



**AAC AUDITING AND ACCOUNTING CO., LTD**  
A member of PrimeGlobal

**SONG BA**  
**JOINT STOCK COMPANY**  
**Interim financial statements**  
For the six-month period ended 30/06/2018

<b>CONTENTS</b>	<b>Page</b>
Report of the Management	1 - 3
Report on Review of Interim Financial Information	4
Interim financial statements	
• Interim balance sheet	5 - 6
• Interim income statement	7
• Interim statement of cash flows	8
• Notes to the interim financial statements	9 - 33

## **REPORT OF THE MANAGEMENT**

The Management of Song Ba Joint Stock Company is pleased to present this report together with the reviewed interim financial statements for the six-month period ended 30/06/2018.

### **Overview**

Song Ba Joint Stock Company (“the Company”) was incorporated on the basis of converting from Song Ba Electricity Investment and Development Co., Ltd to joint stock company (Song Ba Electricity Investment and Development Co., Ltd was established under the Joint Venture Contract between Power Company No.3 (now being Central Power Corporation) and Vietnam Electricity Construction Joint Stock Corporation). The Company was granted Business Registration Certificate (now being Enterprise Registration Certificate) No. 0400439955 dated 04/07/2007 by Da Nang City Planning and Investment Department (since the establishment date, the Enterprise Registration Certificate has been amended 10 times and the nearest amendment was made on 16/02/2017). The Company is an independent accounting entity, operating in observance of the Enterprise Law, its Charter and other relevant regulations.

The Company registered to list its common shares on the Ho Chi Minh City Stock Exchange with securities code SBA. The official trading date of the shares was 01/06/2010.

**Charter capital:** VND604,882,610,000

**Paid-in capital as at 30/06/2018:** VND604,882,610,000

The Company has 3 dependent entities namely:

- Branch of Song Ba Joint Stock Company - Khe Dien Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Krong H’ngang Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Dam Safety Testing and Consulting Center.

### **Principal activities**

- Generating, transmitting and distributing electricity. Detail: Generating and trading electricity;
- Architectural activities and related technical consultancy. Detail: Consultancy on preparing investment project of construction works, surveying, designing to construct hydropower, hydraulic projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Consultancy on monitoring construction, managing small and medium-scaled hydropower projects, electricity transmission lines and transformer stations up to 110KV; Monitoring the construction of hydropower, hydraulic projects; Consultancy on verifying, testing quality of dam and hydropower plants; Design of engineering infrastructure works (traffic, supply of water for daily life in rural areas); Consultancy on investigation, collection, calculation, forecast of meteorology, hydrology of construction phases; Consultancy on preparing investment projects of construction, civil, engineering infrastructure works, aquariums, river bank and coast protection works; Consultancy on assessing quality of construction works; Geodetic survey of works;
- Construction of other civil engineering projects. Detail: Investing in construction of hydropower projects; construction of hydropower projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Repairing, maintaining hydropower plants; construction of small and medium-scaled projects;
- Wholesale of other construction materials, installation equipment;
- Exploiting stone, sand, gravel and clay. Detail: Exploitation of minerals;
- Other specialized construction activities. Detail: Dredging lake bed;

## **REPORT OF THE MANAGEMENT (cont'd)**

- Vocational education. Detail: Vocational training consultancy (management and operation of hydropower plants);
- Management consultancy activities. Detail: Consultancy on solutions to environment, agricultural resettlement, residential resettlement;
- Other construction installation activities. Detail: Installing equipment for construction works;
- Wholesale of other machinery, equipment, parts. Detail: Wholesale of mechanical and electrical equipment, materials;
- Research and experimental development on natural sciences and engineering. Detail: Research and manufacture of mechanical and electrical parts of hydropower plant; transfer of technology for construction techniques, equipment;
- Real estate activities with own or leased property. Detail: Leasing land, workshop, warehouse.

### **Head office**

- Address: 573 Nui Thanh St., Hoa Cuong Nam Ward, Hai Chau Dist., Da Nang City, Viet Nam
- Tel: (0236) 3653 592 - (0236) 3653 596
- Fax: (0236) 3653 593
- Email: sba2007@songba.vn
- Website: www.songba.vn

### **Employees**

As at 30/06/2018, the Company had 110 employees including 11 managing officers.

