

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

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

Số: **0974** / CBTT-PC1
No: **0974** / CBTT-PC1

Hà Nội, ngày **24** tháng 05 năm 2023
Hanoi, May **24** 2023

CÔNG BỐ THÔNG TIN ĐỊNH KỲ
PERIODIC 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

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

Báo cáo thường niên năm 2022 bằng Tiếng Anh / *Annual Report 2022 in English*.

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

24 /05/2023 tại đường dẫn: <http://pc1group.vn> / *This information was published on the company's website on 24 /05/2023, 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.

NGƯỜI ĐẠI DIỆN THEO PHÁP LUẬT
LEGAL REPRESENTATIVE
TỔNG GIÁM ĐỐC
GENERAL DIRECTOR



Vũ Ánh Dương



PC1 GROUP JOINT STOCK COMPANY ANNUAL REPORT 2022



THE EVER-CREATING
Journey

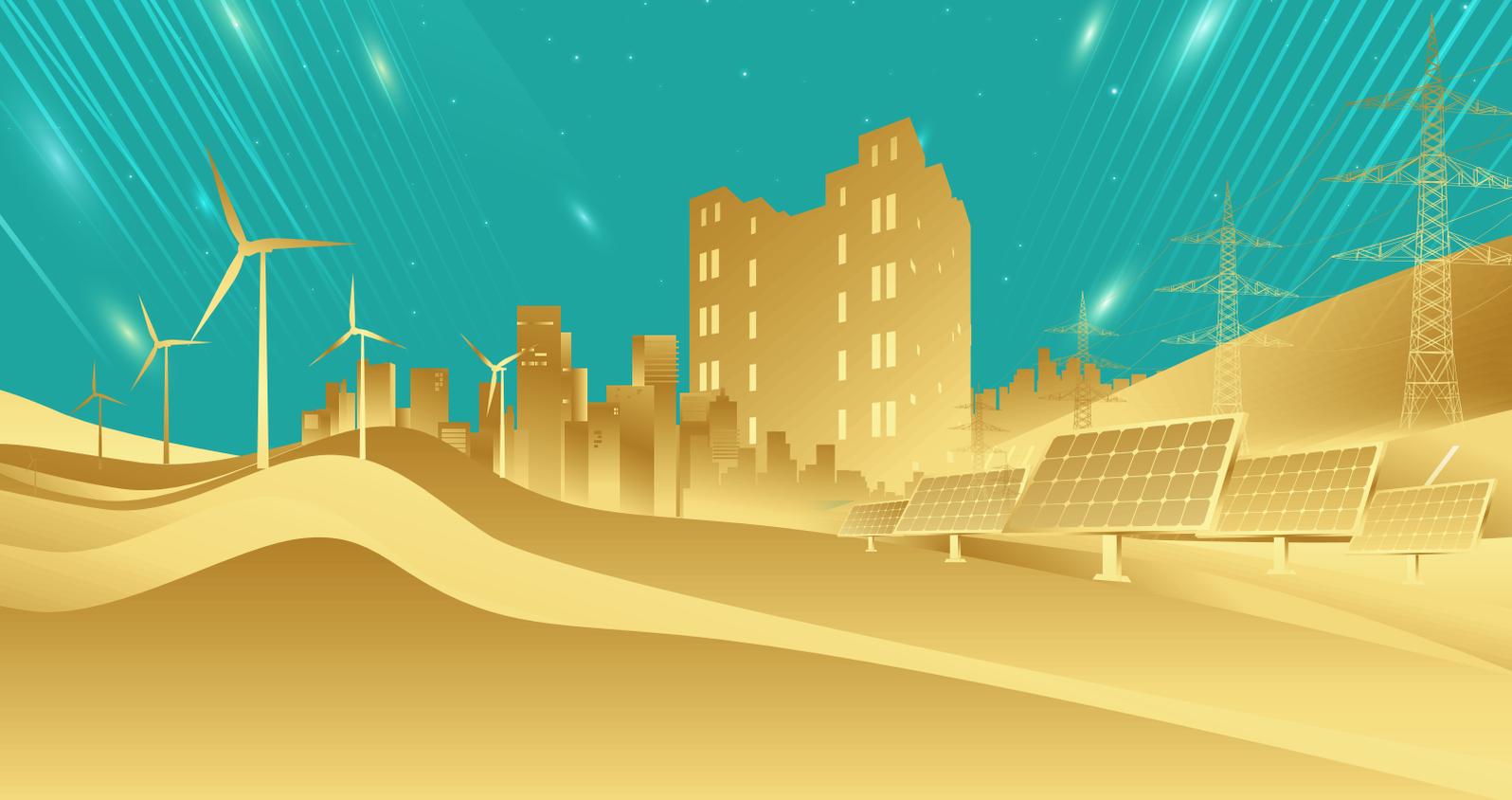


TABLE OF CONTENTS

List of abbreviations	04 - 05
Message from the Chairman of the Board of Directors	06 - 07
Message from the General Director	08 - 09
Highlights in 2022	10 - 11
Outstanding Award in 2022	12 - 13
Vision - Mission - Core values	14 - 15

02

OPERATIONS IN THE YEAR 48 - 49

2.1 Situation of production and business operations	50 - 54
2.2 Investment activities, project implementation	55 - 57
2.3 Financial situation	58 - 60
2.4 Shareholders structure, change in the owner's equity	60 - 63

01

GENERAL INFORMATION 16 - 17

1.1 General information	18 - 19
1.2 History of formation and development	20 - 21
1.3 Industry and business area	22 - 27
1.4 Governance model, business organization and managerial apparatus	28 - 41
1.5 Development orientations	42 - 43
1.6 Risk management	44 - 47

03

REPORT OF THE EXECUTIVE BOARD 64 - 65

3.1 Evaluation of business performance	66 - 67
3.2 Financial situation	68
3.3 Improvements in organizational structure, policies, and management	69
3.4 Development plans in future	70 - 71

04

ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION 76 - 77

4.1 Evaluation of the Board of Directors on the activities of the Group	74 - 78
4.2 Evaluation of the Board of Directors on the activities of the Board of General Directors	78
4.3 Plans and orientations of the Board of Directors	79 - 81

06

SUSTAINABLE DEVELOPMENT REPORT 100 - 101

6.1 General information	102 - 103
6.2 Sustainable development model	104
6.3 Sustainable development orientations	105
6.4 Sustainable development indicators	106 - 117

05

CORPORATE GOVERNANCE 82 - 83

5.1 Board of Directors	84 - 89
5.2 Supervisory Board	90
5.3 Transactions, remunerations and benefits of the board of directors, board of management and supervisory board	91 - 99

07

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022 (AUDITED) 118 - 119

7.1 Report of the Board of General Directors	121
7.2 Independent auditor's report	122 - 123
7.3 Consolidated balance sheet	124 - 127
7.4 Consolidated statement of income	128
7.5 Consolidated statement of cash flows	129 - 130
7.6 Notes to the consolidated financial statements	131 - 185



THE EVER-CREATING

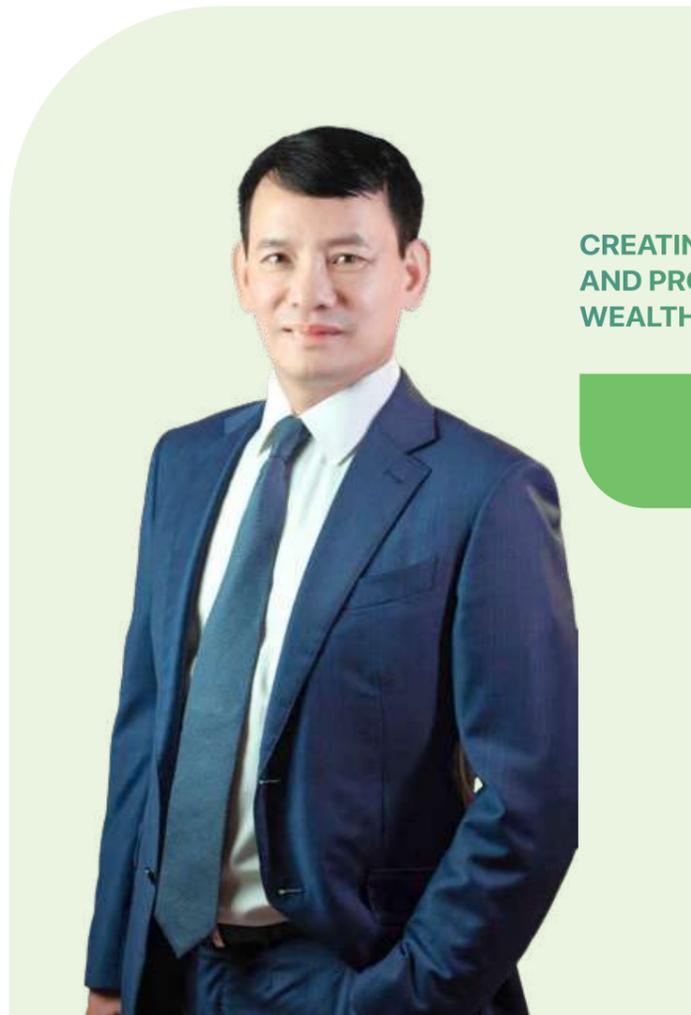
Journey



LIST OF ABBREVIATIONS

BOD	Board of Directors
JSC	Joint stock company
PC	Procurement - Construction
EVN	Vietnam Electricity
GDP	Gross domestic product
PC1	PC1 Group Joint Stock Company
ROE	Return on equity
ROA	Return of asset
FIT	Feed-in-tariff
EPC	Engineering - Procurement - Construction

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



**CREATING A PC1 GROUP BRAND
AND PROSPERITY, PC1 FAMILY IS
WEALTHY AND HAPPY**

Dear shareholders, customers, partners and all employees,

The post-pandemic year 2022 together with the influence of the Eastern European war made the world economy more difficult and a large global decline. Vietnam has been greatly negatively affected by the world economic downturn. Many economic sectors, many large enterprises and economic groups, including the electricity industry, have faced unprecedented difficulties and challenges in recent years. The bright spot of Vietnam's economy in 2022 is that GDP has grown positively.

PC1 Group Joint Stock Company in 2022 has successfully renovated the organization of the Group model, developed a new brand identity PC1, adjusted business strategy, whereby the throughout and comprehensive action plan is International cooperation strengthening - Digital transformation and Sustainable business development.

Restructuring the organization chart of the Group is consistent with its business strategy in order to promote its proactive and creative capacity, and to associate rights and responsibilities with the performance of each business block. Developing a new identity PC1 with the mission: Modernity and international integration; Motivate and inspire. In 2022, these organizational projects have operated successfully, promoted their superiority and positive effects.

Adjusting investment and business strategies according to fluctuations and trends of national economic sectors. Sustainable development is associated with solutions for environmental protection, green production and consumption, compliance and social responsibility. Prioritizing resources to invest in infrastructure of green and smart industrial parks, in 2022 PC1 successfully acquired the controlling capital of Nomura-Hai Phong Industrial zone from Nomura Japan as a solid foundation for the development strategy of green and intelligent IPs. In the past year, PC1 has received the Typical Energy Project Certificate - Green Certificate from the IJ Globe Awards for 3 wind power plants invested by the Group.

The reliable and efficient results of power generation of power plants, EPC general contractor projects of offshore wind power plants with impressive and outstanding achievements continue to affirm the Group's business strategy and capacity in the core activities.

Priority in digital transformation, intelligent management model transformation has initially standardized processes and successfully applied many advanced software in general management and project management. A number of intelligent machinery and equipment, construction robots designed and manufactured by PC1 engineers has been operated successfully.

In 2022, with realistic, flexible and creative solutions to cope with many negative impacts from objective factors, PC1 has basically completed business targets, reliably controlled core activities, continued to affirm the Group's new prestige, image and appearance.

Year 2023 – Continuing the ever-creating journey

Following the achievements and milestones in the journey of the past 60 years, the Board of Directors and staff aspire to conquer new milestones, bring PC1 to a higher level of international integration. Revenue and market capitalization target is to reach over 1 billion USD in 2025 and over 2 billion USD in 2030, creating **a PC1 Group Brand and Prosperity, PC1 family is wealthy and happy.**

Resources are prioritized for investment in infrastructure of green and smart industrial parks, investment in real estate projects in inner cities; Operating power plants and new material processing plants reliably and efficiently.

The key tasks are to develop the international market and new products; Technology and digital transformation should be deployed strongly and synchronously between the production assurance block and the business blocks.

Strengthening international cooperation, promoting domestic strategic partnership cooperation in investment, business, technology and banking finance activities.

The year 2023 marks a very meaningful 60-year journey through a long proud journey of generations of leaders and employees of PC1 Group. We are honored to receive noble titles awarded by the Party, State and Government for the achievements, positive contributions and responsibility for the development of a rich and beautiful Vietnam.

I would like to express my deep gratitude to the Party, State, Government, Ministries, Departments, branches, provinces and cities, organizations and units that have been giving great help to PC1 Group in the past few decades.

I also would like to send my gratitude to the generations of leaders and the entire dedicated PC1 employees! Thank you very much for the trust, support and reliable companion of our customers, partners and shareholders.

Wishing you full of health, happiness and success!

**TRINH VAN TUAN
CHAIRMAN OF THE BOARD OF DIRECTORS**

MESSAGE FROM THE GENERAL DIRECTOR



"We are committed to always researching, learning and creating to run the Group successfully with strategic goals and step by step reaching the international level"

Dear Shareholders,

In 2023, it is forecasted that the domestic and world economy will continue to face more complex challenges. All of our staffs have been strongly transformed, business areas have been restructured in order to optimize business performance, focus resources on key tasks and develop the Group's brand.

Along with that, the Board of Directors is consistent with important solutions such as:

Implement a roadmap to improve the quality of human resources, raise the level of staff with standard and highly practical training programs. Standardize a strong and standard cultural foundation; Take the human identity of **PC1 Creativity, Dedication, Professionalism and Technology** as the center for sustainable development and employee engagement.

Devote important resources to digital technology application in order to smarten management and operating activities; Digitize products and services to enhance customer experience and increase added value. According to the roadmap, the Group aims to become a fully digital synchronous enterprise by 2025.

During many consecutive years, the ready financial potential has been and is making great contributions to the successful implementation of many strategic goals, creating trust for partners and customers. With a transparent, standard and flexible financial management platform, the Group will optimally operate the financial system; continuously add value with high-performing new investments and business activities.

On behalf of the Board of Directors and all employees, we express our honor and pride to contribute our enthusiasm and wisdom in the 60-year journey of "Non-stop creation" of the Group. and especially in the successful implementation of the 2022 plan. We are committed to always researching, learning and creating to run the Group successfully with strategic goals and gradually reach the international level.

Finally, we sincerely thank the Executive Board of Directors for the drastic direction and right orientation in a difficult year. We highly appreciate and are grateful to the talented staffs who have worked non-stop to achieve proud results; and above all, we thank our Shareholders, Partners, and Customers who have been and will continue to support the aspiration of a PC1 Prosperity.

Wishing our Shareholders health and success!

VU ANH DUONG
GENERAL DIRECTOR

New brand identity
Aesthetic, Modern and love- spreading



Investment development strategy in industrial real estate

~ VND 2000 billion spent on NAIV M&A to control Nomura Hai Phong Industrial Zone Development Corporation and contribute capital to Western Pacific

Growth of clean energy generation

Electricity generation revenue reached VND 1,715 billion, an increase of 85% compared to 2021, receiving International Green Certificates for 3 wind power plants invested by PC1



HIGHLIGHTS IN 2022

Completing construction of Cao Bang Nickel Mineral Automation Factory



Continuing to affirm the No. 1 position in terms of general contractor for power projects inside and outside the industry

Completed the EPC general contractor of the 100 MW near-shore wind power plant in Tan Phu Dong within 8 months, constructed the 220kV cross-sea transmission line Kien Binh - Phu Quoc, pulled high-voltage underground cables...

OUTSTANDING AWARD IN 2022

Top 50

Best listed companies in Vietnam



This is the third time PC1 has been honored by Forbes Magazine in the top 50 best listed companies in Vietnam. Going through the evaluation process, quantitative scoring, appraising the level of sustainable development of the enterprise, including: the position of the company in the industry; profit origin; corporate governance quality; and prospect of industry development. PC1 Group once again affirms its position, prestige and capacity, proves itself as an enterprise that brings sustainable value to investors.



Top 50

Most profitable enterprises in Vietnam



This is the 5th year in a row that PC1 has received this noble award announced by VietnamNet - the Ministry of Information and Communications, based on the results of independent research and evaluation according to international standards of Vietnam Report.



Top 500

Largest enterprises in Vietnam for the 9th time in a row - Voted by Vietnam Report.



In the context of constantly fluctuating economy of the world and Vietnam in 2022, PC1 with its brand reputation, and the constant efforts and creativity of its employees has been continuously awarded prestigious awards by rating agencies. On January 5, 2023, for the eighth time in a row, PC1 was ranked in the top 500 largest enterprises in Vietnam announced by Vietnam Report.



2022 Asia's Best Workplaces

"Asia's Best Workplaces" is an international prestigious award, attracting the participation of thousands of large enterprises in 13 Asian countries and territories, such as Hong Kong (China), Taiwan, Singapore, Korea, Japan, Vietnam... voted and announced by HR Asia Magazine - Asia's leading prestigious magazine in the field of human resources. The award results are evaluated based on 3 main factors: Independent external research by HR Asia Magazine on the working environment, survey results from company employees and direct interview results with Business Leadership.



Typical Renewable Energy Project Award of the Year

Being awarded by IJGlobal Magazine (Singapore) for Lotus Wind project - 3 wind power plants including Phong Huy, Phong Nguyen, and Lien Lap

The IJGlobal Awards is a global award that celebrates the best-in-class transactions and organizations across the international infrastructure and energy sectors. The fact that PC1 Corporation received the IJGlobal 2021 global award once again affirms PC1's position as one of the pioneers in renewable energy development in Vietnam and PC1 has put its name on the wind power map of the country and Southeast Asia region.





Affirming the number 1 position in Vietnam, top 5 in Southeast Asia

in the field of EPC general contractor for power grid projects and renewable energy projects. Professional renewable energy investor in the leading group in Vietnam.



Constantly creating smart and modern electrical works

connecting the national and regional power systems

Creating outstanding value

for customers, investors, employees and society.



CORE VALUES





1 GENERAL INFORMATION

1.1 GENERAL INFORMATION

1.2 HISTORY OF FORMATION AND DEVELOPMENT

1.3 INDUSTRY AND BUSINESS AREA

- 1.3.1 General contractor of electrical work
- 1.3.2 Industrial Production
- 1.3.3 Energy investment
- 1.3.4 Real estates
- 1.3.5 Production and trade in minerals and new materials
- 1.3.6 Consulting and Services

1.4. GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGERIAL APPARATUS

- 1.4.1 Governance model, business organization
- 1.4.2 Managerial apparatus
- 1.4.3 Subsidiaries and Associates

1.5 DEVELOPMENT ORIENTATIONS

1.6 RISK MANAGEMENT

- 1.6.1 Strategic risk
- 1.6.2 Environmental and social risks
- 1.6.3 Operational risks
- 1.6.4 Legal risks
- 1.6.5 Financial risks
- 1.6.6 Stock price volatility risk

1.1 GENERAL INFORMATION

GENERAL INFORMATION

Company name CÔNG TY CỔ PHẦN TẬP ĐOÀN PC1	Head office CT2 Building, PCC1 Nang Huong Building, No. 583 Nguyen Trai - Thanh Xuan - Hanoi
English name PC1 Group Joint Stock Company	Certificate of Business Registration 0100100745
Abbreviated name PC1 Group	Email info@pc1group.vn
Business Registration Address No. 18 Ly Van Phuc, Cat Linh Ward, Dong Da District, Hanoi	Phone (024) 3845.6329
Listed place Ho Chi Minh Stock Exchange	Website http://pc1group.vn
	Logo 

Established on March 2, 1963, after 60 years of construction and development, from the initial key task of constructing and installing national power transmission works, PC1 Group Joint Stock Company (PC1 Group) has now proven its capacity not only in the field of power construction but also expanded into the fields of industrial production, energy investment, real estate investment, consulting and services.

The Group is currently in the Top 50 Vietnamese Best Listed Company, Top 50 most profitable enterprises in Vietnam, TOP 500 largest enterprises in Vietnam, with a scale of more than 20 member units and revenue of nearly 8,500 billion dong.

INFORMATION FOR SHAREHOLDERS AND INVESTORS

Stock code: PC1

Number of shares outstanding (shares)

270,433,002

Number of shares listed (shares)

270,433,002

Charter capital (VND)

2,704,330,020,000

Equity (VND)

7,172,746,083,371

1.2 HISTORY OF FORMATION AND DEVELOPMENT



1963

1963

March 2, 1963: Established on March 2, 1963 with the original name as Line and Substation Construction Company. At the time of establishment, the Company had 4,000 employees, 5 construction teams, 3 construction sites, 1 fleet of vehicles, and 1 mechanical workshop. The Company's head office was located at 20 Tran Nguyen Han (Hanoi).

1967 - 1970

On June 30, 1967, The Ministry of Heavy Industry issued a decision to establish Line and Substation Construction Company under the Electricity Department. The labor force of the Company now had about 2,000 people, 16 construction teams.

1970 - 1975

On June 30, 1970, Line and Substation Construction Company was established as subsidiaries of the Ministry of Electricity and Coal. Since then, the Company was a departmental-level unit, a supervisory agency of enterprises that implemented comprehensive and centralized economic accounting...

1975 - 1979

Line and Station Construction Company with an independent and complete organizational structure. The company had about 3,500 people

1979 - 1981

The Line and Substation Construction Company under the Ministry of Electricity was renamed Line and Substation Construction Company No. 1

1981 - 1988

In 1983, due to development requirement of national grid, the Ministry decided to separate and lift some enterprises, the construction site of the Company to set up companies under the Ministry of Electric Power. In details:

- Separating Dong Anh Station Installation Business from the company to establish Line and station construction company 4 located in Dong Anh.
- Separating Line and Station Construction Business in Hanoi area, establishing Hanoi Regional Line and Station Construction Company.
- Separating Line Business No.1, establishing Line Construction and Station 3 Company, located in Vinh.
- Separating Quang Tri Site, establishing Power Construction Company No. 5 in Vinh.

1988 - 2005

In 1988, Established Power Construction Company No1, under the Ministry of Energy on a consolidated basis between Line and Substation Construction Company No.1 and Hanoi Line and Substation Construction Company.

In 1995, the Company belonged to Vietnam Electricity Corporation.

In 1998, the Company belonged to Vietnam Industrial Construction Corporation, under the Ministry of Industry.

2022

Changed its name to PC1 Group Joint Stock Company (PC1 Group), announced a new brand identity.

TOTAL ASSET

21,754 Billion VND

CHARTER CAPITAL

2,704 Billion VND

NET REVENUE

8,358 Billion VND

NET INCOME

537 Billion VND

PC1 Group purchased all shares of NAIV (headquartered in Singapore), thereby becoming a joint venture partner, owning 70% of capital in Nomura - Hai Phong Industrial Zone Development Corporation (NHIZ), at the same time, increasing capital contribution to Western Pacific to VND 1,110 billion - the investor of Yen Phong IIA Bac Ninh Industrial Zone. These transactions are part of PC1's industrial real estate development plan, in order to add to the strategic investment value chain and gradually develop the Group's ecosystem.

PC1 continues to assert itself as a professional general contractor with international standard project management processes, leading technology, and a team of highly specialized and experienced personnel when successfully designing and manufacturing a robotic system for spreading submarine cables, successfully implementing near-shore wind power project in Tan Phu Dong 1 with capacity of 100MW, consisting of 24 turbines with a record short time of eight months. Simultaneously, PC1 is the main construction unit ahead of schedule of the first 220kV cross-sea project of Vietnam to bring electricity to Phu Quoc island.

2016 - 2021

In 2021

Completing the corporate strategy report for the period 2021-2025 with a vision to 2035

Completing the cluster of 03 wind power plants Lien Lap, Phong Huy, Phong Nguyen before October 31, 2021, eligible for preferential FIT prices, bringing the total power generation capacity of PC1 Group to 313 MW.

2020: Completing the power generation of the 6th and 7th hydroelectric plants (Bao Lac B and Song Nhiem 4), bringing the total generating capacity of PC1 Group to 169 MW.

2019: Completing the power generation of unit 1 of the 5th plant - Mong An Hydroelectricity.

2018: Hand over the 4th real estate project - PCC1 My Dinh Plaza 2 project.

2017: Continued to generate 2 hydroelectric plants of Bao Lam 3 and Bao Lam 3A, increasing the total generating capacity of PCC1 to 114 MW.

2016: The company successfully listed PC1 share on Ho Chi Minh Stock Exchange and generated successfully power of first two hydropower plants in the energy investment strategy with total capacity of 60 MW

2009 - 2013

The company achieved an average annual revenue growth of over 15%, with annual revenue of over VND 1,000 billion. The state shareholder is Vietnam Industrial Construction Joint Stock Corporation divesting from Electricity Construction Joint Stock Company I and the Company becomes 100% private.

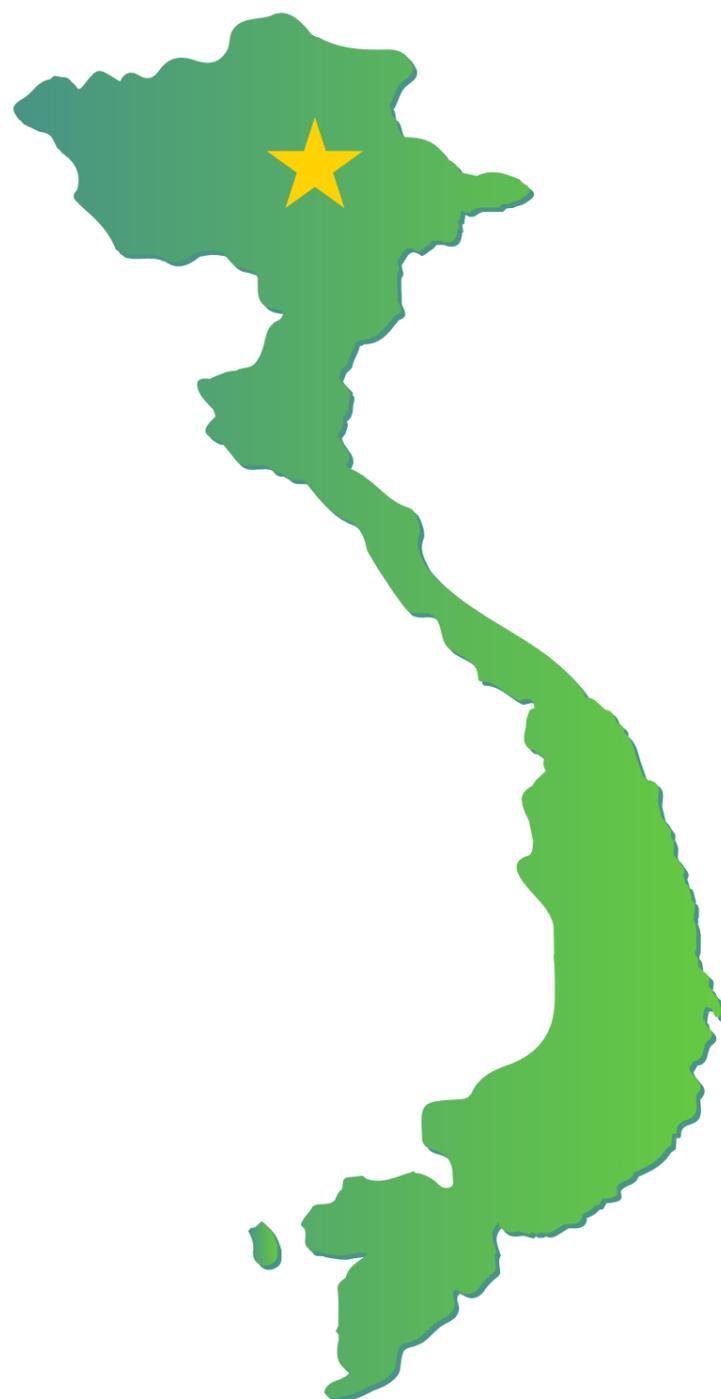
2005 - 2008

2008: Power Construction Joint Stock Company I registered to become a public company with the State Securities Commission

2005: Power Construction Joint Stock Company I was equitized from a state-owned enterprise, Power Construction Company I.

1.3 INDUSTRY AND BUSINESS AREA

Business area



Spread across 3 regions North, Central and South of Vietnam



Subsidiary in Singapore and Representative Office in Laos



Currently, PC1 Group has products exported to foreign markets such as Australia, Japan, Indonesia, Laos, Myanmar, ...

Business sectors

01 General contractor of electrical work

With 60 years of experience, PC1 Group is currently leading the country in the field of electrical construction and installation with experience in implementing many national power transmission projects, especially EPC and PC general contractor projects up to 500 KV voltage level and projects with high specificity (Gis station, power supply project to the island, underground cable project...). PC1 Group continuously executes important key projects with a team of highly qualified and skilled personnel, combined with the use of modern equipment technology, typically Navi fly technology.



Moreover, the Group has successfully made a breakthrough in implementing the general contractor for renewable energy power plants, especially projects with high technology requirements - wind power plants, solar power plants..

02 Industrial Production

In the field of industrial production, PC1 Group is the only and largest unit in Vietnam in designing and manufacturing steel tubular poles of 110 KV, 220 KV - 1, 2, 4 circuits and connecting steel bars up to 750kV, with a modern technology line integrated with CNC control system with a total capacity of over 50,000 tons of products / year.



