

CÔNG TY CỔ PHẦN  
TẬP ĐOÀN PC1  
**PC1 GROUP**  
**JOINT STOCK COMPANY**

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom – Happiness

Số: **0258** / CBTT-PC1  
No: **0258** / CBTT-PC1

Hà Nội, ngày **30** tháng 03 năm 2024  
Hanoi, March **30** 2024

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ**  
**ORDINARY INFORMATION DISCLOSURE**

Kính gửi: Ủy ban Chứng khoán Nhà nước  
Sở Giao dịch Chứng khoán TP Hồ Chí Minh  
*To: The State Securities Commission*  
*Hochiminh Stock Exchange*

1. Tên tổ chức/*Name of organization*: CÔNG TY CỔ PHẦN TẬP ĐOÀN PC1/ *PC1 GROUP JOINT STOCK COMPANY*

- Mã chứng khoán/*Stock code*: PC1

- Địa chỉ trụ sở chính/*Head office address*: Số 18 Lý Văn Phúc, Phường Cát Linh, Quận Đống Đa, TP Hà Nội, Việt Nam/ *18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi, Vietnam*

- Địa chỉ giao dịch/*Address*: Số 583 đường Nguyễn Trãi, Quận Thanh Xuân, TP Hà Nội, Việt Nam/ *583 Nguyen Trai Street, Thanh Xuan District, Hanoi, Vietnam*

- Điện thoại/*Tel.*: 024 3734 3060

- Fax: 024 3823 1997

- Email: [cbtt@pc1group.vn](mailto:cbtt@pc1group.vn)

2. Nội dung thông tin công bố/ *Contents of disclosure*:

Báo cáo tài chính Riêng và Báo cáo tài chính Hợp nhất năm 2023 đã được kiểm toán và giải trình sự biến động của lợi nhuận sau thuế trên BCTC 2023 / *The Audited Separate Financial statements and Consolidated Financial statements for the year 2023 and the explanation of the fluctuation of profit after tax on the financial statements of 2023.*

3. Thông tin này đã được công bố trên trang thông tin điện tử của Công ty vào ngày

**30** /03/2024 tại đường dẫn: <http://pc1group.vn> /*This information was published on the company's website on **30** /03/2024, as in the link <http://pc1group.vn>*



Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố. /*We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.*

**Đại diện tổ chức**

***Organization representative***

**Người được ủy quyền CBTT**

***Person authorised to disclose information***



**Hoàng Văn Sáng**





**PC1 Group Joint Stock Company**

Consolidated Financial Statements for  
the year ended 31 December 2023



## PC1 Group Joint Stock Company

### Corporate Information

#### Enterprise Registration Certificate No.

0100100745

19 December 2023

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 19 December 2023. The Enterprise Registration Certificate was issued by Hanoi Department of Planning and Investment.

#### Board of Management

Mr. Trinh Van Tuan	Chairman
Mr. Vu Anh Duong	Member
Mr. Vo Hong Quang	Member
Mr. Nguyen Minh De	Member
Mr. Mai Luong Viet	Member ( <i>until 1/2/2024</i> )

#### Board of General Directors

Mr. Vu Anh Duong	General Director
Mr. Dang Quoc Tuong	Deputy General Director
Mr. Vo Hong Quang	Deputy General Director
Mr. Nguyen Nhat Tan	Deputy General Director
Mr. Nguyen Minh De	Deputy General Director

#### Supervisory Board

Ms. Nguyen Thi Hai Ha	Head of Supervisory Board
Mr. Hoang Van Cuong	Member
Mr. Hoang Van Sang	Member

#### Registered Office

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

#### Auditors

KPMG Limited  
Vietnam



## **PC1 Group Joint Stock Company**

### **Statement of the Board of General Directors**

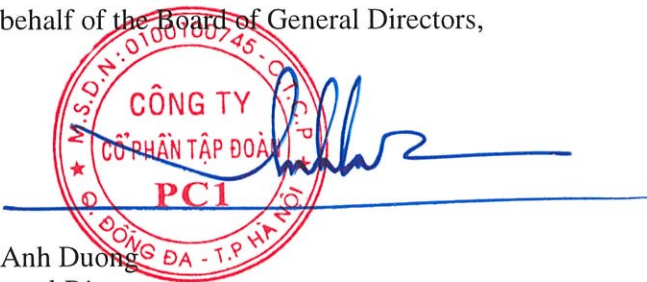
The Board of General Directors of PC1 Group Joint Stock Company (“the Company”) presents this statement and the accompanying consolidated financial statements of the Company for the year ended 31 December 2023.

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

- (a) the consolidated financial statements set out on pages 5 to 70 give a true and fair view of the consolidated financial position of the Company as at 31 December 2023, and of its consolidated results of operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there is no reason to believe that the Company and its subsidiaries will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of General Directors,



Vu Anh Duong  
General Director

Hanoi, 29 March 2024



KPMG Limited  
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E6 Pham Hung Street, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders and Board of Management PC1 Group Joint Stock Company**

We have audited the accompanying consolidated financial statements of PC1 Group Joint Stock Company ("the Company"), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of General Directors on 29 March 2024, as set out on pages 5 to 70.

#### **Management's Responsibility**

The Company's Board of General Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of General Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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



## Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of PC1 Group Joint Stock Company as at 31 December 2023 and of its consolidated results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited**

Vietnam

Audit Report No. 23-02-00132-24-2



Wang Toon Kim  
Practicing Auditor Registration  
Certificate No. 0557-2023-007-1  
*Deputy General Director*

Hanoi, 29 March 2024

Dam Xuan Lam  
Practicing Auditor Registration  
Certificate No. 0861-2023-007-1



**PC1 Group Joint Stock Company**  
**Consolidated balance sheet as at 31 December 2023**

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

	Code	Note	31/12/2023 VND	1/1/2023 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>6,868,401,655,191</b>	<b>7,913,404,977,944</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>2,082,217,682,721</b>	<b>2,581,357,801,353</b>
Cash	111		472,109,384,006	477,612,182,175
Cash equivalents	112		1,610,108,298,715	2,103,745,619,178
<b>Short-term financial investments</b>	<b>120</b>		<b>780,833,305,437</b>	<b>1,006,095,364,843</b>
Held-to-maturity investments	123	6(a)	780,833,305,437	1,006,095,364,843
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>2,821,230,919,203</b>	<b>3,174,355,680,627</b>
Accounts receivable from customers	131	7	1,928,169,781,905	2,255,159,840,624
Prepayments to suppliers	132	8	217,194,103,053	226,419,010,740
Loans receivable – short-term	135	9	288,724,410,051	255,092,249,280
Other receivables	136	10(a)	399,538,361,777	444,700,152,290
Allowance for doubtful debts	137	11	(12,395,737,583)	(7,015,572,307)
<b>Inventories</b>	<b>140</b>	<b>12</b>	<b>943,727,441,090</b>	<b>890,118,267,963</b>
Inventories	141		944,433,461,208	898,534,771,574
Allowance for inventories	149		(706,020,118)	(8,416,503,611)
<b>Other current assets</b>	<b>150</b>		<b>240,392,306,740</b>	<b>261,477,863,158</b>
Short-term prepaid expenses	151	17(a)	12,689,346,830	11,278,376,046
Deductible value added tax	152		226,395,550,873	247,526,165,016
Taxes and others receivable from State Treasury	153	22	1,307,409,037	2,673,322,096
<b>Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)</b>	<b>200</b>		<b>13,366,395,914,223</b>	<b>13,841,008,540,434</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>14,779,136,760</b>	<b>8,282,829,500</b>
Other long-term receivables	216	10(b)	14,779,136,760	8,282,829,500
<b>Fixed assets</b>	<b>220</b>		<b>10,759,977,574,659</b>	<b>9,903,573,955,286</b>
Tangible fixed assets	221	13	9,519,201,639,687	8,596,232,617,877
Cost	222		12,419,829,155,708	10,863,077,105,285
Accumulated depreciation	223		(2,900,627,516,021)	(2,266,844,487,408)
Finance lease tangible fixed assets	224		4,905,112,226	5,425,503,234
Cost	225		5,791,150,000	5,596,800,000
Accumulated depreciation	226		(886,037,774)	(171,296,766)
Intangible fixed assets	227	14	1,235,870,822,746	1,301,915,834,175
Cost	228		1,382,368,621,252	1,385,960,448,543
Accumulated amortisation	229		(146,497,798,506)	(84,044,614,368)

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

**PC1 Group Joint Stock Company**  
**Consolidated balance sheet as at 31 December 2023 (continued)**

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

	Code	Note	31/12/2023 VND	1/1/2023 VND
<b>Investment property</b>	<b>230</b>	<b>15</b>	<b>145,675,172,322</b>	<b>271,049,265,804</b>
Cost	231		558,088,029,012	681,352,966,331
Accumulated depreciation	232		(412,412,856,690)	(410,303,700,527)
<b>Long-term work in progress</b>	<b>240</b>		<b>107,818,401,504</b>	<b>1,375,792,992,689</b>
Construction in progress	242	16	107,818,401,504	1,375,792,992,689
<b>Long-term financial investments</b>	<b>250</b>		<b>1,606,569,505,763</b>	<b>1,538,001,129,454</b>
Investments in associates	252	6(b)	1,605,353,748,672	1,536,564,981,744
Equity investments in other entities	253	6(c)	4,821,770,000	4,821,770,000
Allowance for diminution in the value of long-term financial investments	254		(3,606,012,909)	(3,385,622,290)
<b>Other long-term assets</b>	<b>260</b>		<b>731,576,123,215</b>	<b>744,308,367,701</b>
Long-term prepaid expenses	261	17(b)	478,808,935,599	448,753,359,961
Deferred tax assets	262	18	34,226,534,092	40,710,658,667
Long-term tools, supplies and spare parts	263		2,198,615,537	3,407,937,257
Goodwill	269	19	216,342,037,987	251,436,411,816
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>20,234,797,569,414</b>	<b>21,754,413,518,378</b>

**RESOURCES**

<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>12,964,400,258,570</b>	<b>14,581,667,435,007</b>
<b>Current liabilities</b>	<b>310</b>		<b>4,714,620,923,896</b>	<b>5,950,347,915,950</b>
Accounts payable to suppliers	311	20	1,048,601,949,747	1,284,961,762,512
Advances from customers	312	21	136,780,178,266	321,766,352,285
Taxes and others payable to State Treasury	313	22	113,446,376,786	102,462,696,442
Payables to employees	314		56,308,500,869	52,140,889,355
Accrued expenses	315	23	216,868,137,878	329,996,545,492
Unearned revenue – short-term	318		4,697,211,060	1,964,730,577
Other payables – short-term	319	24(a)	102,223,715,675	19,451,864,183
Short-term borrowings	320	25(a)	2,838,478,333,363	3,677,264,468,074
Provisions – short-term	321	26	12,523,794,502	12,989,719,775
Bonus and welfare fund	322	27	184,692,725,750	147,348,887,255
<b>Long-term liabilities</b>	<b>330</b>		<b>8,249,779,334,674</b>	<b>8,631,319,519,057</b>
Long-term unearned revenue	336		926,919,632	339,350,104
Other payables – long-term	337	24(b)	10,845,031,988	11,297,283,088
Long-term borrowings, bonds and finance lease liabilities	338	25(b)	7,902,006,174,976	8,284,189,794,923
Deferred tax liabilities	341	18	304,986,716,432	315,982,038,113
Provisions – long-term	342	26	31,014,491,646	19,511,052,829

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



**PC1 Group Joint Stock Company**  
**Consolidated balance sheet as at 31 December 2023 (continued)**

**Form B 01 – DN/HN**

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2023 VND	1/1/2023 VND
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>7,270,397,310,844</b>	<b>7,172,746,083,371</b>
<b>Owners' equity</b>	<b>410</b>	<b>28</b>	<b>7,270,397,310,844</b>	<b>7,172,746,083,371</b>
Share capital	411	29	3,109,955,580,000	2,704,330,020,000
- Ordinary shares with voting rights	411a		3,109,955,580,000	2,704,330,020,000
Share premium	412		711,136,556,786	711,136,556,786
Other capital	414		46,847,073,442	29,026,800,000
Differences upon asset revaluation	416		708,285,511	708,285,511
Foreign exchange differences	417		105,169,358	(116,709,425)
Investment and development fund	418		292,725,159,814	261,072,092,951
Other equity funds	420		65,403,533,120	65,418,160,381
Retained profits	421		956,798,821,659	1,344,532,665,968
- Retained profits brought forward	421a		819,716,498,088	888,392,277,813
- Profit for the current year	421b		137,082,323,571	456,140,388,155
Non-controlling interest	429		2,086,717,131,154	2,056,638,211,199
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>20,234,797,569,414</b>	<b>21,754,413,518,378</b>