Members of the Board of Directors, Supervisory Board, Management and Chief Accountant during the period and up to the reporting date are as follows:

### **Board of Directors**

- |                            |               |   |
|----------------------------|---------------|---|
| • Mr. Dinh Chau Hieu Thien | Chairman      | Elected on 30/03/2018                           |
| • Mr. Nguyen Thanh         | Chairman      | Elected on 10/04/2015<br>Resigned on 30/03/2018 |
| • Mr. Thai Van Thang       | Vice Chairman | Elected on 10/04/2015                           |
| • Mr. Pham Phong           | Member        | Elected on 10/04/2015                           |
| • Mr. Nguyen Luong Minh    | Member        | Elected on 10/04/2015<br>Resigned on 30/03/2018 |
| • Mr. Truong Thanh Nam     | Member        | Elected on 10/04/2015                           |
| • Mr. Pham Si Huan         | Member        | Elected on 30/03/2018                           |

### **Supervisory Board**

- |                            |                           |                       |
|----------------------------|---------------------------|-----------------------|
| • Ms. Phan Thi Anh Dao     | Head of Supervisory Board | Elected on 22/04/2016 |
| • Mr. Nguyen Thi Tran Thao | Member                    | Elected on 22/04/2016 |

## REPORT OF THE MANAGEMENT (cont'd)

- Mr. Tran Quang Can Member Elected on 10/04/2015

### *Management and Chief Accountant*

- Mr. Pham Phong General Director Reappointed on 01/06/2018
- Mr. Nguyen The Duy Deputy General Director Reappointed on 02/05/2015
- Mr. Pham Thai Hung Chief Accountant Reappointed on 01/06/2015

### **Independent auditor**

These interim financial statements were reviewed by AAC Auditing and Accounting Company Ltd (Head office: Lot 78-80, April 30th Street, Hai Chau District, Da Nang City; Tel: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

### **The Management's responsibility in preparation and presentation of the interim financial statements**

The Management of the Company is responsible for true and fair preparation and presentation of these interim financial statements on the basis of:

- Complying with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the interim financial statements on the going concern basis;
- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Members of the Company's Management hereby confirm that the accompanying interim financial statements including the interim balance sheet, the interim income statement, the interim statement of cash flows and the notes to the interim financial statements give a true and fair view of the financial position of the Company as at 30/06/2018 and the result of its operations and its cash flows for the six-month period then ended in accordance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the interim financial statements.



On behalf of the Management

Pham Phong

General Director

Da Nang City, 06 August 2018



## AAC AUDITING AND ACCOUNTING CO., LTD

AN INDEPENDENT MEMBER OF PRIMEGLOBAL  
AUDITING ACCOUNTING AND FINANCE SPECIALITY

Head Office: Lot 78 - 80, April 30th Street, Hai Chau District, Da Nang City

Tel: +84 (236) 3 655 886; Fax: +84 (236) 3 655 887; Email: aac@dng.vnn.vn; Website: http://www.aac.com.vn

No: 850/BCSX-AAC

### REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**To: The Shareholders, Board of Director and Management  
Song Ba Joint Stock Company**

We have reviewed the accompanying interim financial statements, which comprise the interim balance sheet as at 30/06/2018, the interim income statement, interim statement of cash flows for the six-month period then ended and notes to the interim financial statements, prepared on 18/07/2018 of Song Ba Joint Stock Company (hereinafter referred to as "the Company") as attached from page 5 to page 33.

#### Management's Responsibility

The Management of the Company is responsible for the preparation and fair presentation of these interim financial statements in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the interim financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of interim financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30/06/2018, and of its financial performance and its cash flows for the six-month period then ended, in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the interim financial statements.

AAC Auditing and Accounting Co., Ltd.