New steel pole products of PC1 Group with many preeminent features have been highly appreciated by the leaders of Electricity of Vietnam (EVN) and partners and customers for their suitability, meeting increasing requirements. of national power transmission projects.

The Group's ability to design and produce steel poles is increasingly proven through electrical works, telecommunications works, domestic traffic and exports to countries such as Australia, Japan, Korea, Chile, ... at the same time expanding foreign markets such as Bangladesh, Papua New Guinea, Myanmar to increase export revenue.

03 Energy investment

Hydropower investment

In the field of energy investment, PC1 Group affirms its professional investment capacity with ready resources, professional management process, advanced technology, always controlling quality and progress. Up to now, PC1 Group has successfully operated 7 hydropower plants with a total capacity of up to 170 MW, with a total investment of VND 5,000 billion.



Projects	Location	Deployment time	Total investment capital (billion VND)	Capacity (MW)	Designed output (million kWh)
Completed and put into operation					
Trung Thu	Dien Bien	2013-2016	910	30	113
Bao Lam 1	Cao Bang	2014-2017	767	30	104
Bao Lam 3	Cao Bang	2015-2017	890	46	173
Bao Lam 3A	Cao Bang	2016-2017	330	8	30
Mong An	Cao Bang	2017-2020	916	30	104
Bao Lac B	Cao Bang	2018-2020	559	18	72
Song Nhiem 4	Ha Giang	2018-2020	228	7	24
Planning to invest					
Bao Lac A	Cao Bang	2023-2025	1,170	30	104
Thuong Ha	Cao Bang	2024-2026	400	10	40

Windpower investment

Along with hydroelectric power plants that have been invested and are currently being invested, PC1 Group has so far continued to develop renewable energy projects such as solar power and wind power in advantageous areas, actively contributing to the conservation of energy. ensure energy security, meet the national clean energy demand.

In October 2021, PC1 Group officially started commercial operation of Lien Lap, Phong Huy, Phong Nguyen wind power plants cluster in Quang Tri with a total capacity of 144 MW, eligible to sell electricity at FiT.



Projects	Location	Deployment time	Total investment capital (billion VND)	Capacity (MW)	Designed output (million kWh)
Completed and put into operation					
Lien Lap	Quang Tri	2019-2021	1,921	48	145
Phong Huy	Quang Tri	2020-2021	1,921	48	177
Phong Nguyen	Quang Tri	2020-2021	1,921	48	173

Targets to 2025:

- Invest in and effectively manage and operate 350MW of RE power plants.
- Accumulated commercial electricity output reached 07 billion kWh, equivalent to cutting 5.6 billion tons of CO2 equivalent
- Successful cooperation and development of 1,000 MW of Offshore wind power

Goal 2035:

- Successfully operating 1,000 MW of Offshore wind power

Residential Real estates

Up to now, PC1 Group has completed, handed over and put into use a number of residential real estate projects that are highly appreciated by the market and customers, thereby improving the prestige and image of PC1 Group, can be The following outstanding projects are mentioned as below:

PCC1 Nang Huang in Van Quan, Ha Dong, Hanoi has two 21-storey towers; villas and townhouses. My Dinh Plaza 1 at 140 Tran Binh, Cau Giay, Hanoi has the scale of 25-storey luxury apartment tower, including 3 commercial floors; 352 apartments.

PCC1 Ha Dong Complex in Phu Luong, Ha Dong, Hanoi has four 15-storey towers, 03 floors for rent; 540 apartments.

My Dinh Plaza 2 at 2 Nguyen Hoang, Nam Tu Liem, Hanoi has two 28-storey luxury apartment towers, 4 commercial floors; 472 apartments.

PCC1 Thanh Xuan at No. 44 Trieu Khuc, Thanh Xuan, Hanoi has two 27-storey apartment towers, 3 basements, kindergartens and 480 apartments.

In addition, PC1 Group is implementing the following projects:

Projects	Location	Scale	Expected progress	Expected profit
PC1 Gia Lam (Yen Thuong) Project	Yen Khe, Yen Thuong, Gia Lam, Hanoi	- Total land area: 7,152.20 m2 - Construction area: 3,129.36 m2 - Scale: 54 low-rise apartments.	2023	NPAT>10%
Project under investment	Hanoi		2023-2024	NPAT>10%
PC1 Dinh Cong Project	No. 1, Lane 120 Dinh Cong, Phuong Liet ward, Thanh Xuan, Hanoi	- Total land area: 15,100 m2 - Construction area: 6,000 m2 - Scale: 83 low-rise apartments, kindergarten, office	2022-2025	NPAT>10%
PC1 Vinh Hung Project	No. 1, Lane 321 Vinh Hung, Hoang Mai, Hanoi	- Project land area: 5,160 m2. + High-rise mixed-use building includes 27 floors, 3 basements, 1 tum. + Low-rise commercial service area includes 05 commercial floors, 01 tum floor.	2021 - 2027	NPAT>10%
PC1 Thang Long Project	Tan Xuan, Bac Tu Liem, Hanoi	- Project land area: > 20,000 m2 + High-rise mixed-use building includes 27 floors, 3 basements, 1 tum. + Low-rise commercial service work includes 04 floors, 01 tum.	2023 -2026	NPAT>10%



Industrial real estates

PC1 has been expanding into the field of industrial real estate through successful and effective investment cooperation opportunities in industrial zones with distinct advantages in logistics, river ports, seaports, high quality industrial zones, eco-industrial zones, combined with clean energy supply in provinces and cities which have been implemented.

PC1 is a joint venture partner with 70% capital at Japan - Hai Phong Industrial Zone Development Corporation (NHIZ), owns 153 ha Nomura Hai Phong Industrial Zone (NHIZ); and 30% capital of Western Pacific Joint Stock Company, thereby cooperating to invest in real estate projects in Yen Phong II-A industrial Zone, Bac Ninh 159ha, port cluster - industrial cluster - industrial zone in Ha Nam, Bac Giang,...



05 Production and trade in minerals and new materials

PC1 Group owns 57.27% capital of Tan Phat Mineral Joint Stock Company - investor of Nickel - Copper mineral opencast mining project in Quang Trung commune, Hoa An district, Cao Bang province with total investment of over 1,700 billion VND; designed capacity scale is 600,000 tons/year. The project has completed investment in construction, installation, trial run and officially put into production from February 2023, and is expected to export products from June 2023.

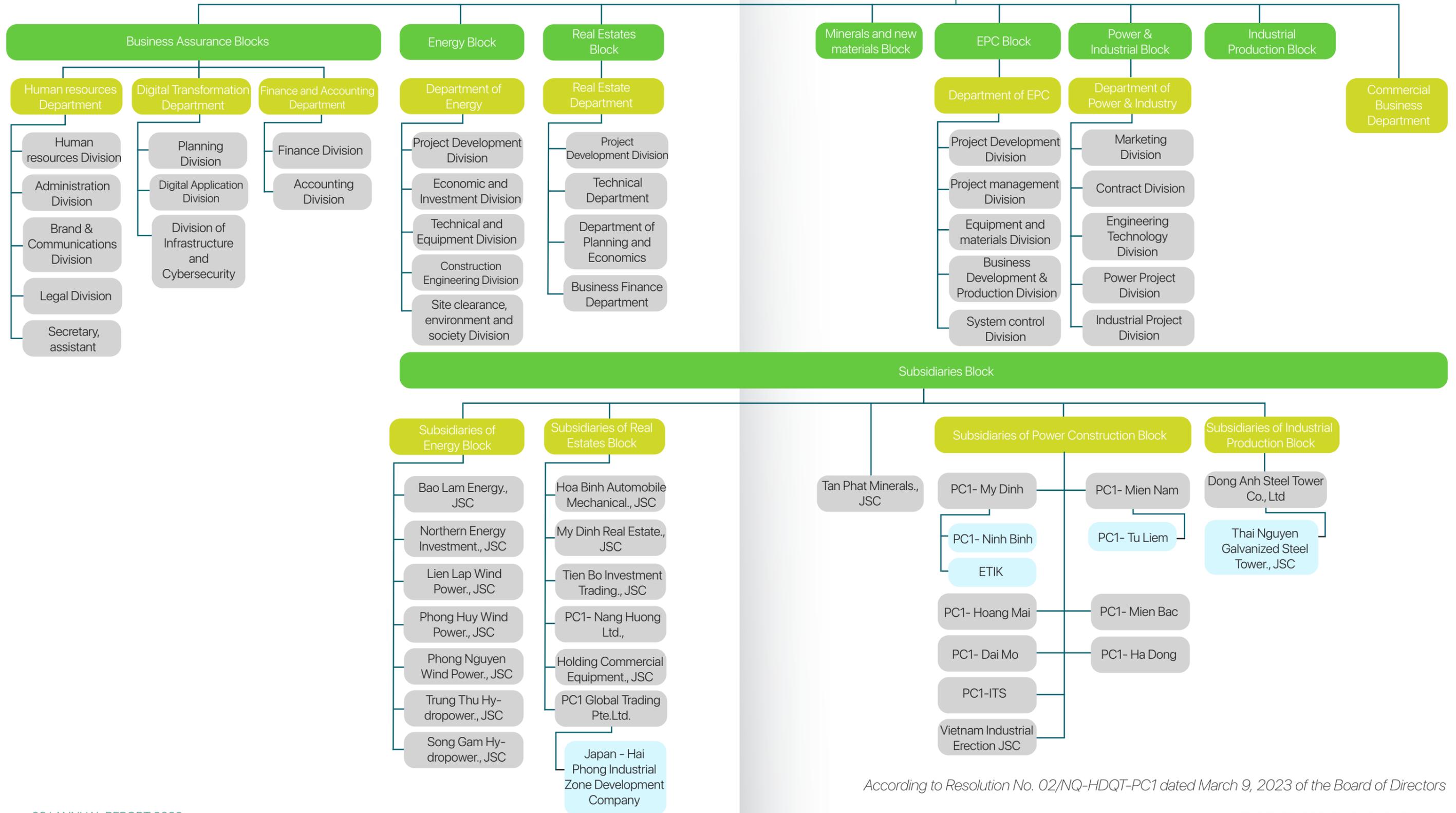
Commercial business: mainly trading in steel billet products, construction steel and coke. In addition, PC1 is continuing to research and invest in new materials with high applicability and efficiency.

06 Consulting and Services

With a synchronous role with above core business areas, contributing to the overall business results and enhancing the reputation of PC1 Group, the Group has strongly developed activities:

- Design consultancy for electrical works; Consulting compensation, site clearance; surveying cadastral maps, extracting and measuring land plots to serve compensation for construction works.
- Hydropower project management consulting, post-investment hydroelectricity management;
- Building management services.

1.4 GOVERNANCE MODEL



According to Resolution No. 02/NQ-HDQT-PC1 dated March 9, 2023 of the Board of Directors

PC1 Group Joint Stock Company



BOARD OF DIRECTORS

Mr. TRINH VAN TUAN

Chairman of the Board of Directors

Year of birth: 1962

Qualifications: Electrical Engineer - Master of Business Administration



Working process

From Jun 1999 to Mar 2001	Head of business planning department of Electric Construction Business
From April 2001 to Jun 2002	Deputy Director of Electrical Installation and Construction Business
From Jul 2002 to Dec 2002	Department of planning and administration of Power Construction Company No.1
From Dec 2002 to Oct 2003	Construction site manager of 500KV Pleiku-Da Nang line of Power Construction Joint Stock Company No.1
From Oct 2003 to Aug 2005	Director of Factory Installation and Civil Construction - PCC1
September 2005 to September 2007	Chairman of the Board of Directors cum Director of Thang Long TIC., JSC
From Oct 2007 to Mar 2010	Member of the Board of Directors cum General Director of PCC1
From April 2010 to Nov 2021	Chairman of the Board of Directors cum General Director of PCC1
From Dec 2021 to present	Chairman of the Board of Directors of PC1 Group., JSC

Mr. VU ANH DUONG

Member of the Board of Directors cum General Director

Year of birth: 1979
Qualifications: Master of Business Administration



Working process

From 2003 - 2009	Specialist of General Planning Department - Power Construction Joint Stock Company No.1
From 2009 - 2012	Deputy Head - Market Planning Department - Power Construction Joint Stock Company No.1
From 2012 - 2013	Head of Market Development Department - Power Construction Joint Stock Company No.1
From 2013 to 2018	Head of Energy Project Management Board - Power Construction Joint Stock Company No.1
From Jan 2019 to Nov 2021	Deputy General Director of Power Construction Joint Stock Company No.1
From Jun 2020 to present	Member of the Board of Directors of PC1 Group., JSC
From Dec 2021 to present	General Director of PC1 Group., JSC

Mr. VO HONG QUANG

Member of the Board of Directors cum Deputy General Director

Year of birth: 1975
Qualification: Electrical engineer, Master of Business Administration



Working process

Jul 2001 to May 2002	Deputy head of Marketing Department of Power Construction Company No.1
Jun 2002 to Jun 2007	Head of Southern Board of Representatives of Power Construction Company No.1
May 2006 to Mar 2008	Member of the Board of Directors cum Deputy General Director cum Head of Southern Board of Representatives of Power Construction JSC I
April 2008 until now	Member of the Board of Directors cum Deputy General Director of PC1 Group., JSC

Mr. NGUYEN MINH DE

Member of the Board of Directors cum Deputy General Director

Year of birth: 1975
Qualification: Electrical engineer, Master of Business Administration



Working process

From 1999 to 2002	Site manager of construction works - Power Construction Joint Stock Company No.1
From 2003 - 2005	Head of Technical Department - Electrical Construction and Industrial Works Business
October 2005	Deputy Head of Technical Department - Power Construction Joint Stock Company No.1.
From October 2005 to September 2006	Deputy Director cum Technical Manager - Thang Long TIC., JSC
From October 2006 to July 2008	Director - Thang Long TIC., JSC
From July 2008 to April 2009	Head of Technology Department - Power Construction Joint Stock Company No.1
From April 2009 to present	Director of Dong Anh Steel Tower Co., Ltd;
From 4/2014 to present	Deputy General Director of Power Construction Joint Stock Company No.1;
From April 2015 to present	Member of the Board of Directors - PC1 Group., JSC

Mr. MAI LUONG VIET

Member of the Board of Directors

Year of birth: 1962
Professional qualification: Bachelor of Law - Potsdam University (Germany) and Hanoi Law University. Bachelor of International Relations - Hanoi Bar Association Diplomatic Academy



Working process

From 1995 - 2006	Senior legal expert of Law Firm DS Avocats (France)
From 2006 to 2008	Senior legal specialist at Law Office Nguyen Huy Thiep and Associates
From 2006 to 2010	General Director, member of the Board of Directors of Kim Dien Consulting and Investment Joint Stock Company
From 2008 - present	Managing Director of VietBiz Law Firm.
From Jun 2020 to present	Member of the Board of Directors - PC1 Group., JSC

SUPERVISORY BOARD

Ms. NGUYEN THI HAI HA

Head of Supervisory Board

Qualification: Bachelor of accounting



Working process

From May 1998 to Jan 2003	Specialist of Department of Finance and Accounting of Power Construction Company No.1
From Feb 2003 to May 2004	Deputy head of Finance and Accounting Department of Power Construction Joint Stock Company No.1
From Jun 2004 to Oct 2005	Head of Finance and Accounting Department of Power Construction Joint Stock Company No.1
From Nov 2005 to April 2008	Specialist of the Department of General Administration - Post and Telecommunication Training Center
From May 2008 to Dec 2009	Head of Finance and Accounting Department - PCC1-Ba La
From Jan 2010 to Mar 2010	Specialist of Department of Finance and Accounting of Power Construction Joint Stock Company No.1
From April 2010 to present	Head of Supervisory Board of PC1 Group., JSC

Mr. HOANG VAN SANG

Member of Supervisory Board

Qualification: Bachelor of auditing; CPA Vietnam



Working process

From Jul 2013 to Mar 2017	Auditor - AASC Auditing Firm Company Limited
From Mar 2017 - Nov 2021	Senior Internal Auditor - Power Construction Joint Stock Company No.1
From Jun 2020 - present	Member of Supervisory Board - PC1 Group., JSC
From Dec 2021 - present	Deputy Head of Internal Audit Department - PC1 Group., JSC

Mr. HOANG VAN CUONG

Member of Supervisory Board

Professional qualifications: Bachelor of Accounting; CPA Vietnam



Working process

From Jan 2012 to Feb 2016	Senior Auditor, Financial Audit Department of AASC Auditing Firm Company Limited
From Mar 2016 - Dec 2016	Management Accountant - FPT Information System Company Limited
From Mar 2019 - May 2020	Company Secretary cum Person in charge of administration of Power Construction Joint Stock Company No.1
From Feb 2017 - Mar 2021	Risk Management and Internal Audit Specialist - Power Construction Joint Stock Company No.1.
From Jun 2020 - present	Member of Supervisory Board - PC1 Group., JSC

EXECUTIVE BOARD AND CHIEF ACCOUNTANT

Mr. VU ANH DUONG

Member of the Board of Directors cum General Director

Mr. VO HONG QUANG

Member of the Board of Directors cum Deputy General Director

Mr. NGUYEN MINH DE

Member of the Board of Directors cum Deputy General Director

For more information, see the Board of Directors section.



Mr. NGUYEN NHAT TAN

Deputy General Director

Qualification: Electrical Engineer - Master of Business Administration

Working process

From May 1995 to April 1997	Head of Chiem Hoa electricity branch, Tuyen Quang electricity.
From May 1997 to Sep 1998	Head of Tuyen Quang electricity and power business department
From Oct 1998 to Jun 2003	Deputy Director of Tuyen Quang electricity
From Jul 2003 to Dec 2003	Deputy Secretary of District Committee of Na Hang, Tuyen Quang
From Jan 2004 to Mar 2004	Deputy Permanent Secretary of Town committee of Tuyen Quang
From April 2004 to April 2009	Chairman of People's Committee of Tuyen Quang town, Tuyen Quang province
From May 2009 to Mar 2010	Deputy Director of Department of Planning and Investment of Tuyen Quang province
From April 2010 to May 2011	Deputy Director of Tuyen Quang Power Company
From Jun 2011 to present	Deputy General Director of PC1 Group., JSC

Mr. DANG QUOC TUONG

Deputy General Director

Qualification: Electrical engineer, Master of Business Administration



Working process

From Jul 2004 – Jun 2008	Engineer of Southern Representative Board - Electricity Construction Joint Stock Company No.1
From Jul 2008 – Aug 2008	Engineer of Technology Department - Power Construction Joint Stock Company No.1
From Sep 2008 – Oct 2009	Deputy Head of Technology Department - Electricity Construction Joint Stock Company No.1
From Nov 2009 – Jun 2018	Head of Technology Department - Electricity Construction Joint Stock Company No.1
From Nov 2018 – Sep 2019	Head of Project Management Department EPC - Electricity Construction Joint Stock Company No.1
From Oct 2019 - present	Deputy General Director of PC1 Group., JSC

Ms. TRAN THI MINH VIET

Chief Accountant

Qualification: Bachelor of Accounting



Working process

From 2000 - 4/2003	Specialist in Finance and Accounting Department of Electrical Construction and Service Enterprise
From 04/2003 - 10/2006	Deputy Head of Finance and Accounting Department of Electricity Construction and Service Enterprise
From 05/2006 - 09/2007	Specialist in Finance and Accounting Department of Electricity Construction Joint Stock Company I
From October 2007 to March 2014	Deputy Head of Finance and Accounting Department of Power Construction Joint Stock Company No.1
From 04/2014 - present	Chief Accountant cum Head of Finance - Accounting Department of PC1 Group JSC.

Subsidiaries and Associates

Tier-1 subsidiaries

No	Name of Company	Address	Main business sector	Charter capital (VND)	PC1's ownership ratio
1	Dai Mo- No.1 Power Construction Co., Ltd	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Power construction	5,000,000,000	100%
2	Mien Nam- No.1 Power Construction Co., Ltd	An Khang Building, No. 28, Street 19, Block 5, An Phu Ward, District 2, Ho Chi Minh City	Power construction	25,000,000,000	100%
3	Mien Bac- No.1 Power Construction Co., Ltd	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Power construction	10,236,009,597	100%
4	My Dinh- No.1 Power Construction Co., Ltd	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Power construction	30,000,000,000	100%
5	Ha Dong- No.1 Power Construction Co., Ltd	Van La Street, Phu La Ward, Ha Dong District, Hanoi	Power construction	5,942,874,315	100%
6	PC1 Nang Huong One Member Co., Ltd	No. 583 Km 9, Nguyen Trai Street, Van Quan, Ha Dong District, Hanoi	Building management services	725,509,851	100%
7	Hoang Mai- No.1 Power Construction Co., Ltd	No. 471, Nguyen Tam Trinh Street, Hoang Van Thu Ward, Hoang Mai district, Hanoi	Power construction	5,000,000,000	100%
8	Dong Anh Steel Tower Co., Ltd	Group 14, Dong Anh town, Dong Anh district, Hanoi	Producing and manufacturing steel poles	51,257,437,000	90%
9	Trung Thu Hydropower., JSC	No. 157, residential quarter 16, Tan Thanh ward, Dien Bien Phu	Hydropower project investment; Producing and trading in electricity	290,178,000,000	60%
10	My Dinh Real Estate., JSC	1st floor, My Dinh Plaza, 138 Tran Binh, ward. My Dinh 2, district. Nam Tu Liem, Hanoi	Real estate investment and trading	200,000,000,000	99.39%
11	Vietnam Industrial Erection., JSC	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Installing machinery and industrial equipment	5,000,000,000	51%

No	Name of Company	Address	Main business sector	Charter capital (VND)	PC1's ownership ratio
12	Bao Lam Energy., JSC	Na Pong village, Ly Bon commune, Bao Lam district, Cao Bang province	Investment management and hydropower project operation consultancy	34,000,000,000	99.90%
13	Northern Energy Investment., JSC	Na Pong village, Ly Bon commune, Bao Lam district, Cao Bang province	Hydropower project investment; Producing and trading in electricity	277,830,000,000	51%
14	Hoa Binh Automobile Mechanical., JSC	No. 44 Trieu Khuc Street, Ward. Thanh Xuan Nam, district. Thanh Xuan, Hanoi	Real estate investment and trading	119,000,000,000	99.83%
15	Tien Bo Investment Trading., JSC	No. 1, lane 321, Vinh Hung street, ward. Thanh Tri, district. Hoang Mai, Hanoi	Real estate investment and trading	120,000,000,000	99.95%
16	Lien Lap Wind Power., JSC	Cua village, Huong Tan commune, Huong Hoa district, Quang Tri province	Investment in wind power projects	592,150,150,000	55.54%
17	Phong Nguyen Wind Power., JSC	No. 1, Alley 23, Hung Vuong Street, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Investment in wind power projects	573,567,320,000	54.73%
18	Phong Huy Wind Power., JSC	No. 56 Le Duan, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Investment in wind power projects	573,915,380,000	54.70%
19	Investment and Technology Service., JSC	2nd floor, PCC1 Thanh Xuan Building, 44 Trieu Khuc Street, Thanh Xuan Nam Ward, Thanh Xuan district, Hanoi	Electrical equipment and supplies and electrical system configuration services	15,000,000,000	51%
20	Song Gam Hydropower., JSC	Na Roa village, Bao Toan commune, Bao Lac district, Cao Bang province	Hydropower project investment; Producing and trading in electricity	30,000,000,000	51%
21	Tan Phat Minerals., JSC	Group 22, Song Bang Ward, Cao Bang City, Cao Bang Province	Mineral exploration and exploitation	478,000,000,000	57.27%
22	Holding Commercial Equipment., JSC	No. 1, lane 120 Dinh Cong, Phuong Liet ward, Thanh Xuan district, Hanoi city	Real estate investment and trading	150,000,000,000	99.75%
23	PC1 Global Trading Pte. Ltd.	10 COLLYER QUAY, #10-01 OCEAN FINANCIAL CENTRE, SINGAPORE (049315)	Residential (other than town councils), commercial and industrial real estate management	200,750,795,190	100.00%

Tier-2 subsidiaries

No	Name of Company	Address	Main business sector	Charter capital	PC1's ownership ratio
1	Thai Nguyen Galvanized Steel Tower., JSC	Lot CN2-1 and CN2-2 Diem Thuy B Industrial Zone, Diem Thuy Commune, Phu Binh District, Thai Nguyen Province	Producing and manufacturing steel columns, hot-dip galvanizing	30,000,000,000	81.00%
2	PC1-Etich Electrical Experiment., JSC	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Power transmission and distribution	10,000,000,000	51.00%
3	Tu Liem- No.1 Power Construction Co., Ltd	No. 32, Phuong Canh Street, Group 2, Xuan Phuong Ward, Nam Tu Liem District, Hanoi	Power construction	10,549,569,422	100%
4	Ninh Binh- No.1 Power Construction Co., Ltd	Lane 2, Xuan Thanh Street, Tan Thanh Ward, Ninh Binh City, Ninh Binh Province	Power construction	10,000,000,000	100%
5	Japan - Hai Phong Industrial Zone Development Company	Executive Building, Japan - Hai Phong Industrial Zone, Tan Tien Commune, An Duong District, Hai Phong City, Vietnam	Investment, construction and business of infrastructure, utilities and services of industrial zones	880,209,734,400	70%

Associates

No	Name of Company	Address	Main business sector	Charter capital	PC1's ownership ratio
1	Cao Bang Iron and Steel., JSC	No. 52, Kim Dong Street, Hop Giang ward, Cao Bang city, Cao Bang province	Mining, processing and trading in minerals	430,063,660,000	25.09%
2	CT2 Real Estate Investment., JSC	21st floor, Capital Town Building, 109 Tran Hung Dao, Cua Nam Ward, Hoan Kiem District, Hanoi	Real estate investment and trading	612,245,000,000	49.00%
3	Western Pacific., JSC	No. 13, Street No.12, Thao Dien Ward, Thu Duc City, Ho Chi Minh City	Industrial real estate investment	615,000,000,000	30.08%



1.5 DEVELOPMENT ORIENTATIONS

OVERALL STRATEGY

PC1 Group Strategy Board has completed the Group Strategy Report for the period of 2021-2025 with a vision to 2035 (Consulting firm: KPMG).

01

ATTACK STRATEGY – KEY STRATEGY

- Strengthening operations and investing in business development in areas where the Group has strengths and high opportunities. Expanding market share, focusing on development investment in the following areas:
 - Investment and development of residential real estate, industrial real estate.
 - Investment in manufacturing, processing minerals and new products according to the Group's business chain.
 - EPC general contractor for power projects and technology products and services in sync with products of EPC general contractor, construction of industrial park real estate general contractor.
 - Investment in developing techniques and high technologies for core business activities, prioritizing digital transformation.

02

DIVERSITY STRATEGY

- Stable operations, controllable growth in business areas that have strengths but do not have the opportunity to lead the market or areas where current profit margins are not attractive:
 - Investment in power plants
 - Construction of medium and large scale traditional power projects and works
 - Production of traditional high-voltage poles and domestic telecommunications poles
 - Trading in product groups and categories with low profit margins.

03

EXIT STRATEGY

- Reducing business activities according to the route in business areas that have weak products, risks, fierce competition, low profit margins.
 - Reducing activities to stop business activities with traditional small-scale and dispersed labor projects
 - Trading in products that are not part of the PC1 ecosystem and have low profit margins.
- During the implementation of the strategy, each field and product line will be applied according to the appropriate strategy in each period to maximize business efficiency, achieve growth goals and optimize limited resources.
- Each business area can apply one or a combination of different strategies for each product line.

1.5 DEVELOPMENT ORIENTATIONS (continue)

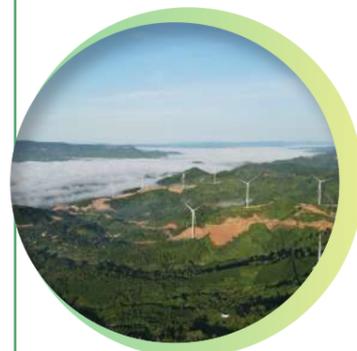
STRATEGIC PILLARS



PRODUCTION AND TRADE OF NEW MATERIALS

Investing in the development of trade in related goods and fields in the PC1 ecosystem to support the competitiveness of core business activities, while adding profits and cash flow to PC1

Investing and researching in the production and processing of some products and metals with high demand trends in the future that PC1 has advantages in investment.



ENERGY INVESTMENT

Targets to 2025:

Investing in and effectively managing and operating 350MW renewable energy power plants.

Accumulating commercial electricity output reached 07 billion kWh, equivalent to cutting 5.6 billion tons of CO2.

Successfully cooperating and developing 1,000 MW offshore and onshore wind power plants.

Target 2035: Successfully operating 1,000 MW of offshore and onshore wind power plants.



EPC GENERAL CONTRACTOR

Developing the capacity of EPC general contractor for electrical works with synchronous solutions, prioritizing solutions for high-tech development. Affirming the position of top 3 in Vietnam and top 5 in Southeast Asia in the field of general contractor for RE power plants..



INSTALLATION OF ELECTRICAL WORKS

Continuing to affirm the position and reputation of No. 1 in implementing national power transmission projects.

Priority is given to high-tech projects, special projects, PC contracts, EPC electrical works and industrial park projects.



INDUSTRIAL PRODUCTION

Affirming the No. 1 position in Vietnam in designing and manufacturing steel pole products for high- and super-high-voltage transmission grids..

Prioritize developing new products, continuing to connect and develop international markets



REAL ESTATES

Residential real estate: Continuing to assert itself as a professional and reliable real estate investor and trader.

Industrial Real Estate: Priority is given to investment in infrastructure and operation of smart industrial parks, ecological industrial parks, combining logistics utilities, seaports, river ports, and customs.

Target 2030: Complete investment and operation management of 1,500 hectares of industrial land.