29 March 2024

Prepared by:



Pham Thi Thanh Binh  
Preparer

Approved by:



Tran Thi Minh Viet  
Chief Accountant



Vu Anh Duong  
General Director

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



**PC1 Group Joint Stock Company**  
**Consolidated statement of income for the year ended 31 December 2023**

**Form B 02 – DN/HN**

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2023 VND	2022 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>31</b>	<b>7,775,239,783,868</b>	<b>8,357,602,470,324</b>
<b>Cost of sales</b>	<b>11</b>	<b>32</b>	<b>6,194,135,244,151</b>	<b>6,763,095,524,845</b>
<b>Gross profit (20 = 01 - 11)</b>	<b>20</b>		<b>1,581,104,539,717</b>	<b>1,594,506,945,479</b>
Financial income	21	33	182,694,013,188	95,203,791,873
Financial expenses	22	34	967,330,851,856	766,697,259,907
<i>In which: Interest expense</i>	23		843,641,541,921	605,030,533,904
Share of profit in associates	24		1,577,383,209	697,381,631
Selling expenses	25	35	55,980,734,072	(8,391,008,009)
General and administration expenses	26	36	335,208,954,077	285,281,303,728
<b>Net operating profit (30 = 20 + 21 - 22 + 24 - 25 - 26)</b>	<b>30</b>		<b>406,855,396,109</b>	<b>646,820,563,357</b>
Other income	31	37	10,795,650,746	19,729,647,491
Other expenses	32	38	28,732,891,615	61,105,267,253
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>(17,937,240,869)</b>	<b>(41,375,619,762)</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>388,918,155,240</b>	<b>605,444,943,595</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>40</b>	<b>90,396,362,846</b>	<b>133,948,375,022</b>
<b>Income tax benefit – deferred</b>	<b>52</b>	<b>40</b>	<b>(4,511,197,107)</b>	<b>(65,435,335,150)</b>
<b>Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)</b>	<b>60</b>		<b>303,032,989,501</b>	<b>536,931,903,723</b>

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

**PC1 Group Joint Stock Company****Consolidated statement of income for the year ended 31 December 2023 (continued)****Form B 02 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2023 VND	2022 VND
<b>Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)</b>	<b>60</b>		<b>303,032,989,501</b>	<b>536,931,903,723</b>
<b>Attributable to:</b>				
Ordinary shareholders of the Company	61		139,972,323,571	459,825,388,155
Non-controlling shareholders	62		163,060,665,930	77,106,515,568
<b>Earnings per share</b>				
				<b>Restated</b>
Basic earnings per share	70	41	405	1,251

29 March 2024

Prepared by:

Pham Thi Thanh Binh  
*Preparer*

Approved by:

Tran Thi Minh Viet  
*Chief Accountant*

Vu Anh Duong  
*General Director**The accompanying notes are an integral part of these consolidated financial statements*

**PC1 Group Joint Stock Company**  
**Consolidated statement of cash flows for the year ended 31 December 2023**  
**(Indirect method)**

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

	Code	2023 VND	2022 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>	<b>01</b>	<b>388,918,155,240</b>	<b>605,444,943,595</b>
<b>Adjustments for</b>			
Depreciation and amortisation	02	763,378,294,562	626,513,539,370
Allowances and provisions	03	8,927,585,946	(17,762,786,386)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	87,854,980,078	131,056,690,530
Profits from investing activities	05	(188,221,520,054)	(92,543,222,753)
Interest expense	06	848,375,555,662	608,141,738,226
<b>Operating profit before changes in working capital</b>	<b>08</b>	<b>1,909,233,051,434</b>	<b>1,860,850,902,582</b>
Change in receivables	09	413,735,295,286	34,259,440,774
Change in inventories	10	(23,954,281,021)	22,306,830,066
Change in payables and other liabilities	11	(281,225,384,255)	116,259,586,529
Change in prepaid expenses	12	12,055,953,375	(50,121,035,517)
		<b>2,029,844,634,819</b>	<b>1,983,555,724,434</b>
Interest paid	14	(860,760,606,701)	(574,362,003,548)
Income tax paid	15	(102,724,509,099)	(82,088,818,415)
Other payments for operating activities	17	(34,052,117,239)	(37,977,480,668)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>1,032,307,401,780</b>	<b>1,289,127,421,803</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for additions to fixed assets and other long-term assets	21	(474,556,898,735)	(1,728,786,877,736)
Proceeds from disposals of fixed assets and other long-term assets	22	168,210,675,156	3,215,091,330
Payments for granting loans and placing deposits with terms of more than 3 months	23	(1,047,101,801,345)	(947,275,404,425)
Receipts from collecting loans and withdrawing deposits with terms of more than 3 months	24	1,239,957,199,980	349,354,673,634
Payments for investments in other entities	25	(68,400,000,000)	(1,543,035,543,694)
Collections on investments in other entities	26	28,472,376,468	-
Receipts of interests, dividends and profits	27	98,803,414,042	58,072,541,362
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(54,615,034,434)</b>	<b>(3,808,455,519,529)</b>

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



**PC1 Group Joint Stock Company**  
**Consolidated statement of cash flows for the year ended 31 December 2023**  
**(Indirect method – continued)**

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

	Code	2023 VND	2022 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from equity issued	31	3,213,643,532	97,424,400,000
Proceeds from borrowings and issuance of long-term bonds	33	5,792,450,483,265	8,718,887,919,551
Payments to settle loan principals	34	(7,161,637,703,122)	(5,964,736,157,497)
Payments to settle finance lease liabilities	35	(1,577,956,458)	-
Payments of dividends	36	(124,230,827,303)	(40,013,773,467)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>(1,491,782,360,086)</b>	<b>2,811,562,388,587</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>	<b>(514,089,992,740)</b>	<b>292,234,290,861</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>2,581,357,801,353</b>	<b>2,291,977,758,704</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>	<b>14,727,995,325</b>	<b>(2,737,538,787)</b>
<b>Currency translation differences</b>	<b>61a</b>	<b>221,878,783</b>	<b>(116,709,425)</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61 + 61a)</b> (Note 5)	<b>70</b>	<b>2,082,217,682,721</b>	<b>2,581,357,801,353</b>

29 March 2024

Prepared by:



Pham Thi Thanh Binh  
Preparer



Tran Thi Minh Viet  
Chief Accountant

Approved by:



Vu Anh Duong  
General Director

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

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

## **1. Reporting entity**

### **(a) Ownership structure**

PC1 Group Joint Stock Company (“the Company”), formerly known as Line and Substation Installation Company, was established on 2 March 1963. The Company was officially transformed into a joint stock company operating under the Business Registration Certificate No. 0100100745 issued for the first time by the Hanoi Department of Planning and Investment on 20 July 2005 and amended for the 24<sup>th</sup> time on 19 December 2023.

### **(b) Principal activities**

The principal activities of the Company and its subsidiaries are as follows:

- Trading in real estate, land use rights of land owners, land users or land lessees, including: investment in the creation of houses, construction works for sale, lease, or lease purchase; purchase houses, construction works for sale, lease, lease purchase; rent houses and construction works for sublease; invest in and improve land and invest in infrastructure facilities on leased land to lease land with infrastructure; receive the transfer of land use rights, invest in infrastructure facilities for transfer or lease; rent land use rights with infrastructure for sublease (except for construction of cemetery infrastructure for transfer of land use rights attached to infrastructure);
- Consulting, brokerage, real estate auction, land use right auction: real estate consulting services, real estate brokerage services, real estate valuation services, real estate advertising services, real estate management services; provide management, operation and exploitation services for urban areas and multi-storey apartment buildings;
- Producing and fabricating steel towers, hot-dip galvanizing and metal structures for civil and industrial facilities;
- Construction of other civil engineering works: construction and installation of power transmission lines and transformer stations, power source facilities, industrial and civil works, infrastructure engineering, traffic, irrigation, post and telecommunication facilities;
- Electricity production, transmission and distribution: electricity production;
- Import and export of goods under the Company’s business scope;
- Surface preparation;
- Installation of electrical systems;
- Measuring cadastral maps, clearing land plots, extracting and measuring land plots for land compensation purposes;
- Wholesale of metals and metal ores; and
- Producing metal structures; forging, stamping, pressing and rolling metal; metal powder smelting.

### **(c) Normal operating cycle**

The normal operating cycle for real estate investment and business, construction and installation of works of the Company and its subsidiaries is based on the investment and implementation period of each work or project. The normal operating cycle for other activities of the Company and its subsidiaries is generally within 12 months.



## PC1 Group Joint Stock Company

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#### (d) Company structure

As at 31 December 2023, the Company had 26 tier-1 subsidiaries and 4 tier-2 subsidiaries (1/1/2023: 23 tier-1 subsidiaries and 5 tier-2 subsidiaries) as follows:

No.	Company name	Principal activities	Address	% of voting rights and % of equity owned 31/12/2023	1/1/2023
<b>Tier-1 subsidiaries</b>					
1	PC1 Hanoi JSC (formerly known as “Dai Mo – No. 1 Power Construction Co., Ltd”)	Power construction	Hanoi	66.00%	100.00%
2	Mien Nam No. 1 Power Construction Co., Ltd	Power construction		100.00%	100.00%
3	Mien Bac – No. 1 Power Construction Installation Co., Ltd	Power construction	Ho Chi Minh City	100.00%	100.00%
4	My Dinh – No. 1 Power Construction Co., Ltd	Power construction	Hanoi	100.00%	100.00%
5	Ha Dong – No. 1 Power Construction Installation One Member Co., Ltd	Power construction	Hanoi	100.00%	100.00%
6	PC1 Nang Huong One Member Co., Ltd.	Provision of services	Hanoi	100.00%	100.00%
7	PC1 Thang Long JSC (formerly known as “Hoang Mai – No. 1 Power Construction Installation One Member Co., Ltd”)	Power construction	Hanoi	66.00%	100.00%
8	Dong Anh Steel Tower Manufacturing Co., Ltd.	Manufacturing galvanized steel columns, steel structure, related accessories, galvanizing services; Trading steel, zinc, materials for production, manufacturing steel structure; Trading electrical equipment and materials	Hanoi	90.00%	90.00%
9	Trung Thu Hydropower JSC	Generating and trading power electricity	Dien Bien	60.00%	60.00%
10	My Dinh Real Estate Investment JSC	Real estate investment and trading	Hanoi	99.39%	99.39%
11	Vietnam Industrial Erection JSC	Installation of machinery and industrial equipment	Hanoi	51.00%	51.00%
12	Hoa Binh Automobile Mechanical JSC	Investment and trading in real estate	Hanoi	99.83%	99.83%
13	Bao Lam Energy JSC	Post-investment management of hydropower and wind power	Cao Bang	99.90%	99.90%
14	Northern Energy Investment JSC	Producing and trading electricity	Cao Bang	51.00%	51.00%
15	Tien Bo Investment Trading JSC	Investment and trading real estate	Hanoi	99.95%	99.95%
16	Lien Lap Wind Power JSC	Producing electricity from wind energy	Quang Tri	55.54%	55.54%
17	Phong Huy Wind Power JSC	Producing electricity from wind energy	Quang Tri	54.70%	54.70%
18	Phong Nguyen Wind Power JSC	Producing electricity from wind energy	Quang Tri	54.73%	54.73%
19	Investment and Technology Service JSC	Supply of materials, equipment and electrical system configuration	Hanoi		
20	Tan Phat Minerals JSC	Mining	Cao Bang	51.00%	51.00%
21	Song Gam Hydropower JSC	Power production	Cao Bang	57.27%	57.27%
				60.00%	99.00%