**Lam Quang Tu – Deputy General Director**

*Audit Practicing Registration Certificate*

No. 1031-2018-010-1

Da Nang City, 06 August 2018

**INTERIM BALANCE SHEET**  
As at 30/06/2018

Form B 01 - DN  
Issued under Circular No. 200/2014/TT-BTC  
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	30/06/2018 VND	01/01/2018 VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>62,601,494,282</b>	<b>131,703,616,479</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>14,962,409,766</b>	<b>52,623,448,960</b>
1. Cash	111		14,962,409,766	7,623,448,960
2. Cash equivalents	112		-	45,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>-</b>
<b>III. Short-term receivables</b>	<b>130</b>		<b>43,513,674,757</b>	<b>74,424,631,849</b>
1. Short-term trade receivables	131	6	21,596,202,964	58,568,800,663
2. Short-term prepayments to suppliers	132	7	1,795,386,850	359,966,109
3. Other short-term receivables	136	8.a	20,122,084,943	15,495,865,077
<b>IV. Inventories</b>	<b>140</b>	<b>9</b>	<b>2,314,676,786</b>	<b>1,748,203,898</b>
1. Inventories	141		2,314,676,786	1,748,203,898
2. Provision for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>1,810,732,973</b>	<b>2,907,331,772</b>
1. Short-term prepaid expenses	151	10.a	900,076,323	2,362,804,797
2. Deductible VAT	152		747,066,155	506,628,588
3. Taxes and amounts receivable from the State	153	16	163,590,495	37,898,387
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>1,236,977,386,675</b>	<b>1,253,946,118,953</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>2,004,000,000</b>	<b>2,004,000,000</b>
1. Long-term trade receivables	211		-	-
2. Other long-term receivables	216	8.b	2,004,000,000	2,004,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>1,214,958,023,916</b>	<b>1,235,197,127,032</b>
1. Tangible fixed assets	221	11	1,209,782,762,116	1,230,021,865,232
- Cost	222		1,600,956,217,650	1,600,806,526,741
- Accumulated depreciation	223		(391,173,455,534)	(370,784,661,509)
2. Intangible fixed assets	227	12	5,175,261,800	5,175,261,800
- Cost	228		5,478,061,800	5,478,061,800
- Accumulated amortization	229		(302,800,000)	(302,800,000)
<b>III. Investment properties</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>10,486,261,355</b>	<b>8,721,214,787</b>
1. Long-term work in process	241		-	-
2. Construction in progress	242	13	10,486,261,355	8,721,214,787
<b>V. Long-term financial investments</b>	<b>250</b>		<b>-</b>	<b>-</b>
<b>VI. Other long-term assets</b>	<b>260</b>		<b>9,529,101,404</b>	<b>8,023,777,134</b>
1. Long-term prepaid expenses	261	10.b	9,529,101,404	8,023,777,134
2. Other long-term assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1,299,578,880,957</b>	<b>1,385,649,735,432</b>

**INTERIM BALANCE SHEET (cont'd)**  
As at 30/06/2018

RESOURCES	Code	Note	30/06/2018 VND	01/01/2018 VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>590,301,013,513</b>	<b>671,746,695,264</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>99,343,013,513</b>	<b>157,012,695,264</b>
1. Short-term trade payables	311	14	1,546,803,618	2,035,065,973
2. Short-term advances from customers	312	15	519,083,666	518,903,666
3. Taxes and amounts payable to the State budget	313	16	4,229,975,824	17,390,931,385
4. Payables to employees	314		697,876,324	3,331,843,210
5. Short-term accrued expenses	315	17	8,077,463,148	9,647,091,080
6. Other short-term payables	319	18	8,680,860,854	54,822,824,651
7. Short-term loans and finance lease liabilities	320	19.a	69,426,000,000	67,870,000,000
8. Reward and welfare fund	322		6,164,950,079	1,396,035,299
<b>II. Long-term liabilities</b>	<b>330</b>		<b>490,958,000,000</b>	<b>514,734,000,000</b>
1. Long-term trade payables	331		-	-
2. Long-term loans and finance lease liabilities	338	19.b	490,958,000,000	514,734,000,000
<b>D. EQUITY</b>	<b>400</b>		<b>709,277,867,444</b>	<b>713,903,040,168</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>709,277,867,444</b>	<b>713,903,040,168</b>
1. Share capital	411	20	604,882,610,000	604,882,610,000
- Common shares with voting rights	411a		604,882,610,000	604,882,610,000
- Preferred shares	411b		-	-
2. Share premium	412	20	(95,000,000)	(95,000,000)
3. Other owners' equity	414	20	-	7,260,810,603
4. Treasury shares	415	20	(1,589,850,333)	(1,589,850,333)
5. Investment and development fund	418	20	39,282,271,715	15,130,424,088
6. Undistributed profit	421	20	66,797,836,062	88,314,045,810
- Undistributed profit up to prior year-end	421a	20	21,152,791,708	635,264,318
- Undistributed profit this period	421b	20	45,645,044,354	87,678,781,492
<b>II. Budget sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>1,299,578,880,957</b>	<b>1,385,649,735,432</b>