1.6 RISK MANAGEMENT

Risk management principles



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



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

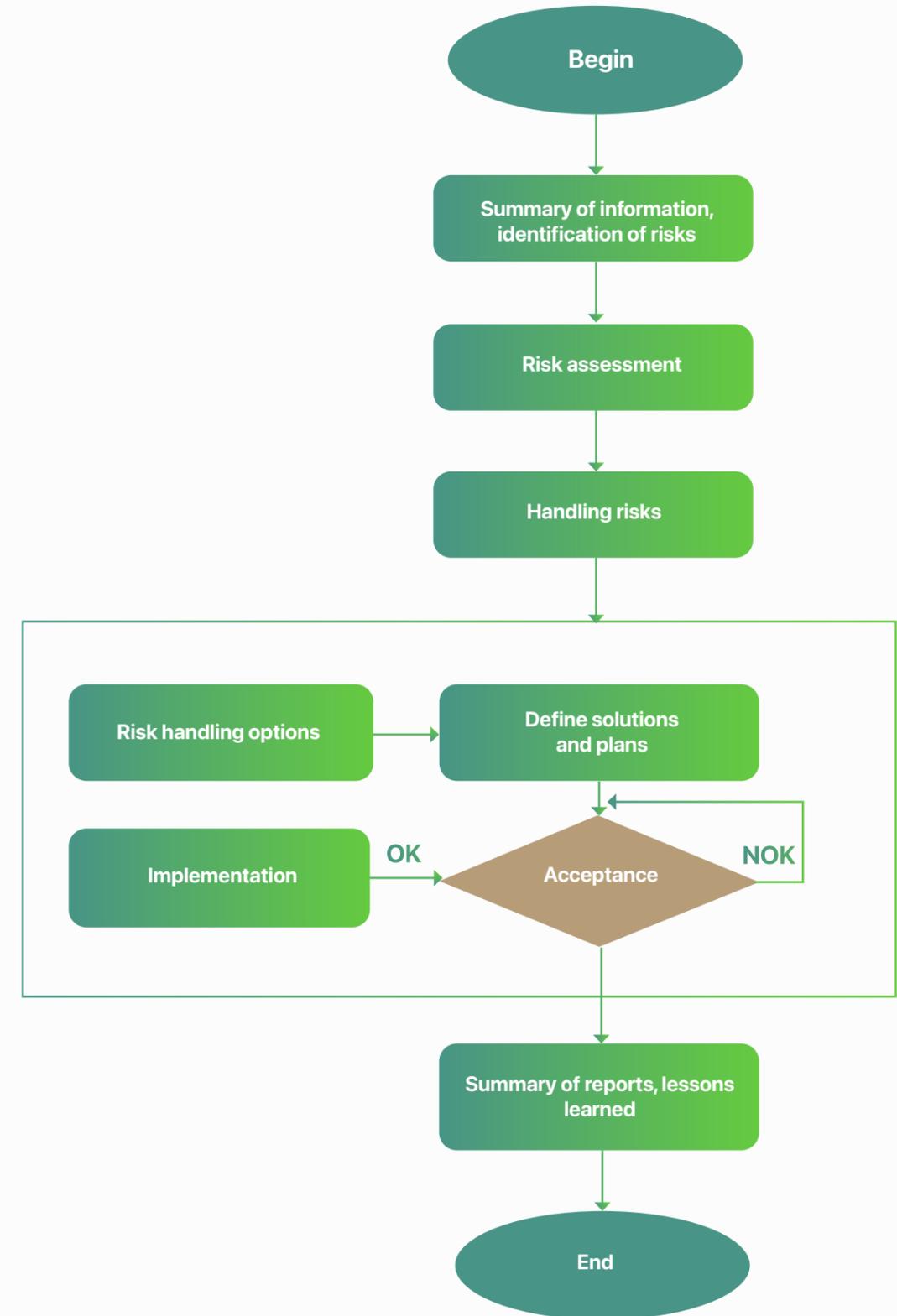


The risk management system includes parts and personnel serving for risk management which is integrated in the management and administration structure of the Company and operated in parallel and in consistence with scale and operation scope of the Group



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

Risk management process



The risks

01

STRATEGIC RISKS

The unpredictable fluctuations of the world economy together with the fierce competitive environment, the dangers of political and religious conflicts, disputes over commercial sovereignty, factors of inflation, interest rates, etc. as well as obstacles in legal policies and procedures that directly or indirectly affect the production and business activities of enterprises in the economy in general and the Group's field of operation in particular.

How to manage

PC1 always actively updates, closely monitors, analyzes and forecasts fluctuations in domestic and international business environment conditions, regularly updates fluctuations in interest rates, exchange rates, and inflation. ... proactively develop risk scenarios and preparedness measures to deal with risks and bad developments of the economy - society. At the same time following the Group Strategy for the period of 2021-2025 with a vision to 2035, PC1 focuses on business pillars while researching, expanding markets, controlling costs, optimizing resources, and ensuring safe capital structure.

02

EVIROMENTAL AND SOCIAL RISKS

In the field of EPC general contractor and power construction, activities are mainly conducted outdoors and in areas with complex terrain, so weather and topographic conditions have a great and direct influence on efficiency. and safety in this area. The dependence on weather and construction terrain in the power construction industry such as underground construction, construction on rugged mountainous areas, offshore construction causes many difficulties and risks of labor accident.

Natural weather and terrain not only directly affect the construction process of hydroelectric and wind power plants, but also directly affect the power production and business of the plants. On the other hand, with the influence of climate change, prolonged drought would result in reduced rainfall and water levels on rivers and lakes, dams nearby hydropower plants which will directly affect the amount of electricity produced. Similarly, investment in and production of wind and solar power also bear risks in terms of sunlight levels and wind speeds, wind direction, etc.

How to manage

PC1 Group always focuses on construction safety supervision during its project implementation and adheres to insurance policies for both the Group and employees to limit the influence of this risk factor on general business activities of the Group.

At the same time, the Company always surveys, measures, closely follows climate, hydrological and astronomical forecasts to have timely plans to operate effectively, manage the implementation of the Group's business plan.

03

OPERATIONAL RISKS

The Group faces the risk of price fluctuations of imported raw materials, supplies and equipment; shortage of human resources, specialized machinery and equipment at certain times. For the field of general contractor of electrical works, the low construction unit price, the site clearance work encounters many obstacles and difficulties, leading to prolonged delay in construction work, failure to complete according to the plan are also important factors in the construction process that threat to business performance.

How to manage

In order to limit the influence of the price of input materials and raw materials, the Group always updates the market situation and price information in the world, as well as coding all materials, comparing and diversifying. suppliers - select the most competitive raw material suppliers and make purchasing/selling plans in a timely manner. At the same time, PC1 is always ready, proactively forecasting risks and developing risk scenarios, plans to respond to resource fluctuations for the construction of electrical works, minimizing the impact of changes in the Group's business performance.

04

LEGAL RISKS

In the real estate sector, investment policies, the planning law are all tightened, and the scarcity of land is a big challenge to implement the development plan of the real estate sector in the long term. As for land planned for real estate projects that are being used and exploited by residents, the site clearance work in these areas is often complicated, lengthy and potentially contains many legal disputes. On the other hand, the compensation and land compensation price bracket prescribed by the State is unstable and has great value, directly affecting the investment costs of enterprises.

How to manage

With the policy of only implementing real estate projects on the Group's land fund or the land with clean ground, the Group can actively minimize the risk of compensation for site clearance. At the same time, the Group also actively researches and learns the legal regulations on investment, land, real estate, etc. to minimize the risks brought by the policy.

05

FINANCIAL RISKS

Currently, PC1 has an operating model consisting of many subsidiaries and associated companies, besides investing in developing energy projects, real estate, and commercial production of new materials, which places high demands on management. financial planning and arrangement of investment capital. In addition, the context of the financial, monetary and credit markets with strong fluctuations in 2022 also increases the risks in financial activities, cash flow management arising in the process of investment and production activities.

How to manage

PC1 always actively builds short, medium and long-term financial plans on the basis of production and business plans, investment plans, and at the same time actively approaches the partner market to successfully select and arrange the capital sources with reasonable costs, optimizing financial costs to manage financial risks

06

STOCK PRICE VOLATILITY RISK

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

How to manage

PC1 Group always strictly complies with the Information Disclosure Regulation of State Securities Committee, the Ho Chi Minh City Stock Exchange, and at the same time, the Company always provides Investor Newsletters, updated quarterly business and investment situation, organize investor meeting, ...



2 OPERATIONS IN THE YEAR 2022

2.1 SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

- 2.1.1 General contractor for electrical works
- 2.1.2 Energy
- 2.1.3 Industrial Production
- 2.1.4 Real Estates

2.2 INVESTMENT ACTIVITIES, PROJECT IMPLEMENTATION

- 2.2.1 Major investments
- 2.2.2 Subsidiaries and associates

2.3 FINANCIAL SITUATION

- 2.3.1 Financial Situation
- 2.3.2 Major financial indicators

2.4 SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER'S EQUITY

- 2.4.1 Shares information
- 2.4.2 Shareholders structure
- 2.4.3 Change in the owner's equity
- 2.4.4 Transaction of treasury stocks
- 2.4.5 Other securities

2.1 SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

Status of plan implementation

Targets	Unit	Actual 2022	Plan 2022	Actual/Plan
Revenue	VND billion	8,358	11,003	76%
Profit After Taxes	VND billion	537	657	82%



8,358 VND billion
Revenue 2022

537 VND billion
Profit After Taxes 2022



Some financial indicators for the period 2018-2022

Targets	2018	2019	2020	2021	2022	Proportion 2022	2022 /2021
Total Revenue	5,160	5,891	6,744	10,175	8,473		83%
Revenue	5,084	5,845	6,679	9,828	8,358	99%	85%
Financial Income	28	38	37	319	95	1%	30%
Other revenue	47	8	28	28	20	0%	70%
Total expenses	4,538	5,402	6,040	9,364	7,807		83%
COGS	4,219	5,026	5,517	8,673	6,763	87%	78%
Financial expense	150	172	244	359	767	10%	214%
Operating costs	161	202	268	296	277	4%	94%
Other expenses	8	2	11	36	61	1%	170%
EBT	579	433	652	896	605		68%
Net profit	540	427	635	905	647		71%
Other profit	39	6	17	-8	(42)		-
PAT	491	376	544	764	537		70%

Total revenue in 2022 reached VND 8,358 billion, equivalent to 76% of the year target. In which, electricity sales reached VND 1,715 billion, increased 85% compared to the previous year; real estate revenue reached 130 billion dong, increased 23% thanks to the contribution of industrial zone infrastructure business; industrial production revenue reached VND 645 billion, approximately the previous year. In the fields of general contractor of electrical works, trading of commercial goods, revenue decreased but profit margin improved, contributing to increasing gross profit margin of the Company from 12% to 19.1%.

In 2022, interest expenses increased due to cease interest capitalization of wind power plants after COD (October 2021) and bond interest issuance. The increase in the USD/VND exchange rate increases the unrealized financial cost of revaluation of the entire foreign currency loan balance. The principal of this loan will be repaid over 14 years, so it will not affect the Company's current cash flow. In addition, the selling price of electricity is also calculated in USD, reducing exchange rate risk.

Financial income decreased mainly because in 2021, financial income of VND 262 billion was recorded from the Company increasing the investment in Tan Phat Mineral Joint Stock Company from an associate to a subsidiary. In return, high interest rates also increase interest income from term deposits of PC1.

Therefore, in 2022, consolidated Net profit after tax reached VND 537 billion, equivalent to 82% of the year plan, EPS reached VND 1,519/share.

SITUATION OF PRODUCTION AND BUSINESS OPERATIONS IN EACH SECTOR

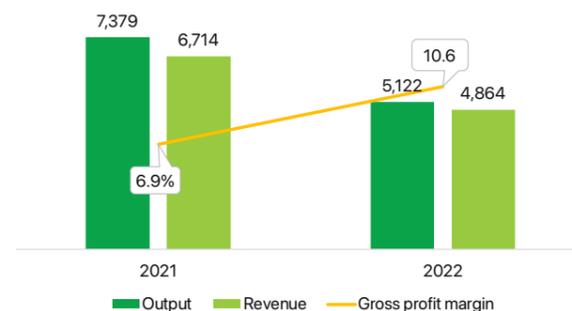
2.1.1 General contractor for electrical works

Revenue in 2022 reached VND 4,864 billion, equivalent to 83% of the year target. The reason is that the Power Plan VIII was delayed in promulgation, power projects and power grids faced many difficulties in terms of site clearance, legal procedures, high prices of raw materials and equipment due to global inflation while investment norms and disbursements are low.

Gross profit margin increased sharply from 6.9% to 10.6% due to the increase in both proportion and efficiency from general contractor projects for non-EVN investors and reduction in proportion of project within EVN.

PC1 has been successful with EPC wind power plant projects, affirming PC1's outstanding capacity, typically the 100MW Tan Phu Dong 1 wind power plant project - 24 turbine foundations were completed on within 8 months, with very difficult weather conditions, rough seas and stormy winds.

For key projects of EVN, completed on schedule and quality, the investor, EVN highly appreciates the 500kV transmission line 3, the 220kV Kien Binh - Phu Quoc transmission line (the first 220kV transmission line crossing the sea of Vietnam), Chi Lang - Xuan Ha 110kV underground cable, An Phuoc 220kV substation, Thu Le 110kV underground cable, Viet Tri - Son La 220kV substation, Long Thanh 500kV substation... Especially, the 220kV Kien Binh - Phu Quoc substation is awarded certificates of merit for progress and quality by EVNSPC and Kien Giang province.



Pioneering in research and application of technology and innovation, PC1 Group has synchronously equipped a large synchronous crane system from 800-1200 tons to serve wind power construction. Successfully manufacturing and operating the undersea cable construction system brings outstanding advantages to PC1 Group. The synchronous and advanced equipment, construction and installation of directional drilling robots, hot air balloons and flycam pull ropes across rivers, forests and seas.

On the basis of PC1 building prestige and trust with customers and affirming the leading position in the field of general contractor for electrical works, especially the general contractor capacity of onshore and nearshore power plants in Vietnam market, PC1 continue to research, develop and expand foreign markets, complete representative offices, deploy and exploit Laos market; Continuing to approach and analyze in-depth markets of Australia and the Philippines, etc. Besides, PC1 actively applies international standard project management processes, BIM project management software application, Autodesk Build, iBOM, Bl... into operating management.

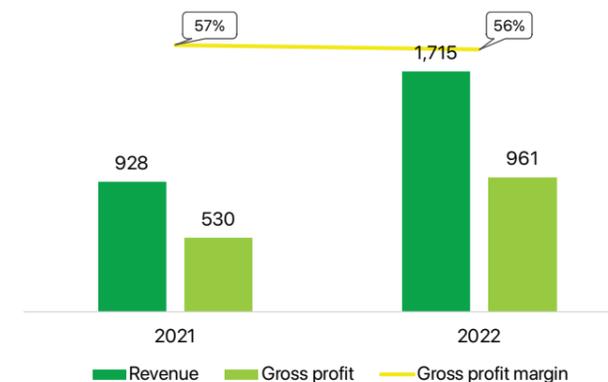


2.1.2 Energy

Revenue in 2022 increased by 85% compared to the previous year, reaching 102% of the year target. Favorable hydrological conditions lead to both electricity output and revenue exceeding the target.

The gross profit margin of electricity sales remained high (56%) due to:

- Electricity selling price: all hydropower plants of PC1 are applied the avoidable tariff for small hydroelectricity, this price is higher than the contract purchase price (PPA - Power Purchase Agreement) of hydropower with large capacity (over 30 MW) about 20-30%.
- CIT incentives: Small hydropower projects are entitled to the tax rate of 10% for the first 15 years, tax exemption for the first 4 years from the date of taxable income, and a 50% reduction for the next 9 years (equivalent to tax rate of 5%).
- Good project construction investment management helps control low investment costs, high commercial power output, factories are operating at full capacity and professionally and optimally managed by a subsidiaries of PC1.

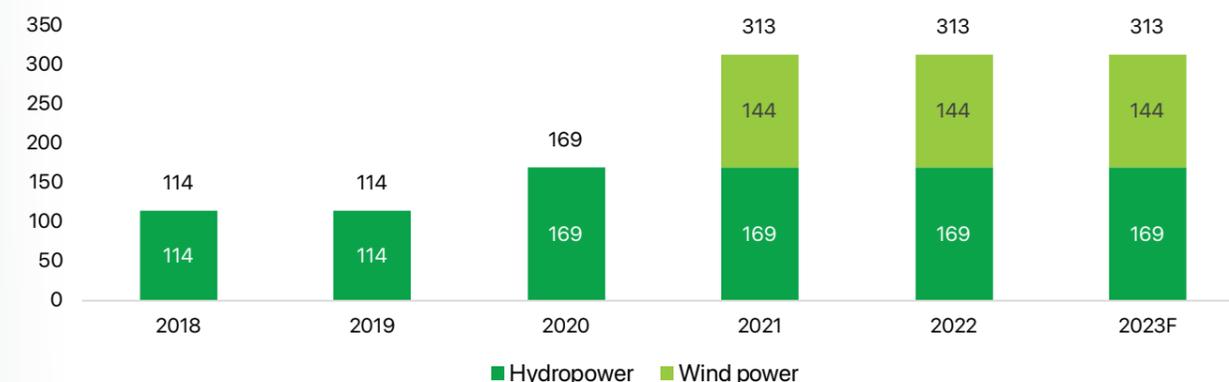


New investments

Power planning 8 has not been issued yet, many policies related to energy investment (electricity purchase price, electricity project bidding, self-use solar power guidance ...) have not yet resulted in difficulties in development and investment in new projects.

PC1 is surveying onshore wind power projects, researching and preparing to invest in Bao Lac A, Thuong Ha hydropower projects, rooftop solar power projects in Japan-Hai Phong Industrial Zone (NHIZ).

Capacity by the time of power generation (MW)

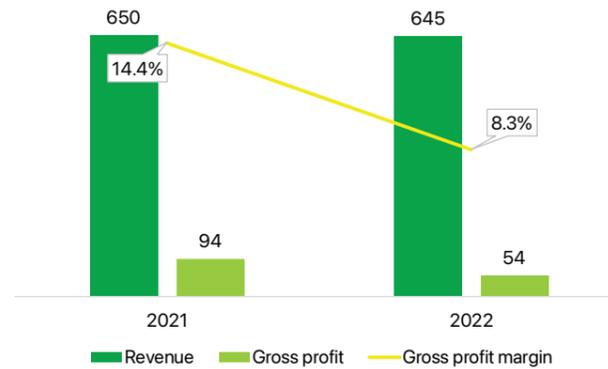


2.1.3 Industrial production

Revenue in 2022 reached VND 645 billion, approximately the previous year, reaching 74% of the year target. Due to the highly competitive domestic steel column market situation, many projects have signed contracts, but the implementation progress has been delayed, the price fluctuations of materials, raw materials and fuels are large, making the gross profit margin this period reach 8.3%.

Overseas markets have many positive results: fulfilling orders of antenna monopole with Australian partners, continuing to seek export opportunities to the US, Japan, Laos... The product of tube busbar column started to enter EVN market. EVN

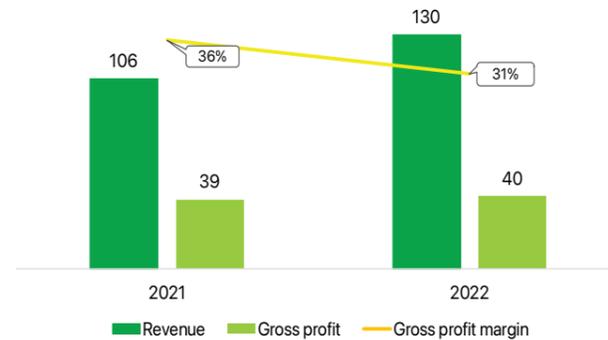
PC1's two member companies, Dong Anh Steel Tower Co., Ltd and Thai Nguyen Galvanized Steel Tower, JSC, have synchronously invested in production lines, successfully designed and manufactured high-voltage busbar poles. The pipeline has been put into use in a number of projects as a premise for the provision of new, effective and superior solutions for many 220kV and 500kV power projects of Vietnam's electricity industry in the coming time.



2.1.4 Real estates

Residential real estate

In 2022, the revenue and gross profit of the residential real estate segment is VND 51 billion and VND 24 billion, respectively. The plan of being granted the investment policy of PC1 Dinh Cong and Gia Lam projects moves noit to 2023. At the same time, PC1 is researching and developing other projects in Ha Noi.



Industrial real estate

In 2022, officially completed the acquisition of 100% of the capital of NAIV (Singapore) from Nomura Holding (Japan), thereby owning 70% of the contributed capital of the Japan-Hai Phong Industrial Zone Development Company (NHIZ), contributing positively on the Group's business results.

Currently, PC1 has successfully received and operated the model Japan-Hai Phong Industrial Zone (NHIZ) project, which is highly appreciated by the community of more than 50 foreign customers, especially Japanese customers.



2.2 Investment activities, project implementation

2.2.1 Major investments

Industrial real estate investment

Successful M&A, Japan-Hai Phong Industrial zone Development Company (NHIZ)

- On July 25, 2022 at PC1 Group Headquarters, the Signing Ceremony of Share Transfer Agreement between PC1 Group - Nomura Holding Inc and JAFCO Group took place. Accordingly, PC1 Group bought all shares of Nomura Asia Investment (Vietnam) Pte. Ltd (NAIV).
- NAIV is a Singapore-based legal entity, of which 70% is contributed by Nomura Holdings & 30% by JAFCO Group. NAIV has the sole investment and holds 70% of charter capital in Nomura - Hai Phong Industrial park Development Joint Stock Company (NHIZ).
- On November 10, 2022, PC1 officially owned 100% of charter capital at NAIV and through NAIV became a joint venture partner with 70% of capital at Nomura - Hai Phong Industrial park Development Joint Stock Company (NHIZ).
- For Nomura Industrial Park (now "Japan - Hai Phong Industrial Zone"), PC1 is exploiting its strengths such as: Clean Energy Solutions for Factories in the Industrial Park; Application of intelligent management software and digital transformation; Support logistics operations, legal issues and local relations; Support customers to expand production scale in industrial zones that PC1 is investing in, creating favorable conditions for development for customers, employees and localities.

Investment in capital contribution to Western Pacific Joint Stock Company to raise the ownership rate to 30.08%

- In 2022, PC1 completed the use of VND 1,110 billion collected from private bond issuance to disburse investment in industrial park real estate through transferring shares of Western Pacific JSC from existing shareholders and buy new issued shares, raising the ownership rate in Western Pacific to 30.08%, thereby cooperating in investing in real estate projects in Yen Phong II-A industrial zone, Bac Ninh Province 159ha, port cluster - industrial cluster - industrial park in Ha Nam, Bac Giang, ...
- This transaction is part of PC1's plan to develop industrial real estate investment, in order to add to the strategic investment value chain and gradually develop the Group's ecosystem.



Investment in production and trading of minerals and new materials

Nickel - Copper mineral opencast mining project in Quang Trung commune, Hoa An district, Cao Bang province with a total investment of more than 1,700 billion VND invested by Tan Phat Mineral Joint Stock Company - a subsidiary of PC1 as an investor. Started construction in July 2021, up to now, the project has completed investment and production operation in the first quarter of 2023, commercial operation in the second quarter of 2023.

2.2.1 Subsidiaries and associates

Details of business results during the year of subsidiaries and associates are as follows:

No.	Subsidiaries	Actual 2022			Actual 2021			Actual 2022/Actual 2021		
		Total Assets	Revenue	Profit	Total Assets	Revenue	Profit	Total Assets	Revenue	Profit
1	Mien Nam- No.1 Power Construction Company Limited	287	395	1.0	185	445	0.4	1.5	0.9	2.2
2	My Dinh - No.1 Power Construction Company Limited	291	347	3.0	246	541	4.8	1.2	0.6	0.6
3	Mien Bac - No.1 Power Construction Company Limited	68	90	(8.4)	148	394	2.6	0.5	0.2	-
4	Dai Mo - No.1 Power Construction Company Limited	175	241	2.3	95	204	1.1	1.9	1.2	2.2
5	Ha Dong - No.1 Power Construction Company Limited	28	45	(3.4)	47	205	0.2	0.6	0.2	-
6	Hoang Mai - No.1 Power Construction Company Limited	109	237	1.3	113	293	3.6	1.0	0.8	0.4
7	Nang Huong - No.1 Power Construction Company Limited	7	28	1.0	8	27	0.7	0.8	1.1	1.3
8	Dong Anh Steel Tower Manufacturing Company Limited	628	843	25.2	809	1,034	39.3	0.8	0.8	0.6
9	Vietnam industrial Erection JSC	53	131	4.3	28	58	1.3	1.9	2.3	3.3
10	My Dinh Real Estate Investment JSC	118	114	33.0	105	14	5.3	1.1	8.0	6.2
11	Hoa Binh Automobile Mechanical JSC	134	6	5.6	164	73	22.2	0.8	0.1	0.3
12	Tien Bo Investment Trading JSC	149	2	2.4	124	-	2.1	1.2	-	1.2
13	Trung Thu Hydropower JSC	712	167	75.0	725	126	43.0	1.0	1.3	1.7
14	Northern Energy Investment JSC	762	158	41.6	826	131	22.8	0.9	1.2	1.8
15	Bao Lam Energy JSC	144	124	(1.1)	165	244	10.2	0.9	0.5	-
16	Lien Lap Power Construction Team	2,033	257	10.6	2,206	64	13.3	0.9	4.0	0.8
17	Phong Nguyen Power Construction Team	2,092	284	36.6	2,168	82	32.9	1.0	3.4	1.1
18	Phong Huy Power Construction Team	2,106	288	38.3	2,156	70	19.8	1.0	4.1	1.9
19	Investment and Technology Service JSC	36	61	1.5	56	251	14.0	0.6	0.2	0.1
20	Tan Phat Minerals JSC	1,632	-	(0.3)	530	-	-	3.1	-	-
21	Song Gam Hydropower, JSC	48	-	-	35	-	-	1.4	-	-
22	Holding Commercial Equipment, JSC	153	3	2.1	151	4	0.3	1.0	0.8	6.2
23	PC1 Global Trading Pte. Ltd.	871	80	7.6				-	-	-

No.	Associates	Charter capital	Cost of investment	Profit after tax
1	Cao Bang Iron and Steel, JSC	430	125	8
2	CT2 Real Estate Investment, JSC	612	300	-
3	Western Pacific, JSC	615	1,110	17

2.3 FINANCIAL SITUATION

2.3.1 Financial Situation



Chỉ tiêu	2018	2019	2020	2021	2022	% 2022 / 2021
Total asset (VND billion)	6,597	8,315	10,722	18,687	21,754	16%
Net revenue (VND billion)	5,084	5,845	6,679	9,828	8,358	(15%)
Profit from business activities (VND billion)	540	427	635	905	647	(29%)
Other profits (VND billion)	39	6	17	(8)	(42)	-
Profit before tax (VND billion)	579	433	652	896	605	(32%)
Profit after tax (VND billion)	491	376	544	764	537	(30%)
Payout ratio (VND billion)	54%	85%	70%	46%	76%	-

In the 5-year period 2018-2022, PC1 has a CAGR of 23%/year in total assets; average net revenue growth rate of 14%; net profit and profit after tax have CAGR of 11% and 9% respectively.

In 2022, total assets increased by 16% compared to the previous year due to the increase in production and business scale, mainly from the increase in investment assets at Tan Phat Mineral Joint Stock Company, which is in the process of construction, and the consolidation of assets from Japan - Hai Phong Industrial Zone Development Company was successfully M&A in Q4/2022.

Net revenue in 2022 decreased by 15% compared to the previous year, which is the effect of a high base, because in 2021 PC1 has high revenue (over VND 6,700 billion) from EPC general contractor for wind power projects. In return, in 2022, revenue from the energy segment grew by 85% compared to the previous year, industrial production still maintained positive growth, contributing to the Group's business results.

Consolidated profit after tax in 2022 reached VND 537 billion, down from the previous year. The main reason is due to the increase in interest expense in 2022 due to the halt of interest capitalization of wind power plants after COD (October 2021) and bond interest issuance.

The increase in the USD/VND exchange rate increases the unrealized financial cost of revaluation of the entire foreign currency loan balance. The principal of this loan will be repaid over 14 years, so it will not affect the Company's current cash flow. Revenue from financial activities decreased mainly because in 2021, financial revenue of VND 262 billion was recorded from the Company increasing the investment rate in Tan Phat Mineral Joint Stock Company from an associate to a subsidiary. In return, high interest rates also increase interest on term deposits of PC1. Besides, the profit in joint ventures and associates decreased compared to the previous year due to the difficult general economic situation.

2.3.2 Major financial indicators

Solvency ratio

Indicators	2018	2019	2020	2021	2022
Current ratio	1.81	1.66	1.53	1.14	1.33
Quick ratio	1.35	1.04	1.32	0.96	1.14
Quick ratio	4.92	3.53	3.69	3.84	2.00

PC1's solvency is always safe with solvency ratios always greater than 1, meaning PC1 is able to pay short-term debts of the business. PC1's short-term solvency indicators including current solvency and quick solvency both increased slightly compared to 2021. Interest payment ability in 2022 decreased slightly because in 2022 the Group had issued VND 1,200 billion of private corporate bonds to invest in industrial park real estate.

Capital structure ratio

Indicators	2018	2019	2020	2021	2022
(Debt/Total assets ratio)	0.50	0.56	0.56	0.66	0.67
(Debt/Owner's Equity ratio)	1.01	1.25	1.25	1.98	2.03

As of December 31, 2022, PC1 increased loans, including VND 1,200 billion of bonds issued to increase production and business scale, leading to Debt/Total Assets and Debt/Equity in 2022 increasing slightly compared to 2021, but still maintained at a safe and stable level compared to other enterprises in the same industry. Maintaining a stable amount of financial debt helps PC1 get good capital efficiency, while ensuring a balance in the process of raising capital and investing in its projects.

