2002 to Dec 2002: Department of planning and administration of Power Construction Company No.1;
- From Dec 2002 to Oct 2003: Construction site manager of 500KV Pleiku-Da Nang line of Power Construction Joint Stock Company No.1;
- From Oct 2003 to Aug 2005: Director of Factory Installation and Civil Construction - PCC1;
- September 2005 to September 2007: Chairman of the Board of Directors cum Director of Thang Long TIC., JSC;
- From Oct 2007 to Mar 2010: Member of the Board of Directors cum General Director of PCC1;
- From April 2010 to now: Chairman of the Board of Directors cum General Director of PCC1.



2. Mr. Vu Anh Duong - Member of the BOD cum Deputy General Director

Year of birth: 1979

Qualifications: Master of Business Administration

Working process:

- From 2003 - 2009: Specialist of General Planning Department - Power Construction Joint Stock Company No.1;
- From 2009 - 2012: Deputy Head - Market Planning Department - Power Construction Joint Stock Company No.1;
- From 2012 - 2013: Head of Market Development Department - Power Construction Joint Stock Company No.1;
- From 2013 to 2018: Head of Energy Project Management Board - Power Construction Joint Stock Company No.1.
- From January 2019: Deputy General Director of Power Construction Joint Stock Company No.1.



3. Mr. Vo Hong Quang - Member of the BOD cum Deputy General Director

Year of birth: 1975

Qualification: Electrical engineer, Master of Business Administration

Working process:

- Jul 2001 to May 2002: Deputy head of Marketing Department of Power Construction Company No.1;
- Jun 2002 to Jun 2007: Head of Southern Board of Representatives of Power Construction Company No.1;
- May 2006 to Mar 2008: Member of the Board of Directors cum Deputy General Director cum Head of Southern Board of Representatives of Power Construction JSC I;
- April 2008 until now: Member of the Board of Directors cum Deputy General Director of Power Construction JSC No.1.

2. Executive Board

2.1. BOARD OF DIRECTORS (CONTINUED)



4. Mr. Nguyen Minh De - Member of the BOD cum Deputy General Director

Year of birth: 1964

Qualification: Electrical engineer, Master of Business Administration

Working process:

- From 1999 to 2002: Site manager of construction works;
- From 2003 - 2005: Head of Technical Department - Electrical Construction and Industrial Works Business;
- October 2005: Deputy Head of Technical Department - Power Construction Joint Stock Company No.1;
- From October 2005 to September 2006: Deputy Director cum Technical Manager - Thang Long TIC., JSC;
- From October 2006 to July 2008: Director - Thang Long TIC., JSC ;
- From July 2008 to April 2009: Head of Technology Department - Power Construction Joint Stock Company No1;
- From April 2009 to present: Director of Dong Anh Steel Tower Co., Ltd;
- From 4/2014 to present: Deputy General Director of Power Construction Joint Stock Company No.1;
- From April 2015 to present: Member of the BOD - Power Construction Joint Stock Company No.1.



5. Mr. Mai Luong Viet - Member of the BOD

Year of birth: 1962

Qualifications: Bachelor of Law - Potsdam University (Germany) and Hanoi Law University, Bachelor of International Relations - Hanoi Bar Association Diplomatic

Working process:

- From 1995 - 2006: Senior legal expert of Law Firm DS Avocats (France);
- From 2006 to 2008: Senior legal specialist at Law Office Nguyen Huy Thiep and Associates;
- From 2006 to 2010: General Director, member of the Board of Directors of Kim Dien Consulting and Investment Joint Stock Company;
- From 2008 - present: Managing Director of VietBiz Law Firm.

2.2. SUPERVISORY BOARD

In 2020, PCC1 has a change in the Supervisory Board as follows:

- ▶ Dismissing: Mr. Nguyen Anh Tuan position: Member of the Supervisory Board and Mr. Nguyen Quang Vu -member of the Supervisory Board from June 3, 2020.
- ▶ Appointing: Mr. Hoang Van Cuong as Member of the Supervisory Board and Mr. Hoang Van Sang as Member of the Supervisory Board for the term 2020 - 2025 from June 3, 2020.



**1. Ms. Nguyen Thi Hai Ha
Head of Supervisory Board**

Year of birth: 1975

Qualifications: Bachelor of accounting

Working process:

- From May 1998 to Jan 2003: Specialist of Department of Finance and Accounting of PCC1;
- From Feb 2003 to May 2004: Deputy head of Finance and Accounting Department of PCC1;
- From Jun 2004 to Oct 2005: Head of Finance and Accounting Department of PCC1;
- From Nov 2005 to April 2008: Specialist of the Department of General Administration - Post and Telecommunication Training Center;
- From May 2008 to Dec 2009: Head of Finance and Accounting Department - PCC1-Ba La;
- From Jan 2010 to Mar 2010: Specialist of Department of Finance and Accounting of PCC1;
- From April 2010 to present: Head of Supervisory Board of PCC1.



**2. Mr Hoang Van Cuong
Member of Supervisory Board**

Year of birth: 1990

Professional qualifications: Bachelor of accountancy; Vietnamese auditor's certificate

Working process:

- From Jan 2012 to Feb 2016: Head of Financial Audit Team of AASC Auditing Firm Company Limited;
- From Mar 2016 - Dec 2016: Executive Accounting Officer - FPT Information System Company Limited;
- From Mar 2019 - May 2020: Company Secretary cum Person in charge of administration of PCC1;
- From Feb 2017 - now: Expert of Risk Management and Internal Audit - PCC1.



**3. Mr Hoang Van Sang
Member of Supervisory Board**

Year of birth: 1991

Qualification: Bachelor of auditing; Vietnamese auditor's certificate

Working process:

- From July 2013 to Mar 2017: Auditor - AASC Auditing Firm Company Limited;
- From March 2017 - now: Head of Internal Audit Group - Power Construction Joint Stock Company No.1.

2.3. BOARD OF GENERAL DIRECTORS

Mr. Trinh Van Tuan - General Director (mentioned above)

Mr. Nguyen Minh De - Deputy General Director (mentioned above)

Mr. Vo Hong Quang - Deputy General Director (mentioned above)

Mr. Vu Anh Duong - Deputy General Director (mentioned above)



Mr. Dang Quoc Tuong
Deputy General Manager

Year of birth: 1981

Qualification: Electrical and Electronic Equipment Engineer

Working process:

- From Jul 2004 - Jun 2008: Engineer of Southern Representative Board - Electricity Construction Joint Stock Company No.1;
- From Jul 2008 - Aug 2008: Engineer of Technology Department - Power Construction Joint Stock Company No.1;
- From Sep 2008 - Oct 2009: Deputy Head of Technology Department - Electricity Construction Joint Stock Company No.1;
- From Nov 2009 - Jun 2018: Head of Technology Department - Electricity Construction Joint Stock Company No.1;
- From Nov 2018 - Sep 2019: Head of Project Management Department EPC - Electricity Construction Joint Stock Company No.1;
- From Oct 2019 - present: Deputy General Director of Electricity Construction Joint Stock Company No.1.



Mr. Nguyen Nhat Tan
Deputy General Director

Year of birth: 1976

Qualifications: Electrical Engineer - Master of Business Administration

Working process:

- From May 1995 to April 1997: Head of Chiem Hoa electricity branch, Tuyen Quang electricity;
- From May 1997 to Sep 1998: Head of Tuyen Quang electricity and power business department;
- From Oct 1998 to Jun 2003: Deputy Director of Tuyen Quang electricity;
- From Jul 2003 to Dec 2003: Deputy Secretary of District Committee of Na Hang, Tuyen Quang;
- From Jan 2004 to Mar 2004: Deputy Permanent Secretary of Town committee of Tuyen Quang;
- From April 2004 to April 2009: Chairman of People's Committee of Tuyen Quang town, Tuyen Quang province;
- From May 2009 to Mar 2010: Deputy Director of Department of Planning and Investment of Tuyen Quang province;
- From April 2010 to May 2011: Deputy Director of Tuyen Quang Power Company;
- From Jun 2011 to present: Deputy General Director of PCC1.



Mr. Vu Van Tu
Deputy General Director

Year of birth: 1959

Qualification: Electrical engineer

Working process:

- From Dec 1993 to Aug 1999: Vice-captain of Power construction team 2 - Power Construction Company No.1;
- From Sept 1999 to Aug 2005: Team leader of Power Construction Team 2 - Power Construction Company No.1;
- From Sept 2005 to April 2006: Director of Power Construction Business - Power Construction Company No.1
- From May 2006 to Sept 2007: Deputy General Director of Power Construction Company No.1;
- From Oct 2007 to Mar 2010: Chairman of the BOD cum Deputy General Director of Power Construction Joint Stock Company No.1;
- From April 2010 to April 2015: Member of the BOD cum Deputy General Director of Power Construction Joint Stock Company No.1;
- From April 2015 to present: Deputy General Director - Power Construction JSC No.1.



Mr. Le Thanh Nghi
Deputy General Director

Year of birth: 1972

Qualification: Master of Banking and Finance

Quá trình công tác:

- 1994-1999: Auditor of Finance, Accounting and Auditing Consulting Company - Ministry of Finance;
- 1999 -2006: Head of Auditing Department, Finance, Accounting and Auditing Consulting Company - Ministry of Finance;
- 2006 - 2007: Head of Internal Audit Department of Bac A Bank;
- 2007-2009: Chairman of the Board of Directors, Director of Au Lac Auditing Company Limited;
- 2009-2012: Deputy Director of International Investment Management Joint Stock Company;
- 2012 - present: Director of International Investment Management Joint Stock Company;
- 2012 - present: Member of the Board of Directors of Hua Na Hydropower Joint Stock Company.

3. Subordinates, subsidiaries, associated companies

On February 12, 2020, PCC1 Board of Directors issued Resolution No. 02 / NQ-PCC1-HĐQT approving the purchase of shares in Phong Huy Wind Power Joint Stock Company (the number of shares transferred 4,800,000 shares, accounting for 96,00% of charter capital).

On February 12, 2020, PCC1 Board of Directors issued Resolution No. 03 / NQ-PCC1-HĐQT approving the purchase of shares in Phong Nguyen Wind Power Joint Stock Company (the number of shares transferred 4,800,000 shares, accounting for 96,00% of charter capital).

Therefore, in 2020, PCC1 includes 1 subordinate unit, 21 subsidiaries and 2 associated companies:

Subordinate unit:

No.	Unit name	Address	Main production and business fields	Charter capital	Ownership ratio of PCC1
1	Branch of Power Construction Joint Stock Company No.1 - Yen Thuong Steel Structure Factory	Yen Khe Hamlet, Yen Thuong Commune, Gia Lam, Hanoi	Production and Manufacture of steel columns	17,000,000,000	100%

Subsidiaries

No.	Unit name	Address	Main production and business fields	Charter capital	Ownership ratio of PCC1
1	Dai Mo - No. 1 Power Construction Co., Ltd	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Power construction	5,000,000,000	100%
2	Mien Nam- No. 1 Power Construction Co., Ltd	An Khang Building, No. 28, Street 19, Block 5, An Phu Ward, District 2, Ho Chi Minh City	Power construction	25,000,000,000	100%
3	Mien Bac- No. 1 Power Construction Co., Ltd	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Power construction	10,236,009,597	100%
4	My Dinh- No. 1 Power Construction Co., Ltd	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Power construction	10,000,000,000	100%

5	Tu Liem- No. 1 Power Construction Co., Ltd	Group 19, Xuan Phuong ward, Nam Tu Liem district, Hanoi	Power construction	10,549,569,422	100%
6	Ha Dong- No. 1 Power Construction Co., Ltd	Van La Hamlet, Phu La ward, Ha Dong district, Hanoi	Power construction	5,942,874,315	100%
7	Hoang Mai- No. 1 Power Construction Co., Ltd	No. 471, Tam Trinh street, Hoang Mai district, Hanoi	Power construction	5,000,000,000	100%
8	Ninh Binh- No. 1 Power Construction Co., Ltd	Ninh Thanh ward, Ninh Binh city, Ninh Binh province	Power construction	10,000,000,000	100%
9	Technology Services and Investment Joint Stock Company	2nd Floor, PCC1 Thanh Xuan Building, No. 44 Trieu Khuc Street, Thanh Xuan Nam Ward, Thanh Xuan District, Hanoi, Vietnam	Electrical equipment and supplies and electrical system configuration services	3,000,000,000	51%
10	Nang Huong- No. 1 Power Construction Co., Ltd	No. 583 Km 9, Nguyen Trai Street, Van Quan, Ha Dong District, Hanoi	Building management services	725,509,851	100%
11	Dong Anh Steel Tower Co., Ltd	Group 23, Dong Anh town, Hanoi city	Producing and manufacturing steel poles	51,257,437,000	90%
12	Vietnam Industrial Erection Joint Stock Company	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Installing machinery and industrial equipment	5,000,000,000	51%
13	Trung Thu Hydropower Joint Stock Company	House No. 157, residential quarter 16, Tan Thanh ward, Dien Bien Phu	hydropower project investment	290,178,000,000	60%
14	Northern Energy Investment Joint Stock Company	Na Pong village, Bao Lam district, Cao Bang province	hydropower project investment	249,254,000,000	56.85%

15	Bao Lam Hydropower Joint Stock Company	Na Pong village, Bao Lam district, Cao Bang province	Investment management and hydropower project operation consultancy	34,000,000,000	99.90%
16	Lien Lap Wind Power Joint Stock Company	Cua village, Huong Tan commune, Huong Hoa district, Quang Tri province	investment in wind power projects	353,000,000,000	55.54%
17	Phong Nguyen Wind Power Joint Stock Company	Cua, Huong Tan Commune, Huong Hoa District, Quang Tri Province	investment in wind power projects	355,000,000,000	54.73%
18	Lien Lap Wind Power Joint Stock Company	Cua village, Huong Tan commune, Huong Hoa district, Quang Tri province	investment in wind power projects	35,000,000,000	54.70%
19	My Dinh Real EST., JSC	Dinh Thon hamlet, My Dinh 1, Nam Tu Liem district, Hanoi	Real estate investment and trading	180,000,000,000	99.39%
20	Hoa Binh Automobile Mechanical Joint Stock Company	No. 44, Trieu Khuc Street, Thanh Xuan Nam ward, Thanh Xuan district, Hanoi	Investment and real estate business	170,000,000,000	99.88%
21	Tien Bo ITC., JSC	No. 1, Lane 321, Vinh Hung Street, Thanh Tri Ward, Hoang Mai District, Hanoi	Investment and real estate business	120,000,000,000	99.95%

Associated Company

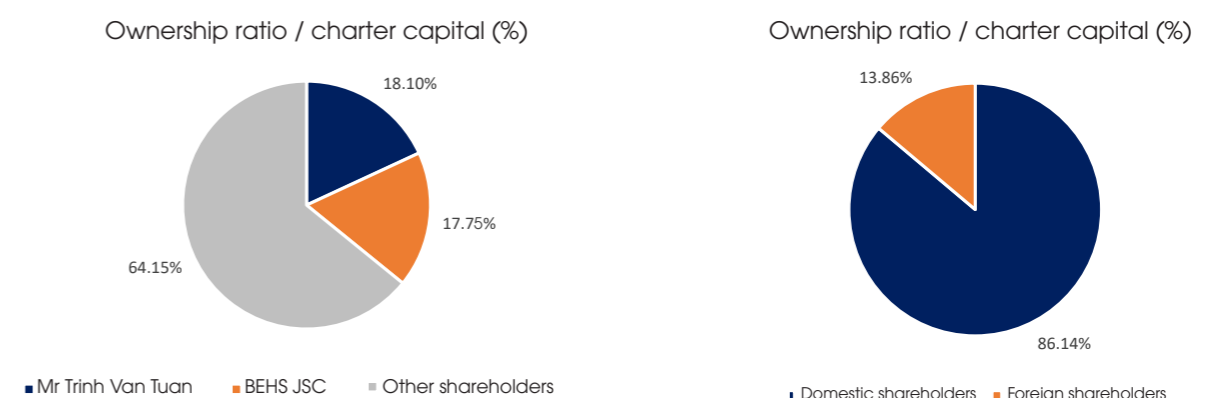
No.	Unit name	Address	Main production and business fields	Charter capital	Ownership ratio of PCCI
1	Cao Bang Iron and Steel Joint Stock Company	No. 52, Kim Dong Street, Hop Giang ward, Cao Bang city, Cao Bang province	iron ore exploitation	430,063,660,000	25.09%
2	Tan Phat Mineral Joint Stock Company	Group 22, Song Bang ward, Cao Bang city, Cao Bang province Bàng	mineral exploration and exploitation	110,334,000,000	33.92%

4. Shareholder structure, process of charter capital increase

4.1. Thông tin cổ phiếu

Name of share	Share of Power Construction JSC No.1
Type of share	Common shares
Share code	PC1
Par value of share	10,000 VND/ share
Starting date of listing	2016/11/16
Total outstanding shares	191,187,727 shares
Total treasury shares	432 shares
Number of shares freely transferred	191,188,159 shares
Number of shares restricted transfer	0 share

4.2. Shareholder structure

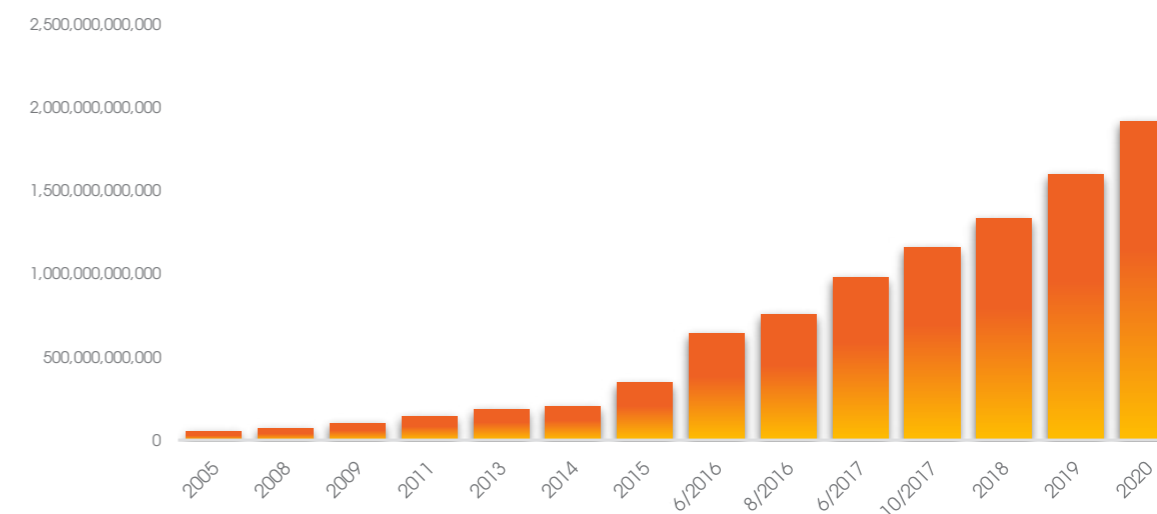


4.3 Changing situation of owner's investment capital

History of capital increase

Year	Charter capital (VND)	Contents of capital increase
2005	50,000,000,000	Equitization
2008	66,670,000,000	Issuing to existing shareholders to invest in Nang Huong Apartment and service complex project
2009	100,000,000,000	Issued to existing shareholders to invest in Nang Huong Apartment and service complex project
2011	140,000,000,000	Issuing to existing shareholders to mobilize investment capital for My Dinh project and other investment project
2013	180,000,000,000	Issuing to pay stock dividends and bonus shares to existing shareholders
2014	201,000,000,000	Paying stock dividends to existing shareholders
2015	341,694,850,000	Issuing and paying stock dividends to existing shareholders
June 2016	637,821,960,000	Issuing to pay stock dividends and bonus shares to existing shareholders
Aug 2016	752,629,140,000	Issuing separately to mobilize capital to implement investment in Bao Lam 3 Hydropower Project
June 2017	978,413,200,000	Issuing shares to pay dividends of 2016
Oct 2017	1,154,528,420,000	Issuing separately to supplement capital for investment in Mong An hydropower project (Bao Lam 4), Bao Lac B hydropower plant (Bao Lam 2A) and Thanh Xuan real estate project
2018	1,327,702,940,000	Issuing shares to pay dividends of 2017
2019	1,593,239,290,000	Issuing shares to pay dividends of 2018
2020	1,911,811,590,000	Issuing shares to pay dividends of 2019

History of capital increase



4.4 Situation of share in the year

Current listed volume:	191,188,159
Current circulating volume:	191,187,727
Price volatility:	11,066 (98.94%)
Highest adjusted closing price:	23,100 VND (December 23, 2020)
Lowest adjusted closing price:	8,430 VND (March 31, 2020)
Maximum volume:	2,710,320 cổ phiếu (July 15, 2020)
Minimum volume:	77,560 cổ phiếu (June 25, 2020)

Biểu đồ giá chứng khoán



Khối lượng giao dịch



5. Shareholder relationship situation

● Annual General Meeting of Shareholders 2020

On June 3, 2020, Power Construction Joint Stock Company No.1 held the Annual General Meeting of Shareholders 2020. The meeting approved 12 following contents:

- 1 Approved the Report of the Board of Directors on results of implementing the targets of 2019 and the plan for 2020.
- 2 Approved the Report of the Board of Directors for the term 2015 - 2020 and the operational orientation for the term 2020 - 2025.
- 3 Approved the Financial Statements 2019 audited by AASC Auditing Firm Company Limited.
- 4 Approved the appraisal report of the Board of Supervisors for the term 2015 - 2020.
- 5 Approved the appraisal report of the Board of Supervisors for the term 2015 - 2020.
- 6 Approved the energy investment policy.
- 7 Approved the real estate investment policy.
- 8 Approved the share issuance plan to increase charter capital in 2020 from the share dividend.

- 9 Approved the content of the Chairman of the Board of Directors cum the General Director of Company.
- 10 Approved the remuneration of the Board of Directors, Supervisory Board, and Company Secretary in 2020.
- 11 Approved the Authorization of the Board of Directors to select an independent auditor in 2020.
- 12 Approved amendments to some articles of company charter.

● Investor Relations (IR) activities during the year

One of the prerequisites for a business to be more and more trusted by investors is the transparency and timeliness of its information. Recognizing the importance of maintaining regular information disclosure activities - promoting investor relations, PCC1 always proactively updates widely and accurately to interested shareholders and investors through direct and indirect meetings via website, social networks as well as other forms.

✓ Good compliance with the regulations on information disclosure on the stock market:

The staff in charge of Investor Relations of PCC1 is knowledgeable and always well implemented the legal provisions on information disclosure in the Securities Law 2019, Circular No. 96/2020/TT-BTC, Decision No. 340/QD-SGDHCM, ...

The Company always fully and timely discloses periodic announcements such as: Quarterly financial statements, reviewed semi-annual financial statements, audited annual financial statements, 2019 annual reports, information disclosure about organization of General Meeting of Shareholders, every 06 months reporting the progress of the use of capital obtained from the private offering of securities, ... and other unusual announcements.

✓ Investor News:

In 2020, when the form of direct exchange is limited, the fact that PCC1 always has quarterly Investor Newsletters published on the company's website on a regular basis has brought great value to investors in this period. The Quarterly Investor Newsletter has summarized in-depth and timely the situation of the Company's business and investment activities, new advancement opportunities that the company has had in each period of a year as well as explanation on difficulties that the company is facing in four main business areas that the Company is implementing. The periodic publication of the newsletter has enabled investors to closely follow the business performance, trust in the management capacity of the Executive Board as well as make timely investment decisions.

Annual report:

With PCC1, the Annual Report is not only a periodic report describing the business in accordance with the legal framework, but the PCC1's annual report is invested and elaborated by the staff as an enthusiastic publication to introduce the image of a dynamic, professional and eager PCC1 to reach the heights. PCC1's 2017 Annual Report and 2019 Annual Report are honored to be in the Top 10 of the Best Annual Reports voted by the Ho Chi Minh City Stock Exchange.

6. Corporate governance report

6.1. Board of Directors

No.	Member of the BOD	Position	Ownership rate (%)
1	Mr Trinh Van Tuan	Chairman of the BOD	18.10%
2	Mr Nguyen Minh De	Executive Board Member	1.29%
3	Mr Vo Hong Quang	Executive Board Member	1.86%
4	Vu Anh Duong	Executive Board Member	0.05%
5	Mr Mai Luong Viet	Non-executive Board member	-

Board of Directors meetings

In 2020, the Board of Directors held 06 meetings and 24 times to collect written opinions of the Board of Directors. Meetings of the Board of Directors as well as written opinions of the Board of Directors were in compliance with the provisions of law and Charter of the Company.

No.	Member of the Board of Directors	Number of meetings of the Board of Directors attended/ consulted	Proportion of attendance / opinion gathering	The reason for not attending
1	Mr Trinh Van Tuan	30/30	100%	
2	Mr Nguyen Minh De	30/30	100%	
3	Mr Vu Van Tu	15/30	100%	Resigned on June 3, 2020
4	Mr Vo Hong Quang	30/30	100%	
5	Ba Nguyen Thi Huong	15/30	100%	Resigned on June 3, 2020

6	Mr Vu Anh Duong	15/30	100%	Appointed on June 3, 2020
7	Mr Mai Luong Viet	15/30	100%	Appointed on 03/06/2020

Supervisory activities of the Board of Directors for the Board of General Directors

The BOD regularly maintains supervision of the Board of Management through the inspection and control of the Supervisory Board, as well as organizes meetings to assess and draw experience in implementing seriously the resolutions of the BOD in the auditing of Financial Statements, and in the production and business planning of the Company;

In 2020, the BOD focused on directing and monitoring the activities of the Board of General Directors in the following major activities:

- 1 Organizing the Annual General Meeting of Shareholders 2020 on June 3, 2020
- 2 Organizing meeting to evaluate the results of operations in 2020 and prepare a business and production plan for 2020 at the Company and its member units; evaluating the performance of the Board of General Directors and related departments in 2020
- 3 New investment activities and investment management for new investment projects (Wind power projects) through M&A activities
- 4 Organizing and arranging personnel in a number of member units
- 5 Implementing the share issuance plan to pay dividends of 2019
- 6 Contributing capital and investing in Companies according to the strategic direction of the Company

Resolutions / decisions of the Board of Directors

No.	Resolution / Decision number	Date	Content	Adoption rate
1	01/NQ-PCC1-HDQT	January 30, 2020	Approving the policy of implementing contracts and transactions between Power Construction Joint Stock Company No.1 and related enterprises.	100%
2	02/NQ-PCC1-HDQT	February 12, 2020	Buying shares in Phong Huy Wind Power Joint Stock Company with the amount of 4,800,000 shares, equivalent to 96% / charter capital	100%

Resolutions / decisions of the Board of Directors

No.	Resolution / Decision number	Date	Content	Adoption rate
3	03/NQ-PCC1-HDQT	February 12, 2020	Buying shares in Phong Nguyen Wind Power Joint Stock Company with the amount of 4,800,000 shares, equivalent to 96% / charter capital	100%
4	04/NQ-PCC1-HDQT	February 12, 2020	Appointing the representative of capital and key personnel at Phong Huy Wind Power Joint Stock Company and Phong Nguyen Wind Power Joint Stock Company	100%
5	05/NQ-PCC1-HDQT	February 12, 2020	Capital raising plan for 03 projects: Phong Huy, Phong Nguyen, Lien Lap wind power plants	100%
6	06/NQ-PCC1-HDQT	February 18, 2020	Issuing a debt payment commitment on behalf of Dong Anh Steel Tower Company Limited	100%
7	07/NQ-PCC1-HDQT	March 05, 2020	Organizing the Annual General Meeting of Shareholders 2020: last registration date: March 26, 2020; Estimated time of organization: April 2020	100%
8	08/NQ-PCC1-HDQT	March 10, 2020	Approving the policy of implementing transaction contracts between Power Construction Joint Stock Company No.1 and Phong Huy and Phong Nguyen Wind Power Joint Stock Companies	100%
9	09/NQ-PCC1-HDQT	March 19, 2020	Establishing Hanoi Branch - My Dinh 1 - No. 1 Power Construction Co., Ltd	100%
10	10/NQ-PCC1-HDQT	March 27, 2020	Extending time to hold Annual General Meeting of Shareholders 2020 (no later than June 30)	100%
11	11/NQ-PCC1-HDQT	April 15, 2020	Dismissing the director of the branch of Power construction joint stock company No.1 - Yen Thuong Steel Structure Factory of Mr. Le Manh Cuong	100%
12	12/NQ-PCC1-HDQT	April 15, 2020	Appointing Acting Director of Branch of Power Construction Joint Stock Company No.1 - Yen Thuong Steel Structure Factory of Mr. Le Viet Cuong	100%
13	13/NQ-PCC1-HDQT	April 24, 2020	Borrowing and implementing mortgages, guarantees by Shinhan Bank Vietnam Company (111 billion)	100%

14	14/NQ-PCC1-HDQT	April 29, 2020	Committing to contribute equity and loan guarantees at wind power companies (Lien Lap, Phong Huy, Phong Nguyen)	100%
15	15/NQ-PCC1-HDQT	April 29, 2020	Organizing the Annual General Meeting of Shareholders 2020: last registration date: May 19, 2020; Expected holding time: June 2020	100%
16	16/NQ-PCC1-HDQT	May 12, 2020	Approving the mortgage contract for the loan for implementing hydropower projects of Bao Lam 1 and Bao Lam 3A A at Viettin bank Thanh An	100%
17	17/NQ-PCC1-HDQT	May 13, 2020	Contributing charter capital the first time in 2020, Lien Lap Wind Power Joint Stock Company	100%
18	18/NQ-PCC1-HDQT	May 13, 2020	Contributing charter capital the first time in 2020, Phong Huy Wind Power Joint Stock Company	100%
19	19/NQ-PCC1-HDQT	May 13, 2020	Contributing charter capital the first time in 2020, Phong Nguyen Wind Power Joint Stock Company	100%
20	20/QD-PCC1-HDQT	May 13, 2020	Dismissing and appointing the position of Company Secretary cum person in charge of corporate governance	100%
21	21/QD-PCC1-HDQT	May 15, 2020	Committing to warrant loans for member units, guarantee at Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Tay Branch	100%
22	22/NQ-PCC1-HDQT	May 19, 2020	Committing to warrant for Dong Anh Steel Tower Co., Ltd to get loans and guarantee at Vietnam Technological and Commercial Joint Stock Bank - Hanoi Branch	100%
23	23/NQ-PCC1-HDQT	May 22, 2020	Approving plan to hold the Annual General Meeting of Shareholders 2020 (time: 8am on June 3, 2020))	100%
24	24/NQ-PCC1-HDQT	May 29, 2020	Buying shares in Energy Investment and Technology Services Joint Stock Company (EITS) with the amount of 153,000 shares, equivalent to 51% of the shares.	100%
25	25/NQ-PCC1-HDQT	May 29, 2020	Assigning a Representative for capital and key personnel at Energy Investment and Technology Services Joint Stock Company (EITS)	100%
26	26/NQ-PCC1-HDQT	June 01, 2020	Approving the list of PCC1's capital management representatives and PCC1's nominated managerial positions in limited companies, joint stock companies, affiliated companies, in charge of affiliated factories.	100%

Resolutions / decisions of the Board of Directors

No.	Resolution / Decision number	Date	Content	Adoption rate
27	27/QD-PCC1-HDQT	June 01, 2020	Dismissing and appointing Mien Nam- PCC1	100%
28	28/QD-PCC1-HDQT	June 01, 2020	Dismissing, appointing the Company President and Supervisors at Tu Liem- No. 1 Power Construction Co., Ltd	100%
29	29 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the Chairman of the Company, Supervisor at My Dinh - No. 1 Power Construction Co., Ltd	100%
30	30 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the Chairman of Company, Supervisor at Hoang Ma i- No. 1 Power Construction Co., Ltd	100%
31	31 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the Chairman of Company, Supervisor at Ninh Binh - No. 1 Power Construction Co., Ltd	100%
32	32 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the Chairman of Company, Supervisor at of Dai Mo - No. 1 Power Construction Co., Ltd	100%
33	33 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the President of Company, Supervisor of Mien Bac - No. 1 Power Construction Co., Ltd	100%
34	34 /QD-PCC1-HDQT	June 01, 2020	Dismissing and Appointing the Chairman at Ha Dong - No. 1 Power Construction Co., Ltd	100%
35	35 /QD-PCC1-HDQT	June 15, 2020	Promulgating Regulation on organization and operation of the Board of Directors of Power Construction Joint Stock Company No.1	100%
36	36 /QD-PCC1-HDQT	June 15, 2020	Assigning tasks to members of the Board of Directors of Power Construction Joint Stock Company No.1 for the term 2020 - 2025	100%
37	37 /QD-PCC1-HDQT	June 24, 2020	Dismissing and appointing leaders of PCC1 - My Dinh	100%
38	38 /QD-PCC1-HDQT	June 26, 2020	Choosing Auditing Company for Financial Statements 2020 (AASC Auditing Firm Co., Ltd.)	100%
39	39/QD-PCC1-HDQT	July 13, 2020	Contributing additional charter capital the first time in 2020 at Phong Huy Wind Power Joint Stock Company	100%

41	41/QD-PCC1-HDQT	July 21, 2020	Board meeting No. 03-Quarter III , 2020	100%
42	42/QD-PCC1-HDQT	July 21, 2020	Terminating operation of the branch of Power Construction Joint Stock Company No.1 - Yen Thuong Steel Structure Factory.	100%
43	43/QD-PCC1-HDQT	August 04, 2020	Performing contracts and transactions between Power Construction Joint Stock Company No.1 and Energy Investment and Technology Services Joint Stock Company.	100%
44	44/QD-PCC1-HDQT	August 31, 2020	Contributing charter capital second time in 2020 at Lien Lap Wind Power Joint Stock Company	100%
45	45/QD-PCC1-HDQT	August 31, 2020	Contributing charter capital second time in 2020 at Phong Huy Wind Power Joint Stock Company	100%
46	46/QD-PCC1-HDQT	August 31, 2020	Contributing charter capital second time in 2020 at Phong Nguyen Wind Power Joint Stock Company	100%
47	47/QD-PCC1-HDQT	August 31, 2020	Terminating operation of Hanoi Branch and Appointing Deputy Director of My Dinh- No. 1 Power Construction Co., Ltd	100%
48	48/QD-PCC1-HDQT	September 8, 2020	Dismissing and appointing the Director of Nang Huong- No. 1 Power Construction Co., Ltd	100%
49	49/QD-PCC1-HDQT	September 8, 2020	Committing to warrant the Energy Investment and Technology Services Joint Stock Company to get loans and guarantee at banks.	100%
50	50/QD-PCC1-HDQT	September 30, 2020	Dismissing and appointing EPC PMU Manager	100%
51	51/QD-PCC1-HDQT	October 14, 2020	Appointing the branch director of Power Construction Joint Stock Company No.1 -Yen Thuong Steel Structure Factory	100%
52	52/QD-PCC1-HDQT	October 14, 2020	Contributing capital and committing to fulfill debt repayment obligations on behalf of Bao Lam Hydropower Joint Stock Company to invest in crane system for the construction of Turbine wind power plants.	100%
53	53/QD-PCC1-HDQT	October 15, 2020	Implementing the share issuance plan to pay dividends in 2019	100%
54	54/QD-PCC1-HDQT	October 20, 2020	Board of Director meeting No. 04-Quarter IV / 2020	100%
55	55/QD-PCC1-HDQT	October 20, 2020	Adjusting investment project - Bao Lac A hydropower project	100%

Resolutions / decisions of the Board of Directors

No.	Resolution / Decision number	Date	Content	Adoption rate
56	56/QD-PCC1-HDQT	October 20, 2020	Establishing a project company to implement hydropower projects of Bao Lac A	100%
57	57/QD-PCC1-HDQT	October 20, 2020	Investing in Thuong Ha hydropower project	100%
58	58/QD-PCC1-HDQT	October 28, 2020	Contributing capital to the establishment and appointing a representative for capital contribution at Song Gam Hydropower Joint Stock Company	100%
59	59/QD-PCC1-HDQT	December 14, 2020	Contributing capital and appointing a capital representative at CT2 Real Estate Joint Stock Company	100%

6.2. Supervisory Board

Supervisory Board meetings

No.	Members of Supervisory Board	Number of meetings attended	Attendance rate	Voting rate	Reason for not attending the meeting
1	Ms Nguyen Thi Hai Ha	03/03	100%	100%	
2	Mr Nguyen Anh Tuan	01/03	100%	100%	Resigned on June 3, 2020
3	Mr Nguyen Quang Vu	01/03	100%	100%	Resigned on June 3, 2020
4	Mr Hoang Van Cuong	02/03	100%	100%	Appointed on June 3, 2020
5	Mr Hoang Van Sang	02/03	100%	100%	Appointed on June 3, 2020

Supervisory activities of the Supervisory Board for the Board of Directors, the Board of General Directors

- Attending all meetings held by the Board of Directors.
- Participating in monthly, quarterly Company's production and business plans chaired by the Company's General Director.
- Checking and supervising production and business activities of the Company in all fields: construction and installation, industrial production, real estate investment, investment in hydropower, wind power projects...
- Reviewing accounting books and documents related to corporate finance periodically and irregularly when required.
- Appraisal of financial statements submitted to the Annual General Meeting of Shareholders in 2020.
- Supervising the implementation of Resolution of the Annual General Meeting of Shareholders 2020; The compliance with the company's charter; Complying with the State Law and regimes, regulations and decisions of the Board of Directors and the Board of General Directors in administration and management of 2020.