Pham Phong  
General Director

Da Nang City, 18 July 2018

Pham Thai Hung  
Chief Accountant

Truong Ngoc Hung  
Preparer

**INTERIM STATEMENT OF CASH FLOWS**  
**For the six-month period ended 30/06/2018**

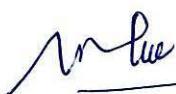
Form B 02 - DN  
Issued under Circular No. 200/2014/TT-BTC  
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	First 6 months of	First 6 months of
			2018	2017
			VND	VND
1. Revenue from sales and service provision	01	21	118,447,047,125	140,654,462,489
2. Deductions	02		-	-
3. Net revenue from sales and service provision	10		118,447,047,125	140,654,462,489
4. Cost of goods sold	11	22	33,286,631,190	44,380,943,537
<b>5. Gross profit from sales and service provision</b>	<b>20</b>		<b>85,160,415,935</b>	<b>96,273,518,952</b>
6. Financial income	21	23	380,283,193	141,932,327
7. Financial expenses	22	24	26,590,042,932	30,006,209,378
<i>Including: Interest expense</i>		23	26,590,042,932	29,720,145,676
8. Selling expenses	25		-	-
9. Administration expenses	26	25	8,377,472,138	6,622,848,060
<b>10. Operating profit</b>	<b>30</b>		<b>50,573,184,058</b>	<b>59,786,393,841</b>
11. Other income	31	26	164,504,048	120,456,611
12. Other expenses	32	27	115,820,324	283,877,973
<b>13. Other profit</b>	<b>40</b>		<b>48,683,724</b>	<b>(163,421,362)</b>
<b>14. Accounting profit before tax</b>	<b>50</b>		<b>50,621,867,782</b>	<b>59,622,972,479</b>
15. Current corporate income tax expense	51	28	4,976,823,428	5,493,759,363
16. Deferred corporate income tax expense	52		-	-
<b>17. Profit after tax</b>	<b>60</b>		<b>45,645,044,354</b>	<b>54,129,213,116</b>
18. Basic earnings per share	70	29	757	898
19. Diluted earnings per share	71	29	757	898



Pham Phong  
General Director

Da Nang City, 18 July 2018

  
Pham Thai Hung  
Chief Accountant

  
Truong Ngoc Hung  
Preparer

**INTERIM STATEMENT OF CASH FLOWS**  
**For the six-month period ended 30/06/2018**

Form B 03 - DN

Issued under Circular No. 200/2014/TT-BTC  
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	First 6 months of	First 6 months of
			2018	2017
			VND	VND
<b>I. Cash flows from operating activities</b>				
1. Cash receipts from sales and service provision	01		147,940,659,285	136,231,370,072
2. Cash paid to suppliers	02		(11,213,859,196)	(9,729,141,246)
3. Cash paid to employees	03		(11,107,426,546)	(8,894,520,367)
4. Cash paid for borrowing interest	04	17, 24	(26,843,566,977)	(29,956,144,051)
5. Corporate income tax paid	05	16	(4,845,783,534)	(7,406,841,939)
6. Other cash receipts from operating activities	06		33,036,745,126	28,970,335,039
7. Other payments for operating activities	07		(53,271,728,539)	(41,485,713,408)
<b>Net cash provided by operating activities</b>	<b>20</b>		<b>73,695,039,619</b>	<b>67,729,344,100</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases of fixed assets and other long-term assets	21		(1,340,034,076)	(3,910,075,464)
2. Dividends, profit, interest received	27	23	462,005,409	141,932,327
<b>Net cash used in investing activities</b>	<b>30</b>		<b>(878,028,667)</b>	<b>(3,768,143,137)</b>
<b>III. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33	19	-	3,439,776,200
2. Repayments of borrowings	34	19	(22,220,000,000)	(20,820,000,000)
3. Dividends, profit paid to owners	36	18,20	(88,258,050,146)	(54,039,827,337)
<b>Net cash used in financing activities</b>	<b>40</b>		<b>(110,478,050,146)</b>	<b>(71,420,051,137)</b>
<b>Net cash flows for the period</b>	<b>50</b>		<b>(37,661,039,194)</b>	<b>(7,458,850,174)</b>
Cash and cash equivalents at the beginning of the period	60	5	52,623,448,960	14,819,783,143
Impact of exchange rate fluctuations	61		-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>70</b>	<b>5</b>	<b>14,962,409,766</b>	<b>7,360,932,969</b>