Operation capability ratio

Indicators	2018	2019	2020	2021	2022
Inventory turnover	4.57	4.58	5.10	10.62	7.54
Total asset turnover	0.79	0.78	0.70	0.67	0.41

Inventory turnover in 2022 decreased by 3 times, but the inventory turnover has improved compared to the average of previous years. The main reason is due to the high base level, in 2021 PC1 recorded a quick turnover of inventory, a sharp increase in inventory turnover because many major power projects have been completed and accepted by general contractors before October 31, 2021 to enjoy the preferential electricity price.

In 2022, the decrease in total asset turnover is mainly due to the rapid growth in asset size during the year because of the investment in capital construction of Nickel mineral factories and strategic investment in industrial real estate according to the Group's long-term strategy.

Profitability

Indicators	2018	2019	2020	2021	2022
Net profit margin	9.7%	6.4%	8.1%	7.8%	6.4%
Gross profit margin	17.0%	14.0%	17.4%	11.8%	19.1%
ROA	7.7%	5.0%	5.7%	5.2%	2.7%
ROE	16.1%	10.8%	12.9%	13.8%	8.0%

In 2022, due to the impact of world economic fluctuations, inflation, supply shortage and high cost of capital, borrowing costs that are not capitalized after the construction investment period also make net profit and return on equity decreases. In return, the Group's gross profit margin increased sharply from 11.8% to 19.2% mainly due to the increase in both proportion and efficiency from general contractor projects for non-EVN investors and reduction of project proportion in EVN.

2.4 Shareholders structure, change in the owner's equity

2.4.1 Shares information

Name of share	PC1 Group Joint Stock Company
Type of share	Common share
Stock code	PC1
Par value of share	10,000 VND/ share
Starting date of listing / registering for trading	16/11/2016
Total outstanding shares	270,433,002 shares
Total outstanding shares	0 share
Number of freely transferable shares	270,433,002 shares
Number of shares restricted to transfer	0 share

2.4.2 Shareholders structure

No.	Shareholders	Number of share	Ownership (%)	Number of shareholder	In which	
					Organization	Individual
1	State Shareholders	-	-	-	-	-
2	Founding shareholders/ FDI shareholders	-	-	-	-	-
	- Domestic	-	-	-	-	-
	- Foreign	-	-	-	-	-
3	Major shareholder	104,658,792	38.70%	2	1	1
	- Domestic	104,658,792	38.70%	2	1	1
	- Foreign	-	-	-	-	-
4	Union Corporation	-	-	-	-	-
5	Treasury shares	-	-	-	-	-
6	Shareholders owning preferred shares (if any)	-	-	-	-	-
7	Other shareholders	165,774,210	61.30%	11,595	94	11,501
	- Domestic	145,397,874	53.76%	11,429	52	11,377
	- Foreign	20,376,336	7.53%	166	42	124
	Total	270,433,002	100%	11,597	95	11,502
In which:	- Domestic	250,056,666	92.47%	11,431	53	11,378
	- Foreign	20,376,336	7.53%	166	42	124

Data according to the list of shareholders as of March 21, 2023

Ownership of major shareholders

No.	Individual/Organization	Number of shares own	Ownership ratio/charter capital (%)
1	Mr. Trinh Van Tuan	57,823,715	21.38%
2	BEHS., JSC	46,835,077	17.32%

2.4.3 Change in the owner's equity

Year	Charter capital (VND)	Contents of capital increase
2005	50,000,000,000	Equitization
2008	66,670,000,000	Issuing to existing shareholders to invest in Nang Huong Apartment and service complex project
2009	100,000,000,000	Issuing to existing shareholders and private placement to invest in phase 2 of Nang Huong Residential and Commercial Service Project and supplement working capital for the Company
2011	140,000,000,000	Issuing to existing shareholders to mobilize investment capital for My Dinh project and other investment project
2013	180,000,000,000	Issuing to pay stock dividends and bonus shares to existing shareholders
2014	201,000,000,000	Paying stock dividends to existing shareholders
2015	341,694,850,000	Issuing and paying stock dividends to existing shareholders
Jun 2016	637,821,960,000	Issuing to pay stock dividends and bonus shares to existing shareholders
Aug 2016	752,629,140,000	Issuing separately to mobilize capital to implement investment in Bao Lam 3 Hydropower Project
Jun 2017	978,413,200,000	Issuing shares to pay dividends of 2016
Oct 2017	1,154,528,420,000	Issuing separately to supplement capital for investment in Mong An hydropower project (Bao Lam 4), Bao Lac B hydropower plant (Bao Lam 2A) and Thanh Xuan real estate project
2018	1,327,702,940,000	Issuing shares to pay dividends of 2017
2019	1,593,239,290,000	Issuing shares to pay dividends of 2018
2020	1,911,811,590,000	Issuing shares to pay dividends of 2019
2021	2,351,596,490,000	Issuing shares to pay dividends of 2020 and issuing shares under an Employee Stock Option Program (ESOP)
2022	2,704,330,020,000	Issuing shares to pay dividends of 2021

2.4.4 Transaction of treasury stocks

Current number of treasury shares: 0 shares.
In 2022, the Group did not conduct treasury stock transactions.

2.4.5 Other securities

In 2022, PC1 has conducted 02 bond issuances, specifically as follows:

First issuance	
Issuance date	March 31, 2022
Total issuance value	300 billion dong
Type of bonds to be issued	Ordinary, non-convertible, warrantless bonds
Bond term	05 years
Second issuance	
Issuance date	May 19, 2022
Total issuance value	900 billion dong
Type of bonds to be issued	Ordinary, non-convertible, warrantless bonds
Bond term	05 years





3 REPORT OF THE EXECUTIVE BOARD

3.1 EVALUATION OF BUSINESS PERFORMANCE

3.2 FINANCIAL SITUATION

3.3 IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT

3.4 DEVELOPMENT PLANS IN FUTURE

3.1 EVALUATION OF BUSINESS PERFORMANCE

In addition to the fluctuations of the economy and finance, 2022 is the year that difficulties in policies and legal procedures in important areas of PC1 such as electricity and real estate have not been resolved. However, with the achievements of the previous years, the confirmed prestige and brand, the efforts of employees and especially the drastic direction of the Board of Directors, PC1 has achieved remarkable business results and maintained the title of Top 50 Most Profitable Enterprises in Vietnam, Top 500 Largest Enterprises in Vietnam; at the same time, proving its position as a enterprise that brings sustainable value to investors with the award of Top 50 best listed companies in Vietnam.

Consolidated financial results in 2022:



The progress the Company has achieved in 2022:

- Promote well the advantages of prestige and brand for customer and partners in the field of EPC general contractor for power plants.
- Promote strengths in management and administration, financial resources, construction machinery and equipment and skilled workers in the implementation of urgent transmission grid projects with high requirements on progress and complexity
- Successfully implement M&A transactions, investment activities in line with the Group's medium and long-term strategies
- Successfully apply digital transformation in consulting and organizing the digitization of some activities of the Group
- Creative and drastic management of the company's leadership, efforts and determination efforts of the whole company to help the Group overcome difficulties and challenges.



PC1 Group started building a paperless office system with FPT Corporation



Some main reasons that negatively affect business results in 2022:

01 Objective factors

The average inflation of the whole country is low, but the prices of input factors of the construction sector are at very high levels; High deposit interest rates, tightened domestic credit flows, and devaluation of the local currency against the USD are reasons leading to increased costs and reduced profit margins.

The proportion of renewable energy in Vietnam's electricity grid accounts for a relatively high proportion of 26.4% and is not balanced by region, according to the clearing capacity of the power grid, so the priority of renewable energy development is limited since the end 2021; policies on encouraging the development of renewable energy have all expired

Problems with legal procedures have not been resolved for the residential real estate sector, leading to the target projects of the year not being implemented yet.

Electricity grid projects in EVN continue to be delayed for a long time due to problems in site clearance, forest land conversion, etc. In addition, new problems in legal procedures under the Investment Law continue to arise. The increased price of raw materials, the strongly fluctuated price of materials and equipment according to global inflation, exchange rate, etc., leading to over-bid price, bidding cancellation.

02 Subjective factors

The leadership and management capacity of some member units is still limited, unable to adapt to the difficulties and competition in the market.

The structure and apparatus for indirect management of construction and installation units are cumbersome, with low level of flexibility and inefficient operation.

3.2 FINANCIAL SITUATION

01 Assets

As of December 31, 2022, Total assets reached VND 21,754 billion, increased by VND 3,067 billion, equivalent to an increase of 16% compared to the beginning of the year. In which:

Short term assets reached VND 7,913 billion, increased by VND 1,324 billion, equivalent to an increase of 20% compared to the beginning of the year; accounting for 36% of total assets, mainly because the sharp increase in the Cash and cash equivalents and Investments held to maturity in short-term increased by VND 289 billion and VND 862 billion, respectively equivalent to the increase of 13% and 597% compared to prior year.

Long term assets of Group accounted for 64% of total assets, increased by VND 1,743 billion, equivalent to 14% compared to the beginning of the year; mainly from the investment of construction of Tan Phat Nickel Mineral Factory (more than VND 1,000 billion, equivalent to an increase of 265%) and an increase in capital contribution to Western Pacific - affiliate company with a value of more than VND 850 billion.

Total asset turnover in 2022 is 0.41 times, down 0.2 times compared to the previous year; Return on assets ROA will decrease to 2.7% in 2022. The main reason is 2022, due to the impact of world economic fluctuations, inflation, supply shortage and high cost of capital, borrowing costs that were not capitalized after the capital construction investment period also led to a decrease in NPAT while total assets increased due to the Group's long-term strategic-oriented investment activities.

Overdue receivables as of December 31, 2022, the Group's provision for bad debts was VND 7.02 billion, down 906 million, equivalent to a decrease of 11% compared to the beginning of the year. The main reason for this year was that PC1 closely settled the settlement, actively recovered part of the overdue debt of the project and reversed the provision of 906 million.

02 Liabilities

As of December 31, 2021, the Group's liabilities reached VND 14,582 billion, an increase of VND 2,175 billion, equivalent to 16% compared to the beginning of the year; accounting for 67% of total capital. In which, short-term debt is 5,950 billion dong, accounting for 41% of total liabilities; Long-term debt is 8,631 billion dong, accounting for 59% of total liabilities. The main reason is that in 2022, PC1 has issued private bonds of VND 1,200 billion to invest in industrial park real estate and finance working capital of the Parent Company; and at the same time increased more than 700 billion dong long-term loans to invest in the construction of a nickel mineral factory. These transactions are part of PC1's long-term development plan, in order to add to the value chain of investment strategies and gradually develop the Group's ecosystem.

Interest expenses will increase in 2022 due to stopping interest capitalization of wind power plants after COD (October 2021) and new bond issuance in 2022, and also affected by rising interest rates. In the last months of 2022. In return, high interest rates also increase PC1's term deposit interest.

The increase in USD/VND exchange rate increases the unrealized financial cost of revaluation of the entire foreign currency loan balance as of December 31, 2022. However, this loan principal will be repaid over 14 years, so it will not affect the Company's current cash flow. In addition, the selling price of electricity calculated in USD also reduces the exchange rate risk of PC1.

3.3 IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT



Continue to promote the work of improving the organizational model and apparatus towards compactness and efficiency; continue to review, amend and develop new internal management documents in order to strengthen management and administration to meet the requirements of enterprise development



Restructuring of subsidiaries in power construction, initially contributing to the development of production and business activities and bringing practical efficiency



Successfully implemented M&A of Nomura - Hai Phong Industrial Zone (now Japan - Hai Phong Industrial Zone) according to the Group's development strategy for the period of 2021-2025, with a vision to 2035



Promote the application of digital transformation in the organization to digitize the Group's activities, deploy the application of specialized software



Focusing on the management of the Group's investment capital in its subsidiaries and associates



Actively control cash flow and capital, support member units to mobilize capital from banks through guarantee and other procedures to grant credit lines.

3.4 DEVELOPMENT PLANS IN FUTURE

Stick to strategic goals 2021–2025 with a vision to 2030, ensure business efficiency, accumulate investment opportunities and restructure business areas.

Consistently develop PC1 brand, high trust of partners, customers and investors.

BUSINESS BLOCKS

<p>Energy</p> <p>Efficient and reliable operation of power plants and continued research and investment in hydropower plants</p>	<p>General contractor of electrical</p> <p>Building a professional and international level general contractor; Restructure, compact the apparatus and improve business efficiency.</p>	<p>Real Estate</p> <p>Developing new generation, green and large-scale industrial zone projects.</p>
<p>Industrial production</p> <p>Focus on developing export products</p>	<p>Producing and trading new materials</p> <p>Efficiently operating the Nickel Mineral Plant.</p>	<p>Commercial business</p> <p>Ensure brand reputation and effective business.</p>

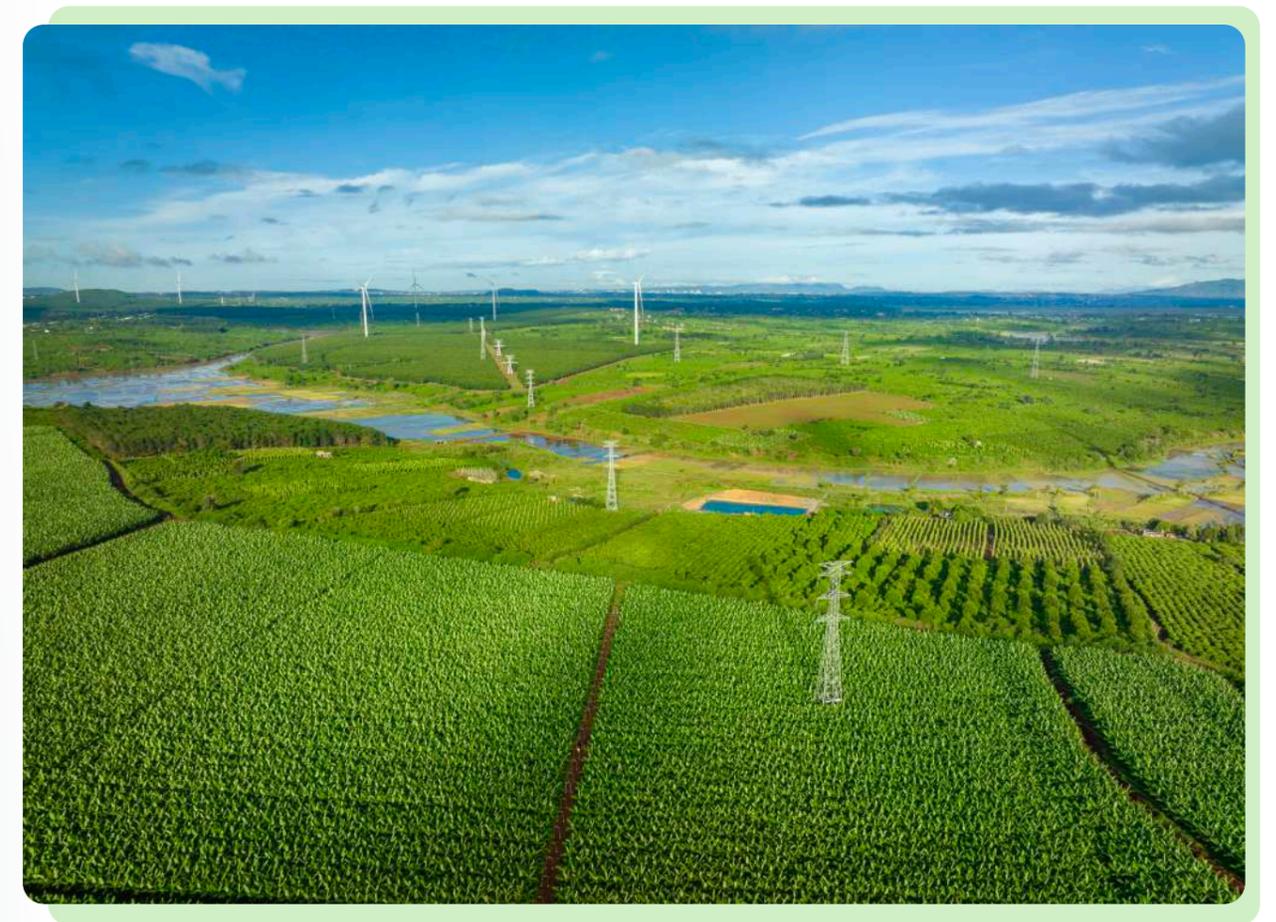
BUSINESS ASSURANCE BLOCKS

<p>Human Resources</p> <p>Developing core values and improving staff capacity</p>	<p>Finance</p> <p>Control cash flow and financial expenses</p>	<p>Digital Transformation</p> <p>Perform powerful and international digital transformation.</p>
--	---	--

Targets in 2023

The whole Group is determined to strive to achieve the following targets:

Targets	Unit	Value
Total Revenue	billion dong	9,450
Profit After Taxes	billion dong	511
Dividend	%	15



4 ASSESSMENTS OF THE BOARD OF DIRECTORS

4.1 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE GROUP

4.2 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE BOARD OF GENERAL DIRECTORS

4.3 PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

4.1 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE GROUP

01 Organization and management

Marking the progress of formation and development towards the 60th anniversary of establishment (March 2, 1963 - March 2, 2023), the Company officially changed its name to PC1 Group Joint Stock Company on March 2, 2022 and develop according to the Group model with a new brand identity image **"Aesthetic and modern, Creative and friendly, International and sustainable, Human and whole-hearted, Professional and punctual, Reliable and dedicated"**.

Adjusting the Group's organizational chart, implementing lean and efficient restructuring of member units, and rearranging key staff at some member companies, strengthening governance and internal auditing in the units

Developing welfare policies, remuneration regimes, working environment, life health which have very positive meanings for officers and employees. In 2022, the Company received the title of "Best Workplaces in Asia 2022" voted and announced by HR Asia Magazine - Asia's leading prestigious magazine in the field of human resources

Continuing activities of transmitting corporate cultural values through exchange and employee engagement programs; emulation and commendation policies and movements to create more motivation for employees, linking income with business results and labor productivity. Timely rewarding and encouraging employees to be enthusiastic and creative for the Group's development goals, actively participating in social charity activities.

Improving communication quality with professional and official communication channels, transmitting positive information to partners, customers, investors and the community. Strictly and responsibly implementing investor relations management.

Actively participating in social and community welfare work: supporting the fund for the poor of the Vietnam Fatherland Front Committee of Hanoi city and the Vietnam Fatherland Front Committee of Cao Bang province, etc.

02 Internal audit, risk management

Carrying out internal audit work as planned and performing the function of controller at member units.

Performing audits of investment capital settlements of completed projects. Auditing operations, assessing the economy and efficiency in the investment process. Auditing compliance with legal processes on investment management, compliance with processes and regulations of PC1. Reporting risk quantification of investment projects and economic contracts. Auditing activities at member companies.

Internal control and audit activities have played an active role to control operations and limit risks of Business Blocks, departments and member companies in the process of investment, production, construction and installation.

03 Financial and accounting work

Financial work: Actively developing short, medium and long-term financial plans on the basis of production and business plans and investment plans; Actively approaching the partner market to select and successfully arrange a number of capital sources at a reasonable cost, optimizing financial costs; Controlling cash flow and capital well, combined with assessment of the Group's financial situation to advise the Board of Management on appropriate management solutions; Supporting member units to mobilize capital from banks, credit lines and business capital.

Accounting work: Controlling accounting vouchers, organizing accounting recognition to ensure standards in accordance with current laws and regulations of the Group; Carrying out accurately and timely periodic financial reporting as well as coordinate with the Auditing unit to audit the company's financial statements; Carrying out tax declaration and finalization in accordance with current tax laws; Supporting some accounting activities and tasks at member units.



04 Activities of Business and Investment Blocks

The production, business and investment blocks have closely followed the strategic goals of 2021-2025 and implemented specifically for 2022 with the following main results:

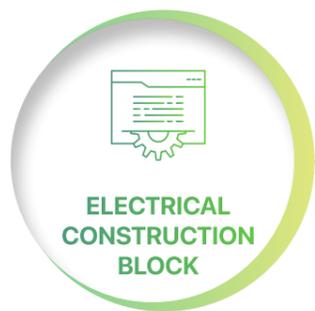


- Well manage the reliable operation and efficient generation of power plants. Total output from power generation exceeded the plan by 101%. In which: wind power reached 91%; hydroelectricity reached 114%.
- Continue to operate safely and effectively, ensure good exploitation of water resources of hydropower plants, especially in the dry season months. Actively coordinate well with dispatching units A1, A0 and other plants on the same ladder system in reservoir operation and power generation. Maintenance, testing and calibration work for hydroelectric power plants are carried out periodically to ensure high availability of electricity generation.

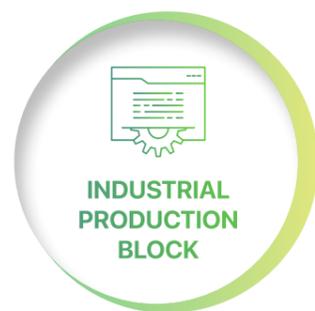


- In 2022, the EPC General Contractor Block continues to affirm the professionalism and reputation, maintain trust with customers and affirm the capacity of general contractor for onshore and near-shore wind power plants in Vietnam market, continuing to be successful with EPC contracts for on shore, near shore wind power plants with synchronous, proactive solutions in terms of technology and advanced construction equipment, applying international standard project management processes to shorten construction time.
- By the end of 2022, the investment in the OCC Control Center has basically been completed, and put into operation in early 2023 in order to improve the efficiency of power generation, modernize the operation according to the remote control center, and serve the goal of providing OCC operation services to customers who are power plant investors.
- Continuing to develop cooperation relationships with major equipment suppliers such as Siemens, ABB, Hitachi, LS, and at the same time expanding and having strategic cooperation with other prestigious equipment suppliers in the world.
- Researching, developing and expanding overseas markets; establishing a Representative Office in Laos in 2022, implementing procedures to open a Representative Office in Australia, participating in international conferences on energy in France, Australia, Thailand, etc.

4.1 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE GROUP (CONTINUE)



- Continuing to affirm its outstanding reputation and capacity with power grid projects inside and outside EVN, high voltage underground cable projects, special power projects with high technical requirements, EPC 500kV substation project. The completed works are guaranteed on schedule and quality, highly appreciated by the investor, EVN. In which key projects of EVN are 500kV circuit 3, 220kV Kien Binh - Phu Quoc transmission line, 110kV Chi Lang - Xuan Ha underground cable, 220kV An Phuoc substation, 110kV Thu Le underground cable, 220kV Viet Tri - Son La transmission line, Long Thanh 500kV substation, etc.
- Signing the first general contractor contract for the construction of the Industrial Zone infrastructure; initially succeeding to new products, creating a premise for building strategic in the following years. In early 2023, the Block also adjusted its organizational structure and changed its name to "Electricity - Industry Block" in accordance with the Block's development strategy.



- The export market of poles to foreign countries has many positive signs: continuing to have orders of antenna columns with Australian partners, orders to Samoa island - USA. Especially, at the end of December 2022, the company started to execute the order of single poles for the first power transmission line to Australia.
- Continue to search for new customers and new markets in the country and abroad for the products of steel pipe tower and single electric poles.



Residential real estate

- 2022 continues to be an unfavorable year for the Residential real estate Block: Related policy issues have not been resolved; PC1's projects have not been able to start construction
- The block has continued to complete the design of pending projects, update policies and continue to implement possible investment preparation items.
- Implement a consulting contract with Savills Group and consultants to assess the current status and prospects of the real estate market in the period of 2023 to 2026 in order to have enough data on market information, assessment and have a basis for building an effective, feasible, reliable and risk-reducing investment plan.
- Search and evaluate investment opportunities in some new projects through auction.



Industrial Real Estate

Capital investment at Western Pacific Joint Stock Company (WP):

- PC1 has appointed staff to participate in the Board of Directors and Supervisory Board to participate in corporate governance and risk management; support a number of specialized personnel in project investment.
- WP's business and investment activities are closely following the plan that has been consulted by KPMG in the period of 2022-2026.
- The first industrial zone project- Yen Phong 2A Industrial Zone- is in the construction phase of infrastructure together with the plan to mobilize capital from potential investors.
- Projects in Bac Giang, Ha Nam are actively implemented investment preparation, closely following the planning of the Government and the locality.
- New project development plans in some provinces and cities are feasible.

In order to implement the strategy of developing a chain of high-quality ecological and smart industrial zones, in 2022 PC1 successfully acquired 100% of the capital of Nomura Holding and JAFCO Group - 02 Japanese companies;

- Thereby owning 70% of the contributed capital of Japan - Hai Phong Industrial Zone Development Corporation (NHIZ).
- After the handover, PC1 is now operating professionally and reliably NHIZ which is highly appreciated by Japanese customers in the Industrial Zone and Hai Phong City People's Committee.
- In 2022, NHIZ successfully completed its business plan, profit after tax reached 108.85 billion VND (increased 9.8% compared to the plan).



Construction and installation of machinery and equipment for Nickel - Copper No. 1 factory have been completed as planned. The operation of the plant is started trial run from the first quarter of 2023, and expected to officially operate from April 2023.

Has been actively preparing the stages and steps for safe and effective production and sales.



Ancillary businesses continue to do well with their mission of Adding services to promote the strengths of the PC1 ecosystem, improve competitiveness and also increase overall profits.

4.1 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE GROUP (CONTINUE)

05 Charter capital increase

Completing the plan to increase the Company's charter capital in 2022 from VND 2,351,596,490,000 to VND 2,704,330,020,000 through paying dividend by share at the rate of 15% according to the Resolution of the Annual General Meeting of Shareholders of the year 2022.

06 Report on bond issuance activities

To ensure capital for the Group's investment activities according to the set plan, in 2022, PC1 successfully carried out 2 bond issuances with a total value of VND 1,200 billion.

4.2 EVALUATION OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors has assigned specific tasks to each member, good coordination ability and unity in operation. The members of the Board of General Directors were highly proactive, affirming their role in operating production and business activities according to strategic goals.

The leadership of the Business Blocks and the Group's Boards has made great efforts, creatively developed scenarios and implemented solutions to cope with difficult developments, negative arising of the market, promoted the company's resources, closely followed and fulfilled the business and investment targets in the very difficult conditions of 2022.

The Board of General Directors and all employees of the Group have been steadfast and determined to act according to the Group's strategic goals, for the sustainable development of PC1. Some important results were obtained as follows:

- Proactively, flexibly adapting and timely adjusting strategies and goals according to the context of the domestic and international market economy
- Financial capacity and management, and credit raking are always under control.
- PC1's prestige and brand continue to be affirmed and developed.
- Development of international partnerships and domestic customer relations achieved positive results.
- The management and administration capacity of the Group's management apparatus has been enhanced
- Actively participate in social welfare and social responsibility activities.

The Board of General Directors regularly and proactively reported on the situation of production and business activities, difficulties and problems in the operating process. The Board of Directors and the Board of General Directors discussed to come up with timely and effective solutions. The activities of the Board of General Directors comply with the provisions of law, the company's charter, the resolutions of the General Meeting of Shareholders and the resolutions of the Board of Directors. The Board of General Directors continues to affirm its leadership role in leading production and business activities along with the efforts and capacity of the management staff of the Departments of the Company, the efforts of the member units, officers and employees of the whole Company, to realize strategic goals, to affirm PC1's position and image in the market, overcome difficulties and control production, business and investment activities.

4.3. PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

Main objectives of the plan year 2023

Sticking to the strategic goals of 2021-2025 with a vision to 2030, ensuring business efficiency, accumulating investment opportunities and restructuring business areas with the "The ever-creating journey" towards the 60th establishment anniversary of the Group.

Target revenue and profit in 2023:

Targets	Unit	Value
Total Revenue	billion dong	9,450
Profit After Taxes	billion dong	511
Dividend	%	15

Key Plan Tasks in 2023

- 01 Consistently develop PC1 brand with prestige and high trust of partners, customers and investors.
- 02 Effectively operate the adjusted organizational chart of the Group, improve the quality of human resources.
- 03 Concentrate resources to implement the overall digital transformation roadmap for management activities as well as investment and business activities of the Group to improve competitiveness and increase operational efficiency.

Key Plan Tasks in 2023 (Continue)

01

Energy Block

Operate stably, safely and efficiently 10 power plants that are generating electricity. Continue to develop new projects for the next phase and actively research, seek investment opportunities, cooperate with new projects for medium and long-term investment plans. Schedule to start construction of hydropower plants that has been planned.

02

Real Estate Block

Residential real estate: Complete the construction and open for sale 02 projects in 2023; Complete the licensing of ongoing projects after legal problems have been removed. Continue to research and develop investment projects according to long-term development plans.

Industrial real estate: Focus resources on industrial zone real estate investment in the long-term roadmap. In 2023, implement legal procedures to invest in Nomura Hai Phong Industrial Zone project to expand the area to 200 hectares. Focus on developing potential new industrial zone real estate projects according to the Group's strategic orientation..

03

Mineral & New Materials Block

Operate efficiently and reliably Nickel - Cooper Cao Bang factory. Implement legal procedures to develop investment projects in the next stage.

04

EPC General Contractor Block

Stick to the development strategy of Block in the period 2023 - 2025 with the vision: " In 2023, PC1 shall become a professional general contractor; In 2025, being in the top 3 in Vietnam, the top 5 in Southeast Asia in the field of EPC general contractor for electrical works .

Continue to invest in developing the scale, reputation and capacity of the EPC general contractor to be on par with international standards for renewable energy power plant projects.