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No.	Company name	Principal activities	Address	% of voting rights and % of equity owned 31/12/2023	1/1/2023
<b>Tier-1 subsidiaries</b>					
22	Holding Commercial Equipment Company	Workshop leasing	Hanoi	99.75%	99.75%
23	Asia Dragon Trading Pte. Ltd. (formerly known as "PC1 Global Trading Pte. Ltd.")	Wholesale of metals and metal ores	Singapore	100.00%	100.00%
24	Hai Phong International KCN JSC (*)	Business in infrastructure of industrial parks	Hai Phong	99.00%	-
25	Japan – Hai Phong Industrial Zone Development Corporation (**)	Investment, construction and operation of infrastructure, utilities and services of industrial zone	Hai Phong	70.00%	70.00%
26	PC1 Australia Pty Ltd (***)	Trading in steel products	Australia	100.00%	-
<b>Tier-2 subsidiaries</b>					
<b>Subsidiary of Dong Anh Steel Tower Co., Ltd</b>					
1	Thai Nguyen Galvanized Steel Tower JSC	Producing all kinds of galvanised steel columns	Thai Nguyen	81.00%	81.00%
<b>Subsidiary of My Dinh - No.1 Power Construction Co., Ltd.</b>					
2	ETIK Electrical Experiment JSC	Inspection, testing and calibration of electrical equipment and instruments with voltage up to 110 kV	Hanoi	51.00%	51.00%
3	Ninh Binh - No.1 Power Construction Co., Ltd.	Power construction	Ninh Binh	100.00%	100.00%
<b>Subsidiary of Mien Nam - No.1 Power Construction Co., Ltd.</b>					
4	Tu Liem - No.1 Power Construction Co., Ltd.	Power construction	Hanoi	100.00%	100.00%

(\*) During the year, the Company completed the capital contribution of VND9,800,000,000 to a subsidiary, Hai Phong International KCN JSC with the ownership and voting rights of 99% in this company.

(\*\*) On 23 October 2023, Japan – Hai Phong Industrial Zone Development Corporation became a tier-1 subsidiary of the Company through receiving 70% of contributed capital of Asia Dragon Trading Pte. Ltd. in Japan – Hai Phong Industrial Zone Development Corporation.

(\*\*\*) On 23 November 2023, the Company completed the capital contribution of USD211,500 (equivalent to VND5,118,723,000) to the subsidiary – PC1 Australia Pty Ltd with the ownership and voting rights of 100% in this company.

As at 31 December 2023, the Company had 4 associates (1/1/2023: 3 associates) as listed in Note 6(b).

As at 31 December 2023, the Company and its subsidiaries had 1,595 employees (1/1/2023: 1,527 employees).

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**2. Basis of preparation**

**(a) Statement of compliance**

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

**(b) Basis of measurement**

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

**(c) Annual accounting period**

The annual accounting period of the Company and its subsidiaries is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for presentation of consolidated financial statements.

**3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Company and its subsidiaries in the preparation of these consolidated financial statements.

**(a) Basis of consolidation**

**(i) Subsidiaries**

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

**(ii) Non-controlling interests**

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

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



## PC1 Group Joint Stock Company

### Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

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#### (iii) *Associates*

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

#### (iv) *Transactions eliminated on consolidation*

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

#### (v) *Business combination*

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

Under the acquisition method, the assets and liabilities of the acquired entity are consolidated using their fair values upon consolidation. Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in consolidated balance sheet, then amortised through to the consolidated statement of income. When the excess is negative (gain from bargain purchase), it is recognised in the consolidated statement of income for the current year after a reassessment has been performed to ensure that the measurement of identifiable assets acquired, liabilities and contingent liabilities assumed and the cost of the business combination appropriately reflects consideration of all available information as of the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs as the result of fair values of acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination being only provisionally determined, the Company shall account for such business combination at provisional amounts. During twelve months from the acquisition date (i.e. the measurement period), the Company shall retrospectively adjust the provisional amounts recognized at the acquisition date, if any discrepancies arise.

**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023**

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Transaction costs, other than those associated with the issue of debt or equity securities, that the Company incurred in connection with business combinations included any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to affect the combination. Transaction costs are capitalised into the cost of business combination. General administrative costs and other costs that cannot be directly attributed to a particular combination being accounted for are not included in the cost of the combination; they are recognised as an expense when incurred.

**(b) Foreign currency transactions**

**(i) *Foreign currency transactions***

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

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rates (for assets) and account transfer selling rates (for liabilities), respectively, at the end of the annual accounting period quoted by the commercial bank where the Company and its subsidiaries most frequently conduct transactions.

All foreign exchange differences are recorded in the consolidated statement of income.

**(ii) *Foreign operations***

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to VND at exchange rates at the end of the annual accounting period. The income and expenses of foreign operations are translated to VND at exchange rates at the dates of transactions.

Foreign currency differences arising from the translation of foreign operations are recognised in the balance sheet under the caption "Foreign exchange differences" in equity.

**(c) Cash and cash equivalents**

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



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**(d) Investments**

**(i) *Held-to-maturity investments***

Held-to-maturity investments are those that the Company's or its subsidiaries' Board of General Directors has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Equity investments in other entities***

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**(e) Accounts receivable**

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

**(f) Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of raw materials, tools and supplies, finished goods and merchandise inventories are determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Costs of work in progress are determined on an identification basis. Cost in the case of finished goods, merchandise inventories and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Company and its subsidiaries apply the perpetual method of accounting for inventories.

**(g) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

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

▪ buildings and structures	3 – 30 years
▪ plant and equipment	3 – 20 years
▪ motor vehicles	5 – 12 years
▪ office equipment	3 – 10 years
▪ other tangible fixed assets	3 – 7 years

**(h) Intangible fixed assets**

**(i) Mining rights**

Mining rights represent the value of mineral reserves in copper and nickel mines of Tan Phat Mineral JSC, a subsidiary of the Company. Mining rights are amortized to the consolidated statement of income on a straight-line basis over the expected exploitation period of 21.5 years.

**(ii) Right to exploit and operate NHIZ**

The right to exploit and operate Japan-Hai Phong Industrial Zone is amortized to the consolidated statement of income on a straight-line basis over the expected period of exploitation of 22 years.

**(iii) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Definite land use rights are amortized on a straight-line basis over a period ranging from 44 to 49 years. No amortisation is computed for indefinite land use rights.

**(iv) Software**

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 5 years.



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**(i) Investment property held to earn rental**

**(i) Cost**

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by the Board of General Directors. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

**(ii) Depreciation**

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

- |                       |              |
|-----------------------|--------------|
| ▪ land use rights     | 48 years     |
| ▪ apartment for lease | 5 – 30 years |
| ▪ factories           | 30 years     |

**(j) Construction in progress**

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

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**(k) Long-term prepaid expenses**

**(i) Tools and instruments**

Tools and instruments include assets held for use by the Company and its subsidiaries in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(ii) Prepaid land lease rentals**

Prepaid land lease rentals comprise prepaid land lease rentals, including those for which Company obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the term of the lease over 44 to 49 years.

**(iii) Site clearance expenses of hydropower plants**

Site clearance expenses of hydropower plants represent the compensation for site clearance of the hydropower project Bao Lam 1, 3, 3A, Bao Lac B, Song Nhiem 4, Trung Thu, Mong An. Site clearance expenses are recognised at cost and deducted from the Company's annual land rental payable according to the notices of the Cao Bang Provincial Department of Tax, Ha Giang Provincial Department of Tax and Dien Bien Provincial Department of Tax for a period ranging from 11 to 67 years.

**(iv) Site clearance expenses of wind power plants**

Site clearance expenses of wind power plants represent the compensation for site clearance of the wind power projects which are recognised in the statement of income on a straight-line basis over the periods of Lien Lap, Phong Nguyen and Phong Huy wind power plant projects within 49 years.

**(v) Land use rights over the land area at 120 Dinh Cong**

Land use rights over the land area at 120 Dinh Cong comprise the price to purchase land use right over the land area at 120 Dinh Cong. This cost is recognised in the consolidated statement of income on a straight-line basis over the term of the land use right of 50 years.

**(vi) Infrastructure rental costs**

Infrastructure rental costs for project connection are recognised at cost and amortized on a straight-line basis over a period of 48 years.

**(vii) Other long-term prepaid expenses**

Other long-term prepaid expenses comprise expenses for assets renovation and repair, consulting fee and other expenses, which are recognised at cost and amortised on a straight-line basis over a period ranging from 2 to 5 years.



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**(l) Goodwill**

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising on acquisition of subsidiaries is amortised on a straight-line basis within 10 years. Carrying value of goodwill arising on acquisition of a subsidiary is written down to recoverable amount as management determines that it is not fully recoverable.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and is not amortised.

**(m) Trade and other payables**

Trade and other payables are stated at their cost.

**(n) Provision**

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

**(i) Warranties**

The provision for warranties relates mainly to goods sold and construction works completed during the annual accounting period. The provision is based on estimates derived from historical warranty data associated with similar products and services within the most recent three years.

**(ii) Severance allowance**

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company or its subsidiaries are excluded.

**(o) Share capital**

Ordinary shares are recognised at par value. The excess of proceeds from share issuance over the par value of shares issued is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

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**(p) Taxation**

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

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

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

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

**(q) Revenue and other income**

**(i) Goods sold**

Revenue from the sale of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts.

**(ii) Services rendered**

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

**(iii) Construction contracts**

Revenue from construction contracts is recognised in the consolidated statement of income in proportion to the stage of completion of the contract when the outcome of a construction contract can be estimated reliably. The stage of completion is assessed by reference to surveys of work performed. When the outcome of construction contract can be determined reliably, revenue and expenses related to the contract are recognized in proportion to the work completed during the year which is stated in issued invoices. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.



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**(iv) *Rental income***

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

**(v) *Electricity sold***

Revenue from sale of electricity is recognised in the consolidated statement of income in accordance with electricity meter minutes and selling prices as stipulated in the power purchase Agreement signed with Vietnam Electricity Corporation. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(vi) *Interest income***

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

**(vii) *Dividend income***

Dividend income is recognised when the right to receive dividend is established.

**(r) *Leases***

**(i) *Leased assets***

Leases in terms of which the Company or its subsidiaries, as lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

Depreciation on finance leased assets is computed on a straight-line basis over the shorter of the lease term and the estimated useful lives of the leased assets unless it is reasonably certain that the Company or its subsidiaries will obtain ownership by the end of the lease term. The estimated useful lives of finance leased assets are consistent with the useful lives of tangible fixed assets as described in Note 3(g).

**PC1 Group Joint Stock Company**  
**Notes to the consolidated financial statements for the year ended 31 December 2023**  
**(continued)**

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**(ii) Lease payments**

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

Lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**(s) Borrowing costs**

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

**(t) Earnings per share**

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the consolidated profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare fund for the annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year.

During the year ended 31 December 2023, the Company had no potential ordinary shares and therefore does not present diluted earnings per share.

**(u) Related parties**

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

Related companies refer to the Company's associates.

**(v) Comparative information**

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year's financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present the Company's and its subsidiaries' consolidated financial position, results of operation or cash flows for the prior year.



#### **4. Segment reporting by business sectors**

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

- Construction;
- Industrial production;
- Real estate;
- Energy;
- Trading;
- Exploitation and operation of industrial zone;
- Mining; and
- Others.

The Company does not present geographical segment because the Board of General Directors determines that the Company and its subsidiaries currently operate in a sole geographical segment mainly which is Vietnam.