*Pham Phong*  
Pham Phong  
General Director

Da Nang City, 18 July 2018

*Pham Thai Hung*  
Pham Thai Hung  
Chief Accountant

*Truong Ngoc Hung*  
Truong Ngoc Hung  
Preparer

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*(These notes form part of and should be read in conjunction with the accompanying interim financial statements)*

**Form B 09 - DN**  
*Issued under Circular No. 200/2014/TT - BTC dated 22/12/2014 by the Ministry of Finance*

### **1. Nature of operations**

#### **1.1. Overview**

Song Ba Joint Stock Company ("the Company") was incorporated on the basis of converting from Song Ba Electricity Investment and Development Co., Ltd to joint stock company (Song Ba Electricity Investment and Development Co., Ltd was established under the Joint Venture Contract between Power Company No.3 (now being Central Power Corporation) and Vietnam Electricity Construction Joint Stock Corporation). The Company was granted Business Registration Certificate (now being Enterprise Registration Certificate) No. 0400439955 dated 04/07/2007 by Da Nang City Planning and Investment Department (since the establishment date, the Enterprise Registration Certificate has been amended 10 times and the nearest amendment was made on 16/02/2017). The Company is an independent accounting entity, operating in observance of the Enterprise Law, its Charter and other relevant regulations.

#### **1.2. Principal scope of business: Generating and trading electricity.**

#### **1.3. Operating activities**

- Generating, transmitting and distributing electricity. Detail: Generating and trading electricity;
- Architectural activities and related technical consultancy. Detail: Consultancy on preparing investment project of construction works, surveying, designing to construct hydropower, hydraulic projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Consultancy on monitoring construction, managing small and medium-scaled hydropower projects, electricity transmission lines and transformer stations up to 110KV; Monitoring the construction of hydropower, hydraulic projects; Consultancy on verifying, testing quality of dam and hydropower plants; Design of engineering infrastructure works (traffic, supply of water for daily life in rural areas); Consultancy on investigation, collection, calculation, forecast of meteorology, hydrology of construction phases; Consultancy on preparing investment projects of construction, civil, engineering infrastructure works, aquariums, river bank and coast protection works; Consultancy on assessing quality of construction works; Geodetic survey of works;
- Construction of other civil engineering projects. Detail: Investing in construction of hydropower projects; construction of hydropower projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Repairing, maintaining hydropower plants; construction of small and medium-scaled projects;
- Wholesale of other construction materials, installation equipment;
- Exploiting stone, sand, gravel and clay. Detail: Exploitation of minerals;
- Other specialized construction activities. Detail: Dredging lake bed;
- Vocational education. Detail: Vocational training consultancy (management and operation of hydropower plants);
- Management consultancy activities. Detail: Consultancy on solutions to environment, agricultural resettlement, residential resettlement;
- Other construction installation activities. Detail: Installing equipment for construction works;
- Wholesale of other machinery, equipment, parts. Detail: Wholesale of mechanical and electrical equipment, materials;

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

- Research and experimental development on natural sciences and engineering. Detail: Research and manufacture of mechanical and electrical parts of hydropower plant; transfer of technology for construction techniques, equipment;
- Real estate activities with own or leased property. Detail: Leasing land, workshop, warehouse.

### **1.4. Normal course of business cycle**

The Company's normal course of business cycle is 12 months.

### **1.5. Business structure**

As at 30/06/2018, the Company has 3 dependent entities namely:

- Branch of Song Ba Joint Stock Company - Khe Dien Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Krong H'ngang Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Dam Safety Testing and Consulting Center.

## **2. Accounting period, currency used in accounting**

The annual accounting period of the Company is from 1 January to 31 December. These interim financial statements were prepared for the first 6 months of the year 2017 (starting from 01/01/2018 and ending on 30/06/2018).