Research and develop investment, cooperate investment in equipment and technology for offshore wind power construction in line with the development plan of the offshore wind power market in the coming period.

Develop the international market on the basis of synchronizing the PC1 ecosystem, cooperate with prestigious partners.

Develop highly qualified human resources to ensure the ability to participate in the regional and international general contractor market according to the roadmap.

Efficiently operate the OCC Center; Continue to improve the capacity of providing synchronous solutions for customers with smart and efficient electrical works, in order to improve competitiveness, differentiation, and customer's trust in PC1.

05

Electricity & Industry Block

Effectively operate the organizational chart under the new management model. Continue to maintain the leading position in the EPC, PC, underground cable and construction and installation of special power grid projects with high technical requirements; Effectively participate in and develop the industrial zone infrastructure market.

06

Industrial Production Block

Continue to maintain its leading position in the steel tower design and manufacturing market in Vietnam; Effectively exploit and expand foreign markets for single steel pole products; Promote innovation in design, technology and production machinery, increase competitive advantage, and improve production efficiency.

07

Trading and producing new products

Develop professional and efficient commercial business with existing and new products.



5 CORPORATE GOVERNANCE

5.1 BOARD OF DIRECTORS

5.1.1 Members and structure of the Board of Directors

5.1.2 The committees of the Board of Directors

5.1.3 Activities of the Board of Directors

5.1.4 The list of members of the Board of Directors participating in corporate governance training programs

5.2 SUPERVISORY BOARD

5.2.1 Members and structure of the Supervisory Board

5.2.2 Supervisory Board's Meetings

5.2.3 Supervisory activities of the Supervisory Board for the Board of Directors, the Executive Board

5.3 TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SUPERVISORY BOARD

5.3.1 Salary, rewards, remuneration and benefits

5.3.2 Share transactions by internal shareholders

5.3.3 Contracts or transactions with internal shareholders

5.3.4 Assessing the Implementation of regulations on corporate governance

5.1 BOARD OF DIRECTORS

5.1.1 Members and structure of the Board of Directors

No.	Member of the Board of Directors	Title	Appointment date	Ownership percentage
1	Mr. Trinh Van Tuan	Chairman, Non-independent, non-executive Members of the Board of Directors	26/4/2015	21.382%
2	Mr. Nguyen Minh De	Non-independent member of the Board of Directors, cum Deputy General Director	26/4/2015	1.330%
3	Mr. Vo Hong Quang	Non-independent member of the Board of Directors, cum Deputy General Director	26/4/2015	1.884%
4	Mr. Vu Anh Duong	Non-independent member of the Board of Directors, cum CEO	03/06/2020	0.289%
5	Mr. Mai Luong Viet	Non-independent, non-executive Members of the Board of Directors	03/06/2020	0%

5.1.2 The committees of the Board of Directors

Based on current regulations, the establishment of subcommittees under the Board of Directors is not mandatory. Therefore, currently, the Board of Directors has not established subcommittees under the Board of Directors.

5.1.3 Activities of the Board of Directors

In 2022, the Board of Directors held 04 meetings and 23 times to collect written opinions of the Board of Directors. Meetings of the Board of Directors as well as written opinions of the Board of Directors were in compliance with the provisions of law and Charter of the Company.

No.	Member of the Board of Directors	Number of meetings of the Board of Directors attended/ consulted	Proportion of attendance / opinion gathering	The reason for not attending
1	Mr. Trinh Van Tuan	27/27	100%	-
2	Mr. Nguyen Minh De	27/27	100%	-
3	Mr. Vo Hong Quang	27/27	100%	-
4	Mr. Vu Anh Duong	27/27	100%	-
5	Mr. Mai Luong Viet	27/27	100%	-

Supervisory activities of the Board of Directors for the Executive Board

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

In 2022, the Board of Directors focused on directing and monitoring the activities of the Board of Directors in the major activities as follows:

- Organizing the 2022 Annual General Meeting of Shareholders on April 19, 2022
- Adjusting the company's organizational chart
- The organization and arrangement of personnel at the parent company and a number of member units
- Invest in machine and equipment for the Group's production and business activities
- Contributing capital, investing in companies according to the Group's strategic orientation
- Issuance of private bonds according to the Resolution of the 2022 Annual General Meeting of Shareholders
- Restructuring and rearranging activities of member units in power construction sector.

Resolutions/Decisions of the Board of Directors

No.	Resolution / Decision number	Date	Content	Adoption rate
1	01/NQ-PCC1-HDQT	17/01/2022	Adjusting the Company's Organization Chart	100%
2	02/QD-PCC1-HDQT	17/01/2022	Change of Capital Representative at Trung Thu Hydropower, JSC	100%
3	03/QD-PCC1-HDQT	17/01/2022	Change of Capital Representative at Bao Lam Energy, JSC	100%
4	04/QD-PCC1-HDQT	17/01/2022	Change of Supervisor at Tu Liem- No. 1 Power Construction Co., Ltd	100%
5	05/NQ-PCC1-HDQT	17/01/2022	Dismissal of Chief Accountant of Ha Dong- No. 1 Power Construction Co., Ltd	100%
6	06/NQ-PCC1-HDQT	17/01/2022	Letter of Interest on "Potential Transaction" Acquiring 70% of shares in Nomura Hai Phong Industrial Zone Development Company (NHIZ)	100%
7	07/NQ-PCC1-HDQT	27/01/2022	Implementation of contracts and transactions between Power Construction Joint Stock Company No. 1 and related enterprises	100%
8	08/QD-PCC1-HDQT	27/01/2022	Dismissal of Deputy General Director of the Company	100%
9	09/NQ-PCC1-HDQT	21/02/2022	Plan to hold the 2022 Annual General Meeting of Shareholders	100%
10	10/NQ-PC1-HDQT	25/03/2022	Final Proposal on "Potential Transaction". Acquiring 70% of shares in Nomura Hai Phong Industrial Zone Development Company (NHIZ)	100%
11	11/NQ-PC1-HDQT	28/03/2022	Contents of the Annual General Meeting of Shareholders in 2022	100%

Resolutions/Decisions of the Board of Directors (continue)

No.	Resolution / Decision number	Date	Content	Adoption rate
12	12/NQ-PC1-HDQT	28 /03/2022	Contributing charter capital for the first time in 2022 at Tan Phat Mineral., JSC	100%
13	13/NQ-PC1-HDQT	29 /03/2022	Private bond issuance plan in 2022	100%
14	14/NQ-PC1-HDQT	29 /03/2022	Plan and mechanism for using 3rd party assets as collateral for PC1's 2022 bond issuance package	100%
15	15/NQ-PC1-HDQT	15/04/2022	Re-appointment of Director of Mien Bac- No. 1 Power Construction Co., Ltd	100%
16	16/NQ-PC1-HDQT	15/04/2022	Re-appointment of Director of Mien Nam- No. 1 Power Construction Co., Ltd	100%
17	17/NQ-PC1-HDQT	18/04/2022	Contributing capital to establish EDI Mekong Investment Joint Stock Company	100%
18	18/NQ-PC1-HDQT	18/04/2022	Appointment of capital representative and management personnel at EDI Mekong Investment Joint Stock Company	100%
19	19/NQ-PC1-HDQT	25/04/2022	Approval of the investment plan for the system of equipment and technology of submarine cable technology phase II	100%
20	20/NQ-PC1-HDQT	05/05/2022	Change of content of Business registration Nang Huong No.1 Power Construction One Member Co., Ltd	100%
21	21/QD-PC1- CT HDQT	17/05/2022	Adjustment and supplementation of some contents of the private bond issuance plan in 2022	100%
22	22/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at Trung Thu Hydropower., JSC	100%

Resolutions/Decisions of the Board of Directors (continue)

No.	Resolution / Decision number	Date	Content	Adoption rate
23	23/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at Northern Energy Investment., JSC	100%
24	24/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at Song Gam Hydropower., JSC	100%
25	25/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at Bao Lam Energy., JSC	100%
26	26/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at My Dinh Real Estate., JSC	100%
27	27/QD-PC1-HDQT	26/05/2022	Change of Capital Representative at Hoa Binh Automobile Mechanical., JSC	100%
28	28/NQ-PC1-HDQT	15/07/2022	Remuneration for the Board of Directors of the Company in 2022	100%
29	29 /NQ-PC1-HDQT	15/07/2022	Contributing charter capital for the second time in 2022 at Tan Phat Mineral Joint Stock Company	100%
30	30/QD-PC1-HDQT	15/07/2022	Recruitment and appointment of the Director of the Real Estate Department	100%
31	31/NQ-PC1-HDQT	25/07/2022	Received the transfer of 100% capital of Nomura Asia Investment (Vietnam) Pte. Ltd	100%
32	32/NQ-PC1-HDQT	25/07/2022	Transfer of 100% contributed capital at Ninh Binh- No. 1 Power Construction Co., Ltd	100%
33	33/NQ-PC1-HDQT	25/07/2022	Transfer of 100% contributed capital at Dai Mo- No. 1 Power Construction Co., Ltd	100%

Resolutions/Decisions of the Board of Directors (continue)

No.	Resolution / Decision number	Date	Content	Adoption rate
34	34 /NQ-PC1-HDQT	25/07/2022	Transfer of 100% contributed capital at Tu Liem- No. 1 Power Construction Co., Ltd	100%
35	36 /NQ-PC1-HDQT	25/07/2022	Dissolution of Ha Dong- No. 1 Power Construction Co., Ltd	100%
36	37 /NQ-PC1-HDQT	25/07/2022	Change of Director of Mien Bac- No. 1 Power Construction Co., Ltd	100%
37	38 /NQ-PC1-HDQT	25/07/2022	Change of Director of Mien Nam- No. 1 Power Construction Co., Ltd	100%
38	39 /NQ-PC1-HDQT	25/07/2022	Change of Director of Hoang Mai- No. 1 Power Construction Co., Ltd	100%
39	40 /NQ-PC1-HDQT	15/08/2022	Appointment of Deputy Director of Mien Bac- No. 1 Power Construction Co., Ltd	100%
40	41 /NQ-PC1-HDQT	15/08/2022	Appointment of Deputy Director of Hoang Mai- No. 1 Power Construction Co., Ltd	100%
41	42 /NQ-PC1-HDQT	15/08/2022	Establishment of new divisions	100%
42	43 /NQ-PC1-HDQT	19/09/2022	Approval of the implementation of the plan to issue shares to pay dividends in 2021	100%
43	44 /NQ-PC1-HDQT	26/09/2022	Appointment of Deputy Director and Chief Accountant of Mien Nam- No. 1 Power Construction Co., Ltd	100%
44	45 /NQ-PC1-HDQT	03/10/2022	Cease transferring 100% of contributed capital at Dai Mo- No. 1 Power Construction Co., Ltd	100%
45	46 /NQ-PC1-HDQT	03/10/2022	Change of Director and dismissal of Deputy Director of Mien Bac- No. 1 Power Construction Co., Ltd	100%
46	47 /NQ-PC1-HDQT	07/11/2022	Appointing capital representative and key positions of PC1 at Nomura Asia Investment (Vietnam) Pte. Ltd (NAIV) and Nomura - Hai Phong Industrial Zone Development Company (NHIZ)	100%
47	48 /NQ-PC1-HDQT	22/11/2022	Mortgage of PC1's shares in Trung Thu Hydropower Joint Stock Company and Northern Energy Investment Joint Stock Company	100%
48	49 /NQ-PC1-HDQT	25/11/2022	Contributing additional capital to increase charter capital at My Dinh- No. 1 Power Construction Co., Ltd	100%
49	50 /NQ-PC1-HDQT	25/11/2022	Appointment of Deputy Director of Dai Mo- No. 1 Power Construction Co., Ltd	100%
50	51 /NQ-PC1-HDQT	28/12/2022	Established the Company's representative office in the Lao People's Democratic Republic	100%
51	52/NQ-PC1-HDQT	30/12/2022	Performing contracts and transactions between PC1 Group Joint Stock Company and related enterprises	100%

5.1.4 The list of members of the Board of Directors participating in corporate governance training programs

The list of members of the Board of Directors participating in corporate governance training programs in the year:

No.	Member of the Board of Directors	Program	Organizer
1	Mr. Trinh Van Tuan	Building a framework and roadmap for Digital Transformation; Building a data strategy for businesses	Innovation and Digital Transformation Institute (VIDTI)
2	Mr. Nguyen Minh De	Building a framework and roadmap for Digital Transformation; Building a data strategy for businesses	Innovation and Digital Transformation Institute (VIDTI)
3	Mr. Vo Hong Quang	Building a framework and roadmap for Digital Transformation; Building a data strategy for businesses	Innovation and Digital Transformation Institute (VIDTI)
4	Mr. Vu Anh Duong	Building a framework and roadmap for Digital Transformation; Building a data strategy for businesses	Innovation and Digital Transformation Institute (VIDTI)

Currently, members of the Board of Directors, Supervisory Board and Executive Board are constantly updating and complying with the provisions of the law on corporate governance. In the near future, these members will arrange time to attend training courses on corporate governance.



5. SUPERVISORY BOARD

5.2.1 Members and structure of the Supervisory Board

No.	Member of the Supervisory Board	Title	Ownership percentage
1	Ms. Nguyen Thi Hai Ha	Head of Supervisory Board	0.045%
2	Mr. Hoang Van Sang	Member of Supervisory Board	0.003%
3	Mr. Hoang Van Cuong	Member of Supervisory Board	0%

5.2.2 Supervisory Board's Meetings

STT	Member of the Supervisory Board	Number of meetings of the Supervisory Board	Proportion of attendance	Voting percentage	The reason for not attending
1	Ms. Nguyen Thi Hai Ha	02/02	100%	100%	-
2	Mr. Hoang Van Sang	02/02	100%	100%	-
3	Mr. Hoang Van Cuong	02/02	100%	100%	-

5.2.3 Supervisory activities of the Supervisory Board for the Board of Directors, the Executive Board

In 2022, the Supervisory Board maintained regular operations, attended meetings of the Board of Directors and Executive Board at quarterly meetings to grasp the Group's production and business activities in accordance with the implementation of the plan objectives approved by the General Meeting of Shareholders.

In addition, the Supervisory Board performed inspection and monitoring work together with functional departments of the Group, contributing to the risk management activities and improving the quality of corporate governance. Major activities of the Supervisory Board are:

- Monitoring the implementation of PC1's strategic planning and implementation.
- Monitoring the implementation of the Resolution of the 2022 Annual General Meeting of Shareholders.
- Monitoring the compliance of state laws, the Group's charter, and the implementation of resolutions and decisions of the Board of Directors.
- Monitoring the compliance with the Group's internal regulations and regulations.
- Reviewing the reasonableness, legitimacy, honesty and level of care in the management and administration of business activities.
- Reviewing the system, consistency and suitability of accounting, statistical and financial reporting.
- Appraisal of financial statements to assess the truthfulness and reasonableness of financial data, in accordance with accounting standards, regimes and policies and regulations of the State.
- Reviewing, examining and evaluating the effectiveness and efficiency of the Company's internal audit and risk management system.

5.3 TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SUPERVISORY BOARD

5.3.1 Salary, rewards, remuneration and benefits

Remuneration of Board of Directors

No.	Member of Board of Directors	Title	In 2022 (VND)
1	Mr. Trinh Van Tuan	Chairman of the Board of Directors	5,557,000,000
2	Mr. Vu Anh Duong	Member of the Board of Directors	345,000,000
3	Mr. Vo Hong Quang	Member of the Board of Directors	345,000,000
4	Mr. Nguyen Minh De	Member of the Board of Directors	345,000,000
5	Mr. Mai Luong Viet	Member of the Board of Directors	345,000,000

Remuneration of Executive Board

No.	Member of Executive Board	Title	In 2022 (VND)
1	Mr. Vu Anh Duong	General Director	1,965,165,439
2	Mr. Vo Hong Quang	Deputy General Director	1,449,997,571
3	Mr. Nguyen Minh De	Deputy General Director	1,131,850,000
4	Mr. Dang Quoc Tuong	Deputy General Director	1,816,681,299
5	Mr. Nguyen Nhat Tan	Deputy General Director	1,130,577,650
6	Mr. Vu Van Tu	Deputy General Director	52,165,000

Allowance of Supervisory Board

No.	Member of the Supervisory Board	Title	In 2022 (VND)
1	Ms. Nguyen Thi Hai Ha	Head of Supervisory Board	72,000,000
2	Mr. Hoang Van Sang	Member of Supervisory Board	24,000,000
3	Mr. Hoang Van Cuong	Member of Supervisory Board	24,000,000

5.3.2 Share transactions by internal shareholders

No.	Person performing the transaction	Title/Relationship with an insider	Number of shares owned at the beginning of the period (1/1/2022)		Number of shares owned at the end of the period (31/12/2022)		Reasons for change
			Number of shares	Ratio (%)	Number of shares	Ratio (%)	
1	Trinh Van Tuan	Chairman of the BOD	49,411,927	21.012%	57,823,715	21.382%	Buy 1,000,000 shares, Receive stock dividends 7,411,788 shares
2	Le Thi Thoi	Wife of Mr. Trinh Van Tuan - Chairman of the BOD	4,424,050	1.881%	5,087,657	1.881%	Receive stock dividends 663,607 shares
3	Trinh Ngoc Anh	Son of Mr. Trinh Van Tuan- Chairman of the BOD	12,000	0.005%	13,800	0.005%	Receive stock dividends 1,800 shares
4	Nguyen Thi Hong Lien	Sister-in-law of Mr. Trinh Van Tuan- Chairman of the BOD	16	0.000%	18	0.000%	Receive stock dividends 2 shares
5	Vu Thi Thu Trang	Sister-in-law of Mr. Trinh Van Tuan- Chairman of the BOD	-	0.000%	231,726	0.086%	Buy 201,501 shares, Receive stock dividends 30,225 shares
6	Nguyen Minh De	Member of the BOD cum Deputy General Director	3,126,634	1.330%	3,595,629	1.330%	Receive stock dividends 468,995 shares
7	Vo Hong Quang	Member of the BOD cum Deputy General Director	4,429,724	1.884%	5,094,182	1.884%	Receive stock dividends 664,458 shares
8	Nguyen Thi Dung	Wife of Mr. Vo Hong Quang - Member of the BOD cum Deputy General Director	385,352	0.164%	443,154	0.164%	Receive stock dividends 57,802 shares,
9	Vo Thi Anh	Sister of Mr. Vo Hong Quang - Member of the BOD cum Deputy General Director	16,400	0.007%	18,860	0.007%	Receive stock dividends 2,460 shares,
10	Vu Anh Duong	Member of the BOD cum General Director	328,799	0.140%	780,618	0.289%	Buy 402,500 shares; Receive stock dividends 49,319 shares,
11	Le Thi Thanh	Mother-in-law of Mr. Vu Anh Duong - Member of the BOD cum General Director	43,201	0.018%	49,681	0.018%	Receive stock dividends 6,480 shares,
12	Nguyen Nhat Tan	Deputy General Director	1,061,808	0.452%	1,221,079	0.452%	Receive stock dividends 159,271 shares,
13	Dang Quoc Tuong	Deputy General Director	468,100	0.199%	538,315	0.199%	Receive stock dividends 70,215 shares,
14	Nguyen Thi Hoi	Wife of Mr. Dang Quoc Tuong - Deputy General Director	19,804	0.008%	22,774	0.008%	Receive stock dividends 2,970 shares,
15	Nguyen Thi Hai Ha	Head of Supervisory Board	106,446	0.045%	122,412	0.045%	Receive stock dividends 15,966 shares,
16	Nguyen Van Trung	Husband of Ms. Nguyen Thi Hai Ha -Head of Supervisory Board	44,596	0.019%	51,285	0.019%	Receive stock dividends 6,689 shares,
17	Hoang Van Sang	Member of Supervisory Board cum Person authorized to disclose information	7,090	0.003%	8,153	0.003%	Receive stock dividends 1,063 shares,
18	Tran Thi Minh Viet	Chief Accountant	295,939	0.126%	340,329	0.126%	Receive stock dividends 44,390 shares,
19	Nguyen Hong Thai	Brother-in-law of Ms. Tran Thi Minh Viet -Chief Accountant	130,375	0.055%	149,931	0.055%	Receive stock dividends 19,556 shares,
20	Vu Thi Lan My	Person in charge of governance cum company secretary	4,090	0.002%	4,703	0.002%	Receive stock dividends 613 shares,

5.3.3 Contracts or transactions with internal shareholders

In 2022, there are no transactions related to the Chairman of the BOD, members of the BOD, Executive Board, Chief Accountant and related persons. However, there are transactions of purchase and sale of goods, services, construction of works with subsidiaries and associates

Transactions between the Company and its subsidiaries and associates arise regularly; always comply with the provisions of law and the provisions of the Company Charter on the relationship of Parent Company – subsidiary, associated companies and provisions of Enterprise Law. Transactions between the Company and its subsidiaries and associates in 2022 were complied with the Resolution No. 07/NQ-PCC1-HDQT dated January 27, 2022, regarding the policy of implementing transaction contracts between the Company and related enterprises..

No.	Name of organization/ individual	Relationship with the company	Address	Content
1	Mien Nam- No.1 Power Construction Company Limited	Subsidiary	An Khang Building, No. 28, Street 19, Block 5, An Phu Ward, District 2, Ho Chi Minh City	Purchase volume of construction: 334,583,134,744 VND; Selling tools and other tools: 1,306,652,790 VND; Dividend distributed: 2,500,000,000 VND
2	Dai Mo- No.1 Power Construction Company Limited	Subsidiary	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Purchase of construction goods: 160,887,786,997 VND; Sale: Land rent, guarantee fee, materials: 11,160,923,313 VND; Dividend distributed: 500,000,000 VND
3	Dong Anh Steel Tower Company Limited	Subsidiary	Group 14, Dong Anh town, Dong Anh district, Hanoi	Purchase of steel poles: 70,496,755,825 VND; Other sales: 79,740,000 VND; Dividend distributed: 9,226,338,660 VND
4	My Dinh- No.1 Power Construction Company Limited	Subsidiary	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Purchase: Construction volume: 240,430,772,011 VND; For sale: office for rent, other supplies: VND 7,852,444,877; Dividend distributed: 1,121,546,065 VND
5	Nang Huong- No.1 Power Construction Company Limited	Subsidiary	No. 583 Km 9, Nguyen Trai Street, Van Quan, Ha Dong District, Hanoi	Purchase: Building services: 2,084,108,406 VND; Office for sale and rent: 1,619,987,095 VND
6	Hoang Mai- No.1 Power Construction Company Limited	Subsidiary	No. 471, Nguyen Tam Trinh Street, Hoang Van Thu Ward, Hoang Mai district, Hanoi	Purchase: Construction volume 183,134,560,075 VND; Sale: Land rent, guarantee fee, steel: 11,651,695,000 VND; Dividend distributed: 500,000,000 VND

No.	Name of organization/ individual	Relationship with the company	Address	Content
7	Mien Bac- No.1 Power Construction Company Limited	Subsidiary	Cho Street, Dai Mo Ward, Nam Tu Liem District, Hanoi	Purchase: Construction volume, consulting site clearance 59,194,724,987 VND; Sale: Land rent, guarantee fee: 2,747,059,181 VND; Dividend distributed: 1,023,600,960 VND
8	Tu Liem- No.1 Power Construction Company Limited	Subsidiary	No. 32, Phuong Canh Street, Group 2, Xuan Phuong Ward, Nam Tu Liem District, Hanoi	Purchase: Construction volume 84,748,515,770 VND; Sale: Land rent, guarantee fee, goods 6,185,406,158 VND
9	Ha Dong- No.1 Power Construction Company Limited	Subsidiary	Van La Street, Phu La Ward, Ha Dong District, Hanoi	Purchase: Construction volume 23,530,554,558 VND; Sale: land rent, guarantee fee: VND 79,637,771
10	Ninh Binh- No.1 Power Construction Company Limited	Subsidiary	Lane 2, Xuan Thanh Street, Tan Thanh Ward, Ninh Binh City, Ninh Binh Province	Purchase: Construction volume 9,886,084,516 VND; For sale: Land rent, steel: 1,939,378,852 VND; Dividend distributed: 4,123,941,605 VND
11	Trung Thu Hydropower., JSC	Subsidiary	No. 157, residential quarter 16, Tan Thanh ward, Dien Bien Phu	For sale: office for rent 67,526,580 VND; Dividend distributed: 40,200,000,000 VND
12	Vietnam Industrial Erection., JSC	Subsidiary	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	For sale: office for rent: 231,709,092 VND; Dividend to be distributed: 433,500,000 VND
13	Hoa Binh Automobile Mechanical., JSC	Subsidiary	No. 44 Trieu Khuc Street, Ward. Thanh Xuan Nam, district. Thanh Xuan, Hanoi	Purchase loan interest: 323,661,843 VND; Dividend distributed: 3,563,931,000 VND
14	My Dinh Real Estate., JSC	Subsidiary	1st floor, My Dinh Plaza, 138 Tran Binh, ward. My Dinh 2, district. Nam Tu Liem, Hanoi	Sale: office space for rent: 95,301,816 VND; Dividend distributed: 29.817,000,000 VND
15	Bao Lam Energy., JSC	Subsidiary	Na Pong village, Ly Bon commune, Bao Lam district, Cao Bang province	Purchase: Hydroelectricity operation management and construction 25,220,896,038 VND
16	Northern Energy Investment., JSC	Subsidiary	Na Pong village, Ly Bon commune, Bao Lam district, Cao Bang province	Sale: Consulting 2,712,000,000 VND; Dividends distributed: 11,678,975,272 VND

No.	Bao Lam Energy, JSC	Relationship with the company	Address	Content
17	Tien Bo Investment Trading, JSC	Subsidiary	No. 1, lane 321, Vinh Hung street, ward. Thanh Tri, district. Hoang Mai, Hanoi	Purchase project management consulting: 1,169,556,165 VND
18	Holding Commercial Equipment, JSC	Subsidiary	No. 1, lane 120 Dinh Cong, Phuong Liet ward, Thanh Xuan district, Hanoi city	Sales of project management consulting: 3,441,745.063 VND
19	Lien Lap Wind Power, JSC	Subsidiary	Cua village, Huong Tan commune, Huong Hoa district, Quang Tri province	Sales: loan interest, consulting VND 2,632,781,357 Sales: EPC general contractor for wind power projects: 62,966,031,579 VND
20	Phong Huy Wind Power, JSC	Subsidiary	No. 56 Le Duan, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Sales: loan interest, consulting VND 5,376,823,993 Sales: EPC general contractor for wind power projects: VND 46,734,103,204
21	Phong Nguyen Wind Power, JSC	Subsidiary	No. 1, Alley 23, Hung Vuong Street, Khe Sanh Town, Huong Hoa District, Quang Tri Province	Sales: loan interest, consulting VND 5,376,823,994 Sales: EPC general contractor for wind power projects: VND 74,810,352,547
22	Investment and Technology Service, JSC	Subsidiary	2nd floor, PCC1 Thanh Xuan Building, 44 Trieu Khuc Street, Thanh Xuan Nam Ward, Thanh Xuan district, Hanoi	Dividends distributed: 306,000,000 VND Sales: loan interest 61,890.411 VND Purchase: Install equipment: 45,871,931,581 VND
23	Tan Phat Minerals, JSC	Subsidiary	Group 22, Song Bang Ward, Cao Bang City, Cao Bang Province	Sales: loan interest, consulting VND 9,355,209,416
24	Thai Nguyen Galvanized Steel Tower, JSC	Subsidiary of Dong Anh Steel Tower Co., Ltd	Lot CN2-1 and CN2-2 Diem Thuy B Industrial Zone, Diem Thuy Commune, Phu Binh District, Thai Nguyen Province	Sales: interest, other: 2,084,939,669 VND Purchase of steel poles: 13,134,589,797 VND
25	PC1-Etich Electrical Experiment, JSC	Subsidiary of My Dinh-No. 1 Power Construction Co., Ltd	No 138 Tran Binh street, My Dinh 2 ward, Nam Tu Liem district, Hanoi	Purchase: Construction volume: 4,751,438,417 VND
26	Song Gam Hydropower, JSC	Subsidiary	Na Roa village, Bao Toan commune, Bao Lac district, Cao Bang province	Sales of loan interest: 304,109,589 VND

5.3.4 Assessing the Implementation of regulations on corporate governance

5.3.4.1 Evaluate the implementation of corporate governance according to Vietnam CG Code

Good points

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

The staff in charge of Information Disclosure of PC1 are knowledgeable and always well implement the legal regulations on information disclosure in the Securities Law 2019, Circular 96/2020/TT-BTC, Decision 340/QĐ -SGDHCM, ...

PC1 always fully and timely discloses periodic disclosures such as: Quarterly financial statements, Reviewed semi-annual financial statements, Audited annual financial statements, Annual reports, information on the Annual General Meeting of Shareholders, periodic reports on the progress of using capital obtained from the private placement of securities, ... and other extraordinary disclosures.

Investor relations (IR) activities

One of the prerequisites for a business to be increasingly trusted by investors is transparency and timeliness of business information. Recognizing the importance of maintaining regular information disclosure activities - promoting investor relations, PC1 always actively updates information widely and accurately to shareholders and investors through publications of Annual Report, Investor Newsletter, Press Release..., Annual General Meeting of Shareholders, direct and indirect meetings via website, social network as well as other forms.

Promote the roles and responsibilities of the Board of Directors and the Supervisory Board

The Group's governance system is strictly controlled, the management activities of the Board of Directors and the management of the Board of Directors are always transparent and carefully supervised. The Board of Directors as well as the Supervisory Board conducted regular and serious meetings in accordance with the working regulations, showing the spirit of democracy and respect criticisms. Through the meetings, timely and correct decisions and resolutions were made in accordance with the principles of corporate governance.