# PC1 Group Joint Stock Company

## Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

**Form B 09 – DN/HN**  
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	Construction VND	Industrial production VND	Real estate VND	Energy VND	Trading VND	Exploitation and operation of industrial zone VND	Mining VND	Others VND	Elimination VND	Consolidation VND
<b>For the year ended 31 December 2023</b>										
Segment consolidated revenue	3,828,968,348,359	1,218,148,180,352	192,537,977,998	1,532,041,358,298	1,042,889,712,645	614,102,201,835	1,379,395,161,473	164,182,450,358	(2,197,025,607,450)	7,775,239,783,868
Segment cost of sales	(3,595,376,108,331)	(1,088,309,973,617)	(143,827,157,734)	(804,734,609,638)	(1,024,318,503,004)	(475,527,762,175)	(1,125,389,673,275)	(127,032,116,211)	2,190,380,659,834	(6,194,135,244,151)
Segment results	233,592,240,028	129,838,206,735	48,710,820,264	727,306,748,660	18,571,209,641	138,574,439,660	254,005,488,198	37,150,334,147	(6,644,947,616)	1,581,104,539,717
Selling expenses										(55,980,734,072)
General and administration expenses										(335,208,954,077)
Financial income										182,694,013,188
Financial expenses										(967,330,851,856)
Share of profits in associates										1,577,383,209
Results from other activities										(17,937,240,869)
Income tax expense										(85,885,165,739)
Net profit after tax										303,032,989,501

# PC1 Group Joint Stock Company

## Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)

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(Issued under Circular No. 202/2014/TT-BTC  
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	Construction VND	Industrial production VND	Real estate VND	Energy VND	Trading VND	Exploitation and operation of industrial zone VND	Others VND	Elimination VND	Consolidation VND
<b>For the year ended 31 December 2022</b>									
Segment consolidated revenue	6,514,601,784,581	829,168,796,030	140,020,623,138	1,795,472,621,931	997,290,682,752	79,567,779,381	67,091,762,963	(2,065,611,580,452)	8,357,602,470,324
Segment cost of sales	(5,762,573,128,910)	(763,191,104,223)	(81,657,085,619)	(843,809,500,492)	(973,894,784,944)	(63,735,615,998)	(61,786,609,977)	1,787,552,305,318	(6,763,095,524,845)
Segment results	752,028,655,671	65,977,691,807	58,363,537,519	951,663,121,439	23,395,897,808	15,832,163,383	5,305,152,986	(278,059,275,134)	1,594,506,945,479
Selling expenses									8,391,008,009
General and administration expenses									(285,281,303,728)
Financial income									95,203,791,873
Financial expenses									(766,697,259,907)
Share of profits in associates									697,381,631
Results from other activities									(41,375,619,762)
Income tax expense									(68,513,039,872)
Net profit after tax									536,931,903,723



**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)**

**Form B 09 – DN/HN**  
(Issued under Circular No. 202/2014/TT-BTC  
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	Construction VND	Industrial production VND	Real estate VND	Energy VND	Trading VND	Exploitation and operation of industrial zone VND	Mining VND	Others VND	Consolidation VND
<b>As at 31 December 2023</b>									
Segment assets	1,785,112,438,471	615,627,526,236	641,021,661,625	9,375,187,205,478	427,528,123,407	967,507,580,226	2,123,493,727,661	60,903,882,697	15,996,382,145,801
Unallocated assets									4,238,415,423,613
<b>Total assets</b>									<b>20,234,797,569,414</b>
Segment liabilities	1,285,497,458,389	462,921,677,656	175,788,886,205	5,961,831,694,396	87,253,110,028	46,218,223,152	1,375,877,222,497	3,828,607,130	9,399,216,879,453
Unallocated liabilities									3,565,183,379,117
<b>Total liabilities</b>									<b>12,964,400,258,570</b>
<b>For the year ended 31 December 2023</b>									
Capital expenditure	7,472,558,750	16,465,294,758	-	25,554,140,852	-	19,878,004,297	417,551,228,726	19,400,866,320	506,322,093,703
Depreciation of tangible fixed assets	19,195,175,416	10,976,436,527	1,308,947,444	502,465,450,199	-	15,719,182,762	87,999,925,934	7,031,049,896	644,696,168,178
Amortization of intangible fixed assets	83,832,799	30,768,719	-	-	-	17,837,760,714	45,466,804,505	255,999,998	63,675,166,735
Depreciation of finance lease tangible fixed assets	714,741,008	-	-	-	-	-	-	-	714,741,008
Depreciation of investment property	-	-	11,283,445,012	-	-	13,314,633,201	-	-	24,598,078,213

**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)**

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(Issued under Circular No. 202/2014/TT-BTC  
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	Construction VND	Industrial production VND	Real estate VND	Energy VND	Trading VND	Exploitation and operation of industrial zone VND	Others VND	Consolidation VND
<b>As at 1 January 2023</b>								
Segment assets	2,662,042,525,503	511,746,397,077	710,323,887,478	10,073,219,742,757	246,776,792,320	869,204,133,809	2,602,767,233,974	17,676,080,712,918
Unallocated assets								4,078,332,805,460
<b>Total assets</b>								<b>21,754,413,518,378</b>
Segment liabilities	1,506,433,619,992	396,678,745,168	40,670,230,886	7,206,084,093,389	101,411,833,953	36,697,451,834	1,044,465,297,287	10,332,441,272,509
Unallocated liabilities								4,249,226,162,498
<b>Total liabilities</b>								<b>14,581,667,435,007</b>
<b>For the year ended 31 December 2022</b>								
Capital expenditure	55,653,234,091	2,914,690,127	-	21,652,066,667	-	-	1,036,077,506,014	1,116,297,496,899
Depreciation of tangible fixed assets	15,128,728,418	11,194,443,974	1,226,519,538	492,912,220,144	-	2,724,348,163	4,448,041,182	527,634,301,419
Amortization of intangible fixed assets	331,743,603	-	-	-	-	2,546,721,068	45,493,471,167	48,371,935,838
Depreciation of finance lease tangible fixed assets	171,296,766	-	-	-	-	-	-	171,296,766
Depreciation of investment property	-	-	13,515,977,667	-	-	-	-	13,515,977,667

**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023  
(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***5. Cash and cash equivalents**

	<b>31/12/2023</b> <b>VND</b>	<b>1/1/2023</b> <b>VND</b>
Cash on hand	22,292,697,470	19,306,652,777
Cash in banks	449,156,686,536	458,305,529,398
Cash in transit	660,000,000	-
Cash equivalents (*)	1,610,108,298,715	2,103,745,619,178
	<hr/>	<hr/>
	2,082,217,682,721	2,581,357,801,353

(\*) Cash equivalents at 31 December 2023 included bank deposits with an original term of less than three months, earning interest rates ranging from 2.3% to 4.2%/year (1/1/2023: 4.6% to 6.0%/year).



**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023**

(continued)

**Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***6. Investments****(a) Held-to-maturity investments**

	<b>Cost and carrying amount</b>	
	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
<b>Held-to-maturity investments – short-term</b>		
Term deposits	780,833,305,437	1,006,095,364,843

Held-to-maturity investments – short-term represent term deposits at banks with an original term of more than 3 months and the remaining term of less than 12 months, earning interest rates ranging from 1.4% to 9.5%/year (1/1/2023: from 1.0% to 5.0%/year).

**(b) Investments in associates**

	<b>% of equity owned</b>	<b>% of voting rights</b>	<b>31/12/2023</b>	<b>Fair value VND</b>
			<b>Carrying amount under equity method VND</b>	
Cao Bang Cast Iron and Steel JSC	25.09%	25.09%	126,907,281,952	(**)
CT2 Real Estate Investment JSC	49.00%	49.00%	300,000,000,000	(**)
Western Pacific JSC	30.08%	30.08%	1,110,046,466,720	(**)
Phu Binh Warehousing JSC (*)	36.00%	36.00%	68,400,000,000	(**)
			<b>1,605,353,748,672</b>	

(\*) On 7 April 2023, Phu Binh Warehousing JSC became an associate of the Company after the Company completed the acquisition of 1,800,000 shares from existing shareholders.

	<b>% of equity owned</b>	<b>% of voting rights</b>	<b>1/1/2023</b>	<b>Fair value VND</b>
			<b>Carrying amount under equity method VND</b>	
Cao Bang Cast Iron and Steel JSC	25.09%	25.09%	127,811,507,354	(**)
CT2 Real Estate Investment JSC	49.00%	49.00%	300,000,000,000	(**)
Western Pacific JSC	30.08%	30.08%	1,108,753,474,390	(**)
			<b>1,536,564,981,744</b>	

**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)**

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**(c) Equity investments in other entities**

	<b>31/12/2023</b>				
	<b>Number of shares</b>	<b>% of equity owned %</b>	<b>% of voting rights %</b>	<b>Cost VND</b>	<b>Allowance for diminution in value VND</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam	58,396	0.00115%	0.00115%	821,770,000	-
Vinaincon Centrifugal Concrete JSC	400,000	10.00%	10.00%	4,000,000,000	(3,606,012,909)
				4,821,770,000	(3,606,012,909)
	<b>1/1/2023</b>				
	<b>Number of shares</b>	<b>% of equity owned %</b>	<b>% of voting rights %</b>	<b>Cost VND</b>	<b>Allowance for diminution in value VND</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam	58,396	0.00115%	0.00115%	821,770,000	-
Vinaincon Centrifugal Concrete JSC	400,000	10.00%	10.00%	4,000,000,000	(3,385,622,290)
				4,821,770,000	(3,385,622,290)
					2,534,386,400 (**)

(\*\*) The Company and its subsidiaries have not determined fair values of these investments for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair values of these investments may differ from their carrying amounts.

**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023  
(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***7. Accounts receivable from customers****Accounts receivable from customers detailed by significant balance**

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Vietnam Electricity Corporation	300,562,675,147	215,960,677,903
The Southern Vietnam Power Project Management Board	199,345,804,016	182,712,948,137
Power Project Management Board 2 – Vietnam Electricity Corporation	162,767,074,244	-
Hanoi Power Development Project Management Board – Hanoi Power Corporation	152,899,801,367	19,215,144,250
Tan Viet Trading and Construction Installation Investment JSC	115,783,438,893	-
The Central Vietnam Power Project Management Board	79,296,269,106	67,422,966,473
The Northern Vietnam Power Project Management Board	76,016,197,514	82,986,303,726
Tien Giang Wind Power JSC	50,000,000,000	758,952,550,730
Others	791,498,521,618	927,909,249,405
	<b>1,928,169,781,905</b>	<b>2,255,159,840,624</b>

**8. Prepayments to suppliers**

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Gia Loc Phat JSC	95,988,840,482	95,988,840,482
Thang Long Investment and Technology Transfer JSC	17,877,622,227	-
Xuan An Phu Tho Co., Ltd.	2,310,575,267	10,113,842,440
Chan Hung Trading Technical Services JSC	-	21,216,637,391
Dinh Tan Construction Investment Corporation	-	9,428,002,849
Others	101,017,065,077	89,671,687,578
	<b>217,194,103,053</b>	<b>226,419,010,740</b>



**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023****(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***9. Loans receivable – short-term**

	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Global Green Energy Consulting JSC (formerly known as “Power Engineering Consulting JSC 1”)	2,588,410,051	2,886,249,280
Nguyen Tat Cuong (*)	255,075,000,000	215,075,000,000
Tran Thi Tuyet (**)	29,631,000,000	37,131,000,000
Other individuals	1,430,000,000	-
	<hr/>	<hr/>
	288,724,410,051	255,092,249,280

(\*) This is the short-term loan receivables granted to an individual (not a related party) of a subsidiary of the Company, earning interest rates ranging from 5.0% to 6.0%/year, principal and interest to be paid on 31 May 2024 and 30 June 2024.

(\*\*) This is the short-term loan receivables granted to an individual (not a related party) of a subsidiary of the Company, earning interest rate of 3.5%/year, principal and interest to be paid according to Contract Appendix No. PL01-2022-TP-TTT on 31 December 2023. In 2023, this loan was extended the due date to 31 December 2024.

**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023****(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
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	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Advances for site clearance compensation (*)	176,611,651,982	283,380,203,213
Advances to employees	103,920,144,217	82,039,375,924
Advances made to works steering teams	24,856,454,080	31,531,436,014
Accrued interest income from deposits and loans	58,534,783,875	33,051,440,018
Deposits, mortgages	29,474,663,501	5,726,051,699
Others	6,140,664,122	8,971,645,422
	<hr/>	<hr/>
	399,538,361,777	444,700,152,290

(\*) These are advances to pay compensation at construction works, which will be returned by the employer and advances to pay compensation for real estate and energy projects.