Evaluating the implementation of resolutions of the Annual General Meeting of Shareholders 2020

During the annual general meeting, the resolutions of General Meeting of Shareholders have been implemented by the Board of Directors and the Executive Board of the Company with the following results:



Plan to increase charter capital:

Increased charter capital from VND 1,593,243 billion to VND 1,911,882 billion by paying 2019 stock dividends to existing shareholders in accordance with Resolution No. 01/NQ-PCC1-DHĐCĐ dated June 3, 2020.



Amending the organization and operation charter of the company:

Completed and modified a number of articles of the organization and operation Charter of the Company passed by the Resolution of Annual General Meeting.



Investment in energy and real estate:

- + Adjusting the investment project - Bao Lac A hydropower project according to Resolution No. 55/NQ-PCC1-HDQT.
- + Buying shares in companies: Phong Huy Wind Power Joint Stock Company according to Resolution No. 02/NQ-PCC1-HDQT; Phong Nguyen Wind Power Joint Stock Company according to Resolution No. 03/NQ-PCC1-HDQT; Energy Investment and Technology Services Joint Stock Company (EITS) according to Resolution No. 24/NQ-PCC1-HDQT;
- + Contributing capital and appointing a capital representative at Song Gam Hydropower Joint Stock Company according to Resolution No. 58/QD-PCC1-HDQT; CT2Real Estate Joint Stock Company according to Resolution No. 59/QD-PCC1-HDQT;

Assessment of compliance with the laws of the State

Compliance control is carried out in accordance with State regulations:

Business:

Business activities of PCC1 are in accordance with the Business Registration Certificate No. 0100100745.

Compliance with tax administration laws:

The Company has complied with the Law on Tax Administration and circulars providing guidance on accounting policies, accounting accounts and financial statements in accordance with the regulations of the Ministry of Finance and accounting standards according to current regulations.

Compliance in the investment sector:

In 2020, the company has completed and generated two hydropower plants, deployed the construction of wind power projects Lien Lap, Phong Huy, Phong Nguyen and continued to search and develop renewable energy projects such as solar power, wind power, wind power in advantageous areas with the target for power generation capacity of 720 MW by 2025.

In 2020, the Company has completed and handed over PCC1 Thanh Xuan project and is completing legal procedures to implement two projects in 2021, as well as continuing to search for land funds, projects to achieve the set out strategy target.

The implementation of State budget obligations:

Targets	Tax payable (VND)
I/ VAT	176,260,972,351
II/ Import and export tax	420,126,919
III/ CIT	121,451,737,943
IV/ Personal income tax	11,896,288,226
V/ Property tax and land rental	5,284,981,918
VI/ Natural resources tax	55,199,817,305
VII/ Other kinds of tax	22,271,070,244
Total	392,784,994,906

Appraisal of financial statements in 2020

The Supervisory Board has appraised the financial statements of the Company in the fiscal year 2020, ended December 31, 2020 and agreed to confirm the specific contents as follows:

- The financial statements fully reflect the production, business and financial situation of the Company, presented in the reporting formats specified in Circular 200/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance.
- The report has reflected honestly and reasonably on all material aspects, the financial situation as at 31/12/2020.
- The recording, opening of accounting books, classification of economic contents according to the accounting standards issued by the Ministry of Finance.
- The Company has made periodic reports and disclosures of organizations listed on the Ho Chi Minh Stock Exchange in accordance with the regulations on information disclosure on the stock market.

Monitoring results for members of the Board of Directors, members of the Executive Board

For members of the Board of Directors:

Number of members of the BOD of the Company: 05 members

- The members of the Board of Directors have worked actively with a high sense of responsibility, made timely governance resolutions. Resolutions and Decisions of the Board of Directors were issued in accordance with the provisions of law and the Company Charter, closely followed the Resolution of the General Meeting of Shareholders in 2020.
- In 2020, the Board of Directors held 04 regular meetings, in addition, the Board of Directors also consulted in writing to promptly promulgate Resolutions and Decisions on the implementation of the task of managing and operating activities of the Company (issued 59 Resolutions, Decisions).
- Assigning tasks to members of the Board of Directors so that members focus on performing the work of the Company related to the fields that individual members are in charge of.
- Implementing the resolution of the Annual General Meeting of Shareholders in 2020.
- Approving contents under the authority of the Board of Directors, supervising activities of Executive Board of the Company.

For the Executive Board of the Company:

The General Director together with members of the Executive Board actively implemented resolutions of the Board of Directors to achieve objectives approved by the General Meeting of Shareholders. During the past year, which was a very difficult year for the economy due to the impact of Covid-19 pandemic and natural disasters, in order to achieve business results, the Executive Board has tried to make efforts, create and implement solutions responding to market developments, be flexible in operating production and business activities, control costs, promote the Company's resources, closely follow and fulfill business and invest targets. Specifically:

- Regularly organizing weekly, monthly, and quarterly business plan implementation meetings to evaluate the business performance, invest in projects to evaluate the shortcomings and limitations in order to provide timely solutions, remove difficulties and overcome it.
- Sticking to and implementing the goals of the Company's business development strategy.
- Leaders of the Block always closely operate the fields in charge to achieve set-out business goals.

Recommendations

In order to continue developing the company's brand in the business areas, grow revenue and profit, increase benefits for shareholders, the Supervisory Board has some recommendations to the Company on the following contents:

1

Sticking to the strategic goals of 2021-2025 with the vision to 2035.

2

Continuing to improve management capacity of PCC1 system: Adjusting organizational chart, developing high quality human resources, applying 4.0 technology and digitizing the Company's activities.

3

Developing effective financial plan, offering solutions to mobilize capital from different sources to ensure that capital can promptly respond to production and business activities and use capital effectively in the investment field.

4

Strengthening risk management, internal control, compliance with ISO quality management system, contributing to improvement of corporate governance; Promoting the culture, raising staff's awareness of risk management in the Company regularly and professionally.

5

Continuing to implement well policies with employees and having timely solutions (may consider issuing Esop shares) to retain or recruit qualified employees to develop the Company in the context of a number of employees with good management skills and expertise moved to other companies.

7. Transactions between the Company and related parties

Percentage of shares ownership and transactions of members of the BOD, the Supervisory Board, and the Management Board

No	Full name	Position	Number of shares	
			held as at 31/12/2019	Ownership rate (%)
1	Trinh Van Tuan	Chairman of the Board of Directors cum General Director	34,607,733	18.101%
2	Nguyen Minh De	Member of the Board of Directors cum Deputy General Director	2,473,862	1.294%
3	Vo Hong Quang	Member of the Board of Directors cum Deputy General Director	3,559,770	1.862%
4	Vu Anh Duong	Member of the Board of Directors cum Deputy General Director	102,333	0.054%
5	Vu Van Tu	Deputy General Director	444,129	0.232%
6	Nguyen Nhat Tan	Deputy General Director	6,179,041	3.232%
7	Đang Quoc Tuong	Deputy General Director	258,442	0.135%
8	Nguyen Thi Hai Ha	Head of Supervisory Board	27,872	0.015%
9	Tran Thi Minh Viet	Chief accountant	169,116	0.088%

7.1. Transactions of insiders and related person of insiders in 2020

No.	Person performing the transaction	Position / Relationship with an insider	Number of shares owned at the beginning of the period:		Number of shares owned at the end of the period:		Reasons for change
			Number of shares	Ratio %	Number of shares	Ratio %	
I. Insiders							
1	Trinh Van Tuan	Chairman of BOD, General Director	28,629,778	17.97	34,607,733	18.101	Receive dividends in shares 5,767,955 shares; Buy more 210,000 shares
2	Nguyen Minh De	Member of the BOD cum Deputy General Director	2,061,552	1.294	2,473,862	1.294	Receive stock dividend of 41,2310 shares
3	Vo Hong Quang	Member of the BOD cum Deputy General Director	2,966,475	1.862	3,559,770	1.862	Receive stock dividend of 593,295 shares
4	Vu Anh Duong	Board member cum Deputy General Director	85,278	0.054	102,333	0.054	Receive stock dividend of 17,056 shares

No.	Person performing the transaction	Position / Relationship with an insider	Number of shares owned at the beginning of the period:		Number of shares owned at the end of the period:		Reasons for change
			Number of shares	Ratio %	Number of shares	Ratio %	
5	Vu Van Tu	Deputy General Director	370,108	0.232	444,129	0.232	Receive stock dividend of 74,022 shares
6	Nguyen Nhat Tan	Deputy General Director	5,149,201	3.232	6,179,041	3.232	Receive stock dividend of 1,029,840 shares
7	Dang Quoc Tuong	Deputy General Director	215,369	0.135	258,442	0.135	Receive stock dividends of 43,073 shares
8	Nguyen Thi Hai Ha	Head of Supervisory Board	23,227	0.015	27,872	0.015	Received stock dividend of 4,645 shares
9	Tran Thi Minh Viet	Chief Accountant	140,930	0.088	169,116	0.088	Receive stock dividend of 28,186 shares
II. Person related to Mr. Trinh Van Tuan - Position: Chairman of the BOD, General Director							
1	Le Thi Thoi	Wife	3,072,258	1.928	3,686,710	1.928	Receive stock dividend of 614,452 shares
III. Person related to Mr. Vo Hong Quang- Position: Member of the Board of Directors cum Deputy General Director							
1	Nguyen Thi Dung	Wife	267,606	0.168	321,127	0.168	Receive stock dividend of 53,521 shares
IV. Person related to Mr. Vu Van Tu- Position: Deputy General Director							
1	Vu Anh Hieu	Son	89,700	0.056	107,640	0.056	Receive stock dividend 17,940 shares
V. The related persons of Mr. Dang Quoc Tuong- Position: Deputy General Director							
1	Nguyen Thi Hoi	Wife	7,054	0.005	8,465	0.005	Receive stock dividend of 1,411 shares
VI. The related person of Ms. Nguyen Thi Hai Ha- Position: Head of Supervisory Board							
1	Nguyen Van Trung	Husband	30,970	0.019	37,164	0.019	Receive stock dividend of 28,186 shares

7.2. Transactions, contracts of the Company with related persons

In 2020, there are transactions related to the Chairman of the BOD, members of the BOD, Board of General Directors, Chief Accountant and related persons. However, there are transactions of purchase and sale of goods, services, construction of works with subsidiaries and associated companies. Transactions between the Company and its subsidiaries and associates arise regularly; always comply with the provisions of law and the provisions of the Company Charter on the relationship of Parent Company - subsidiary, associated companies and provisions of Enterprise Law.

Transactions between the Company and its subsidiaries and associated companies in 2020 were complied with the Resolution No. 01/NQ-PCC1-HĐQT dated January 30, 2020, Resolution No. 08/NQ-PCC1-HĐQT dated March 10, 2020 and Resolution No. 43/NQ-PCC1-HĐQT dated August 4, 2020 regarding the policy of implementing transaction contracts between Power Construction Joint Stock Company No.1 and related enterprises.

No	Name of organization / individual	Relationship with the company	Head office address / Contact address	Time of transaction with the company	Number of resolutions/Decisions of the General Meeting of Shareholders /Board of Directors approved	Content, quantity, total transaction value in 2020
1	Mien Nam- No.1 Power Construction Company Limited	Subsidiaries	1st Floor, Block B, An Khang Building, No. 28, Street 19, Ward An Phu, District 2, City, Ho Chi Minh	2019 - 2020	Resolution No. 01/NQ-PCC1-HĐQT dated January 15, 2019 and Resolution No. 01/NQ-PCC1-HĐQT dated January 30, 2020	Purchase construction volume: 312,217,107,958 VND Sale of tools and instrument, other: 125,367,291 VND
2	Hanoi- No.1 Power Construction Company Limited	Subsidiaries	1st Floor, CT1Building, Complex Ha Dong, Phu Luong Ward, Ha Dong District, Hanoi City, Vietnam	2019 - 2020		Purchase construction volume: 16,983,675,119 VND Sale: office for rent, others: 342,837,845 VND
3	Dai Mo- No.1 Power Construction Company Limited	Subsidiaries	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	2019 - 2020		Purchase goods for construction: 91,770,594,575 VND Sale of tools and tools, other: 3,917,048,026 VND
4	Dong Anh Steel Tower Company Limited	Subsidiaries	Group 14, Dong Anh Town, Dong Anh District, Hanoi City	2019 - 2020		Purchase: Processing steel columns: 320,641,511,009 VND Sale of materials: 69,002,596,631 VND
5	My Dinh- No.1 Power Construction Company Limited	Subsidiaries	No. 138 Tran Binh, My Dinh 2 Ward, Nam Tu Liem, Hanoi	2019 - 2020		Purchase: construction volume: 202,984,283,981 VND Sale: office for rent, other: 418,773,598 VND
6	Nang Huong- No.1 Power Construction Company Limited	Subsidiaries	No. 583 Km 9, Nguyen Trai road, Van Quan, Ha Dong, Hanoi	Year 2020		Purchase: Building services: 2,007,575,985 VND Other sale: VND 1,837,231,084
7	Hoang Mai- No.1 Power Construction Company Limited	Subsidiaries	No. 471, Nguyen Tam Trinh, Hoang Van Thu Ward, Hoang Mai, Hanoi	2019 - 2020		Purchase: Construction volume 103,461,944,961 VND Sale: Land rental, guarantee fee: 167,827,659 VND
8	Mien Bac- No.1 Power Construction Company Limited	Subsidiaries	Cho residential group, Dai Mo Ward, Nam Tu Liem District, Hanoi	2019 - 2020		Resolution No. 01/NQ-PCC1-HĐQT dated January 15, 2019 and Resolution No. 01/NQ-PCC1-HĐQT dated January 30, 2020 Purchase: Volume of construction, site clearance consultancy 46,380,338,741 VND Sale: Land rental, guarantee fee: 232,405,589 VND
9	Tu Liem- No.1 Power Construction Company Limited	Subsidiaries	No. 32, Phuong Canh, Group 2, Xuan Phuong ward, Nam Tu Liem District, Hanoi	2019 - 2020		Purchase: Construction volume 79,000,232,585 VND Sale: Land rental, guarantee fee, others 361,448,913 VND
10	Ha Dong- No.1 Power Construction Company Limited	Subsidiaries	Van La Street, Phu La Ward, Ha Dong District, Hanoi	2019 - 2020		Purchase: construction volume: 140,267,316,363 VND Sale: land rental, guarantee fee: 212,925,947 VND
11	Ninh Binh- No.1 Power Construction Company Limited	Subsidiaries	Lane 2, Xuan Thanh Street, Khanh Thanh City, Tan Thanh Ward, Ninh Binh City, Ninh Binh Province	2019 - 2020		Purchase: Construction volume 79,853,367,084 VND Sale: land rental, guarantee fee: 156,308,169 VND

12	Trung Thu Hydropower Joint Stock Company	Subsidiaries	House No. 157, residential group 16, Tan Thanh Ward, Dien Bien Phu City, Dien Bien City	2019 - 2020		Sale: office for rent 50,644,932 VND
13	ERECO JSC	Subsidiaries	No. 138 Tran Binh, My Dinh 2 Ward, Nam Tu Liem District, Hanoi	2019 - 2020		Sale: Office for rent: 231,709,092 VND
14	Hoa Binh Automobile Mechanical JSC	Subsidiaries	No. 44 Trieu Khuc Street, Thanh Xuan Nam Ward, Thanh Xuan District, Hanoi	2019 - 2020		Sale: Real estate project management consultant: 2,881,254,559 VND Purchase: interest 2,022,876,713 VND
15	My Dinh Real Est JSC	Subsidiaries	1st Floor, My Dinh Plaza, 138 Tran Binh, My Dinh 2 Ward, Nam Tu Liem District, Hanoi	2019 - 2020	Resolution No. 01/NQ-PCC1-HDQT dated January 15, 2019 and Resolution No. 01/NQ-PCC1-HDQT dated January 30, 2020	Sale: office for rent 95,301,820 VND Goods purchase: VND 3,602,144,228 interest
16	Bao Lam Hydropower Joint Stock Company	Subsidiaries	Na Pong Hamlet, Ly Bon Commune, Bao Lam District, Cao Bang Province, Vietnam	2019 - 2020		Sale: office for rent 97,445,454 VND Purchase: Hydropower operation management 39,432,522,045 VND
17	Northern Energy Investment Joint Stock Company	Subsidiaries	Na Pong Hamlet, Ly Bon Commune, Bao Lam District, Cao Bang Province, Vietnam	2019 - 2020		Goods purchase: interest of loan 3,925,323,562 VND Sales: Real estate project management consultancy: VND 1,317,045,454
18	Tien Bo ITC., JSC	Subsidiaries	No. 1, Lane 321, Vinh Hung Street, Thanh Tri Ward, Hoang Mai, Hanoi	2019 - 2020		Buying goods: interest of loan 3,925,323,562 VND Real estate project management consultancy: VND 1,317,045,454
19	Lien Lap wind power joint stock company	Subsidiaries	Cua Hamlet, Huong Tan Commune, Huong Hoa District, Quang Tri Province	From 2019 to 2020		Goods purchase: interest 567,824,658 VND Sales: Construction: Wind power project management consulting service, other VND 161,090,614,011
20	Branch of Power Construction JSC No.1 - Yen Thuong Steel Structure Factory	Subsidiaries	Yen Khe Hamlet, Yen Thuong Commune, Gia Lam District, Hanoi City	From 2019 to 2020		Purchase: processing steel columns: 13,382,894,253 VND Sale of raw materials: 69,690,616,109
21	Phong Huy wind power joint stock company	Subsidiaries	56 Le Duan, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Year 2020	Resolution No. 08 / NQ-PCC1-HDQT dated March 10th, 2020	Purchase: interest 393,950,685 dong Sales: Construction: Wind power project management consulting service; Others: 86,795,786,090 VND
22	Phong Nguyen Wind Power Joint Stock Company	Subsidiaries	No. 1, Alley 23, Hung Vuong Street, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Year 2020		Purchase: interest 378,958,904 VND. Sales: Construction: Wind power project management consulting service; Other: VND 148,393,122,493
23	Investment and Technology Service Joint Stock Company	Subsidiaries	2nd Floor, PCC1 Thanh Xuan Building, No. 44 Trieu Khuc, Thanh Xuan Nam Ward, Hanoi City	Year 2020	Resolution No. 43 / NQ-PCC1-HDQT dated August 4th, 2020	Purchase: Volume of construction and installation: 55,158,376,360 VND

Transactions between an insider of a listed company, an insider's related person and a subsidiary or a company controlled by the listed company: **None.**

7.3. Transactions and remuneration of the Board of Directors, the Supervisory Board and the Management Board

No	Title	Allowance for 1 month (first 6 months)	Allowance for 1 month (the last 6 months)	12-month allowance (VND)
1	Mr. Trinh Van Tuan - Chairman of the Board of Directors	10,000,000	20,000,000	180,000,000
2	Mr. Nguyen Minh De - Member of the Board of Directors	2,000,000	5,000,000	42,000,000
3	Mr. Vu Van Tu - Member of the Board of Directors	2,000,000		12,000,000
4	Mr. Vo Hong Quang - Member of the Board of Directors	2,000,000	5,000,000	42,000,000
5	Ms. Nguyen Thi Huong - Member of the Board of Directors	2,000,000		12,000,000
6	Mr. Vu Anh Duong - Member of the Board of Directors		5,000,000	30,000,000
7	Mr. Mai Luong Viet - Member of the Board of Directors		5,000,000	30,000,000
8	Ms. Nguyen Thi Hai Ha - Head of Supervisory Board	6,000,000	6,000,000	72,000,000
9	Mr. Hoang Van Cuong - Member of Supervisory Board		2,000,000	12,000,000
10	Mr. Hoang Van Sang - Member of Supervisory Board		2,000,000	12,000,000

8. Risk

Risk management principles

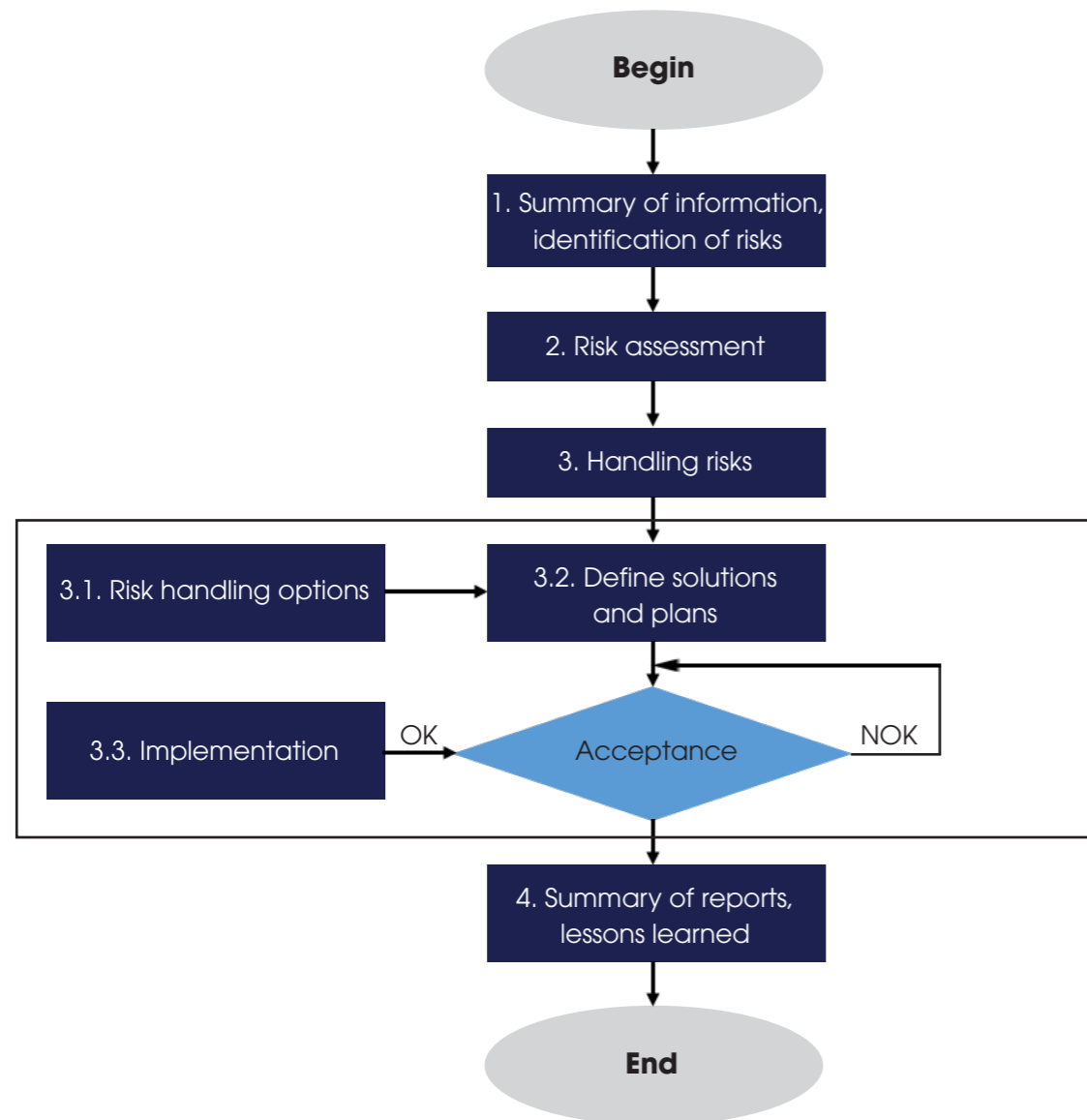
Risk management is a process throughout and sticking to all operating processes of the company, which is an integral part in all processes of the Company. In particular, risk management must be associated with the objectives and strategies of the Company, is an important part when issuing any decision related to the operation of the Company;

Risk management must be based on reliable existing information. The inputs of the risk management process must be based on reliable information sources of quality and quantity, from a variety of sources, including stored data, experience, and feedback from related parties, observation, prediction and judgment;

The risk management system includes parts and personnel serving for risk management which is integrated in the management and administration structure of the Company and operated in parallel and in consistence with scale and operation scope of the Company;

Risk management policies and procedures are implemented continuously and regularly updated, adjusted and supplemented in accordance with the scope, scale of operation, conditions of the company and the market context;

Risk management process



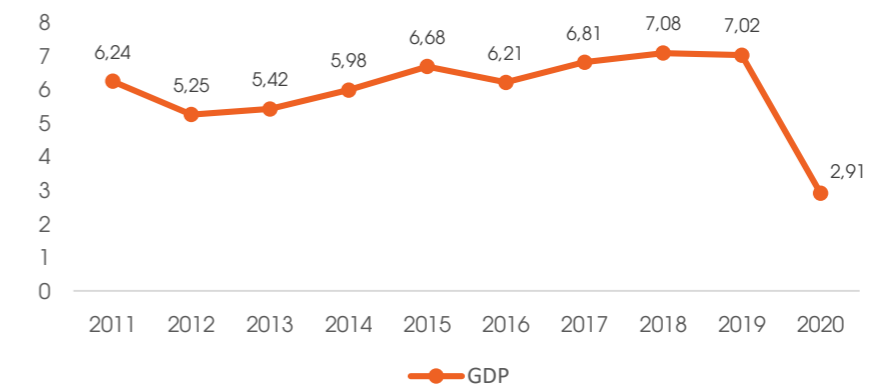
8.1. Economic risks

Economic risk is a type of systemic risk through changes such as economic growth, inflation, interest rates, ... that have direct or indirect impacts on production and business activities of enterprises in the economy in general and the Company's business activities in particular. Therefore, analyzing the macroeconomic factors of economy will clarify the impact level of this type of risk as well as propose measures to limit and overcome the impact on the Company's operations.

The Gross Domestic Product (GDP) in 2020 increased 2.91% compared to the previous year, although it is the lowest increase of the years in the period 2011-2020, but in the context of the complicated developments of Covid-19 epidemic, negative influences to all socio-economic fields, this is a great success of Vietnam with the highest growth rate group in 2020 in the world. On average, in 2020, the consumer price index increased 3.23% compared to 2019. The commodity trade exchange rate in 2020 decreased 0.74% compared to 2019, reflecting unfavorable prices of Vietnamese exported goods compared with the prices of imported goods from abroad to Vietnam.

The Covid-19 epidemic is well controlled in the country, the Vietnam and EU Free Trade Agreement (EVFTA) is implemented, so for the whole year 2020, the value added of the industry increased 3.36% compared to 2019, of which the processing and manufacturing industry increased 5.82%, playing a key role in leading the overall growth of the industry and the whole economy.

GDP of Vietnam in the period 2011 - 2020



Electricity consumption demand in Vietnam in recent years has achieved high and stable growth thanks to the growth of the economy, especially the industrial manufacturing sector. The annual growth rate of electricity consumption is 10%. In 2020, the COVID-19 epidemic has a huge impact on many economic sectors, causing decline to growth of electricity demand. The national commercial electricity output in 2020 increased 2.9%, much lower than the average growth in recent period and lower than the expected rate at the beginning of the year by the Ministry of Industry and Trade which was 8.86%. In particular, electricity production, renewable energy is still an industry that is encouraged to invest by the government to compensate for the supply shortage. All these factors directly affect PCC1's business.

How to manage:

Proactively monitor the volatility of the domestic and international markets to quickly take measures to resolve when risks occur. Control costs, optimize resources, and ensure safe capital structure. Regularly update changes in interest rates and exchange rates.

8.2. Industry-specific risk

Power Construction Joint Stock Company No.1 operates in four main areas: power construction, industrial production, real estate investment and business, and energy investment. Each production and business sector has its own specific risks.

▶ Power Construction Block:

PCC1 implements the construction of power transmission lines and substations, power source projects, industrial, civil, technical infrastructure, transport, irrigation and post and telecommunication projects. The construction and installation of the above works are mainly carried out outdoors and in areas with complex terrain so the weather and terrain conditions can affect safety in this field. The dependence on weather and construction terrain in the power construction industry such as underground construction, construction on dangerous hills causes many difficulties and creates risks because of the risk of occupational accident.

How to manage

PCC1 always pays attention to safety supervision during implementation of its projects and complies with insurance policies for the Company and employees to limit impact of this risk factor on the overall business operation of the Company.

► **Industrial production industry**

The industrial manufacturing industry suffers risk mainly from the price of input materials. The company mainly produces and sells equipment, steel structures, materials and accessories of electrical works, thus steel price fluctuations directly affect this activity of the Company.

In 2020, the global steel market is heavily influenced by the COVID-19 pandemic when supply chains are disrupted by social distance orders. Crude steel production in 64 countries around the world plunged in March and April and started to recover in the following months. In the second half of 2020, steel prices have surged due to recovery in world demand and disruptions in supply in both steel and raw materials. Domestic construction steel price increased by 25% compared to the beginning of the year and 36% compared to the lowest price in April 2020, while the price of hot rolled coil (HRC) increased 43% compared to the year beginning and 80% compared to the bottom.

How to manage:

To limit the impact of steel material prices, the Company always updates the market situation, information about steel prices in the world to find measures to control steel prices at competitive rates such as encrypting all materials, comparing and diversifying suppliers, selecting the most competitive material suppliers in the market.

► **Electricity production industry (energy investment)**

Natural weather and terrain not only directly affect the investment process and construction of hydro-power plants but also affect the electricity production and business of plants. In case of bad weather and rugged terrain, the construction schedule is delayed and this will prolong the operation time of the plant and significantly increase the interest expense of the project, reduce the efficiency of capital use. On the other hand, prolonged drought would result in reduced rainfall and water levels on rivers and lakes, dams nearby hydropower plants which will directly affect the amount of electricity produced. Similarly, investment in and production of wind and solar power also bear risks in terms of sunlight levels and wind speeds...

How to manage:

In order to cope with these changes, the Company always surveys, measures, closely follows climate, hydrological and astronomical forecasts to have timely plans to operate effectively.