Area of improvement

As of December 31, 2022, the Board of Directors of the Company consists of 5 members, there is no independent member of the Board of Directors as prescribed in the Enterprise Law 2020. PC1 has made a written explanation to the State Securities Commission/HOSE on this issue, and has been actively looking for independent members of the Board of Directors in order to improve governance capacity as well as comply with the law.

5.3.4 Assessing the Implementation of regulations on corporate governance (continue)

5.3.4.2 Strengthen corporate governance



Corporate governance study/ training plan

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



Investor Relations

The Group has an Investor Relations department which is responsible for updating information fully, accurately and timely, and monitoring external communication to shareholders and storing information according to legal regulations. As one of the 50 Best Listed companies in Vietnam, PC1 always orients its shareholder and investor relations activities towards information transparency, compliance with legal regulations, protection and full exercise of shareholders' right.

In all discussions and meetings with investors and at the Annual General Meeting of Shareholders, investors have the right to actively ask questions related to the Group's activities and receive direct answers from the Group's leaders right at the meeting. Furthermore, the Minutes and Resolutions of the Annual General Meeting of Shareholders are publicly and fully posted on the Group's website to help shareholders and investors actively grasp information.

PC1 will continue to comply with and update regulations on corporate governance such as information disclosure on the stock market or the organization of the General Meeting of Shareholders; Continue to improve the quality of annual reports and periodic reports, Investor Newsletters...



Improve corporate governance efficiency

Information system administration

- Continue to develop, complete and issue the Group's Digital Transformation Roadmap in line with the Group's business strategy and corporate structure.
- Synchronous management, in-depth analysis of business data of the whole Group; Continue to improve the operation of the intelligent management information system - Business Intelligence.
- Develop policies and regulations on internal information security; network security; regulations on decentralization and the right to exploit business data...



Improve corporate governance efficiency (continue)

Financial - accounting management

- The Group and its subsidiaries consistently use one accounting software to facilitate accounting, reporting and data consolidation. Apply digital technology to the accounting system of the Group and all member companies to provide accurate and timely analysis for the Executive Board.
- Develop long-term, medium-term and short-term financial plans, from which, develop an appropriate financial plan to meet capital needs for production and business in the next stages in the Group's development strategy.

Human resources management

- Focus on completing the project on developing high-quality human resources to serve strategic goals with a vision to 2030.
- Continue to operate effectively the new organization chart according to the corporation model, towards professionalism and high specialization, in which modern human resource management (HRM) software is operated.
- Continue to develop and promulgate policies to develop human resources, encourage innovation, ensure internal information security, etc

Customer relationship management

- PC1 Group creates high trust with customers, including traditional customers and new customers. PC1 Group has strict customer management processes, from search to sales and after sales.
- Digital transformation has been researched and applied in customer relationship management, creating a competitive advantage for the Group. In 2021, CRM software will be put into use to improve customer service and market efficiency

Quality Management

- Well perform awareness training and staff training on digital transformation through a series of training programs.
- Successfully applied management and digitization software to improve system administration capacity and also increase business efficiency.



6 SUSTAINABLE DEVELOPMENT REPORT

6.1 GENERAL INFORMATION

6.2 SUSTAINABLE DEVELOPMENT MODEL

6.3 SUSTAINABLE DEVELOPMENT ORIENTATIONS

6.4 SUSTAINABLE DEVELOPMENT INDICATORS

6.4.1 Impact on the environment

6.4.2 Raw material management

6.4.3 Energy consumption

6.4.4 Water consumption

6.4.5 Compliance with the law on environmental protection

6.4.6 Policies related to employees

6.4.7 Report on responsibility for local community.

6.4.8 Report on green capital market activities under the guidance of the SSC

6.1 GENERAL INFORMATION



Introduction

Sustainable Development Report 2022 of PC1 Group Joint Stock Company is incorporated in the Annual Report 2022 to avoid duplication of information, and to provide quality information with brief and concise content for shareholders and

relevant parties. The purpose of Sustainable Development Report is to provide information on the orientation, development policies of the Group, policies related to environment, society, community, employees and other relevant parties.



Sustainable development report is an important part of the Annual Report to help investors, shareholders and stakeholders access information about the development strategy and business activities of PC1 Group in the sustainable development aspect. The content of report will summarize and evaluate sustainable development activities of the Group.



This report is made within the operation scope of the Group, its subsidiaries and within territory of Vietnam. The data in the report is updated for the fiscal year 2022, starting from January 1, 2022 to December 31, 2022.



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



PC1 Group makes all effort to meet the expectations of its stakeholders by transparency of information, sustainable growth, and showing corporate responsibility to the social community. We are therefore looking forward to receiving your comments. If you have any feedback about sustainable development, please send it to:

- PC1 Group Joint Stock Company
- Address: CT2, No. 583 Nguyen Trai, Thanh Xuan, Hanoi
- Phone: (+84) 024 3845 6329
- Fax: (+84) 024 3823 1997

6.2 SUSTAINABLE DEVELOPMENT MODEL

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

BOARD OF DIRECTORS

General orientation and strategy of the Group and its subsidiaries
The joint action programs

EXECUTIVE BOARD

Orienting and directing in general Sustainable Development of the Group and its subsidiaries
Approving goals and action plans

FUNCTION PARTS UNDER THE GROUP

Developing and submitting specific plans and actions to the Executive Board.
Deploying, guiding subsidiaries to implement, monitoring the plans and actions approved by the Executive Board.

EXECUTIVE BOARD OF SUBSIDIARIES

Deploying, supervising the implementation of plans and actions at subsidiaries
Evaluating the performance and making evaluation reports to submit to the Executive Board

6.3 SUSTAINABLE DEVELOPMENT ORIENTATIONS

Sustainable Development

Customer- Partners

- For customers, PC1 Group puts prestige and quality on top, in order to bring the highest values and satisfaction to customers.
- For partners: PC1 Group aims at the trust and respect of each other, cooperating with mutual benefit and accompanying to bring good values to society.

Shareholders

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

The State

- PC1 Group ensures strict adherence to the State's policies in all its production and business activities.
- Contributing to the process of building infrastructure for the development of the country.
- Ensuring the fulfillment of tax obligations and contributions to the State budget.

Employees

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

Community

- Associating the development of PC1 Group with the development of localities where the Group has production and business activities
- Supporting the difficult circumstances through volunteer programs

Environment

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

6.4 SUSTAINABLE DEVELOPMENT INDICATORS



6.4.1 Impact on the environment

Recognizing the role of the environment in production activities and aiming for sustainable development, PC1 continuously proposes policies to maintain the assessment of raw materials, water, and energy use., the impact of wastewater and waste on the environment through the control of inputs and outputs (emissions) from operating activities of the office block and especially of the Industrial production Block.

Associate production with environmental protection

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

In 2021, Thai Nguyen Galvanized Steel Tower Factory also completed the ISO 9001: 2015 Quality Management Certificate and the Environmental Management System Certification. ISO 14001:2015, issued by the certification organization Universal GmbH - DAKKS of the Federal Republic of Germany, which is one of the three most prestigious certification marks globally.

The Group issued many decisions related to quality management, environment and specific implementation measures for Dong Anh Steel Tower Factory. Since then, Dong Anh Steel Tower Manufacturing Co., Ltd. has always maintained good quality and environmental management.

Dong Anh Steel Tower Factory and Thai Nguyen Galvanized Steel Tower Factory		Quality objectives, environment and implementation measures		
Targets	Actions	Performance		
		Schedule	Responsibility	Document
	Control processes	Continuously	Departments	Strategic goal implementation report, Remedy & improvement report
Maintain the rate of unsuitable defective products below 0.2%	Implement corrective actions in time, not to cause mass failures.	Daily	QA Department and related Departments	Remedy & improvement report
	Control products from the stage of importing raw materials until delivery to customers	Daily	QA Department and related Departments	Input check slips and working minutes
	Training	According to training plan of departments	Departments	Training records
Assure 100% satisfaction of customers	Control of product quality of Factory and subcontractors	Daily	QA Department, Manufacturing and Sales Department	Product inspection report, working minutes
	Assure 100% delivery progress of projects	Daily	Production Department, Sales Department	Production progress report
	Customer service	Often	Sales Department and related departments	Report handling customers' queries and complaints if any

Dong Anh Steel Tower Factory and Thai Nguyen Galvanized Steel Tower Factory		Quality objectives, environment and implementation measures		
Targets	Actions	Performance		
		Schedule	Responsibility	Document
100% of all wastes are classified, collected and treated as prescribed	Control the waste classification process	Daily	Departments	Inspection records
	Contract with functional units to treat waste	Continuously	Production Department, Administration Department	Contracts, lists of waste volume
	Training for new employees, people who have not performed well	When there are new employees	Administration Department	Training records
Create a safe working environment, prevent serious occupational accidents	Maintain safety equipment at the machines, inspect equipment with strict labor safety requirements	Maintenance and inspection plan	Mechanical and electrical workshop, Technical and Design Department	Equipment records
	Equip labor protection equipment for workers	Continuously	Administration, Production, Supplies, Purchasing Departments	Monitoring Record on protection equipment allocation
	Training on occupational safety	According to the year plan	Safety Officer, Administration Department	Training records
	Periodically train emergency response (Fire, explosion etc.)	According to the year plan	Production, Administration Department, safety staffs	Training plan and training results



Investment in the development of renewable energy

PC1 owns and operates safely and reliably 10 wind power and hydroelectric power plants across the country, which do not emit greenhouse gases into the environment. By the end of 2022, PC1 has provided the national grid with 3.7 billion kWh of clean electricity, cutting 2.8 million tons of CO₂, equivalent to 100 million trees.



In the process of investing in wind power projects of Lien Lap, Phong Huy and Phong Nguyen in the area of Huong Hoa district, Quang Tri province, PC1 Group has carried out local environmental activities, specifically:

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

Tree planting program to create landscape, ecological environment: PC1 Group implements the planting of Avocado, Betel tree (20 million / ha) (10 ha) (density of about 300 trees / ha), planting alternately with coffee trees in the first stage and planting Acacia (25 million / ha) and tending for the first 5 years (20 ha) (density 2500-3000 trees/ha) which grows fast, early create forest canopy in the next period, for a period from 2020 to 2024 at the temporary land use of wind power factories

Inventory and measurement of emissions to the environment

PC1 emits greenhouse gases directly in the industrial production sector in the process of burning diesel fuel to operate plating tanks and running forklifts and indirectly emits greenhouse gases during the use of electricity purchased from manufacturers. national power plant to serve production and business.

Plants	Indicators	2022		2021	Exhaust gas and waste treatment system
		2022	2021		
DAST	Total emissions (m3)	7,994,940	11,152,510		The results of emission monitoring and the exhaust gas treatment system in 2022 show that the monitoring indicators and parameters all meet the standards.
TNST	Total emissions (m3)	27,200	7,100		
DAST	General solid waste (tons)	761	1,127		The factories signed contracts to treat domestic waste, common industrial waste and hazardous waste with environmental companies in the area, such as: Viet Tien Environment Co., Ltd., Viet Anh Build and Business Development Co., Ltd...
	Hazardous waste (tons)	240	96		
TNST	General solid waste (tons)	8.16	1.80		
	Hazardous waste (tons)	14.69	-		

Initiatives and measures to reduce greenhouse gas emissions

- Propaganda and training to raise awareness about energy saving and environmental protection
- Continue to research and invest in the development of renewable energy plants
- Use energy-saving lighting, optimize production shifts and machine hours to reduce power consumption
- Improve technology, effectively use combustion fuel in the production process
- Efficiently use energy in transportation, limit the fuel consumption of motor vehicles
- Manage and reduce solid waste emissions, comply with regulations on waste collection and treatment, including industrial waste and domestic waste...

6.4.2 Raw material management

Steel tower products of the two factories DAST and TNST are only produced from primary materials (angle steel, section steel...) and use a small percentage of materials recovered from unsuitable products in the production process, not using recycled materials purchased from outside; This helps minimize waste generation in the production process at factories.

Plants	Consumption in 2022		
	Steel (tons)	Zinc (tons)	Diesel oil (liters)
DAST	15,593	635	794,862
TNST	4,612	335	449,342





6.4.3 Energy consumption

The source of energy used directly at the Company in the process of production and business is electricity. The company does not use indirect energy sources. Power consumption at PC1's factories:

Plants	Electricity consumption in 2022 (kWh)	Electricity consumption rate in 2022	Electricity consumption in 2021 (kWh)	Electricity consumption rate in 2021	Change in electricity consumption rate
DAST	1,158,000	37	1,549,700	30	24%
TNST	443,872	75	143,158	39	91%
Trung Thu Hydropower plant	424,828	0.0033	328,332	0.0038	-13%
Bao Lam 1 Hydropower plant	399,840	0.0034	453,377	0.0050	-33%
Bao Lam 3 Hydropower plant	447,828	0.0027	465,572	0.0035	-23%
Bao Lam 3A Hydropower plant	132,497	0.0038	121,494	0.0040	-7%
Mong An Hydropower plant	369,438	0.0031	340,785	0.0036	-14%
Bao Lac B Hydropower plant	162,280	0.0024	184,859	0.0038	-38%
Song nhien 4 Hydropower plant	93,810	0.0027	82,114	0.0027	1%
Lien Lap Windpower plant	380,060	0.0029	-	-	-
Phong Huy Windpower plant	407,360	0.0028	-	-	-
Phong Nguyen Windpower plant	435,845	0.0030	-	-	-

Energy saved through energy efficiency initiatives

Thanks to the application of energy saving and efficient use initiatives, electricity consumption at the Group's hydropower plants and wind power plants in 2022 decreased significantly compared to 2021 (as shown in the table above). . Particularly for factories manufacturing steel towers, due to a decrease in production output in 2022 while factories still need to maintain electricity use for fixed-running machines and management departments, offices, power consumption still increased.

Innovative measures to save and use energy efficiently

- Propaganda to raise employees' awareness of energy saving
- Turn on and off the electrical system and the air conditioning system on time
- Use energy-saving lighting
- Let the air conditioner temperature be at the average temperature, not too much different from the actual temperature.
- Optimize production shifts, machine running hours to reduce power consumption
- Continue to research and invest in the development of renewable energy plants



6.4.4 Water consumption

Plants	Sources of water	Water consumption in 2022 (m3)	Percentage and total amount of recycled and reused water	Waterwaste treatment system Information
DAST	Hanoi Water Supply Number 2., JSC	42,023	Upgraded wastewater system to reuse water, operating from 2023	There is industrial wastewater treatment system of 150m3/day.
TNST	Thai Nguyen Water Supply., JSC	6,449	No	There is industrial wastewater treatment system of 80m3/day.
Trung Thu Hydropower plant	Groundwater		No	
Bao Lam 1 Hydropower plant	Well-water		No	
Bao Lam 3 Hydropower plant	Groundwater		No	
Bao Lam 3A Hydropower plant	Well-water	N/A	No	
Mong An Hydropower plant	Well-water		No	Do not generate wastewater that must be treated in accordance with the law
Bao Lac B Hydropower plant	Well-water		No	
Song nhien 4 Hydropower plant	Groundwater		No	
Lien Lap Windpower plant	Well-water		No	
Phong Huy Windpower plant	Well-water	2,022	No	
Phong Nguyen Windpower plant	Well-water		No	

Water saving measures used by the Group

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



6.4.5 Compliance with the law on environmental protection

Number of times the company is fined for failing to comply with laws and regulations on environment: 0

The total amount to be fined for failing to comply with laws and regulations on the environment: 0



6.4.6 Policies related to employees

Personnel structure

No.	Criteria	Narrative	2020		2021		2022	
			No. of employees	Proportion (%)	No. of employees	Proportion (%)	No. of employees	Proportion (%)
1	By qualifications	Undergraduate and Postgraduate Degree	582	43%	632	44%	738	46%
2		College Degree	138	10%	142	10%	403	25%
3		Other qualifications	649	47%	651	46%	453	28%
1	By nature of work	Direct labor	578	42%	590	41%	813	51%
2		Indirect labor	791	58%	835	59%	781	49%
1	By gender	Male	1,128	82%	1,165	82%	1,312	82%
2		Female	241	18%	260	18%	282	18%
1	By contract term	Short-term contract less than 1 year		0%		0%		0%
2		Contract term 1 to 3 years	447	33%	954	67%	632	40%
3		Indefinite term contract	922	67%	471	33%	962	60%
1	By management level	Senior managers	34	2%	34	2%	46	3%
2		Middle managers	121	9%	150	11%	159	10%
3		Branch level managers	5	0%	5	0%	-	0%
4		Professionals, staff	1,209	88%	1,236	87%	936	59%
5		Other labor		0%		0%	453	28%
1	By age	From 18 to 25 years old	96	7%	102	7%	109	7%
2		From 26 to 35 years old	550	40%	575	40%	574	36%
3		From 36 to 45 years old	477	35%	495	35%	584	37%
4		Over 45	246	18%	253	18%	327	21%
Tổng cộng			1,369		1,425		1,594	

Labor policies to ensure health, safety and welfare of workers

Working regime

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

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



Some pictures of PC1 Group's office

Recruitment policy

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

In 2022, the Group recruited 51 additional qualified and qualified personnel to meet the development needs of the Departments and Departments, in line with the Group's long-term development strategic orientation.

Salary and bonus policy

The average employee income of the whole Group in 2021 reached 16.98 million VND/person/month. Salaries are paid in a timely manner. In addition, in order to encourage staff and employees in the Group to increase contribution efficiency, increase productivity and work completeness, quarterly, annually, the Group organizes voting, evaluating, praising and honoring individuals and collectives who have many contributions to the Group as well as initiatives to increase job performance.



PC1 Group honors collectives and individuals who have successfully completed tasks in 2022

Insurance and welfare policy

The deduction and payment of social insurance, health insurance and unemployment insurance are deducted by the Group in accordance with the provisions of current law. The Group implements social security regimes for employees according to the Labor Law and Labor Regulations. The Group is always interested in living and improving conditions for employees. The Group always focuses on occupational safety for workers directly in production. The insurance regimes for employees are fully implemented by the Group in accordance with the Labor Law. On holidays, New Year,... The Group always organizes periodic trips and vacations for employees in the Group. In addition, the Group also pays attention, visits and gives gifts on Children's Day and Mid-Autumn Festival to the children of its employees and at the same time regularly organizes birthdays for employees.

Policy to ensure health and safety

PC1 always maintains annual health check for all employees. In 2022, PC1 has deployed seasonal flu vaccination (4 in 1) for all employees of PC1 Group, and purchased additional health insurance packages for employees;

This is an activity that shows the concern of Group's leadership for the health of all members of the PC1 family, helping employees feel secure in their work, striving to fulfill the targets of production and business plans.



Program of PC1 Sports Festival - Show in 2022

After 2 years of hiatus due to the impact of Covid-19 pandemic, the 2022 PC1 Sports Festival with the theme "Connecting tradition - Strongly Reaching Out" has returned impressively with sublime, memorable moments of the participating teams. The event is part of a series of activities to celebrate the 60th anniversary of PC1 Corporation, including 14 participating units from departments, member companies in the Group and the partners.



Employee training and development policy

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

- For direct laborers: open on-the-spot training classes to improve the qualifications and understanding of laborers. the Group conducts training and retraining to improve the labor efficiency of existing laborers. Laborers are also encouraged and facilitated to attend training courses to improve their professional skills to meet new requirements in their work.
- For employees of professional departments: the Group always facilitates them to participate courses with professional occupations in accordance with job requirements, and attend short-term professional training courses on regimes, State policy.
- In 2022, the Group has organized training programs and seminars to improve management and expertise in: PC1 Internal Resources Development Workshop, BIM training course and Common Data Environment, Planning skills and financial appraisal of investment projects, B2B sales skills, awareness and internal assessment of the Quality - Environment - Occupational Health and Safety Management system... creating favorable conditions for all employees of Group attending.

PC1's 2022 average training hours are as follows:

	Average training hours in 2022
By employees	25.3
By categories of employees	
Senior managers	88.0
Middle managers	36.5
Professionals, staff	20.7



PC1's managers and staffs participate in training programs, seminars to improve management capacity and professional qualifications

Ensure gender equality

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

- Above 18% of PC1 Group's staffs are female.
- The percentage of female employees has gradually increased over the years, many female leaders hold key positions in the Group, showing the attention and focus of the Group's Executive Board in promoting gender equality.
- The average salary of female employees is equivalent to the average salary of male employees.
- Female employees do not face any barriers in their work or career development.

Every year, the Group has programs for women on occasions such as International Women's Day 08/03 and Vietnamese Women's Day 20/10.



PC1 Group celebrates Vietnamese Women's Day October 20

Trade Union activities for employees

The Group trade union consists of 12 grassroots trade unions, affiliated divisions with more than 1,600 union members. Over the past years, the Leaders, the Party Committee and the Trade Union have always paid attention to the material and spiritual life of the officers and employees, especially the union members in difficult circumstances. These are the employees who encounter misfortunes in their life; or have severe illness, frequent illness, need to be treated in the long time and costly while family conditions also very difficult; or are main labors in large family with loved ones bearing serious illness, fatal disease, and expensive monthly expenses ...



Spreading PC1's bold human values in the spirit of mutual affection and sharing with employees in difficulty.



6.4.7 Report on responsibility for local community.

PC1 Group has demonstrated the ability of a professional and reputable investor with impressive results. The hydropower and windpower projects, factories built by PC1 Group Joint Stock Company (PC1 Group) are not only doing a good job of exploiting and efficiently using water resources, ensuring national energy but also making a significant contribution to the State and local budgets, thereby changing the face of technical infrastructure, promoting economic development and local social security, especially in areas with factories.

Taking responsibility and joining hands to develop the community for a green, rich and strong Vietnam, PC1 has contributed great value to carry out meaningful activities:

- Renovating residential roads in Huong Choa, Phung Lam, Tan Hop communes - Huong Hoa district, Quang Tri
- Renovating residential roads in Hoa An District, Cao Bang Province
- Constructing a new school in Co Ba commune, Bao Lac district, Cao Bang province
- Giving away 50 charity houses in Cao Bang province
- Donating 1 billion VND to the fund for the poor in Hanoi city
- And many other practical activities across the country: Ca Mau, Tien Giang, ...

PC1 Group awarded 2 billion VND to support the construction of charity houses in Cao Bang province

One of PC1's sustainable development strategies is to actively and constantly participate in social security activities in all regions of the country, demonstrating the sentiments and social responsibility of PC1 employees. Accordingly, on September 24, 2022, the representative of PC1 Group sponsored 2 billion VND to support the fund for the poor of the Vietnam Fatherland Front Committee of Cao Bang province.



6.4.8 Report on green capital market activities under the guidance of the SSC

In October 2021, PC1 Group has successfully generated 36 wind turbines in Quang Tri on the national grid invested by the Group with the cooperation of RENOVA Japan. The project is funded by the Asian Development Bank (ADB), the Export Finance Australia (EFA), and the Japan International Cooperation Agency (JICA) with a value of USD 173 million. This is ADB's first grant for a wind power project in Vietnam, and has been certified as a "green" loan by the Climate Bonds Initiative-management unit of International Climate Bond Certification and Standards Program.

Lien Lap, Phong Huy and Phong Nguyen Wind Power Plant Projects are jointly invested and operated by PC1 Group and Renova Company with a total generating capacity of 422 GWH per year. The cluster of 03 plants will contribute to reducing emissions of 162,430 tons of CO2 per year. Together with 07 operating renewable energy plants, on average, PC1 Group will contribute to reducing more than 500,000 tons of CO2e each year.



7 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2022 (Audited)

7.1 REPORT OF THE BOARD OF GENERAL DIRECTORS

7.2 INDEPENDENT AUDITOR'S REPORT

7.3 CONSOLIDATED BALANCE SHEET

7.4 CONSOLIDATED STATEMENT OF INCOME

7.5 CONSOLIDATED STATEMENT OF CASH FLOWS

7.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

GENERAL INFORMATION ABOUT PC1

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 15 December 2022. 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
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
	Mr. Vu Van Tu	Deputy General Director (until 28/1/2022)
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, Ha Noi, Viet Nam	
Auditors	KPMG Limited Vietnam	

STATEMENT OF THE BOARD OF 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 2022.

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 2022, and of their consolidated results of operations and consolidated 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, 30 March 2023

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 2022, 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 30 March 2023, 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 2022 and of its consolidated results of operations and its consolidated 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. 22-02-00109-23-2



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

Hanoi, 30 March 2023

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

	Code	No	31/12/2022 (VND)	1/1/2022 (VND)
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,581,357,801,353	2,291,977,758,704
Cash and cash equivalents	110	6	477,612,182,175	794,977,758,704
Cash	111		2,103,745,619,178	1,497,000,000,000
Cash equivalents	112		1,006,095,364,843	144,291,658,746
Short-term financial investments	120		1,006,095,364,843	144,291,658,746
Held-to-maturity investments	123	7(a)	3,174,355,680,627	3,123,796,576,209
Accounts receivable – short-term	130		2,255,159,840,624	2,288,896,283,193
Accounts receivable from customers	131	8	226,419,010,740	362,986,950,991
Prepayments to suppliers	132	9	-	15,502,374,676
Receivables on construction contracts according to stages of completion	134		255,092,249,280	2,886,249,280
Loans receivable – short-term	135	10	444,700,152,290	461,446,671,449
Other receivables	136	11(a)	(7,015,572,307)	(7,921,953,380)
Allowance for doubtful debts	137	12	890,118,267,963	903,574,118,319
Inventories	140	13	898,534,771,574	904,903,028,469
Inventories	141		(8,416,503,611)	(1,328,910,150)
Allowance for inventories	149		261,477,863,158	125,799,834,285
Other current assets	150		11,278,376,046	9,032,926,084
Short-term prepaid expenses	151	18(a)	11,278,376,046	9,032,926,084
Deductible value added tax	152		247,526,165,016	113,347,823,373
Taxes and others receivable from State Treasury	153	23	2,673,322,096	3,419,084,828

	Code	No	31/12/2022 (VND)	1/1/2022 (VND)
Long-term assets (200 = 210 + 220 + 230 + 240 + 250 + 260)	200		13,841,008,540,434	12,097,595,471,264
Accounts receivable – long-term	210		8,282,829,500	8,295,573,500
Other long-term receivables	216	11(b)	8,282,829,500	8,295,573,500
Fixed assets	220		9,903,573,955,286	10,160,398,968,606
Tangible fixed assets	221	14	8,596,232,617,877	9,205,307,914,600
Cost	222		10,863,077,105,285	10,224,992,854,472
Accumulated depreciation	223		(2,266,844,487,408)	(1,019,684,939,872)
Finance lease tangible fixed assets	224		5,425,503,234	-
Cost	225		5,596,800,000	-
Accumulated depreciation	226		(171,296,766)	-
Intangible fixed assets	227	15	1,301,915,834,175	955,091,054,006
Cost	228		1,385,960,448,543	981,273,899,230
Accumulated amortisation	229		(84,044,614,368)	(26,182,845,224)
Investment property	230	16	271,049,265,804	221,087,291,258
Cost	231		681,352,966,331	276,243,994,329
Accumulated depreciation	232		(410,303,700,527)	(55,156,703,071)
Long-term work in progress	240		1,375,792,992,689	379,876,492,995
Long-term financial investments	250		1,538,001,129,454	638,667,149,476
Investments in associates			1,536,564,981,744	426,443,764,437
Equity investments in other entities	253	7(c)	4,821,770,000	214,821,770,000
Allowance for diminution in the value of long-term financial investments	254		(3,385,622,290)	(2,598,384,961)
Other long-term assets	260		744,308,367,701	689,269,995,429
Long-term prepaid expenses	261	18(b)	448,753,359,961	400,788,211,984
Deferred tax assets	262	19	40,710,658,667	23,247,747,020
Long-term tools, supplies and spare parts	263		3,407,937,257	-
Goodwill	269	20	251,436,411,816	265,234,036,425
TOTAL ASSETS (270 = 100 + 200)	270		21,754,413,518,378	18,687,035,417,527

	Code	Note	31/12/2022 (VND)	1/1/2022 (VND)
LIABILITIES (300 = 310 + 330)	300		14,581,667,435,007	12,406,199,375,288
Current liabilities	310		5,950,347,915,950	5,798,709,308,694
Accounts payable to suppliers	311	21	1,284,961,762,512	1,756,355,852,050
Advances from customers	312	22	321,766,352,285	61,565,293,438
Taxes and others payable to State Treasury	313	23	102,462,696,442	57,875,464,313
Payables to employees	314		52,140,889,355	73,644,686,355
Accrued expenses	315	24	329,996,545,492	803,547,487,900
Unearned revenue – short-term	318		1,964,730,577	837,788,869
Other payables – short-term	319	25(a)	19,451,864,183	94,096,679,867
Short-term borrowings	320	26(a)	3,677,264,468,074	2,799,553,623,583
Provisions – short-term	321	27	12,989,719,775	16,403,173,920
Bonus and welfare fund	322	28	147,348,887,255	134,829,258,399
Long-term liabilities	330		8,631,319,519,057	6,607,490,066,594
Long-term unearned revenue	336		339,350,104	459,722,104
Other payables – long-term	337	25(b)	11,297,283,088	4,272,392,275
Long-term borrowings, bonds and finance lease liabilities	338	26(b)	8,284,189,794,923	6,237,700,383,328
Deferred tax liabilities	341	19	315,982,038,113	325,819,782,115
Provisions – long-term	342	27	19,511,052,829	39,237,786,772