**(b) Other long-term receivables**

	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Deposits, mortgages	14,779,136,760	8,282,829,500
	<hr/>	<hr/>

**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023 (continued)**

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**11. Bad and doubtful debts**

	Overdue period	31/12/2023			Overdue period	1/1/2023		
		Cost VND	Allowance VND	Recoverable amount VND		Cost VND	Allowance VND	Recoverable amount VND
<i>Overdue debts</i>								
Tran Nhung (Construction Team 3)	Over 3 years	2,151,632,200	(2,151,632,200)	-	Over 3 years	2,151,632,200	(2,151,632,200)	-
Hoang Tien Phat Construction and Development JSC	From 1 - 2 years	9,868,790,946	(4,934,395,473)	4,934,395,473				
Phan Ngoc Tien (Construction Team 1)	Over 3 years	418,555,690	(418,555,690)	-	Over 3 years	418,555,690	(418,555,690)	-
Nachi International JSC Investment and Industrial Development JSC	Over 3 years	101,292,413	(50,646,207)	50,646,206	From 2 - 3 years	101,292,413	(50,646,207)	50,646,206
Ha Noi Assemble Electricity JSC	From 2 – 3 years	614,880,000	(614,880,000)	-	From 1 - 2 years	614,880,000	(614,880,000)	-
	Below 1 year	2,631,941,262	(789,582,379)	1,842,358,883		-	-	-
Other customers	From 2 to over 3 years	3,932,949,934	(3,436,045,634)	496,904,300	From 2 to over 3 years	4,132,949,934	(3,779,858,210)	353,091,724
		19,720,042,445	(12,395,737,583)	7,324,304,862		7,419,310,237	(7,015,572,307)	403,737,930
<i>Of which:</i>								
Allowance for doubtful debts – short-term			(12,395,737,583)				(7,015,572,307)	



**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023  
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	<b>31/12/2023</b>		<b>1/1/2023</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	499,380,000	-	7,402,657,366	-
Raw materials	212,530,977,247	(706,020,118)	307,908,804,848	(8,416,503,611)
Tools and supplies	21,353,261,041	-	1,515,992,384	-
Work in progress (*)	511,603,111,316	-	578,560,601,010	-
Finished goods	127,721,376,040	-	-	-
Merchandise inventories	70,725,355,564	-	3,146,715,966	-
	<b>944,433,461,208</b>	<b>(706,020,118)</b>	<b>898,534,771,574</b>	<b>(8,416,503,611)</b>

(\*) Work in progress comprised:

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
<b><i>Real estate business project:</i></b>		
PCC1 Vinh Hung office, commercial and apartment complex	14,399,687,700	14,399,687,700
PC1 Bac Tu Liem Project (G5 - CT2 and G8 - CT3 Residential Area for sale)	7,494,996,417	7,491,426,417
PC1 Gia Lam Residential Area Project	2,596,191,784	2,410,618,176
Other projects	4,003,974,491	4,858,180,345
<b><i>Construction, supply of electrical equipment and construction of industrial park infrastructure:</i></b>		
EPC – Wind Power Plant Project – Khai Long - Ca Mau Tourist Area Phase 1, Khai Long Wind Power Plant Phases 2 and 3 and MR 110kV at Nam Can 220kV Substation	34,710,041,195	30,166,322,460
Nong Cong Nghi Son 110kV transmission line and 220kV Substation	29,159,734,663	34,721,925,359
Package 9 – Supply of equipment for Transformer Station of Thanh Xuan 220/110kV Station construction project	28,812,671,821	-
EPC Package for construction of technical infrastructure – Yen Phong II-A Industrial Park, Project: Infrastructure Construction Investment and Infrastructure Business – Yen Phong II-A Industrial Park	26,799,806,529	27,159,635,475

**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023****(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
500/220kV Nho Quan - Phu Ly - Thuong Tin Transmission Line (Lot 14.1)	11,979,727,800	-
Nghia Lo 220kV Substation	11,300,529,252	-
Package 9 for supply, construction and installation of 110kV substation equipment at Cong Xanh Industrial Park and Binh Duong province connection line	1,590,340,753	14,428,907,373
Package 9 Lot 9.8 VT54-01 VT61-01 and Lot 9.11 VT80-2 VT91-01 for Construction and installation of Quang Trach - Doc Soi 500kV transmission line project	-	9,439,117,643
2022 Contract for Package 6 for Supply, construction and installation of materials and equipment for 110kV transmission line connecting Long Son LSP	155,595,807	43,463,085,064
Others	316,671,183,243	350,181,029,365
<b><i>Industrial production activities:</i></b>		
Hoang Hoa project	4,890,321,811	-
Nam Dinh 1 - Thanh Hoa project	4,884,839,086	-
Ba Che - Nui 1 Project	2,805,284,893	5,277,111,337
My Khe Project	3,091,408,555	10,911,988,900
Do Luong - Song Lam 1 project	2,798,248,686	-
Australia project	1,905,059,755	-
Hoa Phat project	1,213,064,602	-
CNC Dong Nai Project	-	13,184,814,501
Others	340,402,473	10,466,750,895
	<b>511,603,111,316</b>	<b>578,560,601,010</b>

## 13. Tangible fixed assets

	Buildings and structures VND	Plant and equipment VND	Motor vehicles VND	Office equipment VND	Other tangible fixed assets VND	Total VND
<b>Cost</b>						
Opening balance	3,618,545,938,027	6,733,227,964,821	435,140,303,960	23,008,640,807	53,154,257,670	10,863,077,105,285
Additions	1,105,198,932	10,353,195,443	6,042,291,502	9,823,322,982	936,500,000	28,260,508,859
Transfer from construction in progress	876,431,116,632	663,653,015,665	1,635,000,000	-	2,082,582,204	1,543,801,714,501
Disposals	(826,782,374)	(4,175,297,137)	(7,380,691,003)	(455,817,282)	-	(12,838,587,796)
Written off	-	(655,488,016)	-	-	-	(655,488,016)
Adjustment of cost according to project finalisation	(4,339,349,286)	1,092,332,831	1,430,919,330	-	-	(1,816,097,125)
Reclassification	-	(736,424,043)	-	736,424,043	-	-
Closing balance	4,490,916,121,931	7,402,759,299,564	436,867,823,789	33,112,570,550	56,173,339,874	12,419,829,155,708
<b>Accumulated depreciation</b>						
Opening balance	792,473,295,786	1,103,618,654,920	314,135,596,261	15,859,319,822	40,757,620,619	2,266,844,487,408
Charge for the year	182,700,022,201	430,099,713,246	24,582,070,767	2,474,113,552	4,840,248,412	644,696,168,178
Disposals	(556,066,439)	(4,684,887,204)	(4,715,371,174)	(301,326,732)	-	(10,257,651,549)
Written off	-	(655,488,016)	-	-	-	(655,488,016)
Reclassification	-	(648,615,838)	-	648,615,838	-	-
Closing balance	974,617,251,548	1,527,729,377,108	334,002,295,854	18,680,722,480	45,597,869,031	2,900,627,516,021
<b>Net book value</b>						
Opening balance	2,826,072,642,241	5,629,609,309,901	121,004,707,699	7,149,320,985	12,396,637,051	8,596,232,617,877
Closing balance	3,516,298,870,383	5,875,029,922,456	102,865,527,935	14,431,848,070	10,575,470,843	9,519,201,639,687

As at 31 December 2023, tangible fixed assets costing VND673,652 million (1/1/2023: VND669,624 million) were fully depreciated but are still in active use.

As at 31 December 2023, tangible fixed assets with a net book value of VND9,404,831 million (1/1/2023: VND8,420,086 million) were pledged with banks as security for borrowings granted to the Company and its subsidiaries (Note 25(b)).



**14. Intangible fixed asset**

	Mining rights VND	Right to exploit and operate NHIZ VND	Land use rights VND	Software VND	Others VND	Total VND
<b>Cost</b>						
Opening balance	977,536,296,866	385,284,021,525	17,896,191,733	5,138,606,600	105,331,819	1,385,960,448,543
Additions	-	-	-	126,500,000	-	126,500,000
Disposals	-	-	(3,646,663,291)	-	-	(3,646,663,291)
Other movements	-	-	-	(71,664,000)	-	(71,664,000)
Closing balance	977,536,296,866	385,284,021,525	14,249,528,442	5,193,442,600	105,331,819	1,382,368,621,252
<b>Accumulated amortisation</b>						
Opening balance	70,094,656,945	2,479,857,547	7,171,997,850	4,192,770,207	105,331,819	84,044,614,368
Charge for the year	45,466,804,505	17,418,614,787	321,865,923	467,881,520	-	63,675,166,735
Disposals	-	-	(1,201,406,199)	-	-	(1,201,406,199)
Other movements	-	-	-	(20,576,398)	-	(20,576,398)
Closing balance	115,561,461,450	19,898,472,334	6,292,457,574	4,640,075,329	105,331,819	146,497,798,506
<b>Net book value</b>						
Opening balance	907,441,639,921	382,804,163,978	10,724,193,883	945,836,393	-	1,301,915,834,175
Closing balance	861,974,835,416	365,385,549,191	7,957,070,868	553,367,271	-	1,235,870,822,746

As at 31 December 2023, intangible assets costing VND1,664 million (1/1/2023: VND3,139 million) were fully amortised but are still in active use.

### 15. Investment property held to earn rental

Cost	Land use rights VND	Apartments for lease VND	Factories VND	Total VND
Opening balance	6,863,258,867	279,132,090,464	395,357,617,000	681,352,966,331
Disposals	(1,888,779,005)	(121,376,158,314)	-	(123,264,937,319)
Closing balance	4,974,479,862	157,755,932,150	395,357,617,000	558,088,029,012
<b>Accumulated depreciation</b>				
Opening balance	2,930,564,879	66,817,920,355	340,555,215,293	410,303,700,527
Charge for the year	136,045,725	11,283,445,012	13,178,587,476	24,598,078,213
Disposals	(381,642,179)	(22,107,279,871)	-	(22,488,922,050)
Closing balance	2,684,968,425	55,994,085,496	353,733,802,769	412,412,856,690
<b>Net book value</b>				
Opening balance	3,932,693,988	212,314,170,109	54,802,401,707	271,049,265,804
Closing balance	2,289,511,437	101,761,846,654	41,623,814,231	145,675,172,322

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	<b>2023 VND</b>	<b>2022 VND</b>
Opening balance	1,375,792,992,689	379,876,492,995
Additions	421,035,940,233	1,094,233,510,067
Increase due to acquisition of a subsidiary	-	6,999,141,000
Transfer to short-term prepaid expenses	(3,408,313,487)	(1,586,359,381)
Transfer to tangible fixed assets	(1,543,801,714,501)	(94,927,437,470)
Transfer to long-term prepaid expenses	(44,244,934,517)	(1,081,500,000)
Deduction of income arising during the trial period	(69,179,711,869)	-
Other movements	(28,375,857,044)	(7,720,854,522)
Closing balance	107,818,401,504	1,375,792,992,689

Major constructions in progress were as follows:

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
<b><i>Construction</i></b>		
Nikel – Copper Open Pit Mining Project	44,065,665,830	1,337,234,254,962
Bao Lac A Hydropower Project	23,555,749,753	12,556,128,282
Others	40,196,985,921	23,051,808,602
<b><i>Major overhaul of fixed assets</i></b>		
Others	-	2,950,800,843
	107,818,401,504	1,375,792,992,689

At 31 December 2023 constructions in progress with a carrying value of VND44,066 million (1/1/2023: VND1,337,234 million) were pledged with banks as security for loans granted to the Company and its subsidiaries (Note 25(b)).

During the year, borrowing costs capitalised into construction in progress was VND40,809 million (2022: VND39,785 million).