► **Real Estate Investment and Business**

In fact, the land demand for construction of urban areas, offices, houses ... is increasing while the land fund is limited and being narrowed more and more, especially in big cities. For land planned for real estate projects being used and exploited by residents, the clearance work in these areas is often very complicated, prolonged with potential legal disputes. On the other hand, the price bracket for land compensation in accordance with the State regulations is not stable and great, directly affecting the investment costs of enterprise.

How to manage:

With the policy of only implementing real estate projects on the land fund of the Company or the land with clean premises, the Company can proactively minimize the risk of site clearance compensation.

► **Stock price volatility risk**

As a listed company on HOSE with stock code PC1, the shareholders of the Company and the Company will bear the risk of price volatility of PCC1 shares. In addition to internal factors such as the situation of production and business activities of the Company, many other external factors such as macroeconomic factors, changes of legal regulations ...

How to manage:

PCC1 always strictly complies with the Information Disclosure Regulation of the Ho Chi Minh City Stock Exchange, and at the same time, the Company always provides Investor Newsletters, updated quarterly business and investment situation, organize investor meeting, ...

9. Strengthen corporate governance

9.1. Compliance with regulations on corporate governance

Since joining the stock market up to now, the Company has always actively grasped the relevant legal regulations and promptly updated such as:

- Fully complying with obligations on Information Disclosure;
- Periodically organizing the General Meeting of Shareholders in accordance with the process;
- Developing and updating the Charter and governance regulations to follow the Law on Enterprises and Decree No.71/2017/ND-CP, Decree 155/2020/ND-CP, Circular No.116/2020/TT-BTC.

The above issue on the one hand improves management efficiency, on the other hand promotes fairness and transparency in the process of handling arising problems and errors. Thereby helping to stabilize and improve the efficiency of production and business for the Company.

9.2. Strengthen corporate governance

● Corporate governance study/ training plan

Corporate governance training courses were attended by members of the Board of Directors, members of the Supervisory Board, Chief Executive Officer, other managers and the Company Secretary in accordance with regulations on corporate governance:

Members of the Board of Directors, members of the Supervisory Board, General Director, other managers and the Company Secretary regularly update legal documents and regulations on corporate governance, participate in seminars on Corporate governance organized by the Ho Chi Minh City Stock Exchange and the State Securities Commission and will continue to participate in corporate governance training courses when training institutions recognized by the State Securities Commission have appropriate training courses.

In 2020, in direct training work faced difficulty due to the social distance caused by the widespread Covid-19 epidemic, However, with the initiative and efforts to improve the quality of governance, PCC1 has also organized some practical training courses and at the same time ensured the health safety for all participants.

Training course “Managing capital and finance in the enterprise”

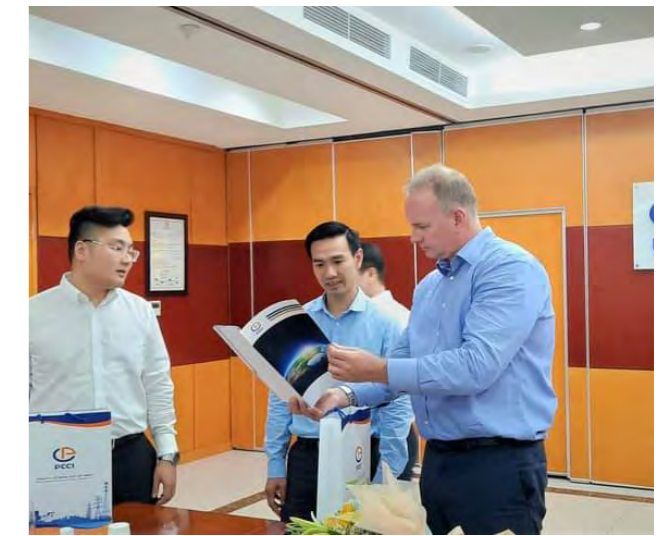
Immersed in the integration period 4.0, PCC1 is taking the opportunity, turning challenges into opportunities to create breakthrough momentum. Mastering the knowledge of capital management and finance in the enterprise is one of the factors to operate and develop the company in accordance with the set-out strategy and plan.



In 2020, Power Construction Joint Stock Company I organized a 2-day course with the content: “Managing capital and finance in the enterprise”, trained by Vietnam Enterprise Restructuring Joint Stock Company - Verco. The course has the participation of 50 students including: Board of General Directors, heads/deputy heads of departments/divisions, directors, chief accountants, heads of Economy and Planning departments of member companies. Through the course, trainees understand better about corporate financial management; how to plan and manage corporate capital resources; Optimize capital mobilization; Control corporate cash flow operations; Develop financial contingency methods as well as unify corporate financial management principles.

Intensive training session to continue to improve the capacity of PCC1 employees

In mid-2020, Power Construction Joint Stock Company No. 1 organized a training session on project investment and project finance for the company’s employees to further improve their professional capacity to meet the needs of human resources development in the next period. The training session has the participation of nearly 50 participants from departments, member units. After two days of training, the trainees were introduced by Mr. Adam Moncrieff - Managing Partner Vietnam of Allen & Overy about the structure of a successful project, the main contracts of the project such as EPC contract and equipment procurement, credit contracts.



Investor Relations

Continuing to comply and update regulations on corporate governance such as disclosing information on the stock market or organizing the General Meeting of Shareholders.

Improving the quality of Annual reports both in content and form to better information transmission to shareholders and the investor community.

Issuing the Investor Newsletter quarterly to transmit timely and accurate information about the production and business activities of the Company.



● **Improve corporate governance efficiency**

Information system administration

In 2020, PCC1 officially deployed intelligent management information system - Business Intelligence. The goal of the project is to build a centralized data warehouse according to the Corporation's strategy, consistent with the policy of digitizing operations in the period 2020-2025.

With some characteristics of construction industry, the project demonstrates the determination and serious investment of the leadership of PCC1's leadership in the face of global digitalization challenge, in line with the change of country in information technology innovation. The system will ensure needs such as providing timely, direct information to the management board of operations including market, bidding, contracts, construction, capital recovery, financial analysis; Data is fed into the system from the original, directly at the construction site or professional departments, and aggregated online to the management reporting system, helping to avoid loss and reduce errors; Reduce the time to synthesize manual reports and do not incur additional resources.

Financial - accounting management

The parent company and its subsidiaries consistently use accounting software for convenient accounting, reporting and data consolidation. By 2020, the company has completed upgrading its accounting software to speed up processing and improve its ability to respond to big data.

Human resources management

The company has been successful in applying the new salary regulation, closely linked with the efficiency of production and business and increasing income, creating motivation for employees. In 2020, the company will continue to improve the salary and bonus regulations, supplement the continuous creative process, deploy modern human resource management (HRM) software and operate in 2021.

Customer relationship management

PCC1 creates high trust with customers, including traditional customers and new customers. PCC1 has rigorous customer management processes, from search to sales and after sales.

Quality Management

The parent company and its subsidiaries consistently use accounting software for convenient accounting, reporting and data consolidation. By 2020, the company has completed upgrading its accounting software to speed up processing and improve its ability to respond to big data.

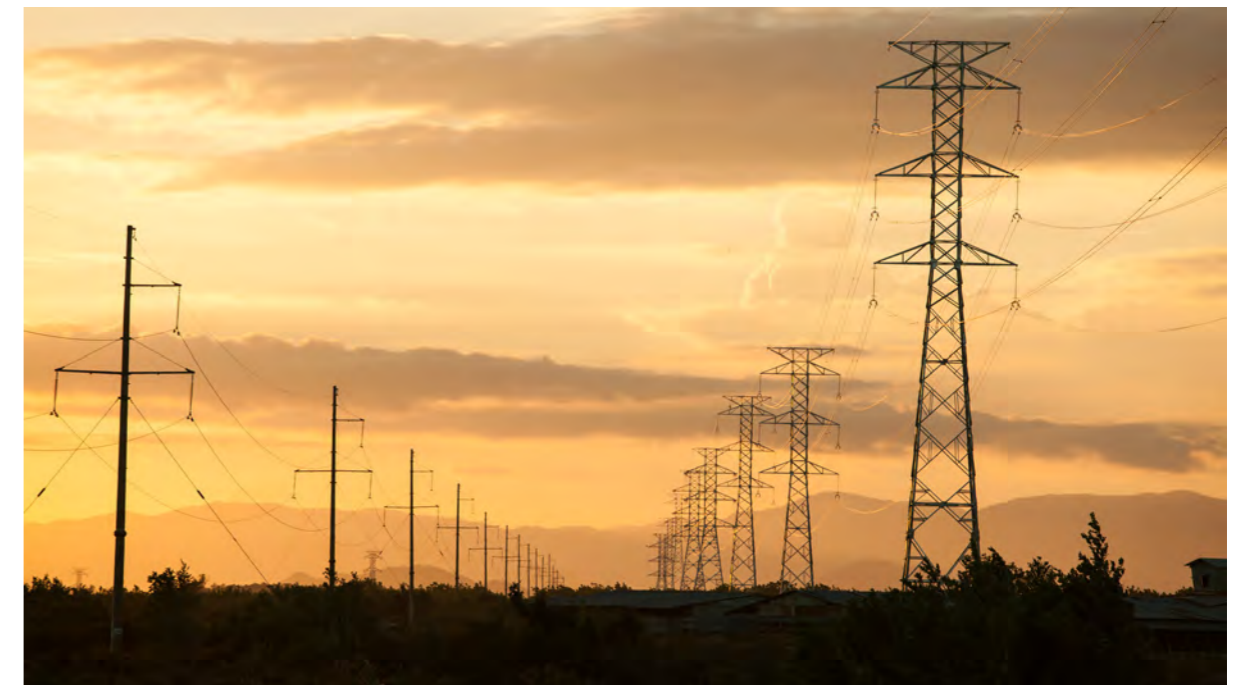


03

BUSINESS SITUATION IN 2020

1. Overview of Vietnam's economy and the general situation of power industry in 2020
2. Investment and business performance in 2020
3. Financial situation



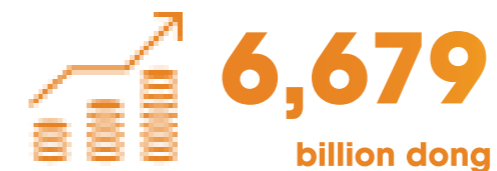


1. Overview of Vietnam's economy and power industry

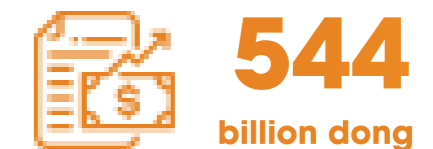
The Covid-19 epidemic has complicated developments, caused interruption to socio-economic activities of countries around the world; the US-China trade conflict continues. In the country, natural disasters and epidemics have significant impacts on economic activities and people's lives; Unemployment and underemployment rates are high. However, with drastic and effective solutions in realizing the dual goal of "both preventing epidemics and developing socio-economic", the Vietnamese economy still achieved positive results with the maintenance of economic growth. Although GDP growth in 2020 is 2.91% -the lowest level in the period 2011-2020, but facing the negative impacts of the Covid-19 epidemic, it is a success of our country with the growth rate in the group of countries with the highest growth rates in the world.

The power industry is a low risk industry which operates continuously regardless of the economic cycle. The impact of the disease epidemic in 2020 slowed down the economy, but the power sector has a positive recovery outlook thanks to continued high electricity demand. Vietnam's power industry is currently facing a shortage as electricity consumption growth is faster than electricity output growth. Electricity supply in Vietnam is still heavily dependent on traditional sources of electricity, including hydro-power and thermal power. At the beginning of 2020, these power sources account for 90% of the power capacity structure. Renewable energy benefits from Government support and is expected to thrive in the next 5 years. While electricity demand continues to grow by an average of 10% / year, renewable energy is the key solution to solve the problem of electricity sources after 2020 when the whole country does not have many new sources to put into exploitation.

2. Investment and business performance in 2020



REVENUE 2020
ACHIEVED 95% OF THE PLAN



PROFIT AFTER TAX
16% EXCEEDED TO THE SET-OUT PLAN

Target	2016	2017	2018	2019	2020	Proportion 2020	2020/2019
Total revenue	3,100	3,212	5,160	5,891	6,744		87%
Revenue	3,008	3,161	5,084	5,845	6,679	99%	88%
Revenue from financial activities	14	11	28	38	37	1%	101%
Other revenue	77	41	47	8	28	0,4%	30%
Total cost	2,638	2,926	4,538	5,402	6,040		89%
Cost of goods sold	2,482	2,679	4,219	5,026	5,517	91%	91%
Financial expenses	22	103	150	172	244	4%	70%
Operating costs	129	143	161	202	268	4%	75%
Other costs	6	1	8	2	11	0,2%	21%
Profit before tax	401	303	579	433	652		66%
Net profit from operating activities	329	263	540	427	635	97%	67%
Other profits	72	40	39	6	17	3%	35%
Profit after tax	305	256	491	376	544		69%

SOME INDICATORS

6,744 TOTAL REVENUE
billion dong 2020

6,040 TOTAL COST 2020
billion dong

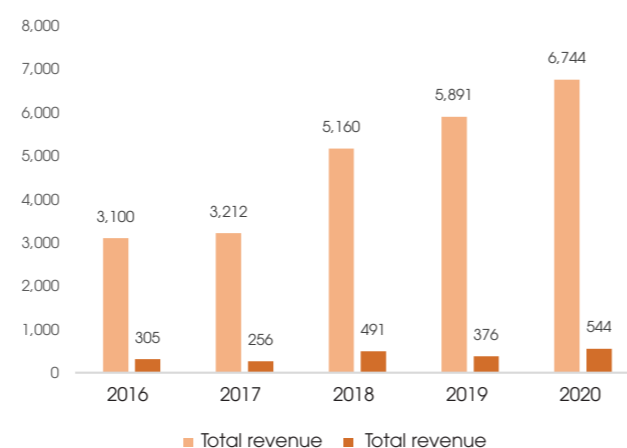
652 PROFIT BEFORE TAX
billion dong 2020

5.7% ROA

12.9% ROE

Compared to the year plan,
revenue reached 95% but profit
after tax reached 116%

Total revenue in 2020 reached VND 6,679 billion, increased 14% compared to 2019. In which, strong growth in electricity sales (energy investment) + 36% due to the addition of new power generation plants and real estate revenue + 302% due to falling into the product handover cycle. Power construction and commercial activities also grew by 2% and 8% respectively; while industrial production decreased by 16% (in 2019, the majority of products of 500kV circuit III project were handed over).



Financial expenses increased 42% year-on-year due to the stop of interest capitalization from factories that completed investment and went into production and business stage.

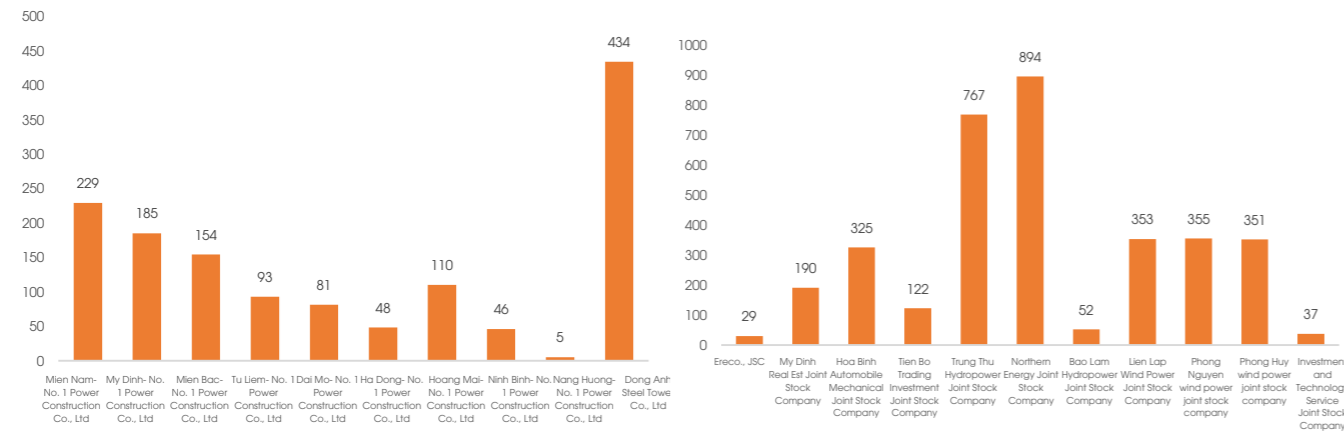
Simultaneously, Cao Bang Iron and Steel affiliate company has profitable business results, while in 2019, it has a loss, contributing to the profitability of PCC1's business results.

This led to a +45% growth in consolidated profit after tax to VND 544 billion.

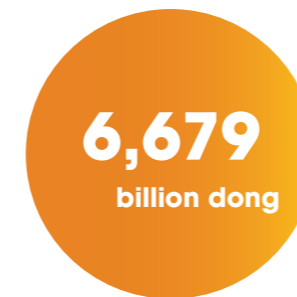
2.1 Business results in subsidiaries, associated companies and subordinates units

No.	Subsidiaries	Performance in 2019 (billion VND)			Performance in 2020 (billion dong)			Performance in 2020 / Performance in 2019 (times)		
		Total assets	Revenue	Profit	Tổng Tài Sản	Doanh Thu	Lợi Nhuận	Tổng tài sản	Doanh Thu	Lợi Nhuận
1	Mien Nam- No. 1 Power Construction Co., Ltd	211	364	0.75	229	344	0.13	1.08	0.95	0.18
2	My Dinh- No. 1 Power Construction Co., Ltd	127	225	4.41	185	344	1.30	1.46	1.53	0.30
3	Mien Bac- No. 1 Power Construction Co., Ltd	139	154	0.47	154	199	1.95	1.10	1.30	4.18
4	Tu Liem- No. 1 Power Construction Co., Ltd	81	143	1.10	93	179	0.13	1.16	1.25	0.12
5	Dai Mo- No. 1 Power Construction Co., Ltd	40	105	1.78	81	131	0.66	1.99	1.25	0.37
6	Ha Dong- No. 1 Power Construction Co., Ltd	72	246	2.97	48	240	1.12	0.66	0.98	0.38
7	Hoang Mai- No. 1 Power Construction Co., Ltd	61	103	1.44	110	153	1.88	1.82	1.49	1.31
8	Ninh Binh- No. 1 Power Construction Co., Ltd	48	77	1.61	46	106	1.64	0.95	1.37	1.02
9	Nang Huong- No. 1 Power Construction Co., Ltd	9	20	-0.16	5	23	-0.02	0.61	1.15	0.14
10	Dong Anh Steel Tower Co., Ltd	548	1,130	35.58	434	834	36.28	0.79	0.74	1.02
11	Ereco., JSC	27	66	2.26	29	33	1.05	1.08	0.50	0.47
12	My Dinh Real Est Joint Stock Company	229	160	38.47	190	10	9.15	0.83	0.06	0.24
13	Hoa Binh Automobile Mechanical Joint Stock Company	568	1	-0.05	325	836	175.67	0.57	589.90	-
14	Tien Bo Trading Investment Joint Stock Company	122	0	1.69	122	0	2.29	1.00	-	1.36
15	Trung Thu Hydropower Joint Stock Company	784	129	34.15	767	141	48.70	0.98	1.09	1.43
16	Northern Energy Joint Stock Company	841	0	0.00	894	127	13.50	1.06	-	-
17	Bao Lam Hydropower Joint Stock Company	9	38	1.29	52	57	1.66	5.65	1.50	1.29
18	Lien Lap Wind Power Joint Stock Company	50	0	0.00	353	0	0.00	-	-	-
19	Phong Nguyen wind power joint stock company	0	0	0.00	355	0	0.00	-	-	-
20	Phong Huy wind power joint stock company	0	0	0.00	351	0	0.00	-	-	-
21	Investment and Technology Service Joint Stock Company	14	22	0.17	37	79	3.66	-	-	-

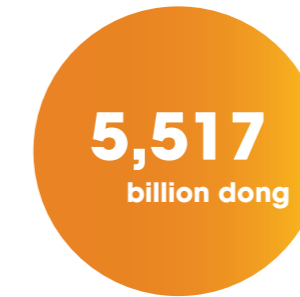
ASSETS OF SUBSIDIARIES, ASSOCIATED COMPANIES, SUBODINATE UNITS IN 2020



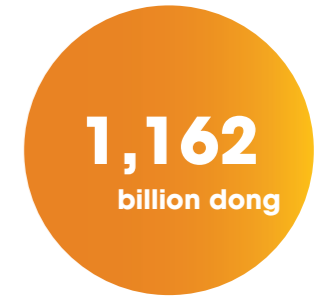
2.2. Revenue structure by sector



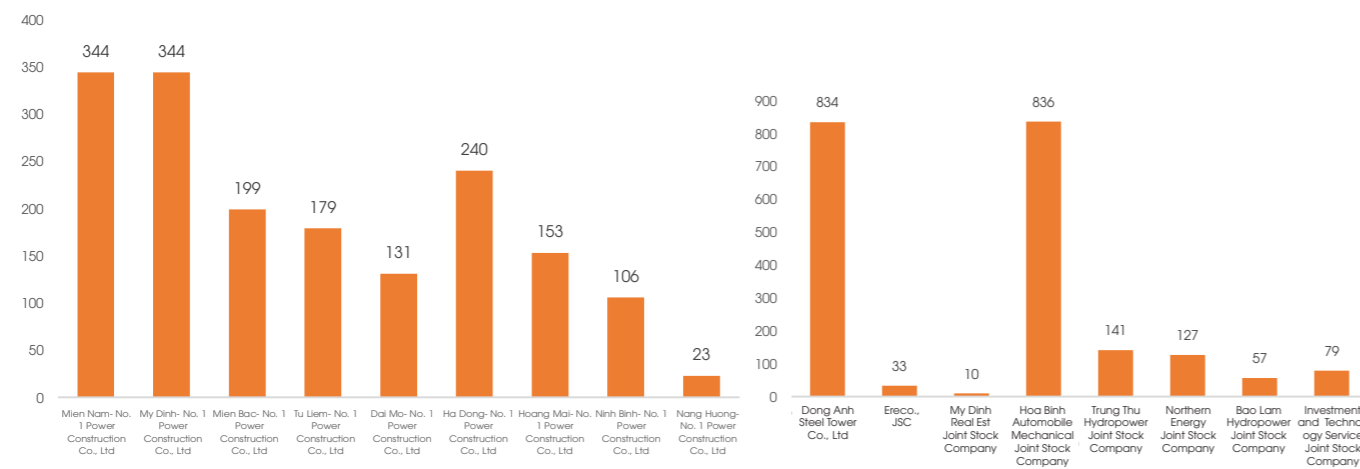
Net sales of goods sales and service provision 2020



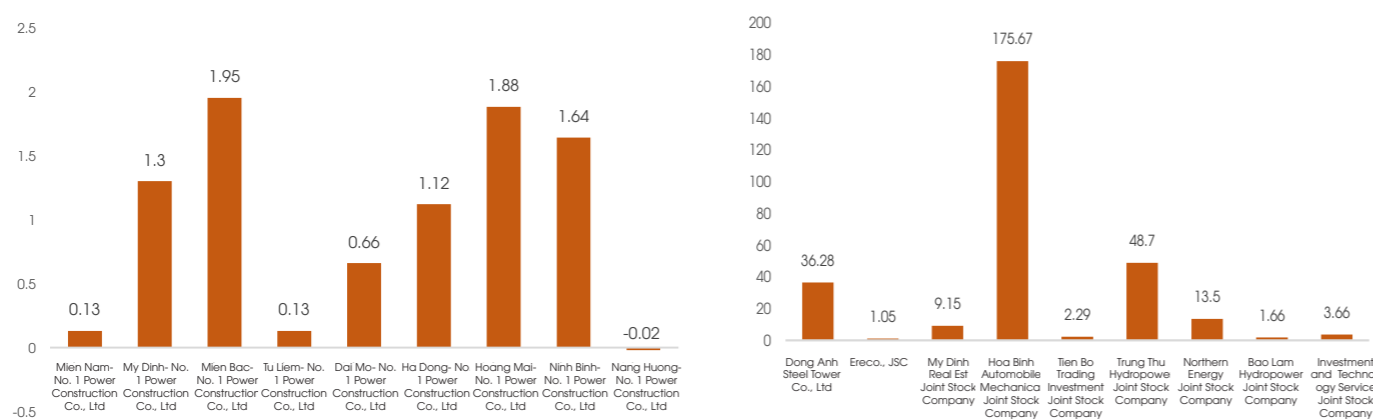
Cost of goods sold 2020



REVENUE OF SUBSIDIARIES, ASSOCIATED COMPANIES, SUBODINATE UNITS IN 2020

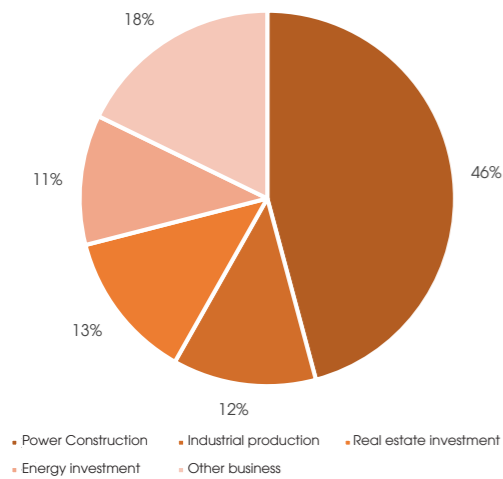


PROFIT OF SUBSIDIARIES, AFFILIATES, ASSOCIATED COMPANIES, SUBODINATE UNITS IN 2020



	Năm 2019	Tỷ trọng	Năm 2020	Tỷ trọng	Tăng trưởng
Net sales of goods sales and service provision	5,845		6,679		14%
Power Construction	3,000	51%	3,061	46%	2%
Industrial production	981	17%	826	12%	-16%
Real estate investment	213	4%	856	13%	302%
Energy investment	552	9%	748	11%	36%
Other business	1,099	19%	1,188	18%	8%
Cost of goods sold	5,026		5,517		10%
Power Construction	2,736	54%	2,753	50%	1%
Industrial production	894	18%	741	13%	-17%
Real estate investment	138	3%	577	10%	318%
Energy investment	206	4%	296	5%	44%
Other business	1,051	21%	1,149	21%	9%
Gross profit from sales of goods and service provision	819		1,162		42%
Power Construction	264	32%	307	26%	16%
Industrial production	87	11%	85	7%	-3%
Real estate investment	75	9%	279	24%	274%
Energy investment	346	42%	452	39%	31%
Other business	47	6%	39	3%	-17%
Gross profit margin					
Power Construction	8.8%	-	10.0%	-	-
Industrial production	8.9%	-	10.3%	-	-
Real estate investment	35.0%	-	32.6%	-	-
Energy investment	62.6%	-	60.4%	-	-
Other business	4.3%	-	3.3%	-	-

REVENUE STRUCTURE BY SECTOR 2020



2020 compared to 2019

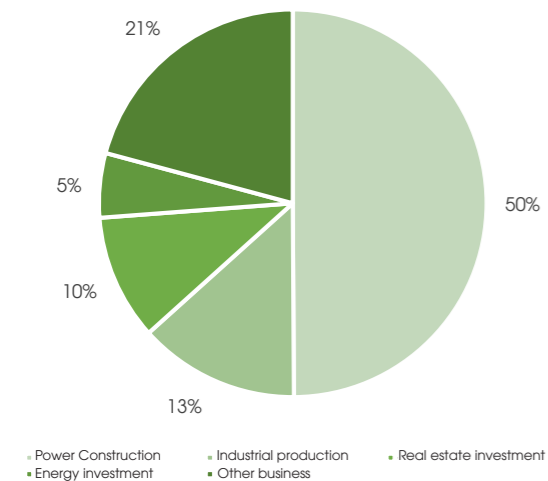
POWER CONSTRUCTION: INCREASED 2%

INDUSTRIAL PRODUCTION: DECREASED 16%

REAL ESTATE INVESTMENT: INCREASED 302%

ENERGY INVESTMENTS: INCREASED 36%

HISTORICAL COST STRUCTURE BY SECTOR 2020



2020 compared to 2019

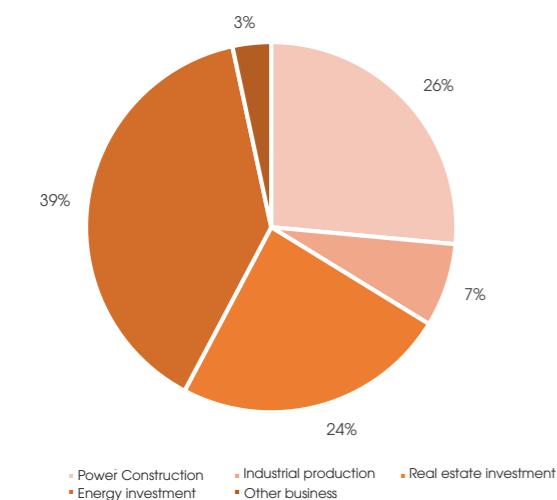
POWER CONSTRUCTION: INCREASED 1%

INDUSTRIAL PRODUCTION: DECREASED 17%

REAL ESTATE INVESTMENT: INCREASED 318%

ENERGY INVESTMENTS: INCREASED 44%

PROFIT STRUCTURE BY SECTOR 2020



2020 compared to 2019

POWER CONSTRUCTION: INCREASED 16%

INDUSTRIAL PRODUCTION: DECREASED 3%

REAL ESTATE INVESTMENT: INCREASED 274%

ENERGY INVESTMENTS: INCREASED 31%

Although power construction has a slight growth of 2%, it is still the business segment that brings revenue and biggest cash flow for the Company with 46% of total revenue. Electricity sales grew 36% and increased its share in total revenue to 11%, due to the gradual increase in the number of plants as well as power generation capacity in accordance with the energy investment development strategy of PCC1. Real estate in 2020 recorded sudden revenue 3 times over the same period due to the real estate project handover cycle of PCC1 at ~ 1.5 projects / year.

A. POWER CONSTRUCTION SECTOR

In 2020, revenue of the power construction and installation segment reached 3,061 billion VND, increased 61 billion VND compared to 2019, respectively + 2%. Revenue from power construction in 2020 is significantly affected by the Covid-19 outbreak due to social distance measures; construction activities, construction acceptance, or confirmation of payment documents are all affected.

Gross profit margin for the whole year increased from 8.8% to 10%, as PCC1 expanded its market share outside of EVN with EPC and PC contracts which have better revenue and profit scale.

Some typical projects PCC1 signed and implemented in 2020

Contract name	Investor	Form
Construction of station and connection of 220kV An Phuoc substation	Southern Power Project Management Unit	PC
Lot 3.3, from section T139 to the gate column of 220kV Chau Doc substation	Southern Power Project Management Unit	PC
Supplying and transporting 220kV -250 MVA transformer for the project Raising capacity of 220kV Thap Cham substation from 2x125MVA to 2x250 MVA	Central Region Power Project Management Unit	PC
Consulting, surveying, designing, purchasing, supplying equipment, installing, testing and constructing the 220kV substation of Phu My solar power plant, and extended feeder of the 220kV Phu My substation	Green Energy Vision Joint Stock Company	EPC
EPC General Contractor to design, supply equipment and construct, install 110kV transformer station, transmission line and extended feeder of 220kV substation Dai Ninh hydropower plant connecting Phan Lam 2 solar power plant and the service of testing, experimenting, accepting and putting into use solar power plant belonging to Phan Lam 2 solar power plant project.	Phan Lam Energy Company Limited	EPC
"Package 1: Supplying and transporting superheated wires and accessories of the Project: Raising the capacity of the 220kV Hoa Binh - Chem and Ha Dong - Chem transmission line"	Northern Power Project Management Unit	P
EPC Wind Power Project - BIM Wind Power Project	BIM Energy	EPC
Supplying materials, equipment and constructing 220kV Huong Tan substation, expanding feeder 220kV Lao Bao highway and connecting line	Huong Tan Wind Power Joint Stock Company	PC
Package CPC-CTS-PC01: Supply of materials and equipment, construction and correcting experiment of 110kV underground cable line of 110kV substation belonging Tien Sa port and connection project	Central Region Power Project Management Unit	PC
Supplying materials and equipment, constructing and installing 110kV lines and attached technical services - Project: 110kV line connecting Quoc Vinh wind power plant in Soc Trang to the national power system	Quoc Vinh Wind Power Company Limited	PC
EPC package: 500kV, 220kV substations and 500kV, 220kV transmission line. Project: Dak Doa 1, 2 wind power plant	The IA Pet Dak Doa No.1 Wind Power Joint Stock Company	
EPC Contract for Ia Bang 1 Project	IA Bang Wind Power Joint Stock Company	EPC
EPC Contract for Ia Bang 1 Project	Công ty cổ phần điện gió IA Bang	EPC

PCC1 has applied the management and operation of general contractor projects (EPC) according to international standards (PMI), initially implementing the general contractor of Lien Lap wind power plant.

Decisions on encouraging solar power development and supplementing the 2020 wind power plan of the Government, wind power projects to enjoy preferential FIT prices that need to generate electricity before November 1, 2021 will be an opportunity for new signing, implementing EPC contracts of Block.

Currently, besides EPC wind power projects of Lien Lap, Phong Huy, Phong Nguyen invested by the company, PCC1 has also signed EPC contracts for some wind power projects with other investors (Dak Doa 1-2, Ia Bang 1, Tan Phu Dong ...).

Along with the contract value carried over to 2021 which is VND 3,231 billion to create a premise for setting Power Construction Plan in 2021 with the growth rate of about 50%, the name of "Power Construction Block" is expected to change to "General Contractor of Power Works Block" with the aim of breakthrough - affirming position of general contractor.