Financial statements and accounting transactions are expressed in Vietnam Dong (VND).

## **3. Applied accounting standards and accounting system**

The Company adopted the Vietnamese Corporate Accounting System guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Vietnamese Accounting Standards promulgated by the Ministry of Finance.

## **4. Summary of significant accounting policies**

### **4.1 Cash and cash equivalents**

Cash includes cash on hand, cash at bank and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

### **4.2 Receivables**

Receivables includes: trade receivables and other receivables:

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the amounts of outstanding receivables at the balance sheet date, which have been overdue for 6 months or which have not been overdue but the debtor is in the state of insolvency, winding up,

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

missing or running away... Provision is made as guided by Circular No. 228/2009/TT-BTC dated 7/12/2009 of the Ministry of Finance.

### 4.3 Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost of inventories is calculated using the First-In, First-Out method and accounted for using the perpetual method with value determined as follows:

- Materials, goods: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition.
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made when the net realizable value of inventories is less than cost. The provision is made in accordance with Circular No. 228/2009/TT-BTC dated 7/12/2009 by the Ministry of Finance.

### 4.4 Tangible fixed assets

#### Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

#### Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	15 – 50
Machinery, equipment	6 – 15
Motor vehicles	5 – 30
Office equipment	3 – 5

In which, the depreciation period of the fixed assets of Krong H'ngang Hydropower Plant applied at the Company is longer than the regulated one. This adjustment was approved by Da Nang City Finance Department in Decision No. 293/QD-STC dated 29/06/2011. Accordingly, specific depreciation period is as follows:

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	50
Machinery, equipment	15

In order to ensure the depreciation in accordance with the actual use and the seasonal nature of hydropower production, the fixed assets used directly at Khe Dien Hydropower Plant and Krong H'ngang Hydropower Plant are depreciated in accordance with the method of depreciation based on volume. Details are as follows:

Depreciation rate in the period	=	Cost of fixed assets	x	Volume of electricity actually generated in the period
		Depreciation period of fixed assets registered with tax authority	x	Average design capacity of each year

### 4.5 Intangible fixed assets

#### *Cost*

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state.

#### *Land use rights*

Intangible fixed assets are land use rights including:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right).
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the effective date of the Land Act 2013 and being granted with certificate of land use right by the competent authority.

The cost of land use right includes all the costs directly attributable to the putting of land into the ready-for-use state.

#### *Amortization*

Intangible fixed assets being land use rights with indefinite term are not amortized. For land use rights with definite term, the amortization period is the period in which the Company is allowed to use the land.

Other intangible fixed assets are amortized in accordance with the straight-line method. Amortization rate is based on their cost and estimated useful lives. Amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

The amortization period of intangible fixed assets of the Company is as follows:

<u>Kind of asset</u>	<u>Amortization period (years)</u>
Indefinite lived land use rights	Not amortized
Computer software	Fully amortized

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 4.6 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Cost of tools and instruments being put into use are amortized in accordance with the straight-line method for a period ranging from 12 to 36 months;
- Costs of afforestation are amortized in accordance with the straight-line method for 60 months;
- Forest tending costs are amortized in accordance with the straight-line method for 12 months as from the date of taking over.
- Insurance expenses of assets, cars are amortized in accordance with the straight-line method over the purchase term stated in the contracts;
- Other prepaid expenses: the Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

### 4.7 Payables

Payables include: trade payables and other payables:

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and currencies.

### 4.8 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and currencies.

#### *Borrowing costs*

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

Capitalisation of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

### 4.9 Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company.

### 4.10 Owners' equity

Paid-in capital represents the amount of capital actually contributed by shareholders.

#### *Treasury shares*

Treasury shares are the amounts payable to repurchase the shares that the Company has issued and all costs directly related to this repurchase transaction.

#### *Share premium*

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares.

#### *Profit distribution*

Profit after corporate income tax is available for appropriation to funds and to owners as provided for in the Company's Charter or Decision of the Shareholders' General Meeting.