**17. Prepaid expenses****(a) Short-term prepaid expenses**

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Tools and supplies issued for use	6,243,883,752	3,040,937,594
Other short-term prepaid expenses	6,445,463,078	8,237,438,452
	12,689,346,830	11,278,376,046



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(b) Long-term prepaid expenses

	Tools and instruments VND	Asset repair expenses VND	Prepaid land rental VND	Site clearance expenses of hydropower plants (*) VND	Site clearance expenses of wind power plants VND	Land use right over the land area at 120 Dinh Cong VND	Infrastructure rental cost VND	Others VND	Total VND
Opening balance	7,170,617,202	9,986,867,216	9,762,724,719	119,348,023,669	12,227,588,165	196,979,084,510	63,757,979,476	29,520,475,004	448,753,359,961
Additions	5,370,320,293	13,170,728,590	-	-	-	-	-	38,358,095,728	56,899,144,611
Amortisation for the year	(6,538,171,057)	(7,694,088,028)	(79,764,464)	(2,941,642,855)	(248,432,575)	(4,050,983,743)	(1,658,424,548)	(42,444,987,498)	(65,656,494,768)
Transfer from construction in progress	2,070,561,993	-	-	-	-	-	-	42,174,372,524	44,244,934,517
Reclassification	(501,794,409)	212,519,340	-	-	-	-	-	289,275,069	-
Adjustment according to project finalisation	-	-	-	(5,336,558,508)	-	-	-	-	(5,336,558,508)
Other adjustments	(95,450,214)	-	-	-	-	-	-	-	(95,450,214)
Closing balance	7,476,083,808	15,676,027,118	9,682,960,255	111,069,822,306	11,979,155,590	192,928,100,767	62,099,554,928	67,897,230,827	478,808,935,599

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- (\*) Compensation for site clearance of the hydropower projects Bao Lam 1, 3, 3A, Bao Lac B, Song Nhiem 4, Trung Thu, Mong An shall be deducted from the annual land rental payable according to the notices of the Cao Bang Provincial Department of Tax, Ha Giang Provincial Department of Tax and Dien Bien Provincial Department of Tax. Details are as follows:

<b>Project</b>	<b>Notice</b>	<b>Deductible amount (VND)</b>
Bao Lam 1 Hydropower Project	Notice No. 892/TB-CT dated 24/11/2016	11,413,476,782
Bao Lam 3 Hydropower Project	Notice No. 849/TB-CT dated 21/8/2017	10,061,418,000
Bao Lam 3A Hydropower Project	Notice No. 798/TB-CT dated 7/8/2017	668,410,942
Bao Lac B Hydropower Project	Notice No. 1216/TB-CT dated 10/12/2019	7,806,445,192
Bao Lac B Hydropower Project	Notice No. 1150/TB-CT dated 11/11/2019	787,719,391
Trung Thu Hydropower Project	Notice No. 1091/TB-STC dated 30/6/2016	70,790,693,435
Mong An Hydropower Project	Notice No. 1217/TB-CT dated 10/12/2019	21,334,749,436
		<hr/> 122,862,913,178 <hr/>

Total land rental offset in prior years is VND9,239,019,292.

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	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Deferred tax assets:		
Inventories	2,611,849,364	2,604,929,833
Fixed assets	25,220,668,171	27,380,887,865
Investment property	-	5,668,109,219
Construction in progress	4,201,763,973	3,710,386,610
Others	2,192,252,584	1,346,345,140
Total deferred tax assets	34,226,534,092	40,710,658,667
Deferred tax liabilities:		
Fixed assets	(222,366,995,169)	(221,627,326,922)
Inventories	(303,714,448)	(303,714,448)
Gain from revaluation upon capital increase changing an associate to a subsidiary	(52,402,000,000)	(52,402,000,000)
Loss from divestment of subsidiary	(757,751,421)	(757,751,421)
Others	(29,156,255,394)	(40,891,245,322)
Total deferred tax liabilities	(304,986,716,432)	(315,982,038,113)
	(270,760,182,340)	(275,271,379,446)



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	<b>2023 VND</b>
<b>Cost</b>	
Opening and closing balance	440,096,768,989
<b>Accumulated amortization</b>	
Opening balance	188,660,357,173
Charge for the year	35,094,373,829
Closing balance	223,754,731,002
<b>Net book value</b>	
Opening balance	251,436,411,816
Closing balance	216,342,037,987

**20. Accounts payable to suppliers****Accounts payable to suppliers detailed by significant balance**

	<b>Cost and amount within payment capacity</b>	
	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Siemens Energy Limited Company	96,229,903,174	-
Thinh Cuong JSC	83,134,119,522	36,141,651,330
Vinacomin – Minerals Holding Corporation	73,920,000,000	-
Zhongtian Technology Submarine Cable Co., Ltd.	-	124,684,713,236
Viet Phat Import-Export Trading Investment JSC	-	88,085,345,260
Others	795,317,927,051	1,036,050,052,686
	1,048,601,949,747	1,284,961,762,512

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	<b>31/12/2023</b>	<b>1/1/2023</b>
	<b>VND</b>	<b>VND</b>
Dong Thanh 1 Wind Power Co., Ltd.	31,515,453,438	71,515,453,438
Management Board of Urban Railway	31,214,189,119	-
Powerchina (Lao) Sole Co., Ltd	19,166,033,051	-
Power Project Management Board 2 – Vietnam Electricity Corporation	12,996,913,020	1,350,000,000
Western Pacific Infrastructure JSC	-	87,260,088,143
BCG Khai Long 1 Wind Power JSC	-	83,740,909,091
Other customers	41,887,589,638	77,899,901,613
	<hr/>	<hr/>
	136,780,178,266	321,766,352,285
	<hr/>	<hr/>

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**22. Taxes and others receivable from and payable to State Treasury**

	1/1/2023		31/12/2023	
	Receivable VND	Payable VND	Receivable VND	Payable VND
Value added tax	(20,743,767)	17,943,034,318		27,002,841,082
Import-export tax	-	-	-	-
Corporate income tax	(778,737,801)	78,445,761,369	(479,632)	64,860,106,555
Personal income tax	(1,544,941,908)	1,225,924,812	(761,034,370)	1,826,958,355
Natural resource taxes	-	2,213,500,830	(265,779,457)	10,710,095,829
Land and housing taxes, and land rental	(328,898,620)	-	-	-
Environment protection tax	-	185,023,000	(280,115,578)	237,290,873
Other taxes	-	54,842,236	-	7,272,570,324
Fees, charges and other taxes	-	2,394,609,877	-	-
				1,536,513,768
	(2,673,322,096)	102,462,696,442	(1,307,409,037)	113,446,376,786



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	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Accrued interest expense	63,043,534,451	80,162,599,231
Accrued expenses for construction and industrial production works	14,333,821,819	126,302,653,086
Accrued expenses for completed hydropower and wind power projects	93,386,367,366	104,628,991,869
Accrued expenses for the completed mining factory construction	25,243,009,226	-
Others	20,861,405,016	18,902,301,306
	<b>216,868,137,878</b>	<b>329,996,545,492</b>

**24. Other payables****(a) Other payables – short-term**

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Trade union fees	2,127,550,317	1,946,967,580
Social insurance, health insurance, unemployment insurance	1,273,002,527	455,860,231
Short-term deposits and collaterals received	2,918,719,672	1,121,825,863
Payables to construction teams and project steering boards	22,291,589,264	3,708,222,705
Payables for maintenance of real estate projects	1,922,165,960	1,440,307,926
Dividends and profits payable	37,940,430,492	356,169,000
Deferred payments related to letter of credit (UPAS LC)	15,529,179,387	-
Others	18,221,078,056	10,422,510,878
	<b>102,223,715,675</b>	<b>19,451,864,183</b>

**(b) Other payables – long-term**

	<b>31/12/2023 VND</b>	<b>1/1/2023 VND</b>
Long-term deposits and collaterals received	10,845,031,988	11,297,283,088

**25. Borrowings****(a) Short-term borrowings**

	1/1/2023	Movement during the year			31/12/2023
	Carrying amount and amount within repayment capacity VND	Addition VND	Decrease VND	Unrealised exchange differences VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	3,231,035,358,111	5,514,940,650,896	(6,653,597,214,163)	-	2,092,378,794,844
Current portion of long-term borrowings (Note 25(b))	446,229,109,963	741,398,563,981	(446,229,088,337)	3,114,364,104	744,512,949,711
Finance lease principals due	-	1,586,588,808	-	-	1,586,588,808
	3,677,264,468,074	6,257,925,803,685	(7,099,826,302,500)	3,114,364,104	2,838,478,333,363

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

	Currency	31/12/2023 VND	1/1/2023 VND
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	774,440,817,954	1,229,103,789,698
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	228,883,383,427	264,811,396,169
BNP Paribas Bank – Hanoi Branch	VND	283,545,093,202	436,326,026,864
HSBC Bank (Vietnam) Ltd.	VND	227,759,337,190	562,870,172,288
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	215,792,607,518	305,917,475,964
Bank of China (Hong Kong) Limited – Ho Chi Minh City Branch	VND	115,608,041,597	138,893,055,823
Vietnam International Commercial Joint Stock Bank	VND	128,988,248,251	-
Woori Bank Vietnam Limited – Hoan Kiem Branch	VND	53,591,299,638	-
Shinhan Bank Vietnam Limited	VND	4,853,534,209	166,966,190,893
Renova Renewables Vietnam 1 Pte. Ltd.	USD	-	98,394,146,028
Military Commercial Joint Stock Bank	VND	2,258,907,851	3,285,784,384
Shinhan Bank Vietnam Limited	USD	-	12,127,320,000
Others	VND	56,657,524,007	12,340,000,000
		2,092,378,794,844	3,231,035,358,111

The short-term borrowings have the terms from 6 to 12 months and are unsecured.

**(b) Long-term borrowings, bonds and finance lease liabilities**

	31/12/2023 VND	1/1/2023 VND
Long-term borrowings (i)	7,461,804,212,519	7,547,420,389,793
Straight bonds (ii)	1,183,899,763,518	1,179,165,749,777
Finance lease liabilities	2,401,737,458	3,832,765,316
	8,648,105,713,495	8,730,418,904,886
Repayable within twelve months (Note 25(a))	(746,099,538,519)	(446,229,109,963)
Repayable after 12 months	7,902,006,174,976	8,284,189,794,923



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**(i) Long-term borrowings**

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

	Currency	Annual interest rate	Year of maturity	Collaterals	31/12/2023 VND	1/1/2023 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	(*)	2030	All assets of Bao Lam 3 Hydropower Project	310,709,898,607	346,709,898,607
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	(**)	2029	All assets of Trung Thu Hydropower Project	269,328,000,000	325,438,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	(*)	2033	All assets of Song Nhiem 4 Hydropower Project	148,000,000,000	160,000,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	10.7%	2028	800-ton crane ZCC9800W	55,900,000,000	68,300,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(**)	2030	All assets of Bao Lam 1 Hydropower Project	386,968,395,700	428,768,395,700
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(*)	2032	All assets of Mong An Hydropower Project	386,100,000,000	437,580,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(*)	2030	All assets of Bao Lam 3A Hydropower Project	152,212,523,972	152,212,523,972
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(*)	2032	All assets of Bao Lac B Hydropower Project	305,034,568,179	335,082,568,179
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(*)	2032	All assets of Nickel-Copper Ore Extraction Plant Project	983,905,248,588	922,730,554,943
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	(*)	2028	All assets of Thai Nguyen Galvanizing Plant Project	54,573,185,348	59,279,968,311

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	Currency	Annual interest rate	Year of maturity	Collaterals	31/12/2023 VND	1/1/2023 VND
Shinhan Bank Vietnam Limited	VND	(*)	2026	Ford Everest car	436,065,590	622,950,830
Asian Development Bank - A Loan	USD	5.52%	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	773,582,431,955	798,276,482,626
Asian Development Bank - B Loan	USD	Floating interest rate: LIBOR 3-month plus margin	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	1,790,290,700,012	1,847,439,809,108
Export Finance Australia	USD	4.65% – 5.02%	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	707,275,348,923	729,852,772,256
Japan International Cooperation Agency	USD	Floating interest rate: LIBOR 6-month plus margin	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	552,558,844,932	570,197,464,548
Technological and Commercial Joint Stock Bank	VND	9.0%	2025	Unsecured	364,929,000,713	364,929,000,713
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	4.2%	2025	Unsecured	100,000,000,000	-
Other individuals	VND	5.0% - 6.0%	2025	Unsecured	120,000,000,000	-
Amount repayable within 12 months					7,461,804,212,519	7,547,420,389,793
					(744,512,949,711)	(446,229,109,963)
Amount repayable after 12 months					6,717,291,262,808	7,101,191,279,830

Long-term borrowings from banks were secured by tangible fixed assets with net book value of VND9,404,831 million (1/1/2023: VND8,420,086 million) (Note 13), and construction in progress with carrying value of VND44,066 million (1/1/2023: VND1,337,234 million) (Note 16).