B. INDUSTRIAL PRODUCTION SECTOR



Revenue in 2020 decreased 16% because year 2019 recorded a large amount of product value to supply 500 kV circuit 3 projects and partly due to the classification of industrial production for PC, EPC contracts to power construction segment.
The corresponding profit decreased by 17% compared to the previous year.

Typical projects in 2020:

- + Continue to provide towers for 500kV transmission line circuit 3 Quang Trach - Doc Soi and Doc Soi Pleiku 2;
- + Column for the 220 kV transmission line Kien Binh - Phu Quoc;
- + Column for the 220kV Hai Duong Pho Noi thermal power project.



Currently, the company is continuing to expand production scale with the new investment in Thai Nguyen galvanized steel column factory with a capacity of 20,000 tons / year, expanding the export market to Australia, trying to bring steel pipe tower into the market widely.



C. ENERGY SECTOR

► Hydropower



In 2020, the hydrological situation in the North is generally favorable with the generation of two more plants Bao Lac B and Song Nhiem 4 in July 2020 (and Mong An hydropower plant in the end of 2019) so the whole year revenue reached 748 billion Dong, increased 36% over the same period.

The high gross profit margin of electricity sales (over 60%) is due to:

- Selling price of electricity: PCC1's hydropower plants are applied the avoidable tariff for small hydropower plants, this price is higher than the contract purchasing price (PPA - Power Purchase Agreement) of large-capacity hydropower plants (above 30 MW) about 20-30%.

- Corporate income tax incentive: Small hydropower projects are subject to the tax rate of 10% for the first 15 years, tax exemption for the first 4 years from the time of generating taxable income and reduction of 50% for the next 9 years (equivalent to the tax rate of 5%).

- Low interest loans: 02 projects which are Trung Thu and Bao Lam 1 hydropower plants are allowed to borrow VND 1,300 billion from Renewable Energy Development Program (REDP) of the World Bank. This source of capital has a lower interest rate of 3% compared to commercial capital which greatly improved the efficiency of these two projects. PCC1's newly developing projects that raise commercial capital also often get much better rates than the market average due to good credit score and high effectiveness of projects (minimum IRR of 13%).

- Good project construction and investment management helps control investment costs at low level and high commercial electricity output; the plants are operating at full capacity and are managed and operated professionally, optimally by subsidiaries of PCC1.



Hạ ROTOR và thả bánh xe Thủy điện Sông Nhiệm 4

► Wind power



PCC1 is investing in 3 wind power projects in Quang Tri province with a total capacity of 150 MW and a total investment of nearly 6,000 billion. In which, PCC1 owns more than 50% and the main partner RENO-VA owns 40%; at the same time it will be financed long-term loans by Asian Development Bank - ADB. All projects are implemented by PCC1 as EPC general contractor. Project implementation is being highly concentrated to ensure power generation before October 30, 2021.

D. REAL ESTATE BUSINESS

In 2020, PCC1 recorded revenue of VND 856 billion and gross profit of VND 279 billion from the real estate sector, contributed 24% of the company's gross profit. Revenue and profit of the real estate business increased sharply because PCC1 Thanh Xuan project was completed and handed over to customers by 2020 as committed plan.

PCC1 is also developing two new real estate projects at the same time, PCC1 Vinh Hung (expected to be completed by 2022) and PCC1 Bac Tu Liem (expected to be completed by 2023), as well as re-searching new projects, cooperating with a long-term strategic partner.



PCC1 Thanh Xuan

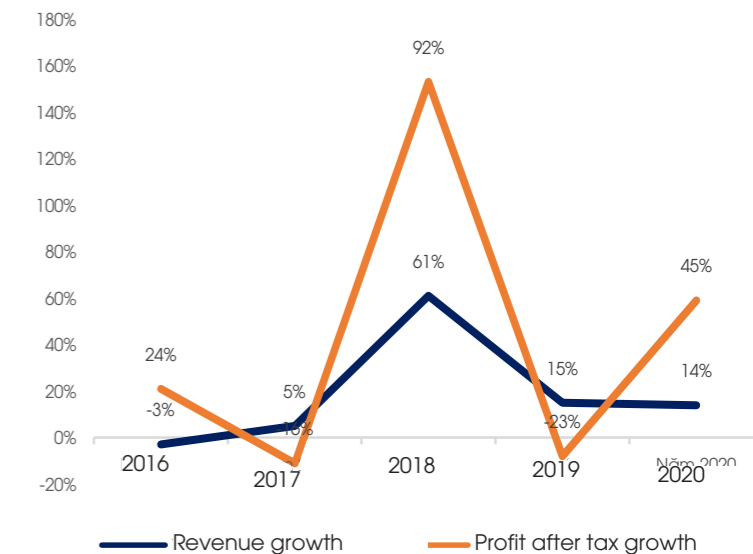


PCC1 Vinh Hung

3. Financial situation

14%
REVENUE GROWTH
IN 2020

45%
PROFIT AFTER TAX
GROWTH IN 2020



Due to the cyclical nature of the recognition of business results in the real estate sector is every 1.5 years, PCC1's total revenue and profit have strong fluctuation in growth between 2 consecutive years. Even so, the revenue of the last 4 years has still grown positively due to the impressive development of the remaining activities.

PROFITABILITY INDICATOR

Profitability	2016	2017	2018	2019	2020
Net profit margin	10.1%	8.1%	9.7%	6.4%	8.1%
Gross profit margin	17.5%	15.2%	17.0%	14.0%	17.4%
Return on assets (ROA)	7.8%	4.8%	7.7%	5.0%	5.7%
Return on equity (ROE)	17.7%	10.5%	16.1%	10.8%	12.9%

The return contribution of real estate profits in 2020 with the handover of PCC1 Thanh Xuan project after the 2019 without significant profitable revenue of this field, coupled with an increase in plant size, the energy investment sector's generating capacity has increased the profitability of PCC1. The ratio of return on revenue, on assets or on equity all increased compared to 2019.

OPERATING CAPACITY INDICATOR

OPERATING CAPACITY	2016	2017	2018	2019	2020
Customer receivable turnover	4.11	3.77	5.33	5.22	4.70
Average collection period	88	95	68	69	77
Inventory turnover	4.51	3.31	4.57	4.58	5.10
Age of Inventory	80	109	79	79	71

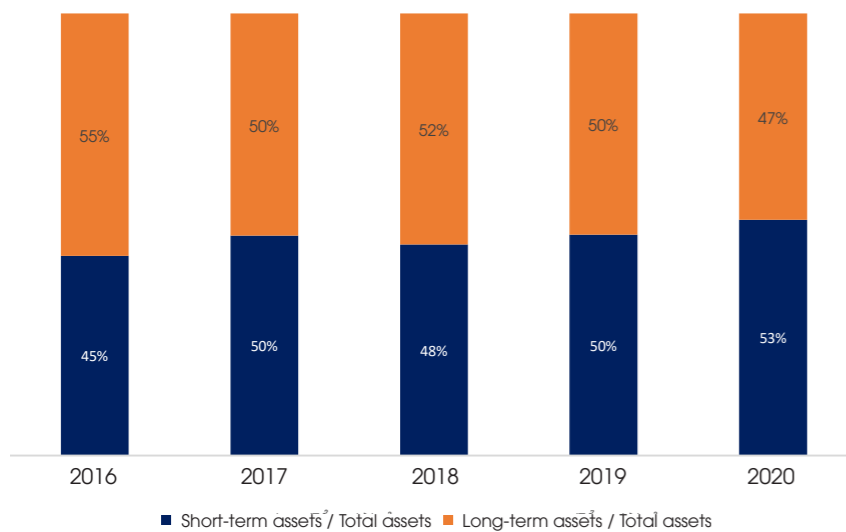
Customer receivable turnover is lower than in 2019, which means that the average collection period lasts from 69 days to 77 days is appropriate when considering revenue growth of 14%, quantity and value of customers receivables all increased, especially in the field of Power Construction with the expansion of the EPC market outside the industry and the real estate sector has recorded the remaining receivables of apartment buyers after handover. In return, the Company pushed inventory to be rotated faster through the sale of real estate products, and tried to accept completed construction works to record revenue and historical cost.

PAYMENT CRITERIA

SOLVENCY	2016	2017	2018	2019	2020
Current solvency	1.49	1.69	1.81	1.66	1.53
Quick payment	1.08	1.07	1.35	1.04	1.32
Ability to pay interest	21.37	4.17	4.92	3.53	3.69

The solvency of PCC1 is secured with current ratio and even the fast ratio is always above 1, which means that PCC1 can afford to pay short-term debts of the business. As at 31/12/2020, PCC1 has more than 1,500 billion VND in cash and deposits, making its solvency and interest payment ability increase sharply compared to 2019. Debt ratio / Total capital of the Company from the year 2016-2020 is relatively stable between 0.5 times and 0.56 times. This coefficient helps the Company ensure a balance in the process of raising capital and investing in its projects.

PROPERTY STRUCTURE

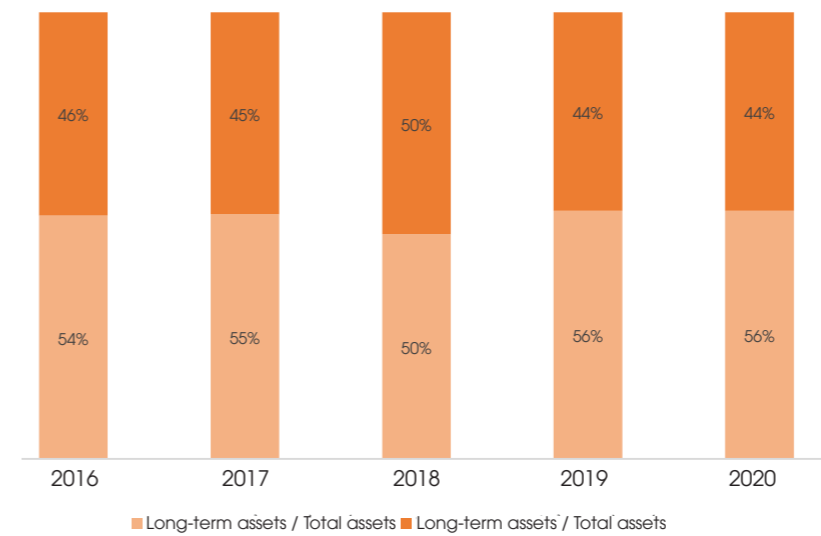


Total assets of the Company in 2020 reached 10,722 billion VND, increased 29% compared to 2019. The compound annual growth rate (CAGR) of the period 2016 - 2020 of total assets is 24% / year. Asset structure in recent years has remained stable between the proportion of short-term assets, long-term assets to total assets (~ 50% and 50%), in 2020, gradually shifting to short-term assets + 3%.

Short-term assets: Short-term assets in 2020 reached VND 5,715 billion, increased 38% compared to 2019. Of which, notably, cash and deposits increased sharply 2 times up to 1,539 billion VND, Receivables increased 1.8 times to 3,390 billion VND, of which a large value is advance to the seller Vestas to buy wind power machinery. Inventory decreased by 50% and only accounted for 7% of total assets, mainly due to reduced inventory of real estate PCC1 - Thanh Xuan project.

Structure of long-term assets: Long-term assets as at December 31, 2020 are 5,006 billion VND, increased 20% compared to the beginning of the year. In which there is a shift from unfinished assets to fixed assets with the 6th and 7th hydropower plants already in operation, while the increase is mainly in Lien Lap Wind Power Plant which is in investment process.

CAPITAL STRUCTURE



Liabilities have increased relatively strongly after years of growth in size. Liabilities of PCC1 are mainly payables to the sellers and Bank loans. Total loans account for 35% of total capital. In the loan structure, nearly 42% are short-term loans to create working capital for regular production and business, the remaining 58% are long-term loans for investment in power plants with a repayment period of more than 10 years and preferential interest rate.

Equity in 2020 reached 4,770 billion VND, increased 29% compared to 2019. The compound growth rate (CAGR) in the period 2016 - 2020 of equity reached 23.3%.



04

REPORT OF THE BOARD OF GENERAL DIRECTORS

1. Results of the implementation of the business plan and the investment situation in 2020
2. Plan for the year 2021



1. Results of the implementation of business plan and investment situation in 2020

6.679 REVENUE 2020
billion dong
ACHIEVED 95% OF THE PLAN

544 CONSOLIDATED PROFIT AFTER TAX
billion dong
ACHIEVED 116% OF THE PROPOSED PLAN

513 PCC1 AFTER TAX PROFIT ARCHIEVED 114% OF
billion dong
THE PROPOSED PLAN

8.15% PROFIT AFTER TAX / REVENUE

1.1. Results achieved in management and in business and production activities

A. Results in leadership and administration

PCC1's Board of Managers has assigned specific tasks to each member, consistently and in solidarity to continue affirming the leadership role in leading production and business activities to overcome difficulties and challenges in 2020, especially difficulty in the economy affected by the Covid-19 pandemic to achieve positive results of the whole company, to control business and investment activities well, and to continue asserting prestige and capacity of PCC1 with partners, customers and the market.



Leaders and managers of the Departments and the Company have tried their best and creatively implemented solutions to cope with difficult developments, non-aggressive arising of the market, and promote company resources, closely follow and successfully complete the business and investment targets in the very difficult conditions of 2020.

The leaders and managers of the member units have tried to overcome the difficulties and be united in the system, take advantage of the company's strengths, prevent the Covid-19 epidemic, protect the health of employees. Business performance in 2020 in the last months of year has been improved positively, especially the preparation for 2021 plan has achieved good results in many member companies.



Being consistent and determinate to act according to the company's strategic goals, for the sustainable development of PCC1. Some important results are achieved as follows:

The business results in 2020 in all fields have been closely followed and exceeded the planned targets, the results of the company's profit exceeded the plan.

The results of the 5-year implementation of the 2016-2020 strategy have closely followed and basically completed the planned targets, in which the average revenue growth is 18%, the average profit after tax / revenue is 8%.

Management leadership capacity of the apparatus has been improved from difficult challenges; all the company's activities are reliably controlled.

Financial governance, financial capacity and credit rating are continued to improve.

PCC1 brand reputation continues to be affirmed and developed.

Completed 02 power plants with high growth in energy investment.

Breakthrough in contract value, new EPC products for power plants of power construction block.

Relations with many international partners and domestic customers have developed into a new stage.

Actively participated in charity work and social responsibility inside and outside the company.

B. Improvements and results in organization and management

Rearranging units in the Power Construction Block in a streamlined, professional and efficient direction. Rearranging the Capital Representative, Supervisor (KSV) of PCC1 in member companies and associates, adding financial control and reporting forms to enhance supervision and governance. In the units, preserving and developing the capital of PCC1 in the units.

Completing policies and implementing rewards to create more motivation for employees, associating income with business results and labor productivity. Timely rewarding and encouraging employees to actively participate in emulation movements, social charity activities.

Welfare policy, remuneration regimes, working environment and spirit, and health of life for employees, especially during the Covid-19 epidemic period, have always been actively concerned and improved.

Promoting the propagation of the company's cultural values through the exchange programs to link employees; Implementing PCC1 News, PCC1 Magazine periodically, reporting to transmit strategy, core values, spread the spirit of solidarity, love, initiative, creativity and trust with PCC1 people. Maintaining communication channels with Industry and Trade newspapers,



investment newspapers, Cafef, actively communicating with customers and investors and the whole society.

Information technology: Deploying effectively applications of software and technology such as Signserver digital signatures, eOffice software, upgrading accounting software; launching the implementation of smart plan reporting solutions BI, human resource management software HRM, Network Infrastructure Upgrading and Big Data Center of PCC1 at Data Center with Cloud Server service of FPT.



C. Power construction block

Bidding and market work

Special attention has been paid to market work. The analytical capacity has gone into depth, selecting the target market with the strong products of PCC1 for traditional customers. For non-EVN customers, they have proactively approached, analyzed and proposed overall solutions to customers, creating a premise for customers to actively choose packages suitable to the requirements of each investor, each investment phase. Target customer care is raised to a new level, creating a long-term partnership and bridging new potential investors through the good judgment and evaluation from investors that PCC1 has cooperated.

The management and administration of projects

The management capacity of EPC general contractor projects has been improved. Currently, PCC1 has the capacity to run wind power plant general contractor projects with the contract value of thousands of billion dong, and the general contractor capacity of up-to 500kV voltage grid projects. Applying project management software to the effective management and execution of projects according to PMI standards.

Contract management and planning work

The Block has introduced the procedures and standard forms from the Parent Company to the member units in terms of monthly, quarterly, and annual business planning. Continuing to improve and standardize digital processes by accelerating analytical reporting software (BI) to reduce time spent in reporting and data evaluation.

Deploying research on the use of contract management software from the parent company to the member company. The purpose is to reduce the time and cost for monitoring and aggregating, helping leaders of the management department/division/unit and making accurate decisions for each contract, improving the efficiency of production and business.

Technical work, industrial safety and hygiene

The general technical management of the whole Company has been done well, the normative process has been thoroughly implemented. Technical management on site ensures quality progress and is highly appreciated by investors. Developing optimal construction methods and applying new technology solutions in construction to reduce time and save costs. Machinery and equipment investment and management: (i) Successfully invested in 800 tons super-weight crane system serving the installation of wind power turbines; (ii) In 2020, the Company adjusted its plan to invest in essential construction equipment. (iii) Completed the transfer of machinery and equipment according to the member companies' restructuring plan; OSH work was guaranteed; Safety inspection and supervision were regularly reminded at the construction sites.

Procurement and management of materials and equipment

Improving capacity in supplying electrical materials and equipment up to 500kV voltage, supporting for EPC general contractor contracts. Signing strategic cooperation agreement with 03 electrical equipment manufacturers: ABB, Siemens, LS Electric to enjoy financial policies and price incentives. Procurement and management of materials and equipment: (i) Ensuring the progress of supplying materials and equipment for contracts. (ii) Having established and shared supplier banks for the entire system of the Company, suppliers were also regularly evaluated periodically, helped the Member Units purchase materials and equipment quickly with competitive price. The forecasting and analysis of materials and equipment market have high accuracy that helped improve efficiency in procurement.



D. Industrial production block

Business and market work

Overseas market: Dong Anh Steel Tower Company Limited (DAST) has signed an order to export Monopole telecommunication pole to Australia, has exported sample tower lot and is negotiating a mass production contract. Customers highly appreciated.

Production work

Meeting the delivery schedule of projects. Maintaining and improving the efficiency of the management and use of manpower and machinery, equipment in production.

Product quality management work

Maintaining quality control from the purchase of materials to site delivery.

Engineering and Design work

Coordinating with consulting units involved in designing many single column projects to facilitate market access, proactively prepare materials for key projects and urgent progress. Actively performing the calculation and design of the steel pipe tower of Phong Huy wind power project. Urging the implementation of safety work: periodic training, re-training on occupational safety and health for employees; coordinating to investigate and make records of 03 occupational accidents; making periodic reports according to regulations. Applying effectively CNC data extraction and compiling software for shaped steel columns. Putting into use 1 drawing design software to manufacture single columns.

E. Consulting -Service Block and Commercial Business Block

In 2020, the consulting-service block and the commercial business block basically completed the set business targets.

Management and operation service of apartment building

Operational management capacity is increasingly improved and meets the company's management goals, reducing incidents and disputes at projects. Coordinating with Real Estate Project Management Board to guarantee, maintain the project and overcome shortcomings in the investment process. Efficiently exploiting the Company's assets and premises in investment projects.

Commercial business

The sales department has actively deployed successful sales of output products and provided input materials for Cao Bang Iron and Steel Company in order to take part in controlling business activities of associated companies; penetrate the mineral and metallurgy market; supplement revenue and profit for production and business activities.

1.2. Results in the energy investment sector

A. Investment in Hydropower projects

Project development work

Completed the procedures to prepare for investment in hydropower projects of Thuong Ha, Bao Lac A. No new hydropower project development.

Implementation of investment projects

Completed and generated two hydropower plants in the first half of 2020 exceeding the plan by 1-3 months (Bao Lac B Hydropower Plant, Song Nhiem 4 Hydropower Plant). Good control of investment quality.

Operation work

In 2020, the factories performed good management of equipment, technology to ensure stable, safe and efficient operation, to ensure good exploitation of water resources, especially in the dry season months. Actively coordinated well with regulating units A1, A0 and other factories on the same ladder system in reservoir operation and power generation regulation.

In 2020, the rain and flood situation is not unusual, with experience in a number of working years, the operation management force at each plant has done well to regulate and reduce floods to ensure absolute safety for the project and the downstream area of the plant as well as optimal transmission time of each unit.

● **B. Investment in wind power projects**

New project development work

Completed of development of 03 wind power plants in Quang Tri which were evaluated to be effective.
Continued to develop the project to the next stage.

Capital arrangement procedures

By the end of 2020, the combination and joint coordination of tasks to meet the requirements of the lender were effective and basically completed the credit arrangement procedures. The preparation of capital for wind power projects in both short and long term has met the requirements of investment progress.

Project investment management

In 2020, the Company started 03 wind power projects (Lien Lap project, Phong Huy project, Phong Nguyen project). The projects have followed the overall progress in the condition of 2 months of unusual rain and flood; the current progress is earlier than planned. Ensuring time budget for risk provision of installation phase and COD project.

The implementation of procurement, negotiation and signing of procurement contracts for wind turbine equipment took place in a short time and was evaluated very effectively. Duty free procedures, import, receipt and preservation of first shipments met requirements.

1.3. Results in real estate investment and business

New project development

The real estate investment management board of the company studied new projects in the direction of investment cooperation with strong partners, and aimed to invest in medium and large-scale projects.

Investment preparation work

PCC1-Vinh Hung project: The management board has completed the approval of the 1/500 plan, approved the basic design, approved technical design, environmental impact assessment report, and is about to start construction.

PCC1-Thang Long Project: The management board has completed 99% of the site clearance, completed the preliminary design to adjust the planning and the total ground.

Project management

In 2020, the Investment Management Board focused on completing the PCC1-Thanh Xuan project on schedule which was highly appreciated by customers and the market for its quality, beautiful aesthetics, functionality, convenience and environmental friendliness.

Project management

PCC1 Thanh Xuan project: Total number of sold apartments reached 100%, house handover reached 95%; Completed 100% issuance of ownership certificate first time to customers.

Completed revenue and profit targets as planned.



1.4. Financial situation

Completed the company's plan to increase charter capital in 2020 from VND 1,593 billion to VND 1,912 billion through paying dividends in shares at the rate of 20% according to the resolution of the General Meeting of Shareholders in 2020. The company has a healthy finance, always been growing in size of assets, capital resources, and revenue. Along with the expansion of investment scale, the value of debt also increased, but

the Company always calculated and controlled well financial risks such as liquidity risk, interest rate risk, exchange rate ... The Company's payment coefficient is always safe and at a good level compared with other companies in the same field. As at 31/12/2020, the value of bad debts and inventory required to provide for loss is only 0.09% of the total asset value.

2. Plan for the year 2021

2.1. Basic target of 2021

Facing interwoven opportunities and challenges in 2021, the Executive Board has set targets for production and business plans for 2021 in accordance with the market reality as well as the development strategy of the Company, as follows:



8,003 billion dong

EXPECTED REVENUE
2021



510 billion dong

EXPECTED PROFIT AFTER
TAX 2021



6.38%

PROFIT AFTER TAX / REVENUE 2021

2.2. Specific tasks in 2021 by block

A. Power construction block

BREAKTHROUGH - AFFIRMING POSITION OF GENERAL CONTRACTOR

The core missions of the Block

Formulating and promulgating the Block strategy for the period 2021-2025;

Focusing on completing production and business targets in 2021;

Focusing on executing and completing on schedule general contractor projects of power plant and 500kV substation general contractor.

B. Industrial production sector

Actively working with investors and partners to solve problems about the drawings of some projects.

Focusing on marketing, bidding according to plans, both within and outside the EVN industry, domestically and internationally.

Promoting the search for new customers, new markets in the country and abroad through AG and other partners.

Enhancing capacity: project management staff, preparing domestic and international bidding documents, settlement documents, foreign language skills, especially staff who do well in export markets, actively work with the international market.

Closer controlling over drawing extraction to avoid unnecessary errors, increasing cross-checking, avoiding the risk of uncontrolled documents, drawings released for fabrication.

Researching and proposing improvement and upgrade of the drawing extraction support software to help minimize errors and improve work efficiency; Proposing to purchase fabrication drawing design support software for single columns.

Constructing new factory in Thai Nguyen. During the construction of new factory in Thai Nguyen, the factory at Yen Thuong Branch will still operate normally. When the construction of the new factory is completed in Thai Nguyen, the moving machinery and equipment will be deployed.

C. Energy block

Hydropower projects of Mong An, Bao Lac B and Song Nhiem 4

Completing dredging downstream to improve the efficiency of power generation projects.

Completing the repair, adjustment, maintenance and warranty of the machinery units.

Completing the settlement and audit.

Bao Lac A Hydropower Project:

Starting construction in third Quarter 2021, and generating power in fourth Quarter 2023.

Thuong Ha Hydropower Project:

Completed investment preparation



Bao Lac hydropower

Power generating plants:

Managing and operating 07 hydropower plants safely and effectively.

Projects of wind power Lien Lap, Phong Huy, Phong Nguyen:

Completing construction of infrastructure, foundation concrete: Quarter II, 2021;
Completing the connection line: Lien Lap Quarter II, 2021;
Phong Huy & Phong Nguyen: Quarter III, 2021;
Completing the commercial power generation of 36 machinery units of project before October 31, 2021.



Coordinating with other investors to accelerate the completion of 220kV Dong Ha - Lao Bao transmission line with the goal of energizing before June 30, 2021 to release the capacity of wind power plants.

Installing wind measurement mast with onshore projects of Dak Hiep, Son Linh, Son Viet, Hop Linh in Huong Hoa and Dak Rong districts, Quang Tri province. Implementing the selection of consultants and surveyors for offshore wind power projects in Binh Dinh and Quang Tri to start the survey from 2022.

Developing new projects, preparing investment procedures and preparing resources for the appropriate implementation of investment opportunities on the Power Purchase Price Policy. Focusing on and proactively seeking opportunities to reduce electricity production costs.

D. Real Estate Block

Targets	Unit	Total value	Divide			
			PCC1 Thanh Xuan	PCC1 Vinh Hung	Bac Tu Liem project	The remaining projects
Construction investment output	billions dong	231.48		149.43	82.05	
Project sales completion rate	%		100.00	30.00	0.00	
Revenue	billions dong	121.70	74.00			47.70
Profit after tax	billions dong	22.87				

E. The organization of personnel

Making major adjustments to the organization chart of the whole company in the direction of professionalism and high specialization, in accordance with the actual operation of PCC1 and legal regulations, as well as the interactive process of international integration and cooperation, in accordance with the company's strategic orientation 2021-2025 with a vision to 2030. Accordingly, it is necessary to clearly define the mission and strategic goals of the Blocks and member companies; functions and duties of each Board/Department.

F. Financial and accounting work

Deploying the mission of 2021 and the plan of 2021-2025 with major strategic goals, capital needs, and rapid cash flow management, requiring human resources to do financial and accounting at parent companies and other member units needed to improve their professional qualifications and management capacities through supplementing, arranging and training human resources to become better and better, satisfying the needs of company development.

G. Overall governance work

Rearranging, restructuring the functions of the Internal Audit Committee directly under the Board of Directors towards professionalism and standardized model of large-scale public companies. Improving efficiency of internal inspection, audit, and investment capital settlement.

Improving efficiency and realism in risk management for the company's production and business activities in the new stage.

Supplementing legal capacity, proactively coordinating with functional departments to ensure legal and risk management in all stages of the business and investment process, especially with typically large projects, contracts, the contracts to develop new investment projects. Doing well in investor relations: Improving the quality of annual reports, periodic reports, quality of regular newsletters, regular meetings with interested shareholders and investors.

Improving the quality of ISO work implementation.

REPORT OF THE BOARD OF DIRECTORS

1. Evaluation of BOD on the operations of Company in 2020
2. Objectives, tasks and plans for the year 2021

05

1. Evaluation of BOD on the operations of the Company in 2020

The past year 2020 is a year when the whole world has had to go through the hardships and worst events in the history of mankind. The Covid-19 pandemic combined with unusual and heavy natural disasters in many regions and countries in the past year caused crisis effects on the economy and great losses to people and the whole economy.

Vietnam's economy in 2020 overcomes challenges and achieves many positive achievements. Vietnam is extremely excited, optimistic and confident with good solutions to control Covid-19 epidemics, political and social security are kept stable and safe, the economy achieves an impressive growth rate with a GDP growth of 2.81%, creating momentum for 2021 and the following years.

In 2020, Vietnam's electricity industry will continue to attract power investors in the renewable energy sector, with the lowest power sub-loading growth in 10 recent years (about 2.1%), electricity supply of the national system is responsive and stable to the economy. However, the plan for new investment in the power grid faces many difficulties due to the low construction unit price,

extremely difficult site clearance, leading to many large projects, key projects prolonged and unfinished as planned which caused bad effect on power construction companies.

The real estate market in 2020 has a positive growth in house selling prices, but 2020 is a year of great difficulties in the implementation, development and licensing of new projects due to policies related to real estate sector suffered from prolonged congestion.

PCC1 implements the plan target for 2020 following the period 2016-2020 strategy, references the 2021-2025 plan target, and analyzes, evaluates and adjusts the plan due to the great impact from the Covid-19 pandemic. With the interwoven opportunities and challenges, with the efforts, creativity and determination of the Executive Board, leaders of the Departments, efforts of member companies through promoting their strengths and PCC1's distinctive capacity, effective and timely response solutions, PCC1 has continued to affirm its reputation and position, especially the company's 2020 business results have grown positively. The revenue and profit compared to 2019 are our remarkable achievements.

Factors that positively impact 2020 business results

The company's timely and effective response to the complex socio-economic developments caused by the Covid epidemic, applying effective solutions for each investment and business activity.

The drastic and creative management of the company's leadership, the efforts of the whole company to overcome difficulties and challenges.

Promoting the prestige and reliability advantages of PCC1 with customers in the investment sector as well as EPC general contractor, in industrial production and commerce in terms of human resource strength in management, operator, financial resources and strength in construction machinery and equipment.

Proactively grasping opportunities in power plant investment, in the implementation of EPC general contractor for renewable energy investment projects and target projects in the power industry.

Several main reasons have negative impacts on business results in 2020

The Covid-19 epidemic has disrupted all global activities, the Vietnamese economy growth declined deeply, the population's income fell sharply, the electricity industry and the real estate sector faced many difficulties.

Imported materials and equipment price fluctuated; purchase, sale, transport, and acceptance of imported products faced many difficulties; Foreign experts could not enter Vietnam. Many grid projects in EVN continued to be delayed and prolonged, with backlog of capital, materials and guarantees at a high level.

Management and operation capacity of some member units are limited, confusing, not adapting to fluctuating difficulties, speed of technology integration and application, the level of market competition.

2. Target, mission and plan in 2021

2.1. Assess the situation in 2021

A. Opportunities from macroeconomics

With the right and creative policy line of the XIII Party Congress, the GDP growth target of Vietnam in 2020 continues to be expected at 6.0 - 6.5%, the Covid-19 epidemic is controlled, capital source for social investment and public investment are given high priority, and opportunities to shift investment into Vietnam of many FDI enterprises in the region are expected to increase in the year 2021-2022. This is an opportunity for PCC1 to increase revenue in business sectors and strategic investment.

Low-cost finance and capital supply markets: Facilitating capital arrangement and reducing financial costs in investment and business activities.

The government is steadfast in tectonic road: business environment, open and support policies with the opportunity to apply technology 4.0, 5G telecommunications networks, creating opportunities to increase competitiveness, increase business efficiency for company.

B. Industry opportunities

Power sub-loading demand in 2021 and the following years will increase again according to GDP growth; Government policies continue to prioritize development of RE, LNG, investment in transmission networks in the form of BOO; this is an opportunity for the company to continue its investment strategy, co-invest in energy projects and power transmission grids.

The opportunity for PCC1 to develop the scale of EPC general contractor not only with power grid projects, breakthrough to affirming the position of general contractor for part or all of RE power plants, offshore wind power projects, LNG plants

EVN increases the proportion of applying the form of EPC and PC contractor selection for power grid projects. Investing in renewable energy and LNG continues to be attractive to domestic and foreign investors: The opportunity to promote the strengths of PCC1 increases EPC, PC, and P revenue in this region.

Trends and development needs of specific power grid projects across the sea, over forests, investment in underground cable projects, GIS stations increase: Opportunities to promote PCC1's strengths as a general contractor providing synchronous solutions from design, outstanding construction equipment, electric poles production, electrical equipment trade, site clearance, COD with many distinct advantages, growth opportunities for general contractor of power construction block.

Real estate market after a difficult period of new project licensing: Opportunities for PCC1 to quickly deploy projects that are basically ready for investment legal procedures to bring products to market.

● C. Some challenges

The world economy continues to be in a very difficult state due to Covid-19 complicated developments in many countries and especially in great powers; the global political and trade conflict is increasing; international trade and procurement activities, fluctuations in exchange rates, problems in transport and import-export still have many difficulties, adversely affect investment activities, investment cooperation, import of machinery and equipment, and export the company's electric poles.

PCC1's strategic target for the period 2021 - 2025 is high growth target, revenue and profit increase averagely at 16% / year, but the general context of GDP growth of the government in the 5-year period is to strive for only 6.5%, power sub-loading growth will be also slowdown in accordance with GDP decline in the next 5 years.