The dividend to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

### 4.11 Recognition of revenue and other income

- Revenue from sales of electricity is recognized based on the documents on confirming the power capacity generated to the national power grid and unit price stated in the following Economic Contracts:
  - ✓ For Khe Dien Hydropower Plant: Economic Contract No. 05/2011/KHEDIEN/EVNCPC-SBA dated 31/05/2011 and Appendix No. 03 dated 12/10/2016 with Central Power Corporation (unit price is applied in accordance with the avoided cost tariff issued annually by the Electricity Regulatory Authority of Vietnam).
  - ✓ For Krong H'ng Hydropower Plant: Economic Contract No. 06/2012/HD-NMD-KRH dated 10/06/2012 and Contract for Amendment and Supplementation No. 03 dated 24/08/2016 with Viet Nam Electricity (using competitive electricity price).
- Revenue from sales and service provision is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

- ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods.
- ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
  - ✓ Interests are recognized on the basis of the actual term and interest rates.
  - ✓ Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

### **4.12 Cost of goods sold**

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level are shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

### **4.13 Financial expenses**

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, interest on finance lease, payment discounts for buyers, expenses and loss on liquidating, transferring investments; provision for diminution in value of trading securities, provision for loss from investment in other entities, loss from sale of foreign currency, foreign exchange loss and other expenses attributable to investing activities.

### **4.14 Administrative expenses**

Administrative expenses recognized are expenses actually incurred related to the overall administration of enterprises.

### **4.15 Current corporate income tax expense, deferred corporate income tax expense**

Corporate income tax expenses in the period include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

### 4.16 Financial instruments

#### Initial recognition

##### *Financial assets*

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets include cash on hand, short-term deposits, trade receivables and other receivables.

##### *Financial liabilities*

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities include loans, trade payables, accrued expenses and other payables.

#### Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

### 4.17 Tax rate and charges paid to the State which the Company applied

- Value Added Tax (VAT): tax rate of 10% is applicable to sales of electricity; other activities are subject to tax rates in accordance with the current regulations.
- Corporate Income Tax (CIT):
  - ✓ For Khe Dien Hydropower Plant: Applicable tax rate is 20%.
  - ✓ For Krong H'Nang Hydropower Plant: tax rate of 10% is applicable for 15 years (from 2010 to 2024), exempted from corporate income tax for 4 years as from the time the taxable income is made and entitled to 50% reduction of corporate income tax for the next 9 years. Since 2010 was the first year Krong H'nang Hydropower Plant has made taxable income, the Company is exempted from corporate income tax from 2010 to 2013 and entitled to 50% reduction of corporate income tax from 2014 to 2022.

*These incentives are indicated in the Investment Certificate No. 36121000085 dated 03/03/2014 by the People's Committee of Phu Yen Province.*

- ✓ Other activities are subject to CIT rate of 20%.
- Other taxes and obligation are fulfilled in accordance with the prevailing regulations.

### 4.18 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Unit: VND

**5. Cash and cash equivalents**

	30/06/2018	01/01/2018
Cash in bank	969,695,293	454,844,771
Demand deposit	13,992,714,473	7,168,604,189
Deposit with term of 3 months and under	-	45,000,000,000
<b>Total</b>	<b>14,962,409,766</b>	<b>52,623,448,960</b>

**6. Short-term trade receivables**

	30/06/2018	01/01/2018
Central Power Corporation	5,624,832,973	7,953,161,832
Electricity Power Trading Company	12,213,037,302	46,556,966,260
F.C.L Joint Stock Company	3,558,246,210	3,558,246,210
Others	200,086,479	500,426,361
<b>Total</b>	<b>21,596,202,964</b>	<b>58,568,800,663</b>

**In which: trade receivables from related parties**

	Relationship	30/06/2018	01/01/2018
Central Power Corporation	Investor	5,624,832,973	7,953,161,832
Electricity Power Trading Company	Fellow subsidiary of investor	12,213,037,302	46,556,966,260
<b>Total</b>		<b>17,837,870,275</b>	<b>54,510,128,092</b>

**7. Short-term prepayments to suppliers**

	30/06/2018	01/01/2018
Dong Tay Construction Consulting and Investment JSC	580,419,396	-
Infrastructure&Electric Energy Investment Consultancy JSC	720,000,000	-
Others	494,967,454	359,966,109
<b>Total</b>	<b>1,795,386,850</b>	<b>359,966,109</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 8. Other receivables