	Mã số	Thuyết minh	31/12/2022 (VND)	1/1/2022 (VND)
EQUITY (400 = 410)	400		7,172,746,083,371	6,280,836,042,239
Owners' equity	410	29	7,172,746,083,371	6,280,836,042,239
Share capital	411	30	2,704,330,020,000	2,351,596,490,000
- Ordinary shares with voting rights	411a		2,704,330,020,000	2,351,596,490,000
Share premium	412		711,136,556,786	711,136,556,786
Other capital	414		29,026,800,000	22,906,800,000
Differences upon asset revaluation	416		708,285,511	708,285,511
Foreign exchange differences	417		(116,709,425)	-
Investment and development fund	418		261,072,092,951	244,289,305,040
Other equity funds	420		65,418,160,381	65,313,759,426
Retained profits	421		1,344,532,665,968	1,305,280,035,901
- Retained profits brought forward	421a		888,392,277,813	610,259,788,653
- Profit for the current year	421b		456,140,388,155	695,020,247,248
Non-controlling interest	429		2,056,638,211,199	1,579,604,809,575
TOTAL RESOURCES (440 = 300 + 400)	440		21,754,413,518,378	18,687,035,417,527

30 March 2023

Prepared by:



Pham Thi Thanh Binh
Preparer

Approved by:



Tran Thi Minh Viet
Chief Accountant



Vu Anh Duong
General Director

PC1 Group Joint Stock Company
Consolidated statement of income
for the year ended 31 December 2022

Form B 02 – DN/HN
 (Issued under Circular No. 202/2014/TT-BTC dated 22
 December 2014 of the Ministry of Finance)

	Code	Note	2022 (VND)	2021 (VND)
Revenue from sales of goods and provision of services	1	32	8,357,602,470,324	9,828,463,180,375
Cost of sales	11	33	6,763,095,524,845	8,672,928,765,697
Gross profit (20 = 01 - 11)	20		1,594,506,945,479	1,155,534,414,678
Financial income	21	34	95,203,791,873	319,482,922,820
Financial expenses	22	35	766,697,259,907	359,192,614,340
<i>In which: Interest expense</i>	23		<i>605,030,533,904</i>	<i>315,449,056,943</i>
Share of profit in associates	24		697,381,631	85,597,674,855
Selling expenses	25	36	(8,391,008,009)	55,977,596,827
General and administration expenses	26	37	285,281,303,728	240,797,400,424
Net operating profit (30 = 20 + 21 - 22 + 24 - 25 - 26)	30		646,820,563,357	904,647,400,762
Other income	31	38	19,729,647,491	28,041,497,714
Other expenses	32	39	61,105,267,253	36,216,096,682
Results of other activities (40 = 31 - 32)			(41,375,619,762)	(8,174,598,968)
Accounting profit before tax (50 = 30 + 40)	50		605,444,943,595	896,472,801,794
Income tax expense – current	51	41	133,948,375,022	66,688,019,076
Income tax (benefit)/expense – deferred	52	41	(65,435,335,150)	65,494,816,128
Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)			536,931,903,723	764,289,966,590
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)			764,289,966,590	896,472,801,794
Attributable to:				
Ordinary shareholders of the Company	61		459,825,388,155	695,020,247,248
Non-controlling shareholders	62		77,106,515,568	69,269,719,342
Earnings per share				Restated
Basic earnings per share	70	42	1,519	2,439

30 March 2023

Prepared by:



Pham Thi Thanh Binh
Preparer

Approved by:



Tran Thi Minh Viet
Chief Accountant



Vu Anh Duong
General Director

PC1 Group Joint Stock Company
Consolidated statement of cash flows for the year ended 31
December 2022 (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	2022 (VND)	2021 (VND)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	01	605,444,943,595	896,472,801,794
Adjustments for			
Depreciation and amortisation	02	626,513,539,370	364,222,728,433
Allowances and provisions	03	(17,762,786,386)	37,163,423,796
Exchange losses arising from revaluation of monetary items denominated in foreign currencies			
Profits from investing activities	05	(92,543,222,753)	(385,940,659,421)
Interest expense	06	608,141,738,226	315,449,056,943
Operating profit before changes in working capital	08	1,860,850,902,582	1,233,450,554,431
Change in receivables	09	34,259,440,774	(28,296,022,714)
Change in inventories	10	22,306,830,066	(172,787,706,909)
Change in payables and other liabilities	11	116,259,586,529	(407,840,147,940)
Change in prepaid expenses	12	(50,121,035,517)	(67,693,052,675)
		1,983,555,724,434	556,833,624,193
Interest paid	14	(574,362,003,548)	(306,385,526,351)
Income tax paid	15	(82,088,818,415)	(136,603,949,376)
Other payments for operating activities	17	(37,977,480,668)	(20,603,380,522)
Net cash flows from operating activities	20	1,289,127,421,803	93,240,767,944
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(1,728,786,877,736)	(3,991,157,635,137)
Proceeds from disposals of fixed assets and other long-term assets	22	3,215,091,330	3,323,825,909
Payments for granting loans and placing deposits with terms of more than 3 months	23	(947,275,404,425)	(293,247,266,517)
Receipts from collecting loans and withdrawing deposits with terms of more than 3 months	24	349,354,673,634	211,846,680,542
Payments for investments in other entities	25	(1,543,035,543,694)	(925,126,863,980)
Receipts of interests, dividends and profits	27	58,072,541,362	44,927,852,386
Net cash flows from investing activities	30	(3,808,455,519,529)	(4,949,433,406,797)

	Code	2022 (VND)	2021 (VND)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issued	31	97,424,400,000	422,296,570,000
Payments for capital refunds to non-con- trolling shareholders	32	-	(488,000,000)
Proceeds from borrowings and issuance of long-term bonds	33	8,718,887,919,551	15,587,203,590,097
Payments to settle loan principals	34	(5,964,736,157,497)	(10,303,208,194,278)
Payments of dividends	36	(40,013,773,467)	(23,706,105,067)
Net cash flows from financing activities	40	2,811,562,388,587	5,682,097,860,752
Net cash flows during the year (50 = 20 + 30 + 40)	50	292,234,290,861	825,905,221,899
Cash and cash equivalents at the beginning of the year	60	2,291,977,758,704	1,475,766,385,890
Effect of exchange rate fluctuations on cash and cash equivalents	61	(2,737,538,787)	(9,693,849,085)
Currency translation differences	61a	(116,709,425)	-
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61 + 61a) (Note 5)	70	2,581,357,801,353	2,291,977,758,704

30 March 2023

Prepared by:

Pham Thi Thanh Binh
Preparer

Tran Thi Minh Viet
Chief Accountant

Approved by:




Vu Anh Duong
General Director

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 23rd time on 15 December 2022.

(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.

(d) Company structure

As at 31 December 2022, the Company had 23 tier-1 subsidiaries and 5 tier-2 subsidiaries (1/1/2022: 24 tier-1 subsidiaries and 2 tier-2 subsidiaries) as follows:

No.	Company name	Principal activities	Address	% of voting rights and % of equity owned	
				31/12/2022	01/01/2022
Tier-1 subsidiaries					
1	Dai Mo – No.1 Power Construction Co., Ltd	Power construction	Hanoi	100%	100%
2	Mien Nam No.1 Power Construction Co., Ltd	Power construction	Ho Chi Minh City	100%	100%
3	Mien Bac – No.1 Power Construction Installation Co., Ltd	Power construction	Hanoi	100%	100%
4	My Dinh – No.1 Power Construction Co., Ltd	Power construction	Hanoi	100%	100%
5	Ha Dong – No.1 Power Construction Installation One Member Co., Ltd	Power construction	Hanoi	100%	100%
6	PC1 Nang Huong One Member Company Limited	Provision of services	Hanoi	100%	100%
7	Hoang Mai – No.1 Power Construction Installation One Member Co., Ltd	Power construction	Hanoi	100%	100%
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 in electricity	Cao Bang	51.00%	51.00%
15	Tien Bo Investment Trading JSC	Investment and trading in real estate	Hanoi	99.95%	99.95%

No.	Company name	Principal activities	Address	% of voting rights and % of equity owned	
				31/12/2022	01/01/2022
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 Energy Technology Service JSC	Supply of materials, equipment and electrical system configuration	Hanoi	51.00%	51.00%
20	Tan Phat Minerals JSC	Mining	Cao Bang	57.27%	57.27%
21	Song Gam Hydropower JSC	Power production	Cao Bang	99.00%	99.00%
22	Holding Commercial Equipment Company	Workshop leasing	Hanoi	99.75%	99.75%
23	PC1 Global Trading Pte. Ltd. (*)	Residential (other than Town Councils), Commercial and Industrial Real Estate Management	Singapore	100%	-
Tier-2 subsidiaries					
Subsidiary of Dong Anh Steel Tower Co., Ltd					
1	Thai Nguyen Galvanized Steel Tower JSC	Producing all kinds of galvanized steel columns	Thai Nguyen	90.00%	90.00%
Subsidiary of My Dinh – No.1 Power Construction Company Limited					
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 Company Limited	Power construction	Ninh Binh	100%	100%
Subsidiary of Mien Nam No.1 Power Construction Company Limited					
4	Tu Liem – No.1 Power Construction Company Limited	Power construction	Hanoi	100%	100%
Subsidiary of PC1 Global Trading Pte. Ltd.					
5	Japan – Hai Phong Industrial Zone Development Corporation	Invest, build and operate the infrastructure and facilities of the Japan – Hai Phong Industrial Zone and to provide necessary services incidentals to its operations	Hai Phong	70.00%	-

(*) On 10 November 2022, PC1 Global Trading Pte. Ltd. (formerly known as Nomura Asia Investment (Viet Nam) Pte. Ltd.) became a subsidiary of the Company after the Company had completed the acquisition of 100% of share capital of this Company.

As at 31 December 2022, the Company had 3 associates (1/1/2022: 2 associates) as listed in Note 7(b).

As at 31 December 2022, the Company and its subsidiaries had 1,527 employees (1/1/2022: 1,497 employees).

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.

(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.

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.

(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) 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.

(ii) 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.

(iii) Mining rights

Mining rights represent the value of mineral reserves in copper and nickel mines of Tan Phat Minerals Joint Stock Company, 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.

(iv) Right to operate Japan-Hai Phong Industrial Zone (NHIZ)

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

(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:

- Buildings and structures	5 – 30 years
- Land use rights	48 years

(j) Construction in progress

Construction in progress represents the costs of tangible and intangible 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.

(k) Contract work in progress

Contract work in progress of contracts for which the Company or its subsidiaries are paid according to the stage of completion is stated at cost plus attributable profits earned to date is stated at cost plus attributable profits earned to date. Cost represents directly attributable and chargeable costs in accordance with the underlying contract. Surplus or deficit of contract work in progress over progress billings and advances from customers are presented as receivables or payables on construction contracts according to stages of completion.

(l) 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) Site clearance expenses of hydropower plants

Site clearance expenses of hydropower plants represent the compensation for site clearance of the hydropower projects 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.

(iii) 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 is 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.

(iv) 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

(v) 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.

(vi) 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.

(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.

(m) 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.

(n) Trade and other payables

Trade and other payables are stated at their cost.

(o) 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.

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.

(p) Share capital

(i) Ordinary shares

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.

(ii) Repurchase and reissue of ordinary shares

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

(q) 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.

(r) 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 work. 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.

(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.

(s) Leases

(i) Leased assets

Leases in terms of which the Company, 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 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)

(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.

(t) 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.

(u) Earnings per share

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the 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 2022, the Company had no potential ordinary shares and therefore does not present diluted earnings per share.

(v) 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.

(w) 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 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 estates;
- Energy;
- Sales of goods;
- Operation of industrial zone; 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 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Construction VND	Industrial production VND	Real estates VND	Energy VND	Sales of goods VND	Operation of industrial zone VND	Others VND	Elimination VND	Consolidation/VND
For the year ended 31 December 2022									
Segment consolidated- ed 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 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Construction VND	Industrial production VND	Real estates VND	Energy VND	Sales of goods VND	Others VND	Elimination VND	Consolidation VND
For the year ended 31 December 2021								
Segment consolidated revenue	13,230,951,027,838	1,211,999,275,278	110,705,083,354	988,817,555,118	1,555,426,700,688	69,238,615,855	(7,338,675,077,756)	9,828,463,180,375
Segment cost of sales	(13,010,421,931,654)	(1,071,957,305,839)	(71,088,926,226)	(459,133,111,825)	(1,529,572,492,753)	(63,447,446,844)	7,532,692,449,444	(8,672,928,765,697)
Segment results	220,529,096,184	140,041,969,439	39,616,157,128	529,684,443,293	25,854,207,935	5,791,169,011	194,017,371,688	1,155,534,414,678
Selling expenses								(55,977,596,827)
General and administration expenses								(240,797,400,424)
Financial income								319,482,922,820
Financial expenses								(359,192,614,340)
Share of profit in associates								85,597,674,855
Results from other activities								(8,174,598,968)
Income tax expense								(132,182,835,204)
Net profit after tax								764,289,966,590

	Construction VND	Industrial production VND	Real estates VND	Energy VND	Sales of goods VND	Operation of industrial zone VND	Others VND	Consolidation VND
As at 31 December 2022								
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
Total assets								21,754,413,518,378
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
Total liabilities								14,581,667,435,007
For the year ended 31 December 2022								
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 intangi- ble 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
Amortization of invest- ment property	-	-	13,515,977,667	-	-	-	-	13,515,977,667

	Construction VND	Industrial production VND	Real estates VND	Energy VND	Sales of goods VND	Others VND	Consolidation VND
As at 1 January 2022							
Segment assets	2,360,048,868,270	684,594,105,888	467,836,869,912	10,475,574,057,746	445,059,547,639	1,511,432,400,237	15,944,545,849,692
Unallocated assets							2,742,489,567,835
Total assets							18,687,035,417,527
Segment liabilities	1,788,238,949,161	582,456,354,996	62,957,951,578	7,286,214,138,065	272,085,175,511	161,811,228,106	10,153,763,797,417
Unallocated liabilities							2,252,435,577,871
Total liabilities							12,406,199,375,288
For the year ended 31 December 2021							
Capital expenditure	15,279,399,616	10,250,570,188	11,363,805,796	5,434,531,262,369	-	9,785,297,222	5,481,210,335,191
Depreciation of tangible fixed assets	4,657,993,397	3,903,117,443	635,178,715	279,438,298,293	-	18,412,450	288,653,000,298
Amortization of intangi- ble fixed assets	249,331,504	243,314,830	-	-	-	24,570,162,056	25,062,808,390
Amortization of invest- ment property	-	-	11,531,577,302	-	-	-	11,531,577,302

5. Business combination

On 10 November 2022, the Company acquired 100% of the shares of PC1 Global Trading Pte. Ltd. (formerly known as Nomura Asia Investment (Viet Nam) Pte. Ltd.) with an amount of VND844,049 million, thereby owning 70% of the contributed capital of Japan - Hai Phong Industrial Zone Development Corporation (formerly known as Nomura - Hai Phong Industrial Zone Development Corporation). The principal activities of PC1 Global Trading Pte. Ltd. and Japan - Hai Phong Industrial Zone Development Corporation are residential (other than Town Councils), commercial and industrial real estate management; and to invest, build and operate the infrastructure and facilities of the industrial zone, respectively. From 10 November 2022 to 31 December 2022, the acquired business contributed VND79,568 million of revenue and VND5,349 million of profit to the Company's consolidated results of operations.

The acquisition had the following effect on the Company's assets and liabilities on acquisition date:

	Pre-acquisition carrying amounts VND	Fair value adjustments VND	Recognised value on acquisition VND
Cash and cash equivalents	201,013,720,697	-	201,013,720,697
Short-term financial investments	458,457,975,306	-	458,457,975,306
Accounts receivable – short-term	27,049,621,126	(26,138,816)	27,023,482,310
Inventories	5,115,619,517	3,037,144,483	8,152,764,000
Other current assets	14,404,009,732	-	14,404,009,732
Tangible fixed assets	66,642,980,213	-	66,642,980,213
Intangible fixed assets	8,359,947,662	385,284,021,525	393,643,969,187
Investment property	60,376,017,694	-	60,376,017,694
Construction in progress	6,999,141,000	-	6,999,141,000
Long-term prepaid expenses	4,240,561,749	-	4,240,561,749
Other long-term assets	7,355,657,756	-	7,355,657,756
Current liabilities	(20,532,183,930)	-	(20,532,183,930)
Long-term liabilities	(12,194,755,744)	(38,832,116,601)	(51,026,872,345)
Non-controlling interest	(247,477,805,623)	(104,838,873,177)	(352,316,678,800)
Net identifiable assets and liabilities	579,810,507,155	244,624,037,414	824,434,544,569
Goodwill on acquisition			19,614,719,822
Considerations transferred			844,049,264,391
Cash acquired			201,013,720,697
Net cash outflow			643,035,543,694

6. Cash and cash equivalents

	31/12/2022 VND	01/01/2022 VND
Cash on hand	19,306,652,777	17,354,365,086
Cash in banks	458,305,529,398	777,623,393,618
Cash equivalents	2,103,745,619,178	1,497,000,000,000
	2,581,357,801,353	2,291,977,758,704

Cash equivalents represent deposits with a term of less than three months at commercial banks and earning interest at rates ranging from 4.6% to 6% per annum (1/1/2022: 3% - 4% per annum).

7. Investments

(a) Held-to-maturity investments

	31/12/2022		01/01/2022	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Term deposits	1,006,095,364,843	1,006,095,364,843	144,291,658,746	144,291,658,746

(b) Investments in associates

	31/12/2022			
	% of equity owned	% of voting rights	Carrying amount under equity method VND	Fair value VND
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 Joint Stock Company (*)	30.08%	30.08%	1,108,753,474,390	(**)
			1,536,564,981,744	

(*) On 6 April 2022, Western Pacific Joint Stock Company became an associate of the Company after the Company had completed the acquisition of 7,000,000 shares from existing shareholders and bought additional 11,500,000 newly issued shares (equivalent to an increase of 23.08% in ownership) and thereby raising the ownership and voting rights in this company from 7% to 30.08%.

	01/01/2022			
	% of equity owned	% of voting rights	Carrying amount under equity method VND	Fair value VND
Cao Bang Cast Iron and Steel JSC	25.09%	25.09%	126,443,764,437	(**)
CT2 Real Estate Investment JSC	49.00%	49.00%	300,000,000,000	(**)
			426,443,764,437	

(c) Equity investments in other entities

	31/12/2022						
	Number of shares	% of equity owned	% of voting rights	Cost VND	Allowance for diminution in value VND	Fair value VND	
Joint Stock Commercial Bank for Investment and Development of Vietnam	46,431	0.00115%	0.00115%	821,770,000	-	1,792,236,600	
Vinaicon Centrifugal Concrete Joint Stock Company	400,000	10.00%	10.00%	4,000,000,000	(3,385,622,290)	(**)	
				4,821,770,000	(3,385,622,290)		
	1/1/2022						
	Number of shares	% of equity owned	% of voting rights	Cost VND	Allowance for diminution in value VND	Fair value VND	
Joint Stock Commercial Bank for Investment and Development of Viet Nam	46,431	0.00115%	0.00115%	821,770,000	-	1,722,590,100	
Vinaicon Centrifugal Concrete Joint Stock Company	400,000	10.00%	10.00%	4,000,000,000	(2,598,384,961)	(**)	
Western Pacific Joint Stock Company	7,000,000	7.00%	7.00%	210,000,000,000	-	(**)	
				214,821,770,000	(2,598,384,961)		

(**) 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 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

8. Accounts receivable from customers

	31/12/2022 VND	1/1/2022 VND
Tien Giang Wind Power Joint Stock Company	758,952,550,730	223,104,376,619
Vietnam Electricity Corporation	215,960,677,903	238,160,507,412
The Southern Vietnam Power Project Management Board	182,712,948,137	103,928,336,840
Northern Power Corporation	69,039,258,023	71,446,815,248
The Central Vietnam Power Project Management Board	67,422,966,473	203,741,139,244
Thai Hung Trading Joint Stock Company	-	132,568,743,164
Hanwha – BCG Bang Duong Energy JSC	-	74,005,473,583
Clean Energy Vision Development JSC	-	29,070,558,738
Others	961,071,439,358	1,212,870,332,345
	2,255,159,840,624	2,288,896,283,193

9. Prepayments to suppliers

	31/12/2022 VND	1/1/2022 VND
Gia Loc Phat Joint Stock Company	95,988,840,482	95,988,840,482
Chan Hung Trading Technical Services JSC	21,216,637,391	-
Xuan An Phu Tho Company Limited	10,113,842,440	-
Dinh Tan Construction Investment Corporation	9,428,002,849	-
Vestas Wind Technology Viet Nam LLC	-	69,918,260,478
Others	89,671,687,578	197,079,850,031
	226,419,010,740	362,986,950,991

10. Loans receivable – short-term

	31/12/2022 VND	1/1/2022 VND
Power Engineering Consulting Joint Stock Company 1	2,886,249,280	2,886,249,280
Nguyen Tat Cuong (*)	215,075,000,000	-
Tran Thi Tuyet (**)	37,131,000,000	-
	255,092,249,280	2,886,249,280

(*) This is the receivable of a subsidiary of the Company on a short-term loan granted to an individual (not a related party), with an interest rate of 6% per annum, and principal and interest to be paid on 30 June 2023.

(**) This is the receivable of a subsidiary of the Company on a short-term loan granted to an individual (not a related party), with an interest rate of 3.5% per annum, and principal and interest to be paid on 31 December 2023.

11. Other receivables

(a) Other short-term receivables

	31/12/2022 VND	1/1/2022 VND
Advances of compensation for site clearance (*)	283,380,203,213	258,000,222,223
Advances	82,039,375,924	74,429,859,924
Advances made to works steering teams	31,531,436,014	46,862,250,044
Accrued interest income from deposits and loans	33,051,440,018	1,929,801,481
Deposits, mortgages	5,726,051,699	430,957,368
Receivables from Phong Lieu Wind Power JSC	639,873,255	16,043,406,311
Loan receivables – short-term	-	57,631,000,000
Others	8,331,772,167	6,119,174,098
	444,700,152,290	461,446,671,449

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

(b) Other long-term receivables

	31/12/2022 VND	1/1/2022 VND
Deposits, mortgages	8,282,829,500	8,295,573,500

12. Bad and doubtful debts

	31/12/2022				01/01/2022			
	Overdue period VND	Cost VND	Allowance VND	Recoverable amount VND	Overdue period VND	Cost VND	Allowance VND	Recoverable amount VND
Overdue debts								
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)	-
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	From 2 to over 3 years	101,292,413	(50,646,207)	50,646,206	From 1 to over 2 years	101,292,413	(50,646,207)	50,646,206
Investment and Industrial Development Joint Stock Corporation	From 1 to over 2 years	614,880,000	(614,880,000)	50,646,206	Under 1 year	614,880,000	(430,416,000)	184,464,000
Other customers	From 2 to over 3 years	4,132,949,934	(3,779,858,210)	353,091,724	From 2 to over 3 years	8,365,642,492	(4,870,703,283)	3,494,939,209
		7,419,310,237	(7,015,572,307)	403,737,930		11,652,002,795	(7,921,953,380)	3,730,049,415
Of which:								
Allowance for doubtful debts – short- term			(7,015,572,307)				(7,921,953,380)	

13. Inventories

	31/12/2022		1/1/2022	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	7,402,657,366	-	23,992,304,622	-
Raw materials	307,908,804,848	(8,416,503,611)	347,131,204,835	(1,328,910,150)
Tools and supplies	1,515,992,384	-	1,608,619,714	-
Work in progress (*)	578,560,601,010	-	495,633,807,594	-
Merchandise inventories	3,146,715,966	-	18,224,310,299	-
Merchandise real estate	-	-	18,312,781,405	-
	898,534,771,574	(8,416,503,611)	904,903,028,469	(1,328,910,150)

(*) Work in progress comprised:

	31/12/2022 VND	1/1/2022 VND
Real estate projects:		
PCC1 Vinh Hung office, commercial and apartment complex	14,399,687,700	13,296,604,679
PC1 Bac Tu Liem Project (G5-CT2 and G8-CT3 Residential Area for sale)	7,491,339,407	7,491,426,417
PC1 Gia Lam Residential Area Project	2,410,618,176	165,454,545
Other projects	4,858,267,355	-
Construction activities and electrical equipment:		
Contract 2022 – Package 6 – Supply, construction and installation of materials and equipment – 110kV transmission line connecting Long Son LSP	43,463,085,064	-
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	30,166,322,460	267,455,492
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	27,159,635,475	50,000,000
Package 9: Supply, construction and installation of equipment – 110kV Substation – Cong Xanh Industrial Park and connection lines – Binh Duong Province	14,428,907,373	-
Supply of reactor 110kV-40MVar: 220kV Tuong Duong Transformer station and connection Project	-	46,185,724,831
Package 4 – Construction of transmission line from starting point to G7 – Song Hau – Duc Hoa 500 kV Transmission Line Project	-	20,132,443,575
Others	394,342,072,367	288,498,210,283

	31/12/2022 VND	1/1/2022 VND
Industrial production activities:		
CNC Dong Nai Project	13,184,814,501	-
My Khe Project	10,911,988,900	-
Ba Che – Nui 1 Project	5,277,111,337	-
Van Phong – Vinh Tan Project	-	68,220,473,791
Van Phong connection Project	-	29,688,621,885
Others	10,466,750,895	13,090,095,290
<i>Other work in progress</i>	-	8,547,296,806
	578,560,601,010	495,633,807,594

14. Tangible fixed assets

	Buildings and structures VND	Plant and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	3,266,759,558,192	6,726,874,367,633	216,567,868,260	12,985,935,245	1,805,125,142	10,224,992,854,472
Additions	2,412,517,800	8,833,871,945	896,913,127	3,009,019,960	57,200,000	15,209,522,832
Transfer from construction in progress	44,149,591,663	33,640,549,723	14,810,958,592	2,116,550,705	209,786,787	94,927,437,470
Increase due to acquisition of a subsidiary	366,096,827,357	161,728,664,507	210,642,116,711	5,011,975,806	51,082,145,741	794,561,730,122
Disposals	(59,276,840)	(1,394,450,000)	(7,377,681,020)	(114,840,909)	-	(8,946,248,769)
Decrease due to finalisation	(60,821,875,217)	(196,380,293,915)	(399,871,710)	-	-	(257,602,040,842)
Other movements	8,595,072	(74,745,072)	-	-	-	(66,150,000)
Closing 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
Opening balance Charge for the year						
Opening balance	3,417,741,695,956	569,260,101,885	97,799,209,594	9,668,261,090	1,215,671,347	1,019,684,939,872
Charge for the year	129,347,716,606	374,508,423,543	21,135,857,031	1,488,486,654	1,153,817,585	527,634,301,419
Increase due to acquisition of a subsidiary	321,451,755,046	160,942,118,551	202,341,863,882	4,802,412,987	38,380,599,443	727,918,749,909
Disposals	(59,276,840)	(1,071,366,667)	(7,137,334,246)	(114,840,909)	-	(8,382,818,662)
Other movements	(8,594,982)	(20,622,392)	(4,000,000)	15,000,000	7,532,244	(10,685,130)
Closing 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
Net book value						
Opening balance	2,925,017,862,236	6,157,614,265,748	118,768,658,666	3,317,674,155	589,453,795	9,205,307,914,600
Closing 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

Included in tangible fixed assets were assets costing VND686,989 million which were fully depreciated as of 31 December 2022 (1/1/2022: VND161,955 million), but which are still in active use.

As at 31 December 2022, tangible fixed assets with a net book value of VND8,420,086 million (1/1/2022: VND8,940,852 million) were pledged with banks as security for borrowings granted to the Company and its subsidiaries (Note 26(b)).

15. Intangible fixed asset

	Mining rights VND	Right to operate NHIZ VND	Land use rights VND	Software VND	Others VND	Total VND
Cost						
Opening balance	977,536,296,866	-	1,108,070,000	2,482,306,000	147,226,364	981,273,899,230
Additions	-	-	1,186,000,000	71,664,000	-	1,257,664,000
Increase due to acquisition of a subsidiary	-	385,284,021,525	15,560,227,188	2,584,636,600	-	403,428,885,313
Other movements	-	-	41,894,545	-	(41,894,545)	-
Closing 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
Accumulated amortisation						
Opening balance	24,627,852,440	-	-	1,425,273,626	129,719,158	26,182,845,224
Charge for the year	45,466,804,505	2,479,857,547	53,352,410	371,921,376	-	48,371,935,838
Increase due to acquisition of a subsidiary	-	-	7,356,833,715	2,428,082,411	-	9,784,916,126
Other movements	-	-	(238,188,275)	(32,507,206)	(24,387,339)	(295,082,820)
Closing balance	70,094,656,945	2,479,857,547	7,171,997,850	4,192,770,207	105,331,819	84,044,614,368
Net book value						
Opening balance	952,908,444,426	-	1,108,070,000	1,057,032,374	17,507,206	955,091,054,006
Closing balance	907,441,639,921	382,804,163,978	10,724,193,883	945,836,393	-	1,301,915,834,175

Included in intangible fixed assets were assets costing VND3,139 million which were fully amortised as of 31 December 2022 (1/1/2022: VND1,041 million), but are still in active use.