The construction unit price policy of the power sector is low and has not been adjusted immediately, the entry of new domestic and international competitors, the job shortage of current competitors are also challenges and difficulties for

the General Contractor of Electrical Construction Block and Production Block in this period. New electricity price policies, investor selection policies together with competition from international corporations with strong financial potential, cheap capital, and investing experience in large-scale renewable energy projects will be a big challenge for the energy investment strategy of PCC1.

The real estate sector with the global economic downturn, Vietnam's GDP decline, investment policies, tight planning laws, and scarcity of land funds in the city area are a big challenge to implement the development plan of the Real Estate Block in the long term.

In addition, the challenges of climate change, natural disasters, and high demand adjustment policies on environmental protection of the Government; the ability to apply technology 4.0 to compete with international competitors are also the concerns that need real and effective solutions from leaders, executive board of PCC1 and member units to be resolved soon.

2.2. Basic goal

- 1 Adhering to the strategic goals of 2021- 2025 with vision 2035, maintaining the average revenue growth rate of 16% / year; profit after tax/annual average revenue is not less than 8%.
- 2 Breakthrough to affirm the position of EPC general contractor for power source projects. Providing customers, partners with synchronous solutions for smart electrical projects; Effectively exploiting the advantages of new products in the design and manufacture of high voltage poles in the country and for export; Successfully cooperating and developing new large and medium-sized real estate projects to affirm the professional and reliable real estate investor of PCC1; Developing resources efficiently, completing the energy sector development target of 700MW by 2025.
- 3 Consistently developing PCC1 brand, high trust of partners, customers, investors.
- 4 Developing core value and increasing company value



“ Breakthrough to Success in new development phase ”



2.3. The key missions

Developing, announcing and implementing the PCC1 strategy for the period 2021- 2025.

Continuing to improve the management capacity of the PCC1 system through: Making major adjustments to the company's organizational chart; Developing high quality human resources; Implementing effectively the motivational policy for employees; Developing strong PCC1 culture; Applying technology 4.0 and digitizing company activities.

Power Construction Block

Continuing logical organizational chart structure; Improving leadership capacity, reliably managing various types of general contractor of international power projects; Supplementing investment in advanced construction machinery and equipment; Developing highly synchronous solutions for grid connection, automatic control, design, technology, trade and self-production, supplying synchronous equipment, COD, plant operations to create power and the difference, high trustworthiness of partners and customers. Doing well the market work, successfully achieve breakthrough goals with general contractor projects of power plants, large-value power grids, investing in catching opportunities with trending and potential projects of the industry such as: sea wind power plants, LNG plants, and solar power plants on the lake bed. Following up and well completing the business targets of 2021.

Industrial Production Block

Renovating the organizational chart according to the new management model, completing investment in new manufacturing factory in Thai Nguyen; Successfully developing new products into EVN projects; Sticking to strategic goals and well completing business targets of 2021.

Real Estate Investment Block

Adjusting the plan targets for the period of 2021-2025 in the direction of increasing scale associated with new cooperation opportunities; Commencing, managing and controlling quality, progress and efficiency of investment projects in the period; Successfully cooperating and developing new projects with large and medium scale; Supplementing and improving the quality of human resources along with the rearrangement of the investment management model to meet the strategic goals of scale growth and increase investment efficiency in the period of 2021-2030.

Energy Investment Block

Renovating the organizational chart according to the new management model, completing investment in new manufacturing factory in Thai Nguyen; Successfully developing new products into EVN projects; Sticking to strategic goals and well completing business targets of 2021.

Consulting, operation and service fields

ITS company, electric design consulting company and PCC1 Nang Huong; Each unit needs to continue to innovate, create, build long-term development goals together with promoting advantages of the parent company in order to develop the scale, product quality, service, professionalism, especially business efficiency, corporate reputation and employee's life. Be aware of the role of unit according to the strategic goal of PCC1 is to work with the system to provide partners and customers with products and services that are synchronous with the core business, improve brand name, reputation and position of the whole company.

Bao Lam Energy Joint Stock Company: Continuing innovative solutions in efficient operation, maintenance and repair of hydroelectric plants; Training in approaching and operating wind power plants; Investing in remote control center, supplementing resources to meet the business target of operating power plants in 2021.

Site clearance service: Plans to supplement, train and maintain a team of personnel working on professional site clearance, satisfying important requirements for PCC1's investment projects, key EPC, PC, C general contracts inside and outside of the power industry.

Commercial business

Rearrange commercial business and import-export model, develop commercial business to a new, professional scale to create higher efficiency based on the following tasks: Promoting existing advantages of the company and its target commercial market opportunity to increase PCC1's overall business size and to be more synchronous and efficient in import and export of current core business blocks; at the same time serving the goal of deeply updating the international market, improving the initiative and increasing investment efficiency when PCC1 invests in building new factories outside the power sector.

Mission plan 2021 with challenging targets requires the Leadership team take more effort, solidarity, creativity and responsibility; Employees of the whole company shall be confident, proactive and constantly improve, innovate in thinking and action, determined to successfully implement the goals and tasks of 2021 plan, and well prepare plan for period 2021- 2025.

CHAPTER 06. SUSTAINABLE DEVELOPMENT

1. Sustainable development message
2. Sustainable development orientations
3. Sustainable development indicators



Report introduction

Sustainable Development Report 2020 of Power Construction Joint Stock Company No.1 is incorporated in the Annual Report 2020 to avoid duplication of information, and to provide quality information with brief and concise content for shareholders and relevant parties. The purpose of Sustainable Development Report is to provide information on the orientation, development policies of the Company, policies related to environment, society, community, employees and other relevant parties

Target

Sustainable development report is an important part of the Annual Report to help investors, shareholders and stakeholders access information about the development strategy and business activities of PCC1 in the sustainable development aspect. The content of report will summarize and evaluate sustainable development activities of the Company.

Scope

This report is made within the operation scope of the Company, its subsidiaries and within territory of Vietnam. The data in the report is updated for the fiscal year 2020, starting from January 1, 2020 to December 31, 2020.

Basic for making report

The report is made based on the guidance of making Annual Report in Circular No. 96/2020/TT-BTC; based on the standard guidelines of the Global Reporting Initiative (GRI);

Contact address

PCC1 makes all effort to meet the expectations of its stakeholders by transparency of information, sustainable growth, and showing corporate responsibility to the social community. We are therefore looking forward to receiving your comments. If you have any feedback about sustainable development, please send it to:

Power Construction Joint Stock Company No.1

Address: CT2, PCC1 Nang Huong Apartment, No. 583 Nguyen Trai - Thanh Xuan - Hanoi

Phone: 02438456329 Fax: 0243823997

1. SUSTAINABLE DEVELOPMENT MESSAGE

Dear shareholders and stakeholders!

As the General Director of the Company, I am proud of history of PCC1. Over 58 years of construction and development, PCC1 has always made impressive breakthroughs, evidenced by key national projects with superior and international-class products which affirm that PCC1 is one of the leading companies in Vietnam in EPC general contractor for high and super high voltage electrical projects. We know that the development of enterprise depends greatly on the prosperity of the community we serve. Therefore, right from the first day of establishment, PCC1 has made constant efforts to bring the highest value from PCC1 family members to familiar partners and social communities.

We believe that sustainable development is not inseparable from the business operations of the enterprise but actually derived from the way the business operates. In the long-term development strategy of PCC1, the goals of sustainable development will be Lodestar for company to go on the right path - the path to success, to build a good and civilizing society. With the goal of becoming a leading company in the field of power construction and expanding to other fields, PCC1 always concentrates and pays attention to building company in the direction of stability, sustainability, bringing the highest satisfaction for shareholders, creating a professional and safe working environment for employees, ensuring harmony of interests for stakeholders and actively contributing to the development of community.

Today, sustainable development has become the journey of all PCC1 employees. This journey requires every employee to have new thinking, creative spirit to create different values for the community and the desire to turn water into electricity of PCC1 staffs. And the Board of Directors commits to do its best to ensure that the Company will continue on the path of sustainable development.

On behalf of the Board of Directors and the Executive Board, I would like to sincerely thank you for your concern for the Company!

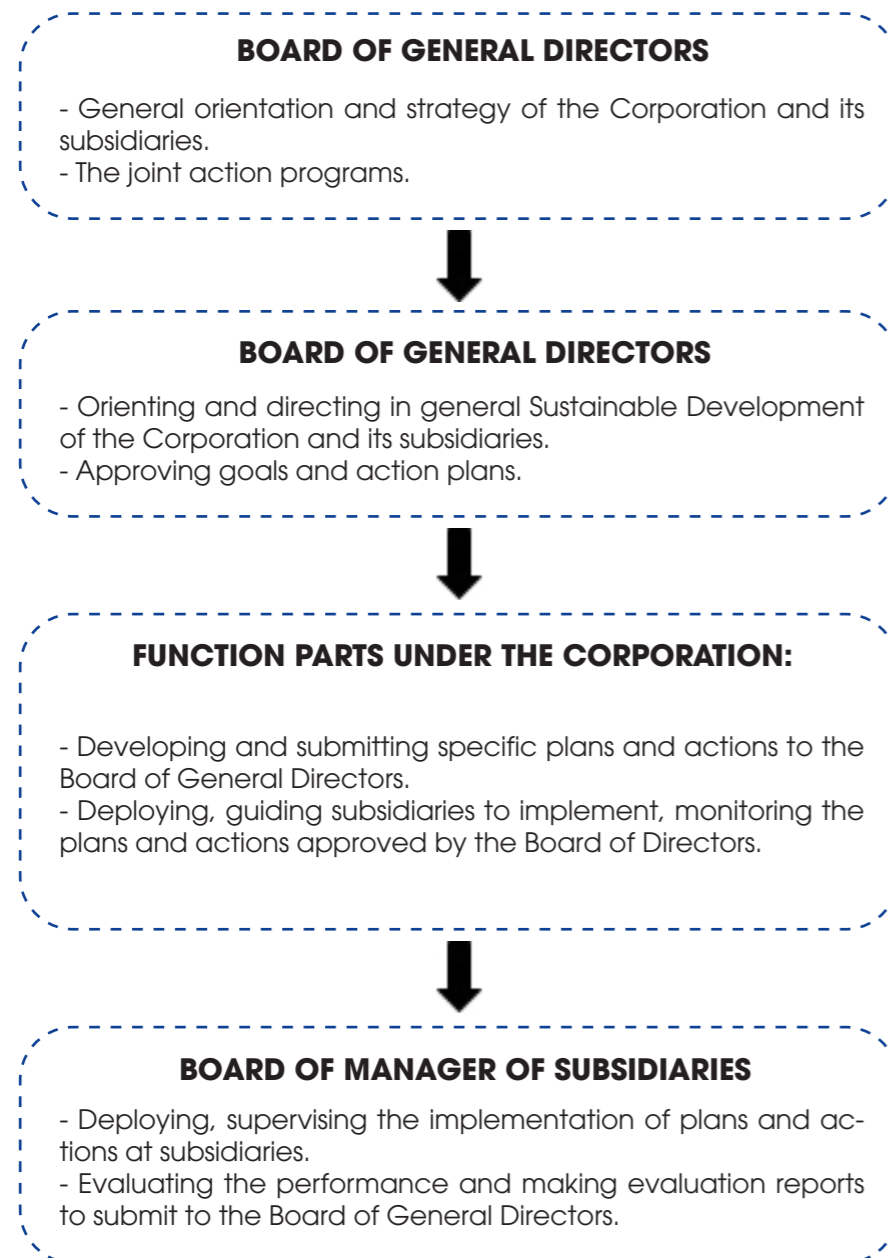
Chairman of the Board cum General Director


Mr. Trinh Van Tuan



Sustainable development model

The company always attaches a sustainable development strategy to the overall development strategy of the enterprise to ensure long-term growth. In addition, the Company wishes to create values for society and environment, meet expectations and fulfill obligations and rights of related parties. Since then, action plans are based on proactive and positive sharing from stakeholders in order to quickly identify issues that need to be changed and developed in order to better improve policies of the company.



2. SUSTAINABLE DEVELOPMENT ORIENTATIONS



01 Customer- Partners

For customers, PCC1 puts prestige and quality on top, in order to bring the highest values and satisfaction to customers.
For partners: PCC1 aims at the trust and respect of each other, cooperating with mutual benefit and accompanying to bring good values to society.

02 Shareholders

Associating the sustainable development of PCC1 with long-term interests of shareholders and investors through:
Disclosing information sufficiently, accurately and timely; Governing the company transparently and effectively;
Developing stable dividend policy, towards sustainable development;
Building and strengthening investors' confidence in PC1 brand and stock

03 The State

PCC1 ensures strict adherence to the State's policies in all its production and business activities. Contributing to the process of building infrastructure for the development of the country. Ensuring the fulfillment of tax obligations and contributions to the State budget.

04 Employees

Developing effective and reasonable remuneration policy with competitive income. Building working environment to create conditions for workers to maximize their capacity. Taking care of spiritual life for employees and creating corporate culture.

05 Community

Associating the development of PCC1 with the development of localities where the company has production and business activities. Supporting the difficult circumstances through volunteer programs

06 Environment

Complying with the regulations of the law on the environment. Using resources efficiently. Researching the potential of renewable energy sources to invest and minimizing negative impacts on the environment.

3. SUSTAINABLE DEVELOPMENT INDICATORS

3.1. Responsibility for environment

Recognizing the role of the environment in production activities and aiming at the goal of sustainable development, PCC1 strives to implement solutions to effectively use resources, comply with environmental protection regulations, studying the potential of renewable energy sources to invest and minimize negative impact on the environment.

The company always adheres strictly and regularly updates the provisions of the environmental law. Therefore, the Company has never been sanctioned in environmental issues. Trung Thu, Bao Lam 1, Bao Lam 3 and Bao Lam 3A hydropower plants have applied 5S method with the aim of improving the working environment in scientific, neat, clean, beautiful, comfortable, healthy and safe manners for employees of the Company.

At the same time, the Company regularly organizes propaganda and education classes to raise awareness about Environmental Protection, compliance with the regulations on waste collection and treatment. In addition, the wind power projects of PCC1 have been granted Green Bond certificates - which are issued to invest in environmental protection projects in accordance with the Law on Environmental Protection.



Green bonds of wind power projects of PCC1

Use of energy

For office block

The company always strictly complies with and regularly updates the regulations of environmental law. Therefore, the Company has never been sanctioned in environmental matters. Trung Thu, Bao Lam 1, Bao Lam 3 and Bao Lam 3A hydropower plants have applied 5S method with the aim of improving the working environment in scientific, neat, clean, beautiful, comfortable, healthy and safe manners for employees of the Company.

At the same time, the Company regularly organizes propaganda and education classes to raise awareness about Environmental Protection, compliance with the regulations on outside waste collection and treatment

For production block

5S standard is the basic foundation for implementing quality assurance system from the point of view: If working in a will be more comfortable, the labor productivity will be higher and

there have conditions for the application of a more effective quality management system. The 5S method was invented by the Japanese and they are also very proud when the whole world applies their method. 5S is the first letter of the Japanese words: "SERI"; "SEITON"; "SEISO"; "SEIKETSU" and "SHITSUKE".

Use of water, wastewater and waste

For a common goal of global environmental protection, PC1 constantly sets out policies to maintain the assessment of the water used; the impact of waste water on the environment through the control of input (water), and outputs (emissions from operating activities of office sector and especially the industrial production sector). Types of waste and garbage likely to harm the environment are actively handled by PC1 in 2020.

Water saving measures used by the Company:
 - Using water-saving toilets (automatic shut-off faucet, automatic flush tank, ...)
 - Regularly conducting activities to check for leaking water and take timely remedies.
 - Reusing water for other activities of the company and factory.
 - Not using toilet water for other purposes.

Other environmental activities

In the process of investing in wind power projects of Lien Lap, Phong Huy and Phong Nguyen in the area of Huong Hoa district, Quang Tri province, PCC1 has carried out local environmental activities, specifically:

Supporting bore well in localities:

Gifting bore wells to people in Huong Tan, Tan Lap, Tan Lien, Huong Phung communes with a quantity of 15 wells and total amount of about 450 million VND.

Tree planting program to create landscape, ecological environment:

PCC1 implements the planting of Avocado, Trau (20 million / ha) (10 ha) (density of about 300 trees / ha), planting alternately with coffee trees in the first stage and planting Acacia (25 million / ha) and tending for the first 5 years (20 ha) (density 2500-3000 trees/ha) which grows fast, early create forest canopy in the next period, for a period from 2020 to 2024 at the temporary land use of wind power factories.



Gifting bore wells to people in Huong Tan commune

Associate production with environmental protection

Dong Anh steel tower factory received two certificates of ISO 9001: 2015 on February 28, 2018 and ISO 14001: 2015 on April 9, 2018 by AFNOR - a member of one of the largest largest certification organization recognized internationally recognized.

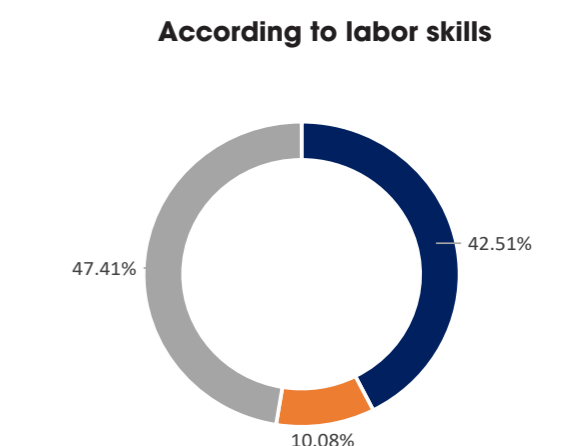
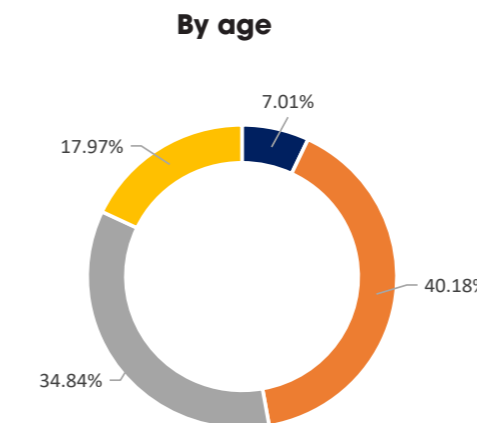
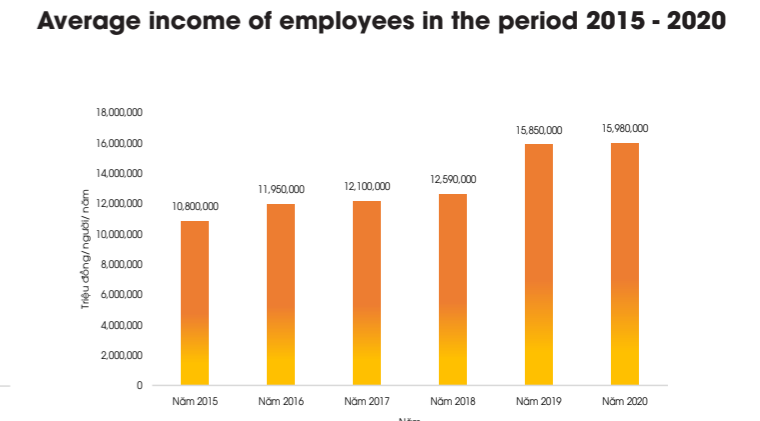
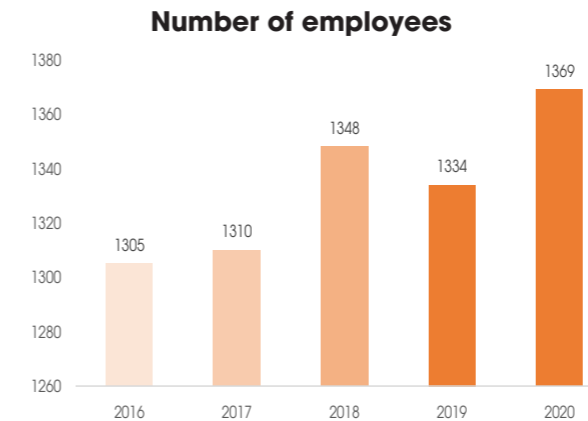
In 2019, the Company has issued many decisions related to quality management, environment and specific implementation measures for Dong Anh steel tower factory as follows:

DONG ANH STEEL TOWER CO., LTD		QUALITY OBJECTIVES, ENVIRONMENT AND IMPLEMENTATION MEASURES		
Target	ACTIONS	Performance		
		Time	Duty	Documents
Maintain the rate of unsuitable defective products below 0.2%	Control processes	Consecutive	Departments	Strategic goal implementation report, Remedy & improvement report
	Implement corrective actions in time, not to cause mass failures.	Daily	QA Department and related Departments	Remedy & improvement report
	Control products from the stage of importing raw materials until delivery to customers	Daily	QA Department and related Departments	Input check slips and working minutes
	Training	According to training plan of departments	Departments	Training records
Assure 100% satisfaction of customers	Control of product quality of Plants and subcontractors	Daily	QA Department, Manufacturing and Sales Department	Product inspection report, working minutes
	Assure 100% delivery progress of projects	Daily	QA Department, Manufacturing and Sales Department	Production progress report
	Customer care	Often	Business Department and related departments	Report handling customers' queries, complaints if any

DONG ANH STEEL TOWER CO., LTD		QUALITY OBJECTIVES, ENVIRONMENT AND IMPLEMENTATION MEASURES		
Target	ACTIONS	Performance		
		Time	Duty	Documents
100% of all wastes are classified, collected and treated as prescribed	Control the waste classification process	Daily	Departments	Inspection records
	Contract with functional units to treat waste	Consecutive	Production Department, Administration Department	Contracts, lists of waste volume
	Training for new employees, people who have not performed well	When there are new employees	Administration Department	Training records
Create a safe working environment, prevent serious occupational accidents	- Maintain safety equipment at the machines, inspect equipment with strict labor safety requirements	Maintenance and inspection plan	Mechanical and electrical workshop, Technical and Design Department	Equipment records
	Equip labor protection equipment for workers	Consecutive	Administration, Production, Supplies, Purchasing Departments	Monitoring Record on protection equipment allocation
	Train labor safety	According to the year plan	Safety Officer, Administration Department	Training records
	Periodically train emergency response (Fire, explosion etc.)	According to the year plan	Production, Administration Department, safety staffs	Training plan and training results

3.2. Responsibility for workers

a. Labor statistics



b. Policy for employees

Working regime:

Working time: The company organizes to work 8 hours / day, 5 days / week, lunch break 1.5 hours. Saturdays and Sundays are days off. When there is a request for business progress, the employees of the Company are responsible for working overtime and the Company has regulations to ensure the rights of employees in accordance with the State regulations and appropriate remuneration for employees. The indirect division works according to working hours, the direct division is arranged to work in shifts.

Working conditions: The working office is spacious and airy. The direct labor force is fully equipped with working facilities and tools and labor hygiene.

Recruitment policy

The recruitment objective of the Company is to attract competent employees to work for the Company, and satisfy the needs of expanding production and business. The managerial positions are given high recruitment criteria by the Company to meet the qualifications and experience required by the job

Employee training and development policy

The company focuses on promoting training and retraining activities, especially on professional skills for professional staffs. Training at the Company is conducted as follows:

For direct laborers: open on-the-spot training classes to improve the qualifications and understanding of laborers. The company conducts training and retraining to improve the labor efficiency of existing laborers. Laborers are also encouraged and facilitated to attend training courses to improve their professional skills to meet

For employees of professional departments: The Company always facilitates them to participate courses with professional occupations in accordance with job requirements, and attend short-term professional training courses on regimes, State policy.

Course “Managing capital and finance in the enterprise”

The course “Managing capital and finance in the enterprise” has the participation of 50 trainees including: Board of General Directors, heads/deputy heads of departments/divisions, directors, chief accountants, heads of Economy and Planning departments of member companies. The course was trained by experts from Vietnam Enterprise Restructuring Joint Stock Company.

The course helped participants better understand the financial management of business; how to plan and manage corporate capital resources; optimize Capital mobilization; Control corporate cash flow activities; Develop financial contingency methods as well as unify corporate financial management principles.

Immersed in the integration period 4.0, PCCI is taking the opportunity, turning challenges into opportunities to create breakthrough momentum. Mastering the knowledge of capital management and finance in the enterprise is one of the factors to operate and develop the company in accordance with the set-out strategy and plan



Some pictures of the course “Managing capital and finance in the enterprise”

Intensive training session to continue to improve the capacity of PCCI

In mid-2020, Power Construction Joint Stock Company No. 1 organized a training session on project investment and project finance for the company’s employees to further improve their professional capacity to meet the needs of human resources development in the next period. The training session has the participation of nearly 50 participants from departments, member units. After two days of training, the trainees were introduced by Mr. Adam Moncrieff - Managing Partner Vietnam of Allen & Overy about the structure of a successful project, the main contracts of project such as EPC contract and equipment procurement, credit contract.



Salary, bonus and welfare policy

Average employee income of the whole Company in 2020 reaches 15.98 million VND / person / month; salaries are all paid in time. In addition, in order to encourage staff and employees in the Company to increase contribution efficiency, increase productivity and work completeness, quarterly, annually, the Company organizes voting, evaluating individuals and collectives who have many contributions to the Company as well as initiatives to increase job performance.

Full of emotions at the ceremony to honor individuals building 03 hydropower projects: 28 individuals contributing to the success of 03 hydropower plant projects, including Mong An, Song Nhiem 4 and Bao Lac B were awarded by the Board of General Directors at the solemn honor ceremony held on September 2, 2020 in Hanoi. And then, the Board of General Directors also awarded the decision to appoint key positions in 03 wind power projects including Lien Lap, Phong Huy and Phong Nguyen as well as gave flowers to congratulate the newly joined staffs of PCCI family.

Insurance and welfare policy

The Company pays social insurance, health insurance and unemployment insurance premiums in accordance with the prevailing laws. The company implements the social security regimes for employees in accordance with the Labor Law and Labor Regulations. The company always pays attention to life and improves conditions for officials and employees. The company always focuses on labor safety issues for direct workers. The insurance regime for employees is fully implemented by the Company in accordance with the Labor Law. On holidays, New Year, ... the Company always organizes periodic tours and travel for employees in the Company.



Honoring ceremony of individuals who have contributed to the success of 03



PCCI Sports festival



BEAUTY OF LABOR P Competition 2020



Some pictures of PCCI celebrating birthday party for employees



c. Ensure gender equality

The company always focuses on gender equality issues protection of female employees' rights, with the following specific evidence:

- Nearly 83% of PCC1's staffs are female.
- The average salary of female employees is equivalent to the average salary of male employees.
- Female employees do not face any barriers in their work or career development. Every year, the Company has programs for women on occasions such as International Women's Day 08/03 and Vietnamese Women's Day 20/10.

d. Trade Union activities for workers

Visiting and giving gifts to officials and workers in difficult circumstances

In order to further tighten solidarity as well as have conditions to get closer, better understand the lives of workers, the Board of General Directors of the Company and departments had a meeting to give gifts to 03 families of employees with exceptionally difficult circumstances in Hanoi and Hung Yen. This year, there are 30 cases of employees belonging to 11 units being visited and given gifts by the company.

The company trade union consists of 12 grassroots trade unions, affiliated divisions with more than 1,500 union members. Over the past years, the Leaders, the Party Committee and the Trade Union have always paid attention to the material and spiritual life of the officers and employees, especially the union members in difficult circumstances. These are the employees who encounter misfortunes in their life; or have severe illness, frequent illness, need to be treated in the long time and costly while family conditions also very difficult; or are main labors in large family with loved ones bearing serious illness, fatal disease, and expensive monthly expenses ...



Some pictures of giving gifts and visiting officials and workers in difficult circumstances

PCC1 Sports festival

PCC1 Open Sports Festival - 2020 is an annual activity organized by the company to create a useful and interesting playground for physical training and sports activities to improve health and intelligence. This is also an opportunity for units to exchange, learn, and tighten their solidarity to build the culture of the PCC1 family together.



3.2. Responsibility to local community

Over 58 years of construction and development, with the main task of constructing national electricity transmission works, Power Construction Joint Stock Company No.1 (PCC1) is increasingly proving its capacity and affirming its position, not only in the domestic arena, but also reaching out to the region, not only constructing and installing electrical projects but also becoming a reputable investor in the field of energy and real estate.

In the field of energy investment, PCC1 has demonstrated the ability of a professional and reputable investor with impressive results. The hydropower projects built by Power Construction Joint Stock Company No.1 (PCC1) are not only doing a good job of exploiting and efficiently using water resources, ensuring national energy but also making a significant contribution to the State and local budgets, thereby changing the face of technical infrastructure, promoting socio-economic development of the province.

Join hands to face the difficulties of the whole community

Facing the complicated developments of the Covid-19 epidemic happening in Vietnam and around the world, promoting the spirit of solidarity, on March 26, 2020, the Leadership Board of PCC1, the Executive Committee of the Trade Union PCC1 has organized a donation for officers, employees, workers, subsidiaries to join hands with the whole country to prevent epidemic. The entire cash amount of VND 450 million was awarded directly to the Hanoi Fatherland Front Committee by the PCC1 delegation.

Mr. Nguyen Sy Truong, Vice Chairman of the Vietnam Fatherland Front Committee in Hanoi, especially thanked the practical and timely support of PCC1 to the forces that are directly fighting the epidemic, and pledged to use above money effectively for specific jobs such as providing medical equipment, needed necessities to protect physicians and policemen, soldiers, sick and suspected infected people in isolation. ...

Previously, Power Construction Joint Stock Company No.1 also awarded VND 30 million to the Vietnam Fatherland Front Committee of Bao Lac district and 20 million VND to Bao Lam district in Cao Bang province, VND 30 million to Vietnam Fatherland Front Committee of Hung Hoa district, Quang Tri province to join hands with authorities at all levels to prevent epidemic.



Support the prevention of pandemic Covid-19

Promote local economy and social security especially in factory areas

Accompanying the organization of program giving social security houses and giving Tet gifts to the poor

In order to thank to the local help, as well as to carry out the security work in the area where the wind power project IA Pet - Dak Doa 1-2 is implementing, Phong Dien IA Pet Dak Doa No. 1 Joint Stock Company, and Phong Dien IA Pet Dak Doa No. 2 Joint Stock Company (Project Owner) have coordinated with the forces to organize the program of giving social security houses and giving Tet gifts to the poor in 6 communes, including Glar, Trang, Ia Pet, Ia Bang, ADok, and Ia Kenh. Accordingly, each commune is awarded 1 gratitude house worth 50 million VND and 50 gifts -

each worth 1 million VND. The total value of the program is up to 600 million VND. As a contractor in the project, PCC1 contributed 120 gifts to support and accompany the investor in implementing local charity work. Mr. Nguyen Sy Truong, Vice Chairman of the Vietnam Fatherland Front Committee in Hanoi, especially thanked the practical and timely support of PCC1 to the forces.

Programs to support educational security



PCC1 always accompanies general education, especially in Cao Bang and Quang Tri provinces, where many factories of the company are located.

Cao Bang Province

01 In the period of 2016 - 2019, the company has donated in kind and cash with the value of nearly 5.4 billion VND in activities such as: Supporting the construction of cultural house in Ca Na village, Pac Miao town, Supporting the annual bullfighting festival in Bao Lam district, charity program "winter connection", giving winter supplies to people in Na Ca hamlet, Pac Miao town, supporting to erase dilapidated houses in Bao Toan commune, supporting organizing ethnic cultural festivals and Phong Luu love market; Fund for the poor in Bao Lac district, building commune health stations ...

02 In particular, PCC1 always accompanies the educational work in Bao Lac and Bao Lam districts of Cao Bang province with programs such as remodeling suspension bridge for the new school year in Ly Bon commune; sponsoring the construction of the stage for Na Ca primary school; " Foster a step on the way to school " at Na Roa school, Bao Toan commune; presenting gifts to students in the area to celebrate the new school year 2019-2020 and many other meaningful activities. Most recently, on July 13, 2020, Power Construction Joint Stock Company No.1 gave gifts and objects worth 100 million VND to Bao Toan primary school, Na Ra village and Bao Toan commune (Bao Lac).

03 Bao Lam Energy Joint Stock Company (BLEC) is an enterprise with its head office in Bao Lam district, Cao Bang province. It was established in 2014 with the function of managing and operating power plants of PCC1. For community is one of the goals towards a good society. Volunteer programs, support for the underprivileged people in life or other very poor circumstances, household not only help us towards the true, the good, and the beautiful values, but this is also an opportunity for all of us to raise the spirit of solidarity, mutual love, and the leaves protect tattered ones. Derived from the above meaning, with the spirit and responsibility of being an enterprise with a local office and construction work, BLEC has cooperated with PCC1 and EIC to build the program of "Warm winter in the Highlands" with gifts in kind donated directly to 100 poor households living in Vinh Phong Commune, Bao Lam District, Cao Bang Province.

Quang Tri province

01 Mountain collapse accident in Quang Tri was about 4km from the ongoing PCC1 work. As soon as the incident happened, the subcontractor of PCC1 mobilized 7 excavators to participate in the rescue of natural disasters with the locality. This is a timely and extremely meaningful activity when the equipment used for rescue work here is in short supply. Overcoming a road potentially in danger of landslide, the PCC1 team tried to open the road, together with other forces, quickly approached the scene, raced against time to find the person in distress. This activity not only shows responsibility to the community but also fellow citizenship when the Central region was going through the dire days of natural disasters.



02 At the same time, in the process of investing in wind power projects Lien Lap, Phong Huy and Phong Nguyen in the area of Huong Hoa district, Quang Tri province, PCC1 has carried out social and environmental activities in the locality to help people overcome difficulties caused by natural disasters and epidemics, as well as created jobs for local labors. Over the past years, PCC1 and its member units have carried out many annual social security activities such as poverty alleviation support, equipment for schools in remote areas, and joining hands for pandemic prevention Covid-19, building commune medical station ... with a value of nearly 6 billion VND.

Other social activities



Volunteer program "For the community - 1st time"

The volunteer program "For the community - the first time" took place from November 1, 2020 to November 2, 2020 with a total value of about 300 million VND. PCC1 has provided essential material gifts for 121 households in Ban Bu village and Xa Rong village, Huong Hoa district, organized mid-autumn festival and given gifts to more than 40 children in Ban Bu village and Xa Rong village, and supported lunch fee for 22 children belonging to Xa Rong village school in 1 year.



Donating to affected communities and contribute to disaster mitigation in Huong Hoa district, Quang Tri province with a total value of about 300 million VND.



Training on management and operation of wind power plants for local people: PCC1 opened a training course for local young people on the operation and maintenance of wind power plants for a period of 9 months.



Volunteer program "For the community - 2nd time"

The volunteer program "For the community - the second time" took place from December 25, 2020 to December 27, 2020 with a total value of about 800 million VND including activities: Upgrading facilities for cultural community development including home culture, repair of schools; Improving children's stature through supporting lunch meals; Supporting to organize a number of spiritual activities, community culture in the locality and donating the family planning medicine cabinet.



Mr. Vu Anh Duong - Deputy General Director of PCC1 (4th position from right in upper row) attended the commendation ceremony

From the positive contributions to the community, in October 2020, the Vietnam Fatherland Front Committee of Hanoi City organized the launching of Peak Month "For the poor" and social security in 2020. Power Construction Joint Stock Company No.1 is honored to be praised for its contributions to the community. Power Construction Joint Stock Company No.1 is one of 90 businesses, philanthropists praised in the ceremony for its contributions in social work in all three criteria, including contribution to the city's fund for the poor, the fund for the Vietnamese sea and islands and fund for supporting Covid-19 disease prevention.

CHAPTER 7

FINANCIAL STATEMENTS



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
100	A. CURRENT ASSETS		5,715,231,571,853	4,152,924,121,173
110	I. Cash and cash equivalents	4	1,475,766,385,890	567,652,456,496
111	1. Cash		262,766,385,890	133,878,509,747
112	2. Cash equivalents		1,213,000,000,000	433,773,946,749
120	II. Short-term investments		62,891,072,771	180,000,000,000
123	1. Held-to-maturity investments		62,891,072,771	180,000,000,000
130	III. Short-term accounts receivables		3,389,788,585,449	1,851,439,409,142
131	1. Short-term trade receivables	5	1,634,984,030,338	1,205,919,182,905
132	2. Short-term prepayments to suppliers	6	1,182,343,615,572	418,385,002,594
134	2. Receivables according to the progress of contraction contracts	8	55,349,000,880	-
135	3. Short-term loan receivables		-	2,000,000,000
136	4. Other short-term receivables	8	525,660,659,893	228,967,459,328
137	5. Provision for short-term doubtful debts		-8548721234	-3832235685
140	IV. Inventories	9	729,554,191,462	1,434,021,805,904
141	1. Inventories		731,040,064,869	1,437,407,604,655
149	2. Provision for devaluation of inventories		-1485873407	-3385798751
150	V. Other short-term assets		57,231,336,281	119,810,449,631
151	1. Short-term prepaid expenses	12	2,881,129,291	2,797,960,404
152	2. Deductible VAT		53,928,240,881	116,554,207,325
153	3. Taxes and other receivables from the State budget		421,966,109	458,281,902

CONSOLIDATED STATEMENT OF FIANANCIAL POSITION

As at 31 December 2020

(continue)

Code	ASSETS	Note	31/12/2020	01/01/2020
			VND	VND
200	B. NON-CURRENT ASSETS		5,006,436,521,265	4,162,353,892,788
210	I. Long-term receivables		87,445,733,500	8,295,573,500
216	1. Other Long-term receivables	8	87,445,733,500	8,295,573,500
220	II. Fixed assets		3,803,690,935,125	2,413,997,643,961
221	1. Tangible fixed assets		3,801,798,536,255	2,411,857,619,533
222	- Historical costs		4,538,353,290,429	2,972,260,354,142
223	- Accumulated depreciation		(736,554,754,174)	(560,402,734,609)
227	2. Intangible fixed assets	11	1,892,398,870	2,140,024,428
228	- Historical costs		2,987,207,819	2,842,207,819
229	- Accumulated amortization		(1,094,808,949)	(702,183,391)
230	III. Investment properties	#REF!	221,255,062,764	168,049,997,607
231	- Historical costs		264,880,188,533	201,620,288,549
232	- Accumulated depreciation		(43,625,125,769)	(33,570,290,942)
240	IV. Long-term assets in progress		378,813,660,882	1,178,758,313,911
242	1. Construction in progress	10	378,813,660,882	1,178,758,313,911
250	V. Long-term investments		81,344,573,396	63,501,617,055
252	1. Investments in joint ventures and associates		78,175,694,461	60,332,738,120
253	2. Equity investments in other entities		4,821,770,000	4,821,770,000
254	3. Provision for devaluation of long-term investments		(1,652,891,065)	(1,652,891,065)
260	VI. Other long-term assets		433,886,555,598	329,750,746,754
261	1. Long-term prepaid expenses	12	136,406,946,486	99,297,507,633
262	2. Deferred income tax assets	29	13,597,369,411	2,184,159,953
269	3. Goodwill	13	283,882,239,701	228,269,079,168
270	TOTAL ASSETS		10,721,668,093,118	8,315,278,013,961

CONSOLIDATED STATEMENT OF FIANANCIAL POSITION

As at 31 December 2020

(continue)

Code	CAPITAL	Note	31/12/2020	01/01/2020
			VND	VND
300	C. LIABILITIES		5,952,142,090,805	4,620,497,351,544
310	I. Current liabilities		3,743,819,472,629	2,497,031,117,278
311	1. Short-term trade payables	14	1,100,061,504,655	825,623,091,942
312	2. Short-term prepayments from customers	15	485,944,936,229	306,929,569,550
313	3. Taxes and other payables to State budget		146,366,280,970	43,909,742,328
314	4. Payables to employees		83,281,029,274	63,638,822,595
315	5. Short-term accrued expenses	16	165,534,227,533	118,503,097,752
318	6. Short-term unearned revenue		852,893,750	654,014,963
319	7. Other short-term payables	17	58,498,493,653	83,665,590,181
320	8. Short-term borrowings and finance lease liabilities		1,586,448,058,089	950,604,863,783
321	9. Provisions for short-term payables	18	870,431,400	2,930,917,267
322	10. Bonus and welfare fund		115,961,617,076	100,571,406,917
330	II. Non-current liabilities		2,208,322,618,176	2,123,466,234,266
337	1. Other long-term payables	17	4,638,703,453	1,529,547,965
338	2. Long-term borrowings and finance lease liabilities		2,171,328,298,868	2,096,198,106,670
341	3. Deferred income tax liabilities	29	14,586,747,574	16,895,024,562
342	4. Provisions for long-term payables	18	17,768,868,281	8,843,555,069
400	D. OWNER'S EQUITY		4,769,526,002,313	3,694,780,662,417
410	I. Owner's equity		4,769,526,002,313	3,694,780,662,417
411	1. Contributed capital		1,911,881,590,000	1,593,242,660,000
411a	- <i>Ordinary shares with voting rights</i>		<i>1,911,881,590,000</i>	<i>1,593,242,660,000</i>
412	2. Share Premium		711,136,556,786	711,136,556,786
414	3. Other capital		22,906,800,000	22,906,800,000
415	4. Treasury shares		(4,320,000)	(4,320,000)
416	5. Differences upon asset revaluation		708,285,511	708,285,511
418	6. Development and investment funds		166,923,134,253	129,678,219,448
420	7. Other reserves		65,266,052,360	47,203,224,342
421	8. Retained earnings		1,108,616,654,270	933,063,484,397
421a	- <i>Retained earnings accumulated till the end of the previous year</i>		<i>516,324,575,071</i>	<i>575,271,874,237</i>
421b	- <i>Retained earnings of the current year</i>		<i>592,292,079,199</i>	<i>357,791,610,160</i>
429	9. Non – Controlling Interests		782,091,249,133	256,845,751,933
440	TOTAL CAPITAL		10,721,668,093,118	8,315,278,013,961

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Pham Thi Thanh Binh
Preparer

Tran Thi Minh Viet
Chief Accountant

Trinh Van Tuan
General Director

CONSOLIDATED STATEMENT OF INCOME

Year 2020

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
01	1. Revenue from sales of goods and rendering of services	20	6,678,600,581,343	5,845,022,832,914
02	2. Revenue deductions		-	-
10	3. Net revenue from sales of goods and rendering of services		6,678,600,581,343	5,845,022,832,914
11	4. Cost of goods sold	21	5,516,946,091,407	5,026,317,725,244
20	5. Gross revenue from sales of goods and rendering of services		1,161,654,489,936	818,705,107,670
21	6. Financial income	22	37,255,892,764	37,795,661,776
22	7. Financial expenses	23	243,840,926,915	171,823,146,941
23	<i>In which: Interest expenses</i>		242,367,390,588	171,290,382,458
24	8. Share of joint ventures and associates' profit or loss		18,043,746,585	(33,454,957,945)
25	9. Selling expenses	24	70,552,235,921	22,433,676,269
26	10. General and administrative expenses	25	267,722,567,030	201,890,172,239
30	11. Net profit from operating activities		634,838,399,419	426,898,816,052
31	12. Other income	26	28,329,992,990	8,392,512,638
32	13. Other expenses	27	11,356,483,186	2,418,033,917
40	14. Other profit		16,973,509,804	5,974,478,721
50	15. Total net profit before tax		651,811,909,223	432,873,294,773
51	16. Current corporate income tax expenses	28	121,451,737,943	53,316,748,687
52	17. Deferred corporate income tax expenses	29	13,721,486,446)	3,097,159,419
60	18. Profit after corporate income tax		544,081,657,726	376,459,386,668
61	19. Profit after tax attributable to owners of the parent		512,806,303,331	357,791,610,160
62	20. Profit after tax attributable to non-controlling interest		31,275,354,395	18,667,776,508
70	21. Basic earnings per share	30	-	1,871

Pham Thi Thanh Binh

Preparer

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Tran Thi Minh Viet

Chief Accountant

Trinh Van Tuan

General Director

CONSOLIDATED STATEMENT OF CASH FLOW

Year 2020

(Indirect method)

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		651,811,909,223	432,873,294,773
	2. Adjustments for			
02	- Depreciation and amortization of fixed assets and investment properties		279,792,813,355	164,732,499,762
03	- Provisions		9,681,387,550	(7,219,231,290)
04	- Exchange gains/losses from retranslation of monetary items denominated in foreign currency		1,137,063,333	158,945
05	- Gains/ or lost from investments		(55,386,679,228)	(2,456,926,107)
06	- Interest expenses		242,367,390,588	171,290,382,458
08	3. Operating profit before changes in working capital		1,129,403,884,821	759,220,178,541
09	- Increase or decrease in receivables		(1,450,565,866,192)	(408,125,053,799)
10	- Increase or decrease in inventories		707,980,466,046	(677,932,234,088)
11	- Increase or decrease in payables (excluding interest payable/ corporate income tax payable)		583,846,492,231	254,268,137,011
12	- Increase or decrease in prepaid expenses		(1,614,229,561)	991,233,698
14	- Interest paid		(245,293,521,634)	(168,784,853,868)
15	- Corporate income tax paid		(64,182,629,362)	(77,448,968,854)
17	- Other payments on operating activities		(26,954,197,115)	(15,721,326,794)
20	Net cash flows from operating activities		632,620,399,233	(333,532,888,153)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(932,673,645,400)	(703,290,009,068)
22	2. Proceeds from disposals of fixed assets and other long-term assets		2,560,492,763	253,329,959
23	3. Loans and purchase of debt instruments from other entities		(119,517,828,822)	(135,795,000,000)
24	4. Collection of loans and resale of debt instrument of other entities		238,626,756,051	45,450,000,000
25	5. Cash from equity investment in other entities		(461,568,151,925)	(196,011,436,321)
26	6. Proceeds from equity investment in other entities		375,104,955,112	
27	7. Interest and dividend received		41,096,395,643	33,000,616,099
30	Net cash flows from investing activities		(856,371,026,578)	(956,392,499,331)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	1. Proceeds from issuance of shares and receipt of contributed capital		437,081,060,000	90,851,000,000
33	2. Proceeds from borrowings		4,925,061,932,116	4,240,999,503,137
34	3. Repayment of principal		(4,214,088,545,612)	(3,163,943,309,390)
36	4. Dividends or profits paid to owners		(15,052,826,432)	(11,609,364,177)
40	Net cash flows in the year		1,133,001,620,072	1,156,297,829,570
50	Net cash flows in the year		909,250,992,727	(133,627,557,914)
60	Cash and cash equivalents at beginning of the year		567,652,456,496	701,280,173,355
61	Effect of exchange rate fluctuations		(1,137,063,333)	(158,945)
70	Cash and cash equivalents at end of the year	4	<u>1,475,766,385,890</u>	<u>567,652,456,496</u>

Pham Thi Thanh Binh

Preparer

Hà Nội, ngày 26 tháng 3 năm 2021

Tran Thi Minh Viet

Chief Accountant

Trinh Van Tuan

General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year 2020

1. GENERAL INFORMATION OF THE COMPANY

Form of ownership

Power Construction JSC No.1 was established on 02 March 1963 under the name Line and Substation Installation Company. PCC1 was officially transformed into a jointed stock company in accordance with the Business License No. 01001000745 issued by the Hanoi Authority for Planning and Investment. The License's first version was issued on 20 July 2005 and most recent re-registration (20th) was made on 08 January 2021.

The Company's head office is located at: No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam.

Company's Charter capital is VND 1,911,881,590,000. The Contributed Charter capital as at 31 December 2020 is VND 1,911,881,590,000; equivalent to 191,188,159 shares with the price of VND 10,000 per share.

The total number of employees of the Parent Company and subsidiaries as at 31 December 2020 is: 1,395 people (as at 31 December 2019: 1,396 people).

Business field

Electrical production; Industrial production and real estate trading; Power investment; Commercial business.

Business activities

The main business activities of the Company are: Electrical construction, Industrial production, Real estate trading and electrical production, specifically:

- Real estate trading, land use rights of the owner, user or rental include: Construction house and project for sale, lease, lease-purchase; Purchase of house, construction project for sale, lease, lease-purchase; Rent of house, construction project for lease; Investment, renovation of land and investment in infrastructure project to transfer, lease; Rent of land use right with infrastructure to lease;
- Real estate consultancy, brokerage, auction services, land use rights auction services: Real estate consultancy, brokerage, auction, valuation services, real estate trade center, real estate advertising, management services; operating and managing urban area and condominium;
- Architectural and engineering and related technical consultancy activities: Survey, design and construction of power, industrial, civil projects, supervision consultancy services, compensation and site clearance; Consulting on management of hydropower projects and after investment management hydropower; Management of real estate investment projects: Supervising construction and completion works; Supervising the installation of construction equipment; Supervising the installation of technological equipment;
- Production and fabrication of steel column and the hot dip of galvanizing of steel structures for civil and industrial services;
- Other civil engineering construction: Construction of the transmission line and substations, power sources project, industrial building, civil infrastructure, transportation, irrigation and telecommunications;
- Processing, handling and metal coating;
- Generating, transmitting and distribution of electricity;
- Ground clearance service;
- Installation of electrical systems;
- Investment consultancy;
- Measurement of the cadastral map, identifying land parcel, measurement of parcel land for construction compensation; Fiber optic cabling, Testing before and after fiber optic patching; Experimental, resistance measurement of electrical projects; Installation, testing; adjusting electrical equipment, optical cable;
- Whole sale of metals and metal ores;
- Mining of Iron Ore;
- Mining of other non-ferrous metal ores;
- Producing iron, steel and cast iron;

- Manufacture of metal structures;
- Wholesale of metals and metal ores.

The Company's operation in the accounting year that affects the Consolidated Financial Statements

1. In 2020, revenue and profit increased compared to the previous year due to the following reasons:

+ In the last 6 months of 2020, a number of hydropower plants have come into operation, contributing to an increase in electricity output this year compared to the previous year, leading to an increase of VND 196 billion in revenue and VND 105.9 billion in profit.

+ In 2020, the subsidiary - Hoa Binh Automobile Mechanical Joint Stock Company hand over most apartments of PCC1 Thanh Xuan project, leading to revenue, cost and sale expenses for transfer real estate transfer increased sharply compared to 2019. In 2020, real estate transfer activities contributed VND 265.6 billion of gross profit to the consolidated business results in 2020.

+ Construction activities increased slightly, industrial production decreased in both revenue and profit, but the strong growth of the above areas still made the company's business results this year increase compared to the previous year.

2. In 2020, the Company will continue to mobilize operating capital from short-term loans to serve production and business activities with an output value greater than the previous year, leading to an increase in short-term loans at the end of this year. compared with the beginning of the year. Besides, the Company also mobilized long-term loans for energy projects, which made long-term loans strongly increase compared to the beginning of the year.

- The Group's subsidiaries consolidated in Consolidated Financial Statements as at 31 December 2020 include:

No	Name of Company	Head office	Benefit rate/ Voting rights	Proportion of commitment	Main business activities
1	Dai Mo Power Construction No.1 Ltd.,	Cho Village, Dai Mo Ward, Nam Tu Liem District, Hanoi	100%	100%	Power Construction
2	Southern Power Construction No.1 Ltd.,	An Khang Building, No.28, Road 19, Quarter 5, An Phu Ward, District No.2, Ho Chi Minh City	100%	100%	Power Construction
3	Northern Power Construction No.1 Ltd.,	Cho Village, Dai Mo Ward, Nam Tu Liem District, Hanoi	100%	100%	Power Construction
4	My Dinh Power Construction No.1 Ltd., (*)	No.138 Tran Binh, My Dinh 2 Ward, Nam Tu Liem District, Hanoi	100%	100%	Power Construction
5	Tu Liem Power Construction No.1 Ltd.,	Group 19, Xuan Phuong Ward, Nam Tu Liem District, Hanoi	100%	100%	Power Construction
6	Ha Dong Power Construction No.1 Ltd.,	Van La Village, Phu La Ward, Ha Dong District, Hanoi	100%	100%	Power Construction
7	Nang Huong Power Construction No.1 Ltd.,	Van La Village, Phu La Ward, Ha Dong District, Hanoi	100%	100%	Service
8	Hoang Mai Power Construction No.1 Ltd.,	No.471, Nguyen Tam Trinh Street, Hoang Van Thu Ward, Hoang Mai District, Hanoi	100%	100%	Power Construction

Power Construction Jonit Stock Company No.1

No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam

Consolidated Financial Statements

For the fiscal year ended as at 31 December 2020

No	Name of Company	Head office	Benefit rate/ Voting rights	Proportion of commitment	Main business activities
9	Ninh Binh Power Construction No.1 Ltd.,	Ninh Thanh Ward, Ninh Binh City, Ninh Binh Province	100%	100%	Power Construction
10	Dong Anh Steel Conductor Ltd.,	Group 23, Dong Anh Town, Hanoi	90%	90%	Manufacturing galvanized steel columns, steel structure, related accessories, galvanizing services; Trading steel, zinc, materials for production, manufacturing steel structure; Trading electrical equipment and materials
11	Trung Thu Hydroelectric JSC	No.157, Quarter No.16, Tan Thanh Ward, Dien Bien Phu City	60%	60%	Investing construction of medium and small hydroelectric plants; Generating and trading power electricity
12	My Dinh Real Estate JSC	Dinh Thon Village, My Dinh 1 Ward, Nam Tu Liem District, Hanoi	99.39%	99.39%	Investing, trading real estate
13	Vietnam Industrial Erection JSC	138 Tran Binh, My Dinh 1 Ward, Nam Tu Liem District, Hanoi	51%	51%	Installation of machinery, industrial equipment
14	Bao Lam Power JSC	Na Pong Village, Bao Lam District, Cao Bang Province	99.90%	99.90%	Hydroelectric Project Management, Post Hydroelectric Investment Management and trading electricity.
15	Northern Power Investment JSC	Na Pong Village, Bao Lam District, Cao Bang Province	51%	51%	Producing and trading electricity.
16	Hoa Binh Automobile Mechanical JSC	No. 44, Trieu Khuc Street, Thanh Xuan Nam Ward, Thanh Xuan District, Hanoi	99.88%	99.88%	Investment in real estate
17	Tien Bo Trading JSC	No1, Lane 321, Vinh Hung Street, Thanh Tri Ward, Hoang Mai District, Hanoi	99.95%	99.95%	Investment in real estate
18	Lien Lap Wind Power Joint Stock Company	Cua Village, Huong Tan Ward, Huong Hoa District, Quang Tri Province	55.54%	55.54%	Producing electricity from wind energy
19	Phong Nguyen Wind Power JSC (bought on 13 February 2020)	Cua Village, Huong Tan Ward, Huong Hoa District, Quang Tri Province	54.73%	54.73%	Producing electricity from wind energy
20	Phong Huy Wind Power JSC (bought on 13 February 2020)	Cua Village, Huong Tan Ward, Huong Hoa District, Quang Tri Province	54.70%	54.70%	Producing electricity from wind energy

Power Construction Jonit Stock Company No.1

No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam

Consolidated Financial Statements

For the fiscal year ended as at 31 December 2020

21	Investment and Technology Service JSC	2nd Floor, PCC1 Thanh Xuan Building, No. 44 Trieu Khuc, Thanh Xuan Nam Ward, Hanoi City	51%	51%	Supplying materials, equipment and configuring electrical systems
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- **The Company has two associates, which reflected in the Consolidated Financial Statements by Equity method as at 31/12/2020, including:**

No	Name of Company	Head office	Benefit rate/ Voting rights	Proportion of commitment	Main business activities
1	Cao Bang Iron and Steel JSC	Km5 De Tham, Cao Bang Town, Hop Giang Ward, Cao Bang Province	25.09%	25.09%	Exploiting, processing and trading in minerals.
2	Tan Phat Mineral JSC	Tay Giang Hotel, Group 22, Song Bang Ward, Cao Bang City, Cao Bang Province	33.92%	27.13%	Mineral exploration, mineral exploitation. Mining of iron ores, Wholesale of metals and metal ores.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting currency

Annual accounting period commences from 1st January and ends as at 31st December.

The Company maintains its accounting records in VND.

2.2. Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3. Basis for the preparation of Consolidated Financial Statements

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control in the annual accounting period ends as at 31 December 2020. Control right is achieved when the Company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Company. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Company and its subsidiaries.

The operating results of subsidiaries acquired during the year are presented in the consolidated financial statements from the date of acquisition or until the date of sale of investments in that company.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Consolidated Financial Statements.

Non – controlling interests: Non – controlling interests represents the portion of profit or loss and net assets of subsidiaries not held by the Company.

Profit and loss when there is a change in the Group's ownership in subsidiaries: The Parent company reduces their investment in subsidiaries without losing control over the subsidiaries: retained earnings in the Consolidated financial statements is the difference between the receipt from divestment and The total value of net assets transferred to non - controlling shareholders and recorded indecrease goodwill.

2.4. Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on the revaluation of financial instruments after initial recognition.

2.5. Foreign currency transactions

The foreign currency transactions during the year are translated into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When buying or selling foreign currency, applying the exchange rates specified in the contracts of foreign exchange sale between Company and commercial banks;
- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time.

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange rate differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting year. In which, exchange rate differences due to revaluation of year-end balances of monetary items denominated in foreign currencies cannot be used for profit distribution or dividend payment.

2.6. Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7. Goodwill

Business combinations are accounted for using the purchase method. Cost of a business combination comprises the fair value at the date of exchange of the assets exchanged, liabilities incurred or acknowledged and capital instruments issued by the buyer in exchange to gain control of the party and its costs directly attributable to the business combination. Identifiable assets, liabilities and contingent liabilities assumed in a business combination of the acquiree are recorded at fair value at the date of business combination.

Goodwill arising on business consolidation is initially measured at its cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. If the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income. After initial recognition, goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis during its estimated useful life over 10 years. Annually, the Group shall assess impairment loss of goodwill at subsidiaries, whether there is any indication that impaired loss of goodwill is higher than the goodwill allocated, the Group shall recognise the impaired loss immediately in year that incurred.

2.8. Financial investments

Held-to-maturity investments include: Term deposits held to maturity for the purpose of collecting interest periodically.

Investments in subsidiaries purchased in the year are determined in terms of, the purchase date, the cost of the investment, and accounting procedures by purchase in accordance with the provisions of VAS "Business combination".

In the Consolidated Financial Statements, investments in joint ventures and associates are accounted for using equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share in net assets of the associate after acquisition date. Goodwill incurred from the investment in the associates is reflected in the carrying amount of the investment in the associate. The Group will not allocate such goodwill but assess annually to determine whether the goodwill is under impaired loss or not.

The share of investor in post-acquisition profits or losses of the associate is recognised in the consolidated income statement, and the share of investor in post-acquisition movements in equity of the associate is recognised in equity. The post-acquisition accumulated changes are adjusted to carrying amount of investments. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Financial Statements of associates are prepared in the same period with the Group's consolidated financial statements and use the consistent accounting policies with the Group's policies. Adjustment shall be made if necessary to ensure the consistency with the Group's accounting policies.

Investments in equity instruments of other entities, include: investments in equity instruments of other entities without having control, joint control or significant influence over the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as follows:

- With regard to investments held long-term (other than trading securities) without significant influence on the investee: the provision shall be made based on the Financial Statements at the provision date of the investee.
- With regard to investments held to maturity, the provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.9. Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.10. Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year:

- For construction activities: Costs of work in processes are gathered according to each uncompleted construction or revenue not yet recognized, corresponding to the work in process at the end of the year
- For industrial production activities: Costs of work in processes are gathered according to actual arising Costs For each kind of uncompleted products.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.11. Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	05 - 30 years
- Machinery, equipment	03 - 20 years
- Vehicles, Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 06 years
- Other fixed assets	04 - 05 years
- Indefinite Land use rights	Not amortised
- Management software	03 - 05 years

2.12. Investment properties.

Investment properties are initially recognised at historical cost. Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount. Depreciation of investment properties held for sale are not made. Investment properties are depreciated using the straight-line method with expected useful life as follows:

- Buildings, structures	05 - 25 years
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2.13. Construction in progress

Properties during construction for production, rental, administrative, or for any other purpose, are recognised in historical cost. This includes costs for specialists and for eligible assets, borrowing costs are recognized in accordance with the Company's accounting policy. Depreciation of these assets, like other types of fixed assets, will begin to be deducted when the assets are ready for use.

2.14. Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.15. Business Cooperation Contract (BCC)

Business Cooperation Contract (BCC) is a contractual agreement between two or more venturers with the objectives of cooperating to carry out specific business activities without constitution of a new legal entity. This operation may be jointly controlled by venturers under BCC or controlled by one of them.

Under the terms of the agreement at BCC, the Company makes accounting for BCC, recognizing all revenues, costs and after-tax profits of BCC on its Statement of income. The cost of BCC includes fixed profit paid to other parties participating in BCC.

2.16. Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria. Prepaid expenses are allocated gradually into operating expenses on the straight-line basis.

2.17. Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.18. Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.19. Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.20. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables which are recorded as operating expenses of the reporting period.

The basis for accrued expense of completed hydroelectric projects is based on the provisions of the contract terms and annexes minus the invoiced value.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.21. Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Company have a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the accounting year.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

The basis for extracting the warranty for works is based on the statistics of the work warranty over the years and the quality of the work of the departments to estimate the level of provision. In case of judgment, it must be deducted, the level of provision is also considered in accordance with the warranty obligations under the warranty terms on the contract (normally the warranty from 3% to 5% on the revenue) be sure, be accepted by customers.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the fiscal year.

2.22. Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to revenue from sale of goods and rendering of services or financial income with the amount corresponding to each accounting period.

2.23. Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing, assets revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

Treasury shares are shares issued and bought-back by the issuing company itself. Treasury shares are uncanceled and shall be re-issued within the period as regulated by the law on securities. Treasury shares shall be recorded at the actual buyback price and presented on the Statement of Financial position as a decrease in owner's equity. Cost of Treasury shares when being re-issued or used to pay dividend, bonus, etc. shall be calculated using the weighted average method.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. The distribution of net profits is made when the net profit of the company does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

The Company's retained earnings is distributed to other funds according to recommendation of the Board of Management and approval of shareholders at annual General Meeting of Shareholders:

- Development and investment funds: The fund is reserved for the purpose of business expansion or in depth investment.
- Bonus and welfare fund and bonus for the Board of Directors: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Consolidated Statement of Financial Position.

Dividends payable to shareholders are recorded as payables on the Company's Financial Position after the Company's Board of Directors' dividend announcement and the announcement of the date of closing the right to receive dividends of Vietnam Securities Depository Center.

2.24. Revenue

Sale of goods

Revenue from the sale of goods shall be recognised when all of the following conditions have been satisfied:

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

Rendering of services

Revenue from rendering of services shall be recognised when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

Revenue from sales of real estate

Revenue from the sales of real estate shall be recognised when all of the following conditions have been satisfied:

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

Revenue from operating lease

Revenue from operating lease mainly from real estate leasing, which are charged to income statement on a straight-line basis over the period of the leases under leasing contract.

Revenue from construction contract

The basis for recording revenue is the A-B settlement for works completed, which is handed over and put into use or the record certification of the completed construction volume confirmation in each period; the A-B payment price bills for works with long construction time. Value of revenue accounting is the value of the project settlement / payment period (excluding VAT).

In case the construction contract specifies that the contractor shall be entitled to payment based on the progress, when the outcome of construction contract can be estimated reliably, revenue from the construction contract shall be recognized by reference to the stage of completion determined by the Company at the reporting date irrespective of whether invoice is prepared for the progress or not and which amount is stated on the invoices.

Financial income

Revenue arising from interests, royalties, dividends, divided profits and other financial operation revenues shall be recognised when the following two (2) conditions are simultaneously met:

- It is probable that the economic benefits associated with the transaction
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.25. Cost of goods sold

The recognition of cost of goods sold is matched against the revenue in the period and complies with the prudence principle.

Cost of construction works: For completed construction works, that have been checked and handed over or approved by the investor, the total expenses, that collected for these works will be transferred to determine the results.

For projects with long construction time, when revenue is recognized according to the completed construction volume, the investor confirms the cost of goods to determine business results corresponding to the completed construction volume .

The accrual expense to estimate the cost of real estate must comply with the following principles:

- The accrued expenses have been stated in investment and construction estimate, but there are insufficient dossiers and documents for acceptance;
- The expense accrual is only aimed at calculating the cost of real estate that has been completed during the period and meets all requirements for revenue recognition;
- The accrued expenses and actual expenses included in cost of goods sold are in conformity with the norm of cost price on the basis of total cost estimate of sold real estate (determined by area).

2.26. Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.27. Corporate income tax

a) Deferred income tax assets and Deferred income tax liability

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Deferred income tax asset and Deferred income tax liability are determined based on prevailing corporate income tax rate (or corporate income tax rate which is estimated to change in the future if the deferred income tax asset or deferred income tax liability are reversed when the new tax rates have been enacted), tax rates and tax laws enacted at the end of accounting year.

Deferred income tax asset and Deferred income tax liability shall be offset against each other when preparing the Statement of Financial position.

b) Current corporate income tax expenses and Deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

c) Tax incentives

(1): Investment projects of Bao Lam 1 hydropower plant, Bao Lam 3 hydropower plant, Bao Lam 3A hydropower plant: According to the Investment Certificate No. 11121000149 issued by Cao Bang Provincial People's Committee on 21 August 2013 and the amended Investment Certificate No. 11121000149/GCNĐC1/11/1 dated 17 September 2014 for the investment project of Bao Lam 1 hydropower plant; Investment Certificate No. 11121000151 issued by Cao Bang Provincial People's Committee dated 21 August 2013 and amended Investment Certificate No.11121000151/GCNĐC1/11/1 dated 17 September 2014 for the first project Bao Lam hydropower project 3; Investment policy decision No. 2548/QĐ-UBND issued by Cao Bang Provincial People's Committee on 25 December 2015 for Bao Lam 3A hydropower investment project is preferential for the following projects:

- CIT rate of 10% for a period of 15 years;
- CIT exemption of 4 years from the time of taxable income and 50% reduction of payable tax for the next 9 years;
- To be compensated for land clearance into land rents payable annually.

2020 is the 3rd year those Bao Lam 3 Hydropower plant and Bao Lam 3A Hydropower, is the 4th year that Bao Lam 1 Hydropower plant of tax exemption and tax reduction under these incentives.

(2): Investment projects of Bao Lac B hydropower plant, Song Nhiem 4 hydropower plant:

According to the Investment Policy decision No. 100/QĐ-UBND issued by Cao Bang Provincial People's Committee on 01 February 2018 for the investment project of Bao Lac B hydropower plant; Decision approving the investment project No. 1529/QĐ-UBND issued by Ha Giang Provincial People's Committee dated 20 July 2018 for the investment project of Song Nhiem 4 hydropower project;

Incentives for projects are as follows:

- CIT rate of 10% for a period of 15 years;
- CIT exemption of 4 years from the time of taxable income and 50% reduction of payable tax for the next 9 years;

The project has generated taxable income from 2020. 2020 is the year when the CIT rate of 10% is applied. The company registers to exempt corporate income tax for 4 years starting from 2021 and reduces CIT for the next 9 years.