#### a. Short-term

	30/06/2018		01/01/2018	
	Amount	Provision	Amount	Provision
Accrued interest	-	-	81,722,216	-
Advances	19,872,454,201	-	14,872,066,909	-
Other receivables	249,630,742	-	542,075,952	-
<b>Total</b>	<b>20,122,084,943</b>	<b>-</b>	<b>15,495,865,077</b>	<b>-</b>

#### b. Long-term

	30/06/2018		01/01/2018	
	Amount	Provision	Amount	Provision
Deposits	2,004,000,000	-	2,004,000,000	-
<b>Total</b>	<b>2,004,000,000</b>	<b>-</b>	<b>2,004,000,000</b>	<b>-</b>

### 9. Inventories

	30/06/2018		01/01/2018	
	Cost	Provision	Cost	Provision
Materials	1,032,362,704	-	352,154,904	-
Tools, instruments	1,037,130,000	-	1,039,370,000	-
Work in process	245,184,082	-	356,678,994	-
<b>Total</b>	<b>2,314,676,786</b>	<b>-</b>	<b>1,748,203,898</b>	<b>-</b>

- There are no inventories which are unsold, in poor quality at 30/06/2018.
- There are no inventories which were pledged, mortgaged as security for debts as at 30/06/2018.

### 10. Prepaid expenses

#### a. Short-term

	30/06/2018	01/01/2018
Insurance expense	68,334,554	115,339,458
Costs of repairing assets	467,215,463	245,701,184
Costs of repairing materials, equipment of Khe Dien HP	146,593,140	322,504,910
Costs of repairing materials, equipment of Krong H'ngang HP	205,107,666	917,860,208
Costs of planting and tending forest of Krong H'ngang HP	12,825,500	761,399,037
<b>Total</b>	<b>900,076,323</b>	<b>2,362,804,797</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### b. Long-term

	30/06/2018	01/01/2018
Costs of tools, instruments pending amortization	571,204,100	697,923,754
Overhaul costs of units	5,250,567,725	1,291,205,515
Costs of experimental materials	13,916,670	27,833,336
Costs of planting landmark in lake of Khe Dien Project	547,807,416	762,110,308
Costs of building flood map, other expenses	148,855,712	312,736,556
Costs of planting forest of Krong H'nang Hydropower Project	2,996,749,781	3,995,666,377
Costs of planting landmark in lake of Krong H'nang Project	-	910,428,481
Costs of repairing transformers, assets	-	25,872,807
<b>Total</b>	<b>9,529,101,404</b>	<b>8,023,777,134</b>

### 11. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
<b>Cost</b>					
Beginning balance	1,184,055,609,156	334,580,065,801	81,836,738,864	334,112,920	1,600,806,526,741
Increase in the period	-	-	-	149,690,909	149,690,909
Decrease in the period	-	-	-	-	-
<b>Ending balance</b>	<b>1,184,055,609,156</b>	<b>334,580,065,801</b>	<b>81,836,738,864</b>	<b>483,803,829</b>	<b>1,600,956,217,650</b>
<b>Depreciation</b>					
Beginning balance	180,063,669,296	157,752,673,444	32,712,633,119	255,685,650	370,784,661,509
Charge for the period	10,631,102,089	7,741,332,848	2,000,022,471	16,336,617	20,388,794,025
Decrease in the period	-	-	-	-	-
<b>Ending balance</b>	<b>190,694,771,385</b>	<b>165,494,006,292</b>	<b>34,712,655,590</b>	<b>272,022,267</b>	<b>391,173,455,534</b>
<b>Net book value</b>					
Beginning balance	1,003,991,939,860	176,827,392,357	49,124,105,745	78,427,270	1,230,021,865,232
<b>Ending balance</b>	<b>993,360,837,771</b>	<b>169,086,059,509</b>	<b>47,124,083,274</b>	<b>211,781,562</b>	<b>1,209,782,762,116</b>

- As at 30/06/2018, tangible fixed assets with a carrying value of VND1,204,726,992,273 have been mortgaged as collateral for borrowings granted to the Company.
- Cost of tangible fixed assets fully depreciated but still in active use at 30/06/2018 is VND12,150,752,285.
- There are no amounts of tangible fixed assets pending disposal.
- There are no commitments to repurchase fixed assets of high value in future.
- Pursuant to Decision No. 293/QĐ – STC dated