16. Investment property held to earn rental

	Land use rights VND	Apartments for lease VND	Standard factories for lease VND	Total VND
Cost				
Opening balance	-	276,243,994,329	-	276,243,994,329
Increase due to acquisition of a subsidiary	6,863,258,867	-	395,357,617,000	402,220,875,867
Other movements	-	2,888,096,135	-	2,888,096,135
Closing balance	6,863,258,867	279,132,090,464	395,357,617,000	681,352,966,331
Accumulated depreciation				
Opening balance	-	55,156,703,071	-	55,156,703,071
Charge for the year	24,401,011	11,661,217,284	1,830,359,372	13,515,977,667
Increase due to acquisition of a subsidiary	3,118,512,711	-	338,726,345,462	341,844,858,173
Other movements	(212,348,843)	-	(1,489,541)	(213,838,384)
Closing balance	2,930,564,879	66,817,920,355	340,555,215,293	410,303,700,527
Opening balance	-	221,087,291,258	-	221,087,291,258
Closing balance	3,932,693,988	212,314,170,109	54,802,401,707	271,049,265,804

17. Construction in progress

	2022	2021
Opening balance	379,876,492,995	378,813,660,882
Additions	1,094,233,510,067	5,434,531,262,369
Increase due to acquisition of a subsidiary	6,999,141,000	241,529,406,987
Transfer to tangible fixed assets	(94,927,437,470)	(5,652,029,391,745)
Transfer to long-term prepaid expenses	(1,081,500,000)	(12,777,371,500)
Transfer to short-term prepaid expenses	(1,586,359,381)	(408,056,128)
Other movements	(7,720,854,522)	(9,783,017,870)
Closing balance	1,375,792,992,689	379,876,492,995

Major constructions in progress were as follows:

	31/12/2022 VND	1/1/2022 VND
Construction		
Niken – Copper Open Pit Mining Project	1,337,234,254,962	316,686,044,938
Bao Lac A Hydropower Project	12,556,128,282	12,705,738,317
Others	23,051,808,602	43,296,484,554
Machinery purchases		
Purchase of fixed assets, construction tools	-	1,200,000,000
Major overhaul of fixed assets		
Others	2,950,800,843	5,988,225,186
	1,375,792,992,689	379,876,492,995

At 31 December 2022 constructions in progress with a carrying value of VND1,337,234 million (1/1/2022: VND316,686 million) were pledged with banks as security for loans granted to the Company and its subsidiaries (Note 26(b)). During the year, borrowing costs capitalised into construction in progress amounted to VND39,785 million (2021: VND27,760 million).

18. Prepaid expenses

(a) Short-term prepaid expenses

	31/12/2022 VND	1/1/2022 VND
Tools and supplies issued for use	3,040,937,594	2,114,714,239
Other short-term prepaid expenses	8,237,438,452	6,918,211,845
	11,278,376,046	9,032,926,084

(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	6,638,070,135	9,978,226,533	3,339,321,624	122,319,451,621	12,512,568,000	201,030,068,252	37,232,550,540	7,737,955,279	400,788,211,984
Additions	7,495,574,199	5,894,083,241	5,387,228,480	-	-	-	27,673,899,000	37,509,231,281	83,960,016,201
Increase due to acquisition of a subsidiary	227,091,646	2,793,105,779	1,136,190,200	-	-	-	-	84,174,124	4,240,561,749
Transfer from construction in progress	41,500,000	-	-	-	-	-	-	1,040,000,000	1,081,500,000
Reclassification	(332,192,700)	(1,537,297,116)	-	-	-	-	-	1,869,489,816	-
Amortisation for the year	(6,899,426,078)	(7,141,251,221)	(100,015,585)	(2,971,427,952)	(284,979,835)	(4,050,983,742)	(1,148,470,064)	(18,720,375,496)	(41,316,929,973)
Closing 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

(*) 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, Dien Bien Provincial Department of Tax. Details are as follows:

**PC1 Group Joint Stock Company
Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)**

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Projects	Notices	Deductible amount (VND)
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
	Notice No. 1150/TB-CT dated 11/11/2019	787,719,391
	Decision No. 373/QD-CT dated 3/6/2020	549,384,183
Song Nhiem 4 Hydropower Project	Decision No. 569/QD-CT dated 3/8/2020	5,174,745,600
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

Total land rental offset in prior years is VND6,267,591,340.

19. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

	31/12/2022 VND	1/1/2022 VND
Deferred tax assets:		
Inventories	2,604,929,833	-
Fixed assets	27,380,887,865	23,120,788,729
Investment property	5,668,109,219	-
Unearned profit in construction in progress	3,710,386,610	126,958,291
Others	1,346,345,140	-
Total deferred tax assets	40,710,658,667	23,247,747,020
Deferred tax liabilities:		
Fixed assets	(221,627,326,922)	(233,211,768,496)
Inventories	(303,714,448)	-
Gain from revaluation of fair value upon increase of capital for becoming a subsidiary from an associate	(52,402,000,000)	(52,402,000,000)
Loss from transfer of a subsidiary	(757,751,421)	-
Long-term prepaid expenses	(39,461,625,361)	(40,206,013,619)
Others	(1,429,619,961)	-
Total deferred tax liabilities	(315,982,038,113)	(325,819,782,115)
	(275,271,379,446)	(302,572,035,095)

20. Goodwill

	VND
Cost	
Opening balance	420,482,049,167
Additions	19,614,719,822
Closing balance	440,096,768,989
Accumulated amortization	
Opening balance	155,248,012,742
Charge for the year	33,412,344,431
Closing balance	188,660,357,173
Net book value	
Opening balance	265,234,036,425
Closing balance	251,436,411,816

21. Accounts payable to suppliers

Accounts payable to suppliers detailed by significant balance

	Cost and amount within payment capacity	
	31/12/2022 VND	1/1/2022 VND
Zhongtian Technology Submarine Cable Co., Ltd.	124,684,713,236	-
Viet Phat Import-Export Trading Investment JSC	88,085,345,260	66,264,776,820
Vestas Wind Technology Vietnam Company Limited	60,091,398,148	-
Song Da 5 Joint Stock Company	26,694,392,913	71,878,835,080
Vestas Asia Pacific A/S	1,653,694,437	239,713,062,923
Duc Giang Trading Co., Ltd	931,640,908	112,758,129,401
Vinacomin – Minerals Holding Corporation	-	125,192,185,800
Others	982,820,577,610	1,140,548,862,026
	1,284,961,762,512	1,756,355,852,050

22. Advances from customers

	31/12/2022 VND	1/1/2022 VND
Western Pacific Infrastructure JSC	87,260,088,143	-
BCG Khai Long 1 Wind Power JSC	83,740,909,091	-
Dong Thanh 1 Wind Power Company Limited	71,515,453,438	-
Advanced Information Technologies Corporation	-	28,171,359,760
Power Development Project Management Board	-	7,109,775,474
Other customers	79,249,901,613	26,284,158,204
	321,766,352,285	61,565,293,438

23. Taxes and others receivable from and payable to State Treasury

	31/12/2022		Incurred VND (3)	(Paid)/ net-off VND (4)	Increase in pay- ables/ (receivables) due to acquisition of a subsidiary VND (5)	01/01/2022	
	Receivable VND (1)	Payable VND (2)				Receivable VND (6) = (1) + (2) + (3) + (4) + (5) - (7)	Payable VND (7) = (1) + (2) + (3) + (4) + (5) - (6)
Value added tax (*)	(92,100,000)	28,880,878,443	236,604,672,629	(247,471,160,521)	-	(20,743,767)	17,943,034,318
Import-export tax	(1,353,000,000)	-	705,660,923	647,339,077	-	-	-
Corporate income tax	(1,043,518,596)	22,636,567,695	133,948,375,022	(82,088,818,415)	4,214,417,862	(778,737,801)	78,445,761,369
Personal income tax	(104,432,520)	731,111,419	16,978,841,376	(16,279,427,045)	(1,645,110,326)	(1,544,941,908)	1,225,924,812
Natural resource taxes	-	2,112,922,215	62,330,561,150	(62,229,982,535)	-	-	2,213,500,830
Land and housing taxes, and land rental	(826,033,712)	-	7,368,440,893	(6,871,305,801)	-	(328,898,620)	-
Environment protection tax	-	-	893,591,080	(708,568,080)	-	-	185,023,000
Other taxes	-	136,034,895	33,079,305,123	(33,160,497,782)	-	-	54,842,236
Fees, charges and other taxes	-	3,377,949,646	28,774,637,926	(29,757,977,695)	-	-	2,394,609,877
	(3,419,084,828)	57,875,464,313	520,684,086,122	(477,920,398,797)	2,569,307,536	(2,673,322,096)	102,462,696,442

(*) This represents the total value added tax amount payable after being offset with input value added tax each month.

PC1 Group Joint Stock Company Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

24. Accrued expenses

	31/12/2022 VND	1/1/2022 VND
Interest expense	80,162,599,231	25,548,614,330
Accrued expenses for construction and industrial production works	126,302,653,086	19,142,083,155
Accrued expenses for completed hydropower and wind power projects	104,628,991,869	747,327,902,136
Accrued real estate trading expenses	2,606,536,448	3,521,399,981
Others	16,295,764,858	8,007,488,298
	329,996,545,492	803,547,487,900

25. Other payables

(a) Other payables – short-term

	31/12/2022 VND	1/1/2022 VND
Trade union fees	1,946,967,580	2,679,707,879
Social insurance, health insurance, unemployment insurance	455,860,231	3,034,396,658
Short-term deposits and collaterals received	1,121,825,863	9,920,970,426
Payables to construction teams and project steering boards	3,708,222,705	9,772,179,862
Payables for maintenance of real estate project	1,440,307,926	29,075,522,927
Dividends and profits payable	356,169,000	367,500,000
Short-term borrowings from individuals	-	22,850,000,000
Others	10,422,510,878	16,396,402,115
	19,451,864,183	94,096,679,867

(b) Other payables – long-term

	31/12/2022 VND	1/1/2022 VND
Long-term deposits and collaterals received	11,297,283,088	4,272,392,275

26. Borrowings

(a) Short-term borrowings

	Biến động trong năm Movement during the year				31/12/2022
	01/01/2022	Addition VND	Decrease VND	Unrealised exchange differences VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	2,458,876,136,620	6,347,954,904,958	(5,578,570,055,197)	2,774,371,730	3,231,035,358,111
Current portion of long-term borrowings (Note 26(b))	340,677,486,963	409,886,931,710	(308,365,686,816)	4,030,378,106	446,229,109,963
	2,799,553,623,583	6,757,841,836,668	(5,886,935,742,013)	6,804,749,836	3,677,264,468,074

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

	Currency	31/12/2022 VND	1/1/2022 VND
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	1,229,103,789,698	722,015,730,585
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	-	10,891,350,830
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	264,811,396,169	659,516,860,825
BNP Paribas Bank – Hanoi Branch	VND	436,326,026,864	497,843,841,474
HSBC Bank (Vietnam) Ltd.	VND	562,870,172,288	308,994,286,515
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	305,917,475,964	81,499,557,236
Renova Renewables Vietnam 1 Pte. Ltd.	USD	98,394,146,028	77,346,563,931
Military Commercial Joint Stock Bank	VND	3,285,784,384	39,351,492,520
Shinhan Bank Vietnam Limited	VND	166,966,190,893	38,832,286,311
Shinhan Bank Vietnam Limited	USD	12,127,320,000	-
Bank of China (Hong Kong) Limited – Ho Chi Minh City Branch	VND	138,893,055,823	-
Others	VND	12,340,000,000	22,584,166,393
		3,231,035,358,111	2,458,876,136,620

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

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

	31/12/2022 VND	1/1/2022 VND
Long-term borrowings (i)	7,547,420,389,793	6,578,377,870,291
Bonds (ii)	1,179,165,749,777	-
Finance lease liabilities	3,832,765,316	-
Repayable within twelve months (Note 26(a))	(446,229,109,963)	(340,677,486,963)
Repayable after twelve months	8,284,189,794,923	6,237,700,383,328

(c) Long-term borrowings

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

	Currency	Annual interest rate	Year of maturity	Collaterals	31/12/2022 VND	01/01/2022 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2030	All assets of Bao Lam 3 Hydropower Project	346,709,898,607	394,709,898,607
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Preferential interest from supportive funds of Renewable Energy Development Program (REDP) of World Bank plus margin	2029	All assets of Trung Thu Hydropower Project	325,438,000,000	359,104,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2033	All assets of Song Nhiem 4 Hydropower Project	160,000,000,000	158,384,664,979
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	8.8%, revised every 6 months	2028	800-ton crane ZCC9800W	68,300,000,000	70,412,926,452
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Preferential interest from supportive funds of Renewable Energy Development Program (REDP) of World Bank	2030	All assets of Bao Lam 1 Hydropower Project	428,768,395,700	451,968,395,700
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2032	All assets of Mong An Hydropower Project	437,580,000,000	489,060,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2030	All assets of Bao Lam 3A Hydropower Project	152,212,523,972	159,212,523,972
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2032	All assets of Bao Lac B Hydropower Project	335,082,568,179	335,145,172,810
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2032	All assets of Nickel-Copper Ore Extraction Plant Project	922,730,554,943	132,911,049,670
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2028	All assets of Thai Nguyen Galvanizing Plant Project	59,279,968,311	43,582,519,431

PC1 Group Joint Stock Company
Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Loại tiền	Lãi suất năm	Năm đáo hạn	Tài sản đảm bảo	31/12/2022 VND	01/01/2022 VND
Shinhan Bank Vietnam Limited	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2026	Ford Everest car	622,950,830	809,836,070
Asian Development Bank - A Loan	USD	5.52%	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	798,276,482,626	805,824,828,525
Asian Development Bank - B Loan	USD	Floating interest rate: LIBOR 6-month plus margin	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	1,847,439,809,108	2,114,733,634,725
Export Finance Australia	USD	4.65% – 5.02%	2036	All assets of Lien Lap, Phong Huy, Phong Nguyen Wind Power Projects	729,852,772,256	486,929,292,300
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	570,197,464,548	575,589,127,050
Technological and Commercial Joint Stock Bank	VND	9%	2025	Unsecured	364,929,000,713	-
Amount repayable within 12 months					7,547,420,389,793	6,578,377,870,291
Amount repayable after 12 months					(446,229,109,963)	(340,677,486,963)
					7,101,191,279,830	6,237,700,383,328

Long-term borrowings from certain banks were secured over tangible fixed assets with a net book value of VND8,420,086 million (1/1/2022: VND8,940,852 million) (Note 14), construction in progress with a carrying value of VND1,337,234 million (1/1/2022: VND316,686 million) (Note 17).

(ii) Straight bonds

	Currency	Annual interest rate	Year of maturity	31/12/2022 VND	1/1/2022 VND
Bonds issued at par					
Lot 1	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2027	300,000,000,000	-
Lot 2	VND	Interest rate on savings deposit in VND with term of 12 months plus margin	2027	900,000,000,000	-
				1,200,000,000,000	-
Bond issuance costs				(20,834,250,223)	-
Bonds maturing after 12 months				1,179,165,749,777	-

As at 31 December 2022, the bonds are secured over 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 development of industrial zone real estate through receiving of shares of Western Pacific Joint Stock Company transferred by existing shareholders and purchasing of newly issued shares, including compensating for the Company's equity capital used to conduct this transaction; and supplementing the Company's working capital.

27. Provisions

Movement of provisions during the year were as follows:

	Provision for product warranty VND	Provision for construction warranty VND	Others VND	Total VND
Opening balance	45,584,026,629	10,056,934,063	-	55,640,960,692
Provision made during the year	2,993,119,719	-	-	2,993,119,719
Increase due to acquisition of a subsidiary	-	-	1,678,562,975	1,678,562,975
Provision used during the year	(752,680,281)	(1,556,852,053)	-	(2,309,532,334)
Provision reversed during the year	(25,502,338,448)	-	-	(25,502,338,448)
Closing balance	22,322,127,619	8,500,082,010	1,678,562,975	32,500,772,604
In which:				
Current	12,989,719,775	-	-	12,989,719,775
Non-current	9,332,407,844	8,500,082,010	1,678,562,975	19,511,052,829
	22,322,127,619	8,500,082,010	1,678,562,975	32,500,772,604

28. 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:

	2022 VND	2021 VND
Opening balance	134,829,258,399	115,961,617,076
Appropriation	50,497,109,524	39,471,021,845
Utilisation	(37,977,480,668)	(20,603,380,522)
Closing balance	147,348,887,255	134,829,258,399

29. Changes in owners' equity

	Share capital VND	Capital surplus VND	Other capital VND	Treasury shares 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
Balance at 1/1/2021	1,911,881,590,000	711,136,556,786	22,906,800,000	(4,320,000)	708,285,511	-	166,923,134,253	65,266,052,360	1,108,616,654,270	782,091,249,133	4,769,526,002,313
Payment of dividends in form of shares (i)	382,369,490,000	-	-	-	-	-	-	-	(382,369,490,000)	-	-
Increase in capital contribution in subsidiaries	-	-	-	-	-	-	-	-	-	364,946,840,000	364,946,840,000
Share capital increases under ESOP	57,345,410,000	-	-	4,320,000	-	-	-	-	-	-	57,349,730,000
Decreases capital for the year	-	-	-	-	-	-	-	-	-	(488,000,000)	(488,000,000)
Net profit for the year	-	-	-	-	-	-	-	-	695,020,247,248	69,269,719,342	764,289,966,590
Appropriation to bonus and welfare funds	-	-	-	-	-	-	-	-	(38,932,069,415)	(538,952,430)	(39,471,021,845)
Appropriation to investment and development fund	-	-	-	-	-	-	77,380,070,787	-	(77,380,070,787)	-	-
Appropriation to reserve to supplement charter capital	-	-	-	-	-	-	-	47,707,066	(47,707,066)	-	-
Profit distribution, dividends payment at subsidiaries	-	-	-	-	-	-	-	-	-	(25,022,805,067)	(25,022,805,067)
Increase in ownership percentage to transform investee from associate to subsidiary	-	-	-	-	-	-	-	-	-	387,174,185,564	387,174,185,564
Increase due to acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	2,408,783,220	2,408,783,220
Other increases/ (decreases)	-	-	-	-	-	-	(13,900,000)	-	372,471,651	(236,210,187)	122,361,464
Balance at 1/1/2022 (carried forward to next page)	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

PC1 Group Joint Stock Company Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

Form B 09 – DN/HN (Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Share capital VND	Capital surplus VND	Other capital VND	Treasury shares 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
Balance at 1/1/2022 (brought forward from previous page)	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
Payment of dividends in form of shares (i)	352,733,530,000	-	-	-	-	-	-	-	(352,733,530,000)	-	-
Increase 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	-	-	-	-	-	-	-	-	(49,074,568,865)	(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)	-	-
Profit distribution, dividends payment at 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)
Balance at 31/12/2022	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	1,344,632,665,968	2,056,638,211,199	7,172,746,083,371

i) During 2022, the Annual 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 profit at 31 December 2021, equivalent to VND352,733,530,000.

30. Share capital

The Company's authorised and issued share capital are:

	31/12/2022		01/01/2022	
	Number of shares	VND	Number of shares	VND
Authorised share capital	270,433,002	2,704,330,020,000	235,159,649	2,351,596,490,000
Issued share capital				
Ordinary shares	270,433,002	2,704,330,020,000	235,159,649	2,351,596,490,000
Shares in circulation				
Ordinary shares	270,433,002	2,704,330,020,000	235,159,649	2,351,596,490,000

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.

31. Off balance sheet items

(a) Lease

	31/12/2022 VND	01/01/2022 VND
Within one year	8,588,148,392	5,580,921,623
Within two to five years	17,298,712,921	17,703,988,492
More than five years	20,544,804,591	32,070,077,040
	46,431,665,904	55,354,987,155

(b) Foreign currency

	31/12/2022		01/01/2022	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	24,542,086	576,132,269,382	16,646,907	375,334,407,252

(c) Bad debts written off

	Reason for writing off	Written off in year	31/12/2022 VND	01/01/2022 VND
DHT Vietnam Investment and Development JSC	Unrecoverable	2021	1,396,500,000	1,396,500,000
Phu Giang Services Company Limited	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

32. 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:

	2022 VND	2021 VND
Revenue from construction and electrical equipment	4,863,937,419,761	6,713,974,535,864
Revenue from industrial production	645,458,921,428	649,719,442,242
Revenue from investment properties business	27,783,306,322	27,392,240,837
Revenue from transfer of real estate	23,049,449,281	78,606,494,557
Revenue from electricity sold	1,715,214,147,037	928,088,201,316
Revenue from goods sold	956,608,926,162	1,376,706,321,870
Revenue from operation of industrial zone	79,567,779,381	-
Others	45,982,520,952	53,975,943,689
	8,357,602,470,324	9,828,463,180,375

33. Cost of sales

	2022 VND	2021 VND
Cost of construction and electrical equipment	4,346,622,956,257	6,253,028,942,081
Cost of industrial production	591,583,389,885	556,103,546,241
Cost of investment properties business	8,925,577,774	14,370,665,863
Cost of transfer of real estate	14,842,513,324	53,069,874,199
Cost of electricity sold	753,927,624,279	398,533,773,753
Cost of goods sold	933,213,028,354	1,350,852,113,935
Cost of operation of industrial zone	66,215,473,545	-
Others	40,677,367,966	47,126,812,882
Provision/(reversal) of allowance for inventories	7,087,593,461	(156,963,257)
	6,763,095,524,845	8,672,928,765,697

34. Financial income

	2022 VND	2021 VND
Interest income from deposits and loans	89,184,893,699	46,237,769,341
Realised foreign exchange gains	5,130,852,925	10,972,803,896
Interest from credit sales and early payment discounts received	693,106,470	-
Unrealised foreign exchange gains	185,641,052	77,859,201
Dividends and profit distribution	9,286,200	37,144,800
Gains from revaluation of investments upon increasing capital of associate to become subsidiary	-	262,010,000,000
Other financial income	11,527	147,345,582
	95,203,791,873	319,482,922,820

35. Financial expenses

	2022 VND	2021 VND
Interest expense	605,030,533,904	315,449,056,943
Bond issuance costs	3,111,204,322	-
Realised foreign exchange losses	6,268,139,990	31,115,523,477
Unrealised foreign exchange losses	131,242,331,582	6,161,062,087
Allowance for diminution of investments	787,237,329	945,493,896
Other expenses related to borrowings	18,982,306,339	5,199,785,158
Other financial expenses	1,275,506,441	321,692,779
	766,697,259,907	359,192,614,340

36. Selling expenses

	2022 VND	2021 VND
Raw material costs	16,938,279	38,405,299
Staff costs	1,696,037,518	1,838,132,125
Outside services	10,619,543,062	17,320,090,113
Other expenses in cash	1,785,691,861	1,076,291,098
(Reversal)/ addition of provision for product warranty	(22,509,218,729)	35,704,678,192
	(8,391,008,009)	55,977,596,827

37. General and administration expenses

	2022 VND	2021 VND
Raw material costs	9,726,303,458	7,237,578,934
Staff costs	155,722,561,279	130,142,331,152
Depreciation and amortisation	43,347,155,146	44,909,465,951
(Reversal)/addition of allowance for doubtful debts	(906,381,073)	804,352,473
Tax, fee and charge	6,595,763,560	2,581,526,475
Outside services	36,463,522,861	22,968,433,439
Other expenses in cash	34,332,378,497	32,153,712,000
	285,281,303,728	240,797,400,424

38. Other income

	2022 VND	2021 VND
Compensation received from other entities	10,728,715,716	7,306,178,148
Gain from disposal of fixed assets	2,651,661,223	1,841,088,295
Other income	6,349,270,552	18,894,231,271
	19,729,647,491	28,041,497,714

39. Other expenses

	2022 VND	2021 VND
Amortisation of mining rights	45,466,804,505	24,627,852,440
Amortisation of land use rights over the land area at 120 Dinh Cong	4,050,983,742	1,519,118,905
Others	11,587,479,006	10,069,125,337
	61,105,267,253	36,216,096,682

40. Production and business costs by element

	2022 VND	2021 VND
Raw material costs	2,598,054,469,461	2,980,234,041,687
Staff costs	325,205,860,154	491,812,062,492
Depreciation and amortisation	593,101,194,939	364,222,728,433
(Reversal)/addition of provisions	(17,762,786,386)	36,509,030,665
Outside services	2,521,558,611,471	3,358,021,712,088
Other expenses	129,042,298,095	183,895,392,144
	6,149,199,647,734	7,414,694,967,509

41. Income tax

(a) Recognised in the consolidated statement of income

	2022 VND	2021 VND
Current tax expense		
Current year	132,730,636,595	64,058,982,457
Under provision in prior years	1,217,738,427	2,629,036,619
	133,948,375,022	66,688,019,076
Deferred tax (benefit)/expense		
Origination and reversal of temporary differences	(65,435,335,150)	65,494,816,128
	68,513,039,872	132,182,835,204

(b) Reconciliation of effective tax rate

	2022 VND	2021 VND
Accounting profit before tax	605,444,943,595	896,472,801,794
Tax at the Company's tax rate	121,088,988,719	179,294,560,359
Tax exempt income	(1,857,240)	(7,428,960)
Unrecognised temporary differences	(21,960,987)	-
Non-deductible expenses	3,719,212,529	2,869,427,356
Effect of consolidation entries	7,362,629,413	(11,204,661,961)
Tax incentives	(66,620,337,499)	(41,398,098,209)
Under provision in prior years	1,217,738,427	2,629,036,619
Tax losses unutilised	2,696,977,536	-
Others	(928,351,026)	-
	68,513,039,872	132,182,835,204

(c) Applicable tax rates

Under the terms of the current Income Tax Law, except for the following tax incentives, the Company and its subsidiaries 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 (from 2017 to 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 (from 2017 to 2020) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2021 to 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 (from 2017 to 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 (from 2018 to 2021) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2022 to 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 (from 2020 to 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 (from 2021 to 2024) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2025 to 2033).

- For Trung Thu Hydropower Project, Trung Thu Hydropower Joint Stock Company, a subsidiary of the Company, is subject to income tax at the rate of 10% for 15 years (from 2017 to 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 (from 2017 to 2020) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2021 to 2029).
- For Mong An Hydropower Project, Northern Power Investment Joint Stock Company, a subsidiary of the Company, is subject to income tax at the rate of 10% for 15 years (from 2020 to 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 (from 2020 to 2023) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2024 to 2032).
- For Lien Lap, Phong Nguyen, Phong Huy Wind Power Projects, Lien Lap Wind Power Joint Stock Company, Phong Nguyen Wind Power Joint Stock Company, Phong Huy Wind Power Joint Stock Company, 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 (from 2022 to 2025) and entitled to a 50% reduction in income tax for the 9 succeeding years (from 2026 to 2034).
- For Japan – Hai Phong Industrial Zone, Japan – Hai Phong 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 investing, building and operating the infrastructure and facilities and to provide necessary services incidentals to industrial zone's operations.

42. Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2022 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

	2022 VND	2021 Restated	2021 As previously reported
Net profit for the year (VND)	459,825,388,155	695,020,247,248	695,020,247,248
Estimated appropriation to Bonus and welfare funds (VND) (*)	(49,074,558,865)	(49,074,558,865)	(38,932,069,415)
Net profit attributable to ordinary shareholders (VND)	410,750,829,290	645,945,688,383	656,088,177,833
Weighted average number of ordinary shares for the year (number of shares)	270,433,002	264,824,087	229,550,734
Basic earnings per share (VND/share)	1,519	2,439	2,858

(*) As at 31 December 2022, the Company temporarily estimated the profit for the year ended 31 December 2022 to be appropriated to Bonus and welfare funds the same with the amount appropriated for the year ended 31 December 2021.

(b) Restatement of basic earnings per share for the year ended 31 December 2021

During the year, the Company and its subsidiaries appropriated VND49,074,558,865 from profit after tax attributable to ordinary shareholders of 2021 to Bonus and welfare funds. Therefore, net profit attributable to ordinary shareholders for the year ended 31 December 2021 for calculation of basic earnings per share was changed.

In addition, in 2022, the Company paid dividends in the form of shares in accordance with Resolution No. 01/BB-PC1-HDCD dated 19 April 2022 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 2021, equivalent to VND352,733,530,000.

Weighted average number of ordinary shares

	2022	2021 As restated
Issued ordinary shares at the beginning of the year	235,159,649	191,188,159
Effect of ordinary shares issued for payment of share dividends in the prior year	-	38,236,949
Effect of ordinary shares issued under ESOP in prior year	-	125,626
Effect of ordinary shares issued for payment of share dividends in current year	35,273,353	35,273,353
Weighted average number of ordinary shares for the year ended 31 December	270,433,002	264,824,087

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

	2021		
	As previously reported VND	Restatement VND	As restated VND
Basic earnings per share	2,858	(419)	2,439

43. 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	
	2022 VND	2021 VND
Board of Management's remuneration and bonus		
Mr. Trinh Van Tuan	5,557,000,000	5,790,103,918
Mr. Vu Anh Duong	345,000,000	60,000,000
Mr. Vo Hong Quang	345,000,000	60,000,000
Mr. Nguyen Minh De	345,000,000	60,000,000
Mr. Mai Luong Viet	345,000,000	60,000,000
Board of General Directors' salary, bonus and other benefits		
Mr. Vu Anh Duong	1,965,165,439	1,847,116,341
Mr. Vo Hong Quang	1,449,997,571	1,450,679,353
Mr. Nguyen Minh De	1,131,850,000	968,159,000
Mr. Dang Quoc Tuong	1,816,681,299	1,563,087,006
Mr. Nguyen Nhat Tan	1,130,577,650	1,170,192,639
Mr. Vu Van Tu	52,165,000	807,320,000
Mr. Le Thanh Nghi	-	422,309,784
Supervisory Board's remuneration		
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

44. Comparative information

Comparative information as at 1 January 2022 was derived from the balances and amounts reported in the Company's consolidated financial statements for the year ended 31 December 2021.

30 March 2023

Prepared by:

Pham Thi Thanh Binh
Preparer

Tran Thi Minh Viet
Chief Accountant

Approved by:

Vu Anh Duong
General Director

PC1 GROUP JOINT STOCK COMPANY

The ever-creating journey



Add: CT2 Building - No. 583 Nguyen Trai,
Thanh Xuan - Hanoi



Tel: +84 24 38456329



Fax: +84 24 38231997



Email: info@pc1group.vn



Website: <http://pc1group.vn/>