Individuals which granted long-term borrowings to the Company and its subsidiaries are not related parties of the Company.

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(\*) These loans had an annual interest rate determined as the 12-month VND savings deposit interest rate plus a margin.

(\*\*) These loans had preferential interest rates from capital support of the World Bank's renewable energy development program (REDP).

### (ii) *Straight bonds*

#### Bonds issued at par

Lot 1

Lot 2

	Currency	Year of maturity	31/12/2023 VND	1/1/2023 VND
	VND	2027	300,000,000,000	300,000,000,000
	VND	2027	900,000,000,000	900,000,000,000
			1,200,000,000,000	1,200,000,000,000
Bond issuance costs			(16,100,236,482)	(20,834,250,223)
Bonds maturing after 12 months			1,183,899,763,518	1,179,165,749,777

These bonds had an annual interest rate determined as the 12-month VND savings deposit interest rate plus a margin.

As at 31 December 2023, the bonds are secured by some ordinary shares of PC1 Group Joint Stock Company held by some related individuals and some ordinary shares of Trung Thu Hydropower JSC and Northern Energy Investment JSC held by PC1 Group Joint Stock Company.

The purpose of issuing long-term bonds is to invest in industrial zone real estate development through the receipt of Western Pacific JSC shares transfer from existing shareholders and purchase of newly issued shares, including making up for the Company's owners' equity used to perform this transaction and supplementing the Company's working capital.



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## 26. Provisions

Movement of provisions during the year were as follows:

	<b>Provision for product warranty VND</b>	<b>Provision for construction warranty VND</b>	<b>Severance allowance VND</b>	<b>Total VND</b>
Opening balance	22,322,127,619	8,500,082,010	1,678,562,975	32,500,772,604
Provision made during the year	31,213,427,933	-	-	31,213,427,933
Provision used during the year	(144,033,635)	-	(164,571,107)	(308,604,742)
Provision reversed during the year	(14,335,879,127)	(5,382,018,313)	(149,412,207)	(19,867,309,647)
Closing balance	39,055,642,790	3,118,063,697	1,364,579,661	43,538,286,148
<i>In which:</i>				
Current	9,405,730,805	3,118,063,697	-	12,523,794,502
Non-current	29,649,911,985	-	1,364,579,661	31,014,491,646
	39,055,642,790	3,118,063,697	1,364,579,661	43,538,286,148

## 27. Bonus and welfare funds

This fund is established by appropriating from retained profits as approved by the General Shareholders' Meeting. This fund is used to pay bonus and welfare to the Company's and subsidiaries' employees in accordance with the Company's and subsidiaries' bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	<b>2023 VND</b>	<b>2022 VND</b>
Opening balance	147,348,887,255	134,829,258,399
Appropriation	71,395,955,734	50,497,109,524
Utilisation	(34,052,117,239)	(37,977,480,668)
Closing balance	184,692,725,750	147,348,887,255

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**28. Changes in owners' equity**

	Share capital VND	Share premium VND	Other capital VND	Differences upon asset revaluation VND	Foreign exchange differences VND	Investment and development fund VND	Other equity funds VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1/1/2022</b>	2,351,596,490,000	711,136,556,786	22,906,800,000	708,285,511	-	244,289,305,040	65,313,759,426	1,305,280,035,901	1,579,604,809,575	6,280,836,042,239
Share dividends	352,733,530,000	-	-	-	-	-	-	(352,733,530,000)	-	-
Increases in capital contribution in subsidiaries	-	-	-	-	-	-	-	-	97,424,400,000	97,424,400,000
Net profit for the year	-	-	-	-	-	-	-	459,825,388,155	77,106,515,568	536,931,903,723
Appropriation to bonus and welfare funds	-	-	-	-	-	-	-	(49,074,558,865)	(1,422,550,659)	(50,497,109,524)
Appropriation to investment and development fund	-	-	-	-	-	16,754,289,769	-	(16,754,289,769)	-	-
Appropriation to reserve to supplement charter capital	-	-	-	-	-	-	104,400,955	(104,400,955)	-	-
Dividends declared in subsidiaries	-	-	6,120,000,000	-	-	-	-	(6,120,000,000)	(40,002,442,467)	(40,002,442,467)
Increase due to acquisition of a subsidiary	-	-	-	-	-	-	-	-	352,316,678,800	352,316,678,800
Currency translation differences	-	-	-	-	(116,709,425)	-	-	-	-	(116,709,425)
Other increases/ (decreases)	-	-	-	-	-	28,498,142	-	4,214,021,501	(8,389,199,618)	(4,146,679,975)
<b>Balance at 1/1/2023 (carried forward to next page)</b>	2,704,330,020,000	711,136,556,786	29,026,800,000	708,285,511	(116,709,425)	261,072,092,951	65,418,160,381	1,344,532,665,968	2,056,638,211,199	7,172,746,083,371

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	Share capital VND	Share premium VND	Other capital VND	Differences upon asset revaluation VND	Foreign exchange differences VND	Investment and development fund VND	Other equity funds VND	Retained profits VND	Non-controlling interest VND	Total VND
<b>Balance at 1/1/2023 (brought forward from previous page)</b>	2,704,330,020,000	711,136,556,786	29,026,800,000	708,285,511	(116,709,425)	261,072,092,951	65,418,160,381	1,344,532,665,968	2,056,638,211,199	7,172,746,083,371
Capital contribution in subsidiaries by retained profits and equity funds	-	-	23,051,946,468	-	-	(2,879,601,168)	(14,627,261)	(20,157,718,039)	-	-
Capital contribution in subsidiaries	-	-	-	-	-	-	-	-	3,213,643,532	3,213,643,532
Share dividends (i)	405,625,560,000	-	-	-	-	-	-	(405,625,560,000)	-	-
Net profit for the year	-	-	-	-	-	-	-	139,972,323,571	163,060,665,930	303,032,989,501
Appropriation to bonus and welfare funds	-	-	-	-	-	-	-	(70,711,269,837)	(684,685,897)	(71,395,955,734)
Appropriation to investment and development fund	-	-	-	-	-	34,532,668,031	-	(34,532,668,031)	-	-
Dividends declared in subsidiaries	-	-	-	-	-	-	-	-	(161,815,088,795)	(161,815,088,795)
Movement due to change in owners' equity of associates	-	-	-	-	-	-	-	(1,188,616,282)	-	(1,188,616,282)
Partial divestment in a subsidiary without losing control	-	-	(5,231,673,026)	-	-	-	-	7,399,664,309	26,304,385,185	28,472,376,468
Currency translation differences	-	-	-	-	221,878,783	-	-	-	-	221,878,783
Board of Management's remuneration	-	-	-	-	-	-	-	(2,890,000,000)	-	(2,890,000,000)
<b>Balance at 31/12/2023</b>	3,109,955,580,000	711,136,556,786	46,847,073,442	708,285,511	105,169,358	292,725,159,814	65,403,533,120	956,798,821,659	2,086,717,131,154	7,270,397,310,844

(i) The Annual General Meeting of Shareholders of the Company on 26 April 2023, the Shareholders of the Company resolved to distribute dividends in the form of shares amounting to VND405,625,560,000 from profit after tax for year 2022, equivalent to 15% of par value (2022: dividends in the form of shares amounting to VND352,733,530,000 from profit after tax for year 2021, equivalent to 15% of par value).



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The Company's authorised and issued share capital are:

	31/12/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	310,995,558	3,109,955,580,000	270,433,002	2,704,330,020,000
<b>Issued share capital</b>				
Ordinary shares	310,995,558	3,109,955,580,000	270,433,002	2,704,330,020,000
<b>Shares in circulation</b>				
Ordinary shares	310,995,558	3,109,955,580,000	270,433,002	2,704,330,020,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

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**30. Off balance sheet items**

**(a) Lease**

	31/12/2023 VND	1/1/2023 VND
Within one year	8,103,354,214	8,588,148,392
Within two to five years	21,353,478,791	17,298,712,921
More than five years	21,380,860,579	20,544,804,591
	50,837,693,584	46,431,665,904

**(b) Foreign currencies**

	31/12/2023	1/1/2023
Original currency	VND equivalent	Original currency VND equivalent
LAK	602,363 409,607	- -
AUD	236,216 3,896,971,349	- -
USD	26,991,418 648,611,902,269	24,542,086 576,132,269,382

**(c) Bad debts written off**

	Reason for writing off	Written off in year	31/12/2023 VND	1/1/2023 VND
DHT Vietnam Investment and Development JSC	Unrecoverable	2021	1,396,500,000	1,396,500,000
Phu Giang Services Co., Ltd.	Unrecoverable	2021	216,700,000	216,700,000
AG Ajikawa Corporation	Unrecoverable	2006	12,373,726,137	12,373,726,137
Others	Unrecoverable	2007	1,285,920,000	1,285,920,000
			15,272,846,137	15,272,846,137

**31. Revenue from sales of goods and provision of services**

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised:

	<b>2023 VND</b>	<b>2022 VND</b>
Revenue from construction, supply of electrical equipment and construction of industrial park infrastructure	2,607,422,011,497	4,863,937,419,761
Revenue from industrial production	1,166,132,058,047	645,458,921,428
Revenue from leasing investment properties	26,903,425,827	27,783,306,322
Revenue from transfer of real estate	160,297,723,757	23,049,449,281
Revenue from electricity sold	1,460,798,810,292	1,715,214,147,037
Revenue from goods sold	994,824,547,901	956,608,926,162
Revenue from exploitation, operation of industrial zone	614,102,201,835	79,567,779,381
Revenue from sale of minerals	705,356,954,263	-
Others	39,402,050,449	45,982,520,952
	<b>7,775,239,783,868</b>	<b>8,357,602,470,324</b>

**32. Cost of sales**

	<b>2023 VND</b>	<b>2022 VND</b>
Cost of construction, supply of electrical equipment and construction of industrial park infrastructure	2,372,274,698,716	4,346,622,956,257
Cost of industrial production	1,048,752,856,813	591,583,389,885
Cost of leasing investment properties	8,699,335,901	8,925,577,774
Cost of transfer of real estate	99,433,178,443	14,842,513,324
Cost of electricity sold	724,542,698,502	753,927,624,279
Cost of goods sold	976,253,338,260	933,213,028,354
Cost of exploitation, operation of industrial zone	475,527,762,175	66,215,473,545
Cost of sale of minerals	465,085,438,294	-
Others	31,282,682,219	40,677,367,966
(Reversal)/provision of allowance for inventories	(7,716,745,172)	7,087,593,461
	<b>6,194,135,244,151</b>	<b>6,763,095,524,845</b>



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	<b>2023 VND</b>	<b>2022 VND</b>
Interest income from deposits and loans	124,286,757,899	83,368,697,832
Interest income from interest rate swaps	37,054,307,890	5,816,195,867
Realised foreign exchange gains	14,026,085,555	5,130,852,925
Interest from credit sales and early payment discounts received	3,107,431,620	693,106,470
Unrealised foreign exchange gains	4,081,031,891	185,641,052
Dividends and profit distribution	-	9,286,200
Other financial income	138,398,333	11,527
	<b>182,694,013,188</b>	<b>95,203,791,873</b>

**34. Financial expenses**

	<b>2023 VND</b>	<b>2022 VND</b>
Interest expense	843,641,541,921	605,030,533,904
Bond issuance costs	4,734,013,741	3,111,204,322
Realised foreign exchange losses	3,856,016,464	6,268,139,990
Unrealised foreign exchange losses	91,936,011,969	131,242,331,582
Allowance for diminution in the value of long-term investments	220,390,619	787,237,329
Other expenses related to borrowings	22,578,035,297	18,982,306,339
Other financial expenses	364,841,845	1,275,506,441
	<b>967,330,851,856</b>	<b>766,697,259,907</b>