(3): Investment project of Trung Thu Hydropower:

As stipulated in Circular 96/2015/TT-BTC issued on 22 June 2015, Trung Thu Hydropower Joint Stock Company is exempted from corporate income tax for 4 years from 2016 and entitled to 50% reduction of corporate income tax for the next 9 years.

2020 is the 4th year that Trung Thu Hydropower Project implement tax exemption under these incentives.

(4): Mong An Hydropower Investment Project:

Mong An Hydropower Investment Project under Northern Energy Investment Joint Stock Company is entitled to a CIT rate of 10% for a period of 15 years, exempt from CIT for 4 years from 2020 and is reduced 50% CIT for the next 9 years. 2020 is the first year that is exempt from corporate income tax.

d) Current corporate income tax rate

The company currently applies the CIT rate of 20% for taxable income from main business activities and other activities.

For Bao Lac B and Song Nhiem 4 hydropower projects, the CIT rate of 10% is applied.

Taxable income from the remaining hydropower activities exempted from CIT for the year ended as at 31 December 2020.

2.28. Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the year.

2.29. Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.30. Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3. BUSINESS CONSOLIDATION**Purchase companies****a) Purchase Phong Huy Wind Power Joint Stock Company**

On 13 February 2020, the Company has completed acquisition of 96.65% total shares of Phong Huy Wind Power Joint Stock Company, which was established under the Vietnam Enterprise Law under the Business Certificate No.0401994334 first issued by the Quang Tri Authority for Planning and Investment on 06 August 2020. The business field of Phong Huy Wind Power Joint Stock Company is wind power.

The fair value of identifiable assets and liabilities of Phong Huy Wind Power Joint Stock Company on the date of business combination, goodwill arising from the business combination is as follows:

Explain	Book value at the time of gaining control	Fair value at the time of gaining control
	VND	VND
Assets		
Cash and cash equivalents	596,190,425	596,190,425
Receivables	48,350,000,000	48,350,000,000
Short-term assets	95,523,292	95,523,292
Construction in progress	968,286,283	968,286,283
Total Assets	50,010,000,000	50,010,000,000
Liabilities		
Current liabilities	10,000,000	10,000,000
Total Liabilities	10,000,000	10,000,000
Net asset value	50,000,000,000	50,000,000,000
Benefit of non-controlling shareholders	50,000,000	50,000,000
Total Net asset value corresponding to the benefit of the Parent Company (96.65%)	48,325,000,000	48,325,000,000
Total value of investment		230,742,210,000
Goodwill		182,417,210,000

On 13 May 2020, the Company contributed additional capital according to schedule to Phong Huy Wind Power Joint Stock Company with a total value of 80,910,000,000 VND, equivalent to 8,091,000 shares.

On 31 August 2020, the Company contributed additional capital according to schedule to Phong Huy Wind Power Joint Stock Company with a total value of 84,969,700,000 VND, equivalent to 8,496,970 shares.

b) Purchase Phong Nguyen Wind Power Joint Stock Company

On 13 February 2020, the Company has completed acquisition of 96.65% total shares of Phong Nguyen Wind Power Joint Stock Company, which was established under the Vietnam Enterprise Law under the Business Certificate No.040199427 first issued by the Quang Tri Authority for Planning and Investment on 06 August 2020. The business field of Phong Nguyen Wind Power Joint Stock Company is wind power.

The fair value of identifiable assets and liabilities of Phong Huy Wind Power Joint Stock Company on the date of business combination, goodwill arising from the business combination is as follows:

Explain	Book value at the time of gaining control VND	Fair value at the time of gaining control VND
Assets		
Cash and cash equivalents	262,578,030	262,578,030
Receivables	46,805,000,000	46,805,000,000
Short-term assets	264,213,388	264,213,388
Construction in progress	2,668,208,582	2,668,208,582
Total Assets	50,000,000,000	50,000,000,000
Net asset value	50,000,000,000	50,000,000,000
Benefit of non-controlling shareholders	50,000,000	50,000,000
Total Net asset value corresponding to the benefit of the Parent Company (96.65%)	48,325,000,000	48,325,000,000
Total value of investment		230,742,210,000
Goodwill		182,417,210,000

On 13 May 2020, the Company contributed additional capital according to schedule to Phong Nguyen Wind Power Joint Stock Company with a total value of 80,959,600,000 VND, equivalent to 8,095,960 shares.

On 31 August 2020, the Company contributed additional capital according to schedule to Phong Nguyen Wind Power Joint Stock Company with a total value of 87,205,500,000 VND, equivalent to 8,720,550 shares.

c) Purchase Investment and Technology Service Joint Stock Company

On 07 July 2020, the Company has completed acquisition of 51% total shares of Investment and Technology Service Joint Stock Company, which was established under the Vietnam Enterprise Law under the Business Certificate No.0107067494 first issued by the Ha Noi Authority for Planning and Investment on 28 May 2015 and the 3rd amendment was made on 19 November 2020. The business field of Investment and Technology Service Joint Stock Company is providing technology services for power plants.

The fair value of identifiable assets and liabilities of Lien Lap Wind Power Joint Stock Company on the date of business combination, goodwill arising from the business combination is as follows:

Explain	Book value at the time of gaining control	Fair value at the time of gaining control
	VND	VND
Assets		
Cash and cash equivalents	1,868,657,964	1,868,657,964
Receivables	13,599,426,541	13,599,426,541
Construction in progress	1,612,926,260	1,612,926,260
Tangible fixed assets (net)	66,998,332	66,998,332
Other assets	26,969,337	26,969,337
Total Assets	17,174,978,434	17,174,978,434
Liabilities		10,332,000,446
Total Liabilities		10,332,000,446
Net asset value	6,842,977,988	6,842,977,988
Benefit of non-controlling shareholders	3,489,918,774	3,489,918,774
Total Net asset value corresponding to the benefit of the Parent Company (51%)	3,489,918,774	3,489,918,774
Total value of investment		1,876,851,000
Goodwill		(1,613,067,774)

d, Contributing capital in cash according to capital contribution commitments and buying additional shares in Bao Lam Energy Joint Stock Company

On 29 May 2020, the Company purchased contributed capital from existing shareholders of Bao Lam Energy Joint Stock Company with a total value of VND 296,000,000, equivalent to 296,000 shares.

In addition, during the year, the Company contributed additional capital according to the contribution schedule to Bao Lam Energy Joint Stock Company with a total value of VND 30,300,000,000, equivalent to 3,030,000 shares.

e) Contributing capital in cash according to capital contribution commitments and buying additional shares in Lien Lap Wind Power Joint Stock Company

On 13 May 2020, the Company made additional capital contribution according to schedule to Lien Lap Wind Power Joint Stock Company with a total value of VND 86,083,900,000, equivalent to 8,608,390 shares.

On 31 August 2020, the Company made additional capital contribution according to schedule to Lien Lap Wind Power Joint Stock Company with a total value of VND 82,196,240,000, equivalent to 8,219,624 shares.

4. CASH AND CASH EQUIVALENTS

	31/12/2020	01/01/2020
	VND	VND
- Cash on hand	25,602,129,841	17,012,259,121
- Demand deposits	237,164,256,049	116,866,250,626
- Cash equivalents (*)	1,213,000,000,000	433,773,946,749
	1,475,766,385,890	567,652,456,496

(*) At 31 December 2020 the cash equivalents are deposits with term of 01 month at commercial banks at the interest rate of 3.0% to 3.6% per year.

5. FINANCIAL INVESTMENTS**a) Held-to-maturity investments**

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments				
- Term deposits	62,891,072,771	-	180,000,000,000	-
	62,891,072,771	-	180,000,000,000	-

At 31 December 2020, the held-to-maturity investments are term deposits with term to 12 months at commercial banks at the interest rate of 3% per year to 4.1% per year.

b) Investment in affiliate companies

	Address	31/12/2020			01/01/2020		
		Benefit rate/ Voting rights	Proportion of commitment	Book value by equity method	Benefit rate/ Voting rights	Proportion of commitment	Book value by equity method
				VND		VND	
- Cao Bang Iron and Steel Joint Stock Company	Cao Bang	25.09%	25.09%	40,846,089,583	25.09%	22,802,342,998	
- Tan Phat Minerals Joint Stock Company	Cao Bang	33.92%	27.13%	37,329,604,878	33.92%	37,530,395,122	
				78,175,694,461		60,332,738,120	

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c) Investing in other entities

	Address	Number of shares	Benefit rate/ Voting rights	31/12/2020			01/01/2020		
				Historical cost	Fair value	Provision	Historical cost	Fair value	Provision
				VND	VND	VND	VND	VND	VND
- Joint Stock Commercial Bank for Investment and Development of Vietnam	Ha Noi	46,431	0.00136%	821,770,000	2,224,044,900	-	821,770,000	2,142,790,650	-
- Vinaincon Centrifugal Concrete Joint Stock Company	Hai Duong	40,000	10.00%	4,000,000,000		(1,652,891,065)	4,000,000,000		(1,652,891,065)
				4,821,770,000	2,224,044,900	(1,652,891,065)	4,821,770,000	2,142,790,650	(1,652,891,065)

(*) The fair value of the investment in shares of Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) in turn are VND 2,142,790,650 and VND 2,224,044,900 determined according to the closing price of this stock on HOSE on 31 December 2019 and 31 December 2020.

For the investment in Vinaincon Centrifugal Concrete Joint Stock Company, the Company has not determined the fair value of this financial investment due to Vietnamese Accounting Standards, Vietnam Business Accounting System is not yet available specific instructions on determining fair value.

6. SHORT-TERM TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Trade receivables detailed by customers with large account balances				
- The Southern Vietnam Power Projects Management Board	97,185,667,812	-	81,446,002,298	-
- The Central Vietnam Power Projects Management Board	78,536,533,528	-	274,825,881,883	-
- The Northern Power Corporation	134,982,321,012	-	44,220,364,882	-
- Thai Hung Trading Joint Stock Company	106,856,248,004	-	-	-
- Clean Energy Vision Development Joint Stock Company	101,453,631,016	-	-	-
- AMEC Mechanical Construction Joint Stock Company	108,132,656,568	-	-	-
- Hanwha Energy Joint Stock Company - BCG Bang Duong	107,857,590,257	-	128,664,493,503	-
- Others	899,979,382,141	(5,978,533,344)	676,762,440,339	(1,262,047,795)
	1,634,984,030,338	(5,978,533,344)	1,205,919,182,905	(1,262,047,795)

7. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Prepayments to suppliers detailed by customers with large account balances				
- Vestas Asia Pacific A/S (*)	442,064,452,457	-	-	-
- Vestas Wind Technology Viet Nam LCC (*)	139,640,072,625	-	-	-
- Gia Loc Phat Joint Stock Company	82,998,837,129	-	52,772,229,629	-
- Tonkin Vietnam Investment Co., Ltd.	-	-	26,401,518,000	-
- Hoang Ngoc Phat Transport Trading Company Limited	64,500,490,714	-	-	-
- Others	453,139,762,647	-	339,211,254,965	-
	1,182,343,615,572	-	418,385,002,594	-

(*) These are advances for the purchase of wind turbine equipment (Vestas Asia Pacific A/S) and wind post (Vestas Wind Technology Vietnam LCC) in order to implement package of consultancy, equipment supplying, construction, testing and operating wind power plant (Lien Lap wind power plant project, Phong Huy wind power plant project, Phong Nguyen wind power plants project) that the Company's subsidiaries are investor.

8. RECEIVABLES UNDER SCHEDULE OF CONTRACTION CONTRACTS

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Tra Vinh wind farm electrical balance of plant - Vestas Wind Technology Vietnam LCC	35,158,965,918	-	-	-
- Project of Ia Pet - Dak Doa 1 wind power plant project, Ia Pet - Dak Doa 2 wind power plant	20,190,034,962	-	-	-
	55,349,000,880	-	-	-

9. OTHER RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
- Receivables from employees on social insurance	399,212	-	1,356,090	-
- Receivables from Health insurance	589,500	-	201,285	-
- Receivables from Unemployment insurance	79,000	-	178,920	-
- Receivables from interest of deposit, loan	-	-	6,500,684,931	-
- Advances	128,449,505,051	-	70,095,370,886	-
- Mortgages	37,638,311,759	-	965,874,600	-
- Advances to work department commanders	100,152,235,991	-	35,361,352,003	-
- Advances to clearance compensation (*)	201,290,874,356	-	77,854,218,650	-
- Others	58,128,665,024	(2,570,187,890)	38,188,221,963	(2,570,187,890)
	525,660,659,893	(2,570,187,890)	228,967,459,328	(2,570,187,890)

(*): These are advances to pay compensation at construction works and will be returned by the investor and advance to pay compensation for real estate and energy projects.

Power Construction Jonit Stock Company No.1**Consolidated Financial Statements**

No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam

For the fiscal year ended as at 31 December 2020

b) Long - term

- Mortgages	8,295,573,500	-	8,295,573,500	-
- Receivables from Phong Lieu Wind Power Joint Stock Company (**)	79,150,160,000	-	-	-
	87,445,733,500	-	8,295,573,500	-

(**) Business cooperation contract dated 23 December 2020

- Purpose of business cooperation: investing in construction and operation of infrastructure connecting Phong Huy, Phong Nguyen and Phong Lieu wind power projects to the national power system;
- Content of cooperation: Investment cooperation and post-investment exploitation for connection infrastructure;
- The participating parties include: Phong Huy Wind Power Joint Stock Company, Phong Nguyen Wind Power Joint Stock Company, and Phong Lieu Wind Power Joint Stock Company. Phong Lieu Joint Stock Company is the representative party to implement this project;
- Ratio, form and schedule of capital contribution:
- + Estimated investment cost is VND 263,833,900,000, operating cost is determined based on market price;
- + Each party will contribute capital based on the committed contribution ratio, this ratio is proportional to the capacity of each wind power plant (at the time of signing this contract, the capacity of each wind power plant is 48MW);
- + Progress of capital contribution: The investment is divided into 4 phases, in the first phase in December 2020, each party contributed VND 39,575,080,000. In the operation phase, each party's contribution is specified and approved in the Annual Operational Budget;
- Plan for distribution of business results: all interests of the parties to yields, profits and common asset value are divided according to the actual capital contribution ratio;
- Progress of the project on 31 December 2020: Preparing for construction.

10. INVENTORIES

	31/12/2020		01/01/2020	
	Giá gốc	Dự phòng	Giá gốc	Dự phòng
	VND	VND	VND	VND
- Goods in transit	9,744,223,016	-	2,327,284,077	-
- Raw material	171,432,370,331	(1,485,873,407)	182,407,539,961	(3,385,798,751)
- Tools, supplies	1,942,980,053	-	1,732,988,149	-
- Work in progress (*)	468,867,078,164	-	1,217,101,489,013	-
- Finished goods (**)	2,560,576,471	-	13,658,748,706	-
- Goods	3,053,270,713	-	1,272,417,220	-
- Merchandise real estate (**)	73,439,566,121	-	18,907,137,529	-
	731,040,064,869	(1,485,873,407)	1,437,407,604,655	(3,385,798,751)

Power Construction Jonit Stock Company No.1

No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam

Consolidated Financial Statements

For the fiscal year ended as at 31 December 2020

	31/12/2020	01/01/2020
	VND	VND
(*) Details of Work in progress:		
+ Real estate business project	27,210,569,515	514,468,763,003
- PCC1 Thanh Xuan project	8,598,455,090	502,611,615,175
- PCC1 Vinh Hung office, commercial and apartment complex	11,418,803,712	-
- Other projects	7,193,310,713	11,857,147,828
+ Construction activities:	395,317,620,609	429,830,478,898
- Package 4: Construction of transmission line from the starting point to G7 - Song Hau - Duc Hoa 500kV Project.	20,852,581,298	15,221,733,618
- Package 9: Lot 9.8 Position 54-01 to Position 61-01 and Lot 9.11: Position 80-2 to Position 91-01 - Construction and Installation of Quang Trach - Doc Soi 500kV Transmission Line Project.	3,487,697,428	22,504,769,836
- Package 12 lot 12.1 Construction and installation 500kV Chon Thanh Substation connecting line Project.	8,225,704,632	15,189,994,098
- Package CPC-CTS-PC01: Supplying materials and equipment, construction and testing and adjustment of the 110kV underground cable project for 110kV substation at Tien Sa port and connector	39,181,270,500	-
- Construction and Substation line 110kV Package sharing connection of Nam Tra My Hydroelectric cluster to the national electricity system	23,213,803,558	46,362,319,656
- EPC 500kV substation, 220kV and DZ connected to 220kV, 500kV Ia Pet - Dak Doa 1 wind power plant, Ia Yet - Dak Doa 2 wind power plant	19,878,534,483	-
- Supplying materials and equipment, constructing Huong Tan 220kV substation, expanding the 220kV Lao Bao and DZ DN of Phong Lieu, Phong Huy, Phong Nguyen wind power projects	13,172,130,611	-
- EPC system of BIM wind power project	11,188,414,493	-
- EPC system of IA Bang 1 wind power project	4,628,229,125	-
- Package 18 - Lot 18.6 Construction of Song Hau - Duc Hoa 500kV Transmission Line Project from T161 to T190	13,465,698,202	18,867,661,942
- Construction DZ 110kV Quoc Vinh - Soc Trang	14,863,737,338	-
- Other projects	223,159,818,941	311,683,999,748
+ Industrial	39,022,573,171	252,384,428,079
- Package 4 lots 4.6, 4.11, 4.13, 4.14, 4.15, 4.16 Supply and delivery of steel towers 500kV Quang Trach - Doc Soi line	-	200,133,264,191
- Package 4 lots 4.2, 4.3, 4.4, 4.6, Supply and delivery of steel towers 500kV Doc Soi - Pleiku 2 line.	-	26,560,562,542
- 110kV Da Nhi - Ha Song Pha - Ninh Son - Thap Cham	11,786,282,511	-
- Other projects	27,236,290,660	25,690,601,346
+ Others of work in progress	7,316,314,869	20,417,819,033
	468,867,078,164	1,217,101,489,013
(**) Details of finished goods, merchandise real estate:		
	31/12/2020	01/01/2020
	VND	VND
Merchandise real estate:	73,439,566,121	18,907,137,529
- My Dinh Plaza 2 commercial and housing center	18,907,137,529	18,907,137,529
- PCC1 Thanh Xuan project	45,049,157,190	-
- Others	9,483,271,402	-

	31/12/2020	01/01/2020
	VND	VND
Finished products for industrial production	2,560,576,471	13,658,748,706
	76,000,142,592	32,565,886,235
11. CONSTRUCTION IN PROGRESS		
	31/12/2020	01/01/2020
	VND	VND
- Basic construction	377,066,329,012	1,178,674,916,489
+ Mong An Hydropower Plant project ⁽¹⁾	-	730,144,098,593
+ Bao Lac B Hydropower Plant project ⁽²⁾	-	299,669,167,395
+ Song Nhiem 4 Hydropower Plant project ⁽³⁾	-	134,746,153,465
+ Lien Lap Wind power Plant project ⁽⁴⁾	153,254,278,611	4,591,964,265
+ Phong Huy Wind power Plant project ⁽⁵⁾	84,869,299,901	-
+ Phong Nguyen Wind power Plant project ⁽⁵⁾	126,941,143,043	-
+ Other projects	12,001,607,457	9,523,532,771
- Major repair of fixed assets	1,747,331,870	83,397,422
+ Others	1,747,331,870	83,397,422
	378,813,660,882	1,178,758,313,911

Details about specific projects are as follows:

(1) Detailed information of Mong An Hydropower Plant project is as follows:

+ Investment Decision No. 2019/QD-UBND of Cao Bang province on 30 October 2015, and the decision to adjust the investment policy No. 259/QD-UBND Cao Bang province on 10 March 2017.

+ Investment objective: to build a hydropower plant with capacity of 30MW.

+ Total investment: VND 916 billion, started in 3rd quarter of 2017, completed and connected to the national electric system in January 2020.

+ Capital for project implementation: 30% of equity and 70% from bank loans.

(2): Detailed information of Bao Lac B Hydropower Plant project is as follows:

+ Decision on investment policy No. 100/QD-UBND dated 1 February 2018 by Cao Bang Provincial People's Committee.

+ Investment objective: to build a hydropower plant with capacity of 18 MW.

+ Total investment: VND 575 billion, started in 2018, completed and connected to the national electric system in July 2020.

+ Capital for project implementation: 30% of equity and 70% from bank loans.

(3): Detailed information of Song Nhiem 4 Hydropower Plant project is as follows:

+ Decision to approve the implementation of the investment project No. 1529/QD-UBND dated 20 July 2018 issued by Ha Giang Provincial People's Committee.

+ Investment objective: to build a hydropower plant with capacity of 6 MW.

+ Total investment: VND 291 billion, started in 2018, completed and connected to the national electric system in July 2020.

+ Capital for project implementation: 30% of equity and 70% from bank loans.

(4) Lien Lap wind power plant project:

- Investment policy Decision No. 852/QD-UBND dated 17 April 2019, amending Decision No. 199/QD-UBND dated 24 January 2019 of the People's Committee of Quang Tri province on approving the investment policy project "Lien Lap Wind Power Plant";
- Construction site: Tan Lien and Tan Lap communes, Huong Hoa district, Quang Tri province;
- Investment purpose: building a wind power plant with a capacity of 48 MW;
- Total investment: VND 1,939 billion, started in February 2019, expected to generate electricity in the third quarter of 2021;
- Capital for the project implementation: equity capital and commercial bank loans;
- As at 31 December 2020, the project has built a part of turbine foundation, yard, internal roads and purchased some electromechanical equipment.

(5) Phong Huy wind power plant project:

- Decision policy investment No. 1020/QD-UBND dated 17 April 2020, adjusting Decision No. 2530/QD-UBND dated September 20, 2019 issued by the People's Committee of Quang Tri province;
- Construction site: Huong Tan and Tan Thanh communes, Huong Hoa district, Quang Tri province;
- Investment purpose: building a wind power plant with a capacity of 48 MW;
- Total investment: VND 2,015 billion, started in the fourth quarter of 2019, expected to generate electricity in the third quarter of 2021;
- Capital for the project implementation: 30% from equity capital and 70% from commercial bank loans;
- As at 31 December 2020, the project has built a part of turbine foundation, yard, internal roads and purchased some electromechanical equipment.

(6) Phong Nguyen wind power plant project:

- Investment policy decision No. 2531/QD-UBND dated 20 September 2019 of the People's Committee of Quang Tri province.;
- Construction site: Huong Phung and Tan Thanh communes, Huong Hoa district, Quang Tri province;
- Investment purpose: building a wind power plant with a capacity of 48 MW;
- Total investment: VND 2,014 billion; started in the fourth quarter of 2019, expected to generate electricity in the third quarter of 2021;
- Capital for the project implementation: 30 % from equity capital and 70% from commercial bank loans;
- As at 31 December 2020, the project has built a part of turbine foundation, yard, internal roads and purchased some electromechanical equipment.

12. TANGIBLE FIXED ASSETS

	Buildings, Structures	Machinery, equipment	Vehicles, transportation	Management equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
Beginning balance	1,543,013,926,223	1,251,423,711,777	165,758,983,011	10,878,805,282	1,184,927,849	2,972,260,354,142
- Purchase in the period	313,000,000	10,662,940,150	3,869,756,128	922,410,464	468,597,293	16,236,704,035
- Completed construction investment (*)	705,817,263,667	875,598,743,043	46,225,026,120	-	-	1,627,641,032,830
- Increase due to consolidation	-	80,398,000	-	-	-	80,398,000
- Liquidation, disposal	-	(4,883,234,875)	(893,791,207)	(459,701,256)	-	(6,236,727,338)
- Other decrease	(4,705,217,655)	(2,098,139,213)	(2,366,626,827)	(176,186,968)	-	(9,346,170,663)
- Decrease due to the finalisation of Completed construction investment	(34,389,158,629)	(25,750,012,066)	(2,143,129,882)	-	-	(62,282,300,577)
Ending balance of the year	2,210,049,813,606	2,105,034,406,816	210,450,217,343	11,165,327,522	1,653,525,142	4,538,353,290,429
Accumulated depreciation						
Beginning balance	190,726,444,666	286,169,006,787	74,463,801,112	8,229,667,846	813,814,198	560,402,734,609
- Depreciation for the year	68,132,476,455	102,301,800,332	18,166,290,499	826,712,672	169,827,482	189,597,107,440
- Increase due to consolidation	-	13,399,668	-	-	-	13,399,668
- Liquidation, disposal	-	(3,082,189,508)	(893,791,207)	(136,336,165)	-	(4,112,316,880)
- Other decrease	(4,464,123,111)	(2,339,233,757)	(2,366,626,827)	(176,186,968)	-	(9,346,170,663)
Ending balance of the year	254,394,798,010	383,062,783,522	89,369,673,577	8,743,857,385	983,641,680	736,554,754,174
Net carrying amount						
Beginning balance	1,352,287,481,557	965,254,704,990	91,295,181,899	2,649,137,436	371,113,651	2,411,857,619,533
Ending balance	1,955,655,015,596	1,721,971,623,294	121,080,543,766	2,421,470,137	669,883,462	3,801,798,536,255

(*) Tangible fixed assets from the company's completed construction investment during the year include the following hydropower plants:

+ Song Nhiem 4 Hydropower Plant operates under the Decision approving the implementation of investment project No. 1529/QD-UBND dated 20 July 2018 issued by the People's Committee of Ha Giang province. The plant's capacity is 6MW, put into production and business since July 2020. The value of the temporarily increased fixed asset is VND 291,852,594,533, according to incurred costs and expected settlement of bidding packages.

+ Bao Lac B hydropower plant operates under the Investment Policy Decision No. 100 / QD-UDBND dated 01 February 2018 by the People's Committee of Cao Bang Province. The plant's capacity is 18MW, put into production and business since July 2020. The value of the temporarily increased fixed asset is VND 532,885,709,756, according to the incurred costs and the expected settlement of the bidding packages.

+ Mong An hydropower plant operates under the Investment Policy Decision No. 2019/ QD-UDBND dated 20 October 2015 by the People's Committee of Cao Bang Province. The plant's capacity is 30MW, put into production and business since July 2020. The value of the temporarily increased fixed asset is VND 819,911,268,564, according to the incurred costs and the expected settlement of the bidding packages. The plant had 2 unit. Unit 1 operated from 12 January 2020, unit 2 operated on 09 May 2020.

In which:

- The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year: VND 3.057,447,423,262.
- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 177,739,249,603.

13. INTANGIBLE FIXED ASSETS

	Land use rights (*)	Computer software	Total
	VND	VND	VND
Historical cost			
Beginning balance	1,108,070,000	1,734,137,819	2,842,207,819
- Purchase in the year	-	145,000,000	145,000,000
Ending balance	<u>1,108,070,000</u>	<u>1,879,137,819</u>	<u>2,987,207,819</u>
Accumulated amortisation			
Beginning balance	-	702,183,391	702,183,391
- Depreciation for the year	-	392,625,558	392,625,558
Ending balance	<u>-</u>	<u>1,094,808,949</u>	<u>1,094,808,949</u>
Net carrying amount			
Beginning balance	1,108,070,000	1,031,954,428	2,140,024,428
Ending balance	<u>1,108,070,000</u>	<u>784,328,870</u>	<u>1,892,398,870</u>

In which:

- Cost of fully depreciated tangible fixed assets but still in use at the end of the period: VND 279,286,000.

(*) Intangible fixed asset is the indefinite land use rights in Yen Khe Village, Yen Thuong Ward, Gia Lam District, total area is 122.6 m2, used as Yen Thuong Fabrication of Steel structures Factory, with historical cost of VND 1,108,070,000.

14. INVESTMENT PROPERTIES

	Nang Huong Condominium	My Dinh Plaza Condominium	PCC1 Ha Dong Complex Condominium	My Dinh Plaza 2 Condominium	PCC1 Thanh Xuan Condominium	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
Beginning balance	11,076,525,175	90,477,826,874	24,269,520,970	75,796,415,530	-	201,620,288,549
- Completed construction investment	-	-	-	-	63,259,899,984	63,259,899,984
Ending balance	11,076,525,175	90,477,826,874	24,269,520,970	75,796,415,530	63,259,899,984	264,880,188,533
Accumulated amortisation						
Beginning balance	3,701,841,643	21,934,704,810	3,401,722,434	4,532,022,055	-	33,570,290,942
- Depreciation for the year	399,871,729.00	4,384,467,965	973,440,509	3,031,856,624	1,265,198,000	10,054,834,827
Ending balance	4,101,713,372	26,319,172,775	4,375,162,943	7,563,878,679	1,265,198,000	43,625,125,769
Carrying amount						
At the beginning of the year	7,374,683,532	68,543,122,064	20,867,798,536	71,264,393,475	-	168,049,997,607
Ending balance of the year	6,974,811,803	64,158,654,099	19,894,358,027	68,232,536,851	61,994,701,984	221,255,062,764

15. PREPAID EXPENSES

	31/12/2020	01/01/2020
	VND	VND
a) Short - term		
- Dispatched tools and supplies	878,583,701	1,682,335,838
- Others	2,002,545,590	1,115,624,566
	2,881,129,291	2,797,960,404
b) Long - term		
- Dispatched tools and supplies	4,382,167,502	4,718,033,384
- Fixed asset repair expenses	4,252,155,940	4,756,216,628
- Prepaid for land rental	2,806,530,165	35,011,165
- Land clearance expenses for Hydroelectric plants (*)	124,044,228,976	89,439,404,382
- Others	921,863,903	348,842,074
	136,406,946,486	99,297,507,633

(*): The compensation for land clearance of hydropower projects will be deducted from the payable land rents annually according to notices of Cao Bang , Ha Giang, Dien Bien Tax Department as follows:

Construction	Notice	The deductible amount
Bao Lam 1 Hydropower Project	No. 192/TB-CT on 24 November 2016	11,413,476,782
Bao Lam 3 Hydropower Project	No. 849/TB-CT on 21 August 2017	10,061,418,000
Bao Lam 3A Hydropower Project	No. 798/TB-CT on 07 August 2017	668,410,942
Bao Lac B Hydropower Project	No. 1216/TB-CT on 10 October 2019	7,806,445,192
	No. 1150/TB-CT on 11 November 2019	787,719,391
Song Nhiem 4 Hydropower Project	No. 373/QD-CT on 03 June 2020	549,384,183
	No. 569/QD-CT on 03 August 2020	5,174,745,600
Trung Thu Hydropower Project	No. 1091/TB-STC on 30 June 2016	70,790,693,435
Mong An Hydropower Project	No. 1217/TB-CT on 10 December 2019	21,334,749,436

The land rental charge off-setted in the year is VND 3,494,594,777 and this year is VND 1,048,219,208. The outstanding balance of Land clearance expenses will be off-setted in following years as at 31 December 2020 is VND 124,044,228,976.

16. GOODWILL

	31/12/2020	01/01/2020
	VND	VND
- Beginning balance	228,269,079,168	98,565,548,570
- Goodwill arising from acquisition of subsidiaries during the year	364,834,420,000	145,248,639,371
- Value of goodwill amortized during the year	(80,217,080,223)	(15,545,108,773)
- The value of goodwill decreased during the year due to the transfer of the contributed capital	(229,004,179,244)	-
Ending balance	283,882,239,701	228,269,079,168

17. BORROWINGS

	01/01/2020		Trong năm		31/12/2020	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
- Short-term debts	830,069,363,783	830,069,363,783	4,536,375,326,960	3,929,764,632,654	1,436,680,058,089	1,436,680,058,089
- Current portion of long-term debts	120,535,500,000	120,535,500,000	195,681,418,156	166,448,918,156	149,768,000,000	149,768,000,000
	950,604,863,783	950,604,863,783	4,732,056,745,116	4,096,213,550,810	1,586,448,058,089	1,586,448,058,089
b) Long-term borrowings						
- Long-term debts	2,216,733,606,670	2,216,733,606,670	388,686,605,156	284,323,912,958	2,321,096,298,868	2,321,096,298,868
	2,216,733,606,670	2,216,733,606,670	388,686,605,156	284,323,912,958	2,321,096,298,868	2,321,096,298,868
Amount due for settlement within 12 months	(120,535,500,000)	(120,535,500,000)	(195,681,418,156)	(166,448,918,156)	(149,768,000,000)	(149,768,000,000)
Amount due for settlement after 12 months	2,096,198,106,670	2,096,198,106,670			2,171,328,298,868	2,171,328,298,868
Detailed information on Short-term borrowings:						
	Currency	Borrowing purposes	Maturity period	Guarantee	31/12/2020	01/01/2020
					VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	Additional working capital	Under 12 months	Unsecured	162,006,531,008	59,661,223,348
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Additional working capital	Under 9 months	Unsecured	369,040,452,802	209,036,618,261
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Additional working capital	Under 12 months	Unsecured	537,601,979,089	380,965,737,800
Military Commercial Joint Stock Bank	VND	Additional working capital	Under 9 months	Unsecured	4,985,127,589	8,806,452,354
Shinhan Bank Vietnam Limited	VND	Additional working capital	6 months	Unsecured	63,726,327,474	156,647,632,020
BNP Paribas Bank - Ha Noi Branch	VND	Additional working capital	6 months	Unsecured	257,303,208,754	-
Orient Commercial Joint Stock Bank		Additional working capital	Under 12 months	Unsecured	282,757,373	-
Others	VND	Additional working capital	Under 12 months	Unsecured	41,733,674,000	14,951,700,000
					1,436,680,058,089	830,069,363,783

Detailed information on Long-term borrowings:

	Currency	Interest rate	Year of maturity	Borrowing purposes	31/12/2020	01/01/2020
					VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	Interest rate on savings deposit with term of 12 months and interest margin	180 months from date of loan disbursement	Construction of Bao Lam 3 Hydropower project	442,709,898,607	490,709,898,607
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Preferential interest from supportive funds of Renewable Energy Development Program (REDP) of World Bank	180 months from date of loan disbursement	Construction of Trung Thu Hydropower project	403,992,000,000	448,880,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Interest rate on savings deposit with term of 12 months and interest margin	156 months from date of loan disbursement	Construction of Song Nhiem 4 Hydropower project	158,384,664,979	-
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Preferential interest from supportive funds of Renewable Energy Development Program (REDP) of World Bank	180 months from date of loan disbursement	Construction of Bao Lam 1 Hydropower project	463,568,395,700	498,368,395,700
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit with term of 12 months and interest margin	168 months from date of loan disbursement	Construction of Mong An Hydropower project	540,540,000,000	496,873,704,315
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit with term of 12 months and interest margin	180 months from date of loan disbursement	Construction of Bao Lam 3A Hydropower project	55,339,170,283	62,339,170,283
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit with term of 12 months and interest margin	168 months from date of loan disbursement	Construction of Bao Lac B Hydropower project	256,562,169,299	86,439,942,963
Vietnam Prosperity Joint Stock Commercial Bank	VND	Interest rate on savings deposit with term of 12 months and interest margin	48 months from date of loan disbursement	Construction of real estate project PCC1 Thanh Xuan	-	133,122,494,802
					2,321,096,298,868	2,216,733,606,670
Amount due for settlement within 12 months					(149,768,000,000)	(120,535,500,000)
Amount due for settlement after 12 months					2,171,328,298,868	2,096,198,106,670

The form of securing loans is property formed from loans or cash flows from a project.

18. SHORT-TERM TRADE PAYABLES

	31/12/2020		01/01/2020	
	Value	Amount can be paid	Value	Amount can be paid
	VND	VND	VND	VND
Trade payables detailed by suppliers with large account balances				
- TKV Minerals Corporation-JSC	57,259,004,836	57,259,004,836	18,701,223,200	18,701,223,200
- Duc Giang Trade Limited Company	42,766,126,563	42,766,126,563	8,731,757,962	8,731,757,962
- Viet Phat Import Export Trading Investment., JSC	94,553,670,578	94,553,670,578	-	-
- LS-Vina System and Electric Cable JSC	52,238,601,517	52,238,601,517	-	-
- ZHEJIANG WANMA CO.,LTD	-	-	54,563,252,196	54,563,252,196
- Vietnam Energy Technology and Trading JSC	-	-	41,982,640,883	41,982,640,883
- Dongfang Electric International Corporation	43,383,114,988	43,383,114,988	34,887,527,299	34,887,527,299
- Others	809,860,986,173	809,860,986,173	666,756,690,402	666,756,690,402
	1,100,061,504,655	1,100,061,504,655	825,623,091,942	825,623,091,942

19. SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	31/12/2020	01/01/2020
	VND	VND
Short-term prepayments from customers with large account balances		
- Northern Power Project Management Board	19,341,594,399	-
- BIM Wind Power JSC	-	-
- IA Bang Wind Power JSC	108,446,126,693	-
- IA Pet Dak Doa No.1 Wind Power JSC	222,982,195,326	-
- AMECC Mechanical Construction Joint Stock Company	-	14,355,320,822
- Vestas Wind Technology Viet Nam Co., Ltd	-	26,697,200,000
- Investor of the Transmission lines and Substation 110kV Project of Nam Tra My Hydroelectricity	-	16,730,000,000
- Proceeds according to PCC1 Thanh Xuan real estate project progress	885,698,120	218,413,236,225
- Others	134,289,321,691	30,733,812,503
	485,944,936,229	306,929,569,550

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20. TAXES AND OTHER PAYABLES TO STATE BUDGET

	Tax receivable at the beginning of	Tax payable at the beginning of year	Tax payable in the year	Tax paid in the year	Other adjustments	Tax receivable at the end of	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND	VND
Value added tax	-	5,767,811,736	176,260,972,351	133,148,612,638	119,743,944	-	48,999,915,393
Export and import duties	-	-	420,126,919	420,126,919	-	-	-
Corporate income tax	152,807,326	34,380,541,627	121,451,737,943	64,182,629,362	13,869,423	122,678,842	91,633,391,147
Personal income tax	-	835,307,150	11,896,288,226	12,157,898,411	-	-	573,696,965
Natural resource tax	-	1,099,249,643	55,199,817,305	54,638,602,206	-	-	1,660,464,742
Land tax and land rental	305,474,576	-	5,284,981,918	5,278,610,914	-	299,103,572	-
Environmental protection tax	-	-	777,183,627	777,183,627	-	-	-
Other taxes	-	-	3,236,760,810	3,202,475,200	-	183,695	34,469,305
Fees, charges and other payables	-	1,826,832,172	18,257,125,807	16,619,614,561	-	-	3,464,343,418
	458,281,902	43,909,742,328	392,784,994,906	290,425,753,838	133,613,367	421,966,109	146,366,280,970

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Financial Statements could be changed at a later date upon final determination by the tax authorities.

(*) Adjustments of corporate income tax of the previous years to the corporate income tax payable this year at subsidiaries.

21. SHORT-TERM ACCRUED EXPENSES

	31/12/2020	01/01/2020
	VND	VND
- Interest expense of hydropower construction	-	674,942,020
- Interest expense	16,009,300,312	18,935,431,358
- Accrued expense of construction and industrial production	10,189,714,610	7,102,320,710
- Accrued expense of hydropower construction completed	87,848,116,426	62,194,271,199
- Accrued real estate business expenses	42,549,395,799	-
- Transportation expense	1,831,322,800	3,468,381,342
- Raw materials	5,887,914,709	84,634,346
- Outsourcing costs	-	19,782,670,668
- Others	1,218,462,877	6,260,446,109
	165,534,227,533	118,503,097,752

22. OTHER PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
- Trade union fee	2,237,423,806	1,788,107,577
- Social insurance	1,267,664,870	988,273,159
- Health insurance	212,481,863	132,925,285
- Unemployment insurance	77,598,422	58,765,017
- Short-term deposits, collateral received	1,903,907,427	3,694,416,317
- Payables to construction team and Project Management Board	6,248,761,839	11,358,484,197
- Payables to maintenance of real estate projects	27,459,574,184	38,628,442,413
- Payables to land clearance received from the investor is not finalized	10,757,338,000	19,450,123,623
- Others	8,333,743,242	7,566,052,593
	58,498,493,653	83,665,590,181
b) Long-term		
- Long-term deposits, collateral received	4,638,703,453	1,529,547,965
	4,638,703,453	1,529,547,965

23. PROVISION FOR PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
- Provision for product warranty	870,431,400	2,930,917,267
	870,431,400	2,930,917,267
b) Long-term		
- Provision for product warranty	10,507,189,568	1,581,876,356
- Provision for construction warranty	7,261,678,713	7,261,678,713
	17,768,868,281	8,843,555,069

24. OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Other reserves	Treasury share	Asset revaluation differences	Development and investment funds	Other funds	Retained earnings	Non – Controlling Interest	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of	1,327,702,940,000	711,136,556,786	22,906,800,000	-4320000	708,285,511	99,388,290,758	32,420,124,534	924,983,334,575	159,986,645,950	3,279,228,658,114
Increase in capital in previous year	-	-	-	-	-	-	-	-	90,851,000,000	90851000000
Decrease in capital in the previous year	-	-	-	-	-	-	-	-	-840000000	-840000000
Profit in previous year	-	-	-	-	-	-	-	357,791,610,160	18,667,776,508	376,459,386,668
<i>Dividend payment by cash</i>	-	-	-	-	-	-	-	-	-	-
Profit distribution in year:	265,539,720,000	-	-	-	-	29,475,780,695	14,737,890,348	-3.45124E+11	-	-35370936834
<i>Dividend payment by stock</i>	<i>265,539,720,000</i>	-	-	-	-	-	-	<i>-2.6554E+11</i>	-	-
<i>Distribution to Development</i>	-	-	-	-	-	<i>29,475,780,695</i>	-	<i>-29475780695</i>	-	-
<i>Distribution to Bonus and welfare fund</i>	-	-	-	-	-	-	-	<i>-35370936834</i>	-	<i>-35370936834</i>
<i>Distribution to Reserves capital fund</i>	-	-	-	-	-	-	<i>14,737,890,348</i>	<i>-14737890348</i>	-	-
Profit distribution at Subsidiaries:	-	-	-	-	-	814,147,995	45,209,460	-4448457651	-11971988069	-15511088266
<i>Dividend from profits in 2018</i>	-	-	-	-	-	-	-	-	<i>-11410175876</i>	<i>-11410175876</i>
<i>Dividend from profits in 2019</i>	-	-	-	-	-	-	-	-	<i>-199188301</i>	<i>-199188301</i>
<i>Appropriation of funds in subsidiaries from profits in 2018</i>	-	-	-	-	-	<i>814,147,995</i>	<i>45,209,460</i>	<i>-4448457651</i>	<i>-362623892.6</i>	<i>-3951724089</i>
Increase due to subsidiary consolidation during the year	-	-	-	-	-	-	-	-	50,000,000	50,000,000
Change of interest rate at the subsidiary	-	-	-	-	-	-	-	-104603296	104,603,296	-
Other decrease	-	-	-	-	-	-	-	-34071513	-2285752	-36357265
Ending balance of previous	1,593,242,660,000	711,136,556,786	22,906,800,000	-4320000	708,285,511	129,678,219,448	47,203,224,342	933,063,484,397	256,845,751,933	3,694,780,662,417

24. OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Other reserves	Treasury share	Asset revaluation differences	Development and investment funds	Other funds	Retained earnings	Non – Controlling Interest	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of current	1,593,242,660,000	711,136,556,786	22,906,800,000	-4320000	708,285,511	129,678,219,448	47,203,224,342	933,063,484,397	256,845,751,933	3,694,780,662,417
Increase in capital of this year	-	-	-	-	-	-	-	-	503,696,060,000	503,696,060,000
Decrease in capital of this year	-	-	-	-	-	-	-	-	(296,000,000)	(296,000,000)
Profit of this year	-	-	-	-	-	-	-	512,806,303,331	31,275,354,395	544,081,657,726
Profit from partial divestment of invested capital	-	-	-	-	-	-	-	79,485,775,868	-	79,485,775,868
Profits distribution at parent company	318,638,930,000	-	-	-	-	35,779,161,016	17,889,580,508	-4.08355E+11	-	-36047429204
<i>Dividend payment by stock (*)</i>	<i>318,638,930,000</i>	-	-	-	-	-	-	<i>-3.18639E+11</i>	-	<i>0</i>
<i>Appropriation of Development and investment funds</i>	-	-	-	-	-	<i>35,779,161,016</i>	-	<i>-35779161016</i>	-	<i>0</i>
<i>Appropriation of Distribution to Bonus and welfare fund, bonus BOD</i>	-	-	-	-	-	-	-	<i>-36047429204</i>	-	<i>-36047429204</i>
<i>Appropriation of Reserves capital fund</i>	-	-	-	-	-	-	<i>17,889,580,508</i>	<i>-17889580508</i>	-	<i>0</i>
Profit distribution at Subsidiaries:	-	-	-	-	-	1,468,273,789	173,247,510	-7167231822	(15,905,585,319)	-21431295842
<i>Dividends from profits in 2019</i>	-	-	-	-	-	-	-	<i>0</i>	<i>-14840491542</i>	<i>-14840491542</i>
<i>Dividends from profits in 2020</i>	-	-	-	-	-	-	-	<i>0</i>	<i>(212,334,890)</i>	<i>-212334890</i>
<i>Appropriation of fund in subsidiary from profit in 2019</i>	-	-	-	-	-	<i>1,468,273,789</i>	<i>173,247,510</i>	<i>-7167231822</i>	<i>(852,758,887)</i>	<i>-6378469410</i>
Consolidation of subsidiary: Lien Lap, Phong Huy, Phong Nguyen Wind Power JSC and Investment and Technology Service JSC	-	-	-	-	-	-	-	0	6,184,383,607	6,184,383,607
Change of interest rate at the subsidiary	-	-	-	-	-	-	-	-52672358	52,672,358	-
Other decrease	-	-	-	-	-	(2,520,000)	-	-1163904418	238,612,159	(927,812,259)
Ending balance of this year	1,911,881,590,000	711,136,556,786	22,906,800,000	(4,320,000)	708,285,511	166,923,134,253	65,266,052,360	1,108,616,654,270	782,091,249,133	4,769,526,002,313

(*) The parent company distributes profits according to the Resolution of the Annual General Meeting in 2020 No. 01/NQ-PCC1-DHDCD dated on 03 June 2020

b) Capital transactions with owners and distribution of dividends and profits

	Year 2020	Year 2019
	VND	VND
Owner's contributed capital		
- At the beginning of the year	1,593,242,660,000	1,327,702,940,000
- Increase in the year	318,638,930,000	265,539,720,000
- At the ending of year	1,911,881,590,000	1,593,242,660,000
Distributed dividends and profit		
+ Dividend payable from last year's profit	333,479,421,542	277,149,084,177
+ Estimated dividend payable from this year's profit	212,334,890	-

c) Share

	31/12/2020	01/01/2020
Quantity of Authorized issuing shares	191,188,159	159,324,266
Quantity of issued shares	191,188,159	159,324,266
- Common shares	191,188,159	159,324,266
Quantity of shares repurchased	432	432
- Common shares	432	432
Quantity of outstanding shares in circulation	191,187,727	159,323,834
- Common shares	191,187,727	159,323,834
Par value per share (VND)	10,000	10,000

d) Company's reserves

	31/12/2020	01/01/2020
	VND	VND
- Development and investment funds	166,923,134,253	129,678,219,448
- Other funds	65,266,052,360	47,203,224,342
	232,189,186,613	176,881,443,790

25. OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT**a) Operating asset for leasing**

The Company is the lessor under operating lease contracts. As at 31 December 2020, total future minimum lease income under operating lease contracts are presented as follows:

	31/12/2020	01/01/2020
	VND	VND
- Not later than 1 year	25,102,822,715	14,529,123,001
- Later than 1 year and not later than 5 years	36,343,914,515	40,500,361,844
- later than 5 years	8,045,280,982	25,177,620,441
	69,492,018,212	80,207,105,286

b) Operating leased assets

Lot name/Location lot	Leased area (m ²)	Rental period	Rent purpose	Note
Land area at 18 Ly Van Phuc - Cat Linh Ward - Dong Da District - Hanoi	510	50 years	Headquarter	The unit price is stable every 5 years
Land area at Yen Thuong commune - Gia Lam District - Hanoi	9,629	Annual	Headquarter	Pay the annual rent
Land area at Phuong Canh Ward - Nam Tu Liem District - Hanoi	6,475	50 years	Headquarter	The unit price is stable every 5 years
Land area at Dong Ngac Ward - Bac Tu Liem District - Hanoi	2,903	25 years	Headquarter	The unit price is stable every 5 years
Land area at My Dinh 2 Ward - Nam Tu Liem District - Hanoi	3,334	50 years	Parking, public works	The unit price is stable every 5 years
Land area at Phu Lam Ward - Ha Dong District - Hanoi	813	25 years	Headquarter	The unit price is stable every 5 years
Land area at Mai Son - Yen Mo - Ninh Binh	29,372	33 years	Headquarter	The unit price is stable every 5 years
Land area at Tan Thanh ward - Ninh Binh city	2,887	Hàng năm	Headquarter	Pay the annual rent
Land area at Nguyen Tam Trinh Street, Hoang Mai Distric, Ha Noi	961	Annual	Headquarter	Pay the annual rent
Land area at Dai Mo, Nam Tu Liem Distric, Ha Noi	3,192	Long-term	Headquarter	The unit price is stable every 5 years
Land area Phu La Ward - Ha Dong District - Hanoi	1,085	Annual	Headquarter	Pay the annual rent
Land area at Na Pong commune, Ly Bon district, Ly Bon commune Bao Lam district, Cao Bang	117,876	68 years	Bao Lam 1 Hydropower Plant	Land rent is offset against the cost of site clearance compensation
Land area at Bao Toan commune, Bao Lac district, Ly Bon commune and Vinh Quang commune, Bao Lam district, Cao Bang	857,305	67 years	Lake bed of Bao Lam 1 Hydropower Plant	Land rent is offset against the cost of site clearance compensation
Land area at Duc Hanh Commune, Bao Lam District, Cao Bang	49,897	67 years	Bao Lam 3 hydropower plant	Land rent is offset against the cost of site clearance compensation
Land area at Coc Pai village, Niem Tong commune, Meo Vac district, Ha Giang	146,670	67 years and 5 months	Bao Lam 3 hydropower plant	Land rent is offset against the cost of site clearance compensation

Lot name/Location lot	Leased area (m ²)	Rental period	Rent purpose	Note
Land area at Ca Dong, Ca Pen B hamlet, Duc Hanh commune and Khuoi Vin, Pac Ra, Tong Ac hamlet, Ly Bon commune, Bao Lam district, Cao Bang	419,209	49 years	Bao Lam 3A hydropower plant	Land rent is offset against the cost of site clearance compensation
Land area at Bao Toan commune, Bao Lac district, Cao Bang	817,769	48 years and 5 months	Lake bed of Bao Lac B Hydropower Plant	Land rent is offset against the cost of site clearance compensation
Land area at Bao Toan commune, Bao Lac district, Cao Bang	124,514	49 years and 8 months	Bao Lac B hydropower plant	Land rent is offset against the cost of site clearance compensation
Land area at Niem Tong, Meo Vac, Ha Giang	392,026	48 years	Lake bed of Song Nhiem 4 Hydropower Plant	Land rent is offset against the cost of site clearance compensation
Land area at Niem Tong, Meo Vac, Ha Giang	15,228	48 years	Song Nhiem 4 hydropower plant	Land rent is offset against the cost of site clearance compensation
Land area at Group 14, Dong Anh Town, Dong Anh District, Ha Noi	28,255	Annual	Headquarter	Pay the annual rent
Land area at Muong Cha commune, Tua Chua district, Dien Bien province according to the Contract No. 13/HDTD dated 09 June 2019	43,077.1	35 years	Energy works land to build auxiliary works connecting to Trung Thu Hydroelectric Plant	Land rent is offset against the cost of site clearance compensation
Land area at Trung Thu commune, Tua Chua district, Dien Bien province according to the Contract No. 179/HDTD dated 13 May 2016	468,008.1	34 years	Land for energy works to build Trung Thu Hydropower project (reservoir area)	Land rent is offset against the cost of site clearance compensation
Land area at Pa Hem commune, Muong Cha district, Dien Bien province according to the Contract No. 143/HDTD dated 20 April 2016	504,949.1	34 years	Land for energy works to build Trung Thu Hydropower project (reservoir area)	Land rent is offset against the cost of site clearance compensation

Land area at Pa Hem commune, Muong Cha district, Dien Bien province according to the Contract No. 143/HDTD dated 20 April 2016

503,557 34 years

Land for energy works to build Trung Thu Hydropower project

Land rent is offset against the cost of site clearance compensation

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Lot name/Location lot	Leased area (m ²)	Rental period	Rent purpose	Note
Land area at Pa Hem commune, Muong Cha district, Dien Bien province according to the Contract No. 143/HDTD dated 20 April 2016	873,747.4	34 years	Land for energy works to build Trung Thu Hydropower project	Land rent is offset against the cost of site clearance compensation
Land area at Pac Miao town and Nam Quang commune, Bao Lam district, Cao Bang province according to the Contract No. 09/HDTD dated 09 May 2019	111,926	46 years	Main building, auxiliary area and camp in Mong An Hydroelectric power	The unit price is VND 298,110,355 per years
Land area at Ly Bon and Nam Quang commune, Pac Miao town, Bao Lam district, Cao Bang province according to the Contract No. 48/HDTD dated 20 December 2019	962,878.9	46 years	Reservoir area of Mong An Hydroelectric power	The unit price is VND 533,947,745 per years
Land area at My Dinh 2 Ward, Nam Tu Liem District, Ha Noi	2,660	50 years	Building basement of PCC1 My Dinh Plaza 2 building	The unit price is stable every 5 years
Land area at 44 Trieu Khuc, Thanh Xuan Nam Ward, Thanh Xuan District, Ha Noi	3,707.4	from 06 September 2018 to 05 April 2068	PCC1 Thanh Xuan project	One-time payment, the unit price is stable every 5 years
			31/12/2020	01/01/2020
c) Foreign currencies (USD)			3,458,232.39	7,626.32
d) Doubtful debts written-offs			13,659,646,137	13,659,646,137
AG Ajikawa Corporation			12,373,726,137	12,373,726,137
Others			1,285,920,000	1,285,920,000

26. TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	Year 2020 VND	Year 2019 VND
Revenue from construction activities and electrical equipment	3,060,741,678,342	3,000,245,215,906
Revenue from industrial production activities	825,757,109,539	981,324,521,368
Revenue from investment of properties trading	21,647,943,808	18,808,572,113
Revenue from transfer of real estate	834,445,587,979	194,076,266,810
Revenue from electric power trading	748,112,842,891	552,029,783,176
Revenue from sale of goods	1,121,778,208,590	997,694,209,760
Others	66,117,210,194	100,844,263,781

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	6,678,600,581,343	5,845,022,832,914
In which: Revenue from related parties (as detailed in Note No. 41)	-	9,343,175,600

27. COSTS OF GOODS SOLD

	Year 2020	Year 2019
	VND	VND
Cost of construction activities and electrical equipment	2,753,270,380,528	2,736,077,775,895
Cost of industrial production activities	742,930,173,126	890,949,654,308
Cost of investment properties trading	8,644,604,521	7,722,621,196
Cost of transfer of real estate	568,780,156,436	130,581,853,558
Cost of electric power trading	296,465,086,448	206,294,349,980
Cost of goods sold	1,096,148,207,293	968,051,054,613
Others	52,607,408,399	83,254,616,943
Provision for devaluation of inventories	(1,899,925,344)	3,385,798,751
	5,516,946,091,407	5,026,317,725,244

28. FINANCIAL INCOME

	Year 2020	Year 2019
	VND	VND
Interest income	34,595,710,712	36,243,020,919
Dividends distributed profit	-	65,003,400
Realised gain from foreign exchange differences in the year	1,789,269,593	1,375,750,354
Unrealised gain from revaluation of foreign currencies account at the end of the year	10,350,375	-
Deferred sales interest, discount payment	860,562,084	111,887,013
Others	-	90
	37,255,892,764	37,795,661,776

29. FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	242,367,390,588	171,290,382,458
Realised losses from foreign exchange differences in the year	136,361,267	532,605,538
Realised gain from revaluation of foreign currencies account at the end of the year	1,147,413,708	158,945
Others	189,761,352	-
	243,840,926,915	171,823,146,941

30. SELLING EXPENSES

Year 2020	Year 2019
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	VND	VND
Raw materials	25,884,659	30,864,272
Labour expenses	2,190,445,958	2,455,208,746
Expenses of outsourcing services	50,277,679,683	19,752,137,836
Other expenses in cash	7,543,071,637	5,204,217,838
Reversal of provision	10,515,153,984	(5,008,752,423)
	<u>70,552,235,921</u>	<u>22,433,676,269</u>

31. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	4,404,837,578	5,724,125,415
Labour expenses	126,161,951,000	124,107,089,421
Depreciation expenses	85,316,698,553	20,975,352,613
Reversal of provision	4,716,485,549	600,000,000
Tax, Charge, Fee	3,918,402,772	3,857,124,319
Expenses of outsourcing services	19,780,363,856	21,598,034,242
Other expenses in cash	23,423,827,722	25,028,446,229
	267,722,567,030	201,890,172,239

32. OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Gain from liquidation, disposal of fixed assets	1,134,154,157	73,057,232
Gain from liquidation, disposal of tools	1,163,663,779	-
Repay liabilities	1,613,067,774	-
Compensation amount according to the project suspension agreement (*)	20,902,711,736	-
Reversal of provision for warranty	-	6,196,277,618
Others	3,516,395,544	2,123,177,788
	28,329,992,990	8,392,512,638

(*) Compensation according to the agreement on stopping 230kV Hathazari-Sikalbaha project (Bangladesh - AG) between AG Ajkawa Corporation and Dong Anh Steel Column Manufacturing Ltd on 15 October 2020.

33. OTHER EXPENSES

	Year 2020	Year 2019
	VND	VND
Net carrying amount and loss from liquidation, disposal of fixed assets	-	469,197,499
Net carrying amount and loss from liquidation, disposal of tools	954,704,983	-
Expenses of project due to stopping the project (*)	9,162,245,308	-
Others	1,239,532,895	1,948,836,418
	11,356,483,186	2,418,033,917

(*) Expenses of 230kV Hathazari-Sikalbaha project (Bangladesh - AG). (as detailed in Note No.32)

34. CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020	Year 2019
	VND	VND
Current corporate income tax expenses at Parent company	62,923,104,313	21,810,598,193
Current corporate income tax expenses at Subsidiaries	58,528,633,630	31,506,150,494
Current corporate income tax expenses	121,451,737,943	53,316,748,687
Adjustments of corporate income tax of previous years into corporate income tax this year	13,869,423	116,095,948
Tax payable at the beginning of the year	34,227,734,301	58,243,858,520
Tax paid in the year	(64,182,629,362)	(77,448,968,854)
Corporate income tax payable at the end of the year	91,510,712,305	34,227,734,301

35. DEFERRED INCOME TAX**a) Deferred income tax assets**

	31/12/2020	01/01/2020
	VND	VND
- 1% Income tax expense submitted for revenue collection in progress from transfer of real estate	-	2,184,159,953
- Deferred income tax assets arising from unrealized profits	13,597,369,411	-
Deferred income tax assets	13,597,369,411	2,184,159,953

b) Deferred income tax liabilities

	31/12/2020	01/01/2020
	VND	VND
- Deferred income tax arising from the reversal of provision for financial investments	16,639,764,340	20,248,513,657
- Deferred corporate income tax assets corresponding to unrealized gains and losses	(2,053,016,766)	(3,353,489,095)
Deferred income tax liabilities	14,586,747,574	16,895,024,562

c) Deferred income tax expense

	Year 2020	Year 2019
	VND	VND
1% Income tax expense submitted for revenue collection in progress from transfer of real estate.	2,184,159,953	(2,184,159,953)
Deferred income tax assets arising from unrealized profits/losses	(12,296,897,082)	(1,409,672,217)
Deferred income tax arising from the adjustments of provision for financial investments	(3,608,749,317)	6,690,991,589
	(13,721,486,446)	3,097,159,419

36. BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the company are calculated as follows:

	Year 2020	Year 2019 (adjustment)
	VND	VND
Net profit after tax	512,806,303,331	357,791,610,160
Profit distributed to common shares	512,806,303,331	357,791,610,160
Average number of outstanding common shares in circulation in the year	#VALUE!	191,187,727
Basic earnings per share	-	1,871

Basic earnings per share have been adjusted retrospectively as regulated by Vietnamese Accounting Standards No. 30 – Basic earnings per share.

37. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020	Year 2019
	VND	VND
Raw materials	1,219,256,951,526	1,991,076,516,122
Labour expenses	346,409,592,147	303,891,535,168
Depreciation expenses	279,792,813,355	164,732,499,762
Provision expenses	15,231,639,533	(4,408,752,423)
Expenses of outsourcing services	2,079,180,840,746	2,167,550,570,854
Other expenses in cash	145,845,698,376	298,216,338,809
	4,085,717,535,683	4,921,058,708,292

38. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2020		01/01/2020	
	Historical cost	Provision	Historical cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	1,475,766,385,890	-	567,652,456,496	-
Trade and other receivables	2,248,090,423,731	(8,548,721,234)	1,443,182,215,733	(3,832,235,685)
Loans	62,891,072,771	-	182,000,000,000	-
	3,786,747,882,392	(8,548,721,234)	2,192,834,672,229	(3,832,235,685)
			Carrying amount	
			31/12/2020	01/01/2020
			VND	VND
Financial Liabilities				
Borrowings and debts			3,757,776,356,957	3,046,802,970,453
Trade and other payables			1,163,198,701,761	910,818,230,088
Accrued expenses			165,534,227,533	118,503,097,752
			5,086,509,286,251	4,076,124,298,293

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of General Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes in exchange rates and interest rates.

Exchange rate risk:

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Cash and cash equivalents	1,475,766,385,890	-	-	1,475,766,385,890
Trade and other receivables	2,152,095,968,997	87,445,733,500	-	2,239,541,702,497
Loans	62,891,072,771	-	-	62,891,072,771
	3,690,753,427,658	87,445,733,500	-	3,778,199,161,158
As at 01/01/2020				
Cash and cash equivalents	567,652,456,496	-	-	567,652,456,496
Trade and other receivables	1,431,054,406,548	8,295,573,500	-	1,439,349,980,048
Loans	182,000,000,000	-	-	182,000,000,000
	2,180,706,863,044	8,295,573,500	-	2,189,002,436,544

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Borrowings and debts	1,586,448,058,089	595,240,000,000	1,576,088,298,868	3,757,776,356,957
Trade and other payables	1,158,559,998,308	4,638,703,453	-	1,163,198,701,761
Accrued expenses	165,534,227,533	-	-	165,534,227,533
	2,910,542,283,930	599,878,703,453	1,576,088,298,868	5,086,509,286,251

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No.18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam

For the fiscal year ended as at 31 December 2020

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 01/01/2019				
Borrowings and debts	950,604,863,783	497,440,000,000	1,598,758,106,670	3,046,802,970,453
Trade and other payables	909,288,682,123	1,529,547,965	-	910,818,230,088
Accrued expenses	118,503,097,752	-	-	118,503,097,752
	<u>1,978,396,643,658</u>	<u>498,969,547,965</u>	<u>1,598,758,106,670</u>	<u>4,076,124,298,293</u>

The Company believes that risk level of loan repayment is can be controlled. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

39. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Separate Financial Statements

40. SEGMENT REPORTING**Under business fields:**

	Construction	Industrial Production	Real estate	Power	Sales activities	Others	Total
	VND	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	3,060,741,678,342	825,757,109,539	856,093,531,787	748,112,842,891	1,121,778,208,590	66,117,210,194	6,678,600,581,343
Cost of goods sold	2,753,270,380,528	741,030,247,782	577,424,760,957	296,465,086,448	1,096,148,207,293	52,607,408,399	5,516,946,091,407
Profit from business activities	307,471,297,814	84,726,861,757	278,668,770,830	451,647,756,443	25,630,001,297	13,509,801,795	1,161,654,489,936
The total cost of acquisition of Segment assets	8,675,748,845	4,118,338,453	63,259,899,984	829,088,243,908	-	260,000,000	905,402,231,190
Unallocated assets	2,747,635,183,789	382,181,121,963	532,302,566,298	4,852,295,487,841	262,440,973,882	44,689,061,418	8,821,544,395,191
	-	-	-	-	-	-	1,900,123,697,927
Total assets	2,747,635,183,789	382,181,121,963	532,302,566,298	4,852,295,487,841	262,440,973,882	44,689,061,418	10,721,668,093,118
Segment liabilities	1,352,106,317,365	318,892,507,133	128,851,311,553	2,568,030,849,953	180,555,233,006	24,862,208,233	4,573,298,427,243
Unallocated liabilities	-	-	-	-	-	-	1,378,843,663,562
Total liabilities	1,352,106,317,365	318,892,507,133	128,851,311,553	2,568,030,849,953	180,555,233,006	24,862,208,233	5,952,142,090,805

Under geographical areas:

The Company doesn't prepare segment reporting under geographical areas because the majority operation areas of the Company is in Vietnam.

41. TRANSACTION AND BALANCES WITH RELATED PARTIES

The Company has transactions during the period and balances at the balance sheet date with related parties as follows:

Transactions arising in the year:

	Relation	Year 2020 VND	Year 2019 VND
Revenue		-	9,343,175,600
Cao Bang Cast Iron and Steel JSC	Associate	-	9,343,175,600

Transactions with other related parties:

		Year 2020 VND	Year 2019 VND
Income of other members in the Board of Management		7,577,131,359	6,431,966,541
<i>Mr. Trinh Van Tuan</i>	<i>(Re-elected on 03 June 2020)</i>	2,542,632,385	1,994,017,110
<i>Mr. Mai Luong Viet</i>	<i>(Appointed on 03 June 2020)</i>	20,000,000	-
<i>Mr. Vu Van Tu</i>	<i>(Resigned on 03 June 2020)</i>	781,059,923	722,439,094
<i>Mr. Vo Hong Quang</i>	<i>(Re-elected on 03 June 2020)</i>	953,815,021	836,993,825
<i>Mr. Nguyen Minh De</i>	<i>(Re-elected on 03 June 2020)</i>	1,324,912,000	1,300,250,000
<i>Mr. Vu Anh Duong</i>	<i>(Appointed on 03 June 2020)</i>	1,276,562,633	934,349,554
<i>Mrs. Nguyen Thi Huong</i>	<i>(Re-elected on 03 June 2020)</i>	678,149,397	643,916,957
Income of other members in the Board of General Directors		1,801,531,411	1,449,708,363
<i>Mr. Nguyen Nhat Tan</i>		896,643,550	708,928,010
<i>Mr. Dang Quoc Tuong</i>	<i>(Appointed on 01 October 2019)</i>	904,887,861	740,780,353
<i>Mr. Le Thanh Nghi</i>	<i>(Appointed on 01 March 2021)</i>	-	-

42. COMPARATIVE FIGURES

The comparative figures are figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2019, which was audited by AASC Auditing Firm Company Limited.

Pham Thi Thanh Binh

Preparer

Ha Noi, 26 March 2021

Tran Thi Minh Viet

Chief Accountant

Trinh Van Tuan

General Director



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