**35. Selling expenses**

	<b>2023 VND</b>	<b>2022 VND</b>
Raw material costs	40,769,833	16,938,279
Staff costs	4,112,300,895	1,696,037,518
Outside services	29,996,039,972	10,619,543,062
Other expenses in cash	4,954,074,566	1,785,691,861
Addition/(reversal) of provision for product warranty	16,877,548,806	(22,509,218,729)
	<b>55,980,734,072</b>	<b>(8,391,008,009)</b>

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	<b>2023 VND</b>	<b>2022 VND</b>
Raw material costs	9,023,242,874	9,726,303,458
Staff costs	178,720,392,234	155,722,561,279
Depreciation and amortisation	56,473,218,386	43,347,155,146
Addition/(reversal) of allowance for doubtful debts	5,380,165,276	(906,381,073)
Tax, fee and charge	4,860,721,118	6,595,763,560
Outside services	51,686,039,621	36,463,522,861
Other expenses	29,065,174,568	34,332,378,497
	<b>335,208,954,077</b>	<b>285,281,303,728</b>

**37. Other income**

	<b>2023 VND</b>	<b>2022 VND</b>
Compensation received from other entities	397,179,895	10,728,715,716
Gain from disposal of fixed assets	1,492,833,632	2,651,661,223
Reversal of provision for construction warranty	5,382,018,313	-
Other income	3,523,618,906	6,349,270,552
	<b>10,795,650,746</b>	<b>19,729,647,491</b>

**38. Other expenses**

	<b>2023 VND</b>	<b>2022 VND</b>
Amortisation of mining rights	11,366,701,126	45,466,804,505
Amortisation of land use rights over the land area at 120 Dinh Cong	4,050,983,743	4,050,983,742
Others	13,315,206,746	11,587,479,006
	<b>28,732,891,615</b>	<b>61,105,267,253</b>

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	<b>2023 VND</b>	<b>2022 VND</b>
Raw material costs	1,653,911,421,551	2,598,054,469,461
Staff costs	400,639,911,030	325,205,860,154
Depreciation and amortisation	763,378,294,562	593,101,194,939
Addition/(reversal) of provisions	8,618,981,204	(17,762,786,386)
Outside services	2,666,982,254,664	2,521,558,611,471
Other expenses	176,304,617,375	129,042,298,095
	<b>5,669,835,480,386</b>	<b>6,149,199,647,734</b>

**40. Income tax****(a) Recognised in the consolidated statement of income**

	<b>2023 VND</b>	<b>2022 VND</b>
<b>Income tax expense – current</b>		
Current year	77,519,561,152	132,730,636,595
Under provision in prior years	12,876,801,694	1,217,738,427
	<b>90,396,362,846</b>	<b>133,948,375,022</b>
<b>Income tax benefit – deferred</b>		
Reversal of temporary differences	(4,511,197,107)	(65,435,335,150)
	<b>85,885,165,739</b>	<b>68,513,039,872</b>



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	<b>2023 VND</b>	<b>2022 VND</b>
Accounting profit before tax	388,918,155,240	605,444,943,595
Tax at the Company's tax rate	77,783,631,048	121,088,988,719
Effect of consolidation entries without originating of temporary differences	9,101,923,739	7,362,629,413
Tax exempt income	-	(1,857,240)
Changes in unrecognised temporary differences	27,265,259,748	(21,960,987)
Non-deductible expenses	2,478,022,148	3,719,212,529
Tax incentives	(49,376,581,072)	(66,620,337,499)
Unrecognised deferred tax assets on tax losses	6,042,995,888	2,696,977,536
Effect of other tax rates in subsidiaries	(520,390,729)	-
Under provision in prior years	12,876,801,694	1,217,738,427
Others	233,503,275	(928,351,026)
	<b>85,885,165,739</b>	<b>68,513,039,872</b>

**(c) Applicable tax rates**

Under the terms of the current Income Tax Law, except for the following tax incentives, the Company and its subsidiaries in Vietnam have an obligation to pay the government income tax at the rate of 20% of taxable profits.

- For Bao Lam 1 Hydropower Project, the Company is subject to income tax at the rate of 10% for 15 years (2017 - 2031) and the standard rate for the succeeding years. The current tax regulations allow the Company to be exempt from income tax for 4 years starting from the first year Bao Lam 1 Hydropower Project generates a taxable profit (2017 - 2020) and entitled to a 50% reduction in income tax for the 9 succeeding years (2021 - 2029).
- For Bao Lam 3 Hydropower Project and Bao Lam 3A Hydropower Project, the Company is subject to income tax at the rate of 10% for 15 years (2017 - 2031) and the standard rate for the succeeding years. The current tax regulations allow the Company to be exempt from income tax for 4 years starting from the first year Bao Lam 3 Hydropower Project and Bao Lam 3A Hydropower Project generate a taxable profit (2018 - 2021) and entitled to a 50% reduction in income tax for the 9 succeeding years (2022 - 2030).
- For Bao Lac B Hydropower Project and Song Nhiem 4 Hydropower Project, the Company is subject to income tax at the rate of 10% for 15 years (2020 - 2034) and the standard rate for the succeeding years. The current tax regulations allow the Company to be exempt from income tax for 4 years starting from the first year Bao Lac B Hydropower Project and Song Nhiem 4 Hydropower Project generate a taxable profit (2021 - 2024) and entitled to a 50% reduction in income tax for the 9 succeeding years (2025 - 2033).

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- For Trung Thu Hydropower Project, Trung Thu Hydropower JSC, a subsidiary of the Company, is subject to income tax at the rate of 10% for 15 years (2017 - 2031) and the standard rate for the succeeding years. The current tax regulations allow the Company to be exempt from income tax for 4 years starting from the first year Trung Thu Hydropower Project generates a taxable profit (2017 - 2020) and entitled to a 50% reduction in income tax for the 9 succeeding years (2021 - 2029).
- For Mong An Hydropower Project, Northern Power Investment JSC, a subsidiary of the Company, is subject to income tax at the rate of 10% for 15 years (2020 - 2034) and the standard rate for the succeeding years. The current tax regulations allow the Company to be exempt from income tax for 4 years starting from the first year Mong An Hydropower Project generates a taxable profit (2020 - 2023) and entitled to a 50% reduction in income tax for the 9 succeeding years (2024 - 2032).
- For Lien Lap, Phong Nguyen, Phong Huy Wind Power Projects, Lien Lap Wind Power JSC, Phong Nguyen Wind Power JSC, Phong Huy Wind Power JSC, subsidiaries of the Company, are subject to income tax at the rate of 10% of taxable profits for the first 15 years starting from the first year of operation and standard rate for succeeding years. The current tax regulations allow these subsidiaries to be exempt from income tax for 4 years starting from the first year the Wind Power Projects generate a taxable profit (2022 - 2025) and entitled to a 50% reduction in income tax for the 9 succeeding years (2026 - 2034).
- For the NHIZ, Japan – Haiphong Industrial Zone Development Corporation, a tier-2 subsidiary of the Company, is subject to income tax at the rate of 10% of taxable profits from investment, construction and business activities of infrastructure and utilities and provision of services necessary for the operation of the industrial zone.
- For the Project of Thai Nguyen Galvanized Steel Tower JSC, a tier-2 subsidiary of the Company, is subject to income tax at the rate of 17% of taxable profits for the 10 years starting from the first year it generates revenue from the investment project. The current tax regulations allow these subsidiaries to be exempt from income tax for 2 years starting from the first year Thai Nguyen Galvanized Steel Tower JSC generate a taxable income (2021 - 2022) and entitled to a 50% reduction in income tax for the 4 succeeding years (2023 - 2026).



**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023**  
(continued)**Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***41. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2023 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to Bonus and welfare funds for the annual accounting period and a weighted average number of ordinary shares outstanding, calculated as follows:

**(a) Basic earnings per share**

	2023	2022 Restated	2022 As previously reported
Net profit for the year (VND)	139,972,323,571	459,825,388,155	459,825,388,155
Estimated appropriation to Bonus and welfare funds (VND) (*)	(13,997,232,357)	(70,711,269,837)	(49,074,558,865)
Net profit attributable to ordinary shareholders (VND)	125,975,091,214	389,114,118,318	410,750,829,290
Weighted average number of ordinary shares for the year (number of shares)	310,995,558	310,995,558	270,433,002
Basic earnings per share (VND/share)	405	1,251	1,519

(\*) As at 31 December 2023, the Company temporarily estimated the profit for the year ended 31 December 2023 to be appropriated to Bonus and welfare funds as 10% of net profit of the year 2023.

**(b) Restatement of basic earnings per share for the year ended 31 December 2022**

During the year, the Company and its subsidiaries appropriated VND70,711,269,837 from profit after tax attributable to ordinary shareholders of 2022 to Bonus and welfare funds. Therefore, net profit attributable to ordinary shareholders for the year ended 31 December 2022 for calculation of basic earnings per share was changed.

In addition, in 2023, the Company paid dividends in the form of shares in accordance with Resolution No. 01/BB-PC1-HDCD dated 26 April 2023 of the General Meeting of Shareholders. Accordingly, the General Meeting of Shareholders approved the plan to distribute dividends in the form of shares at the rate of 15% of the charter capital from retained profits as at 31 December 2022, equivalent to VND405,625,560,000.



**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023**  
**(continued)****Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***Weighted average number of ordinary shares**

	<b>2023</b>	<b>2022</b> <b>As restated</b>
Issued ordinary shares at the beginning of the year	270,433,002	235,159,649
Effect of ordinary shares issued for payment of share dividends in the prior year	-	35,273,353
Effect of ordinary shares issued for payment of share dividends in current year	40,562,556	40,562,556
Weighted average number of ordinary shares for the year ended 31 December	310,995,558	310,995,558

A comparison of basis earning per share previously reported and as restated is as follows:

	<b>As previously reported VND</b>	<b>2022 Restatement VND</b>	<b>As restated VND</b>
Basic earnings per share	1,519	(268)	1,251

**PC1 Group Joint Stock Company****Notes to the consolidated financial statements for the year ended 31 December 2023**  
(continued)**Form B 09 – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***42. Significant transactions with related parties**

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

	Transaction value	
	2023 VND	2022 VND
<b>Board of Management's remuneration and bonus</b>		
Mr. Trinh Van Tuan	1,810,000,000	5,557,000,000
Mr. Vu Anh Duong	270,000,000	345,000,000
Mr. Vo Hong Quang	270,000,000	345,000,000
Mr. Nguyen Minh De	270,000,000	345,000,000
Mr. Mai Luong Viet	270,000,000	345,000,000
<b>Board of General Directors' salaries, bonuses and other benefits</b>		
Mr. Vu Anh Duong	1,125,749,371	1,965,165,439
Mr. Vo Hong Quang	871,136,214	1,449,997,571
Mr. Nguyen Minh De	1,180,868,000	1,131,850,000
Mr. Dang Quoc Tuong	994,540,361	1,816,681,299
Mr. Nguyen Nhat Tan	878,279,634	1,130,577,650
Mr. Vu Van Tu	-	52,165,000
<b>Supervisory Board's remuneration</b>		
Ms. Nguyen Thi Hai Ha	72,000,000	72,000,000
Mr. Hoang Van Cuong	24,000,000	24,000,000
Mr. Hoang Van Sang	24,000,000	24,000,000

**43. Non-cash investing and financing activities**

	2023 VND	2022 VND
Share dividends	405,625,560,000	352,733,530,000
Capitalisation of depreciation expenses into construction in progress	1,953,180,857	518,792,564

**PC1 Group Joint Stock Company**

**Notes to the consolidated financial statements for the year ended 31 December 2023**

**(continued)**

**Form B 09 – DN/HN**

*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**44. Comparative information**

Comparative information as at 1 January 2023 was derived from the balances and amounts reported in the Company's consolidated financial statements for the year ended 31 December 2022.

29 March 2024

Prepared by:



Pham Thi Thanh Binh  
*Preparer*

Approved by:



Tran Thi Minh Viet  
*Chief Accountant*



Vu Anh Duong  
*General Director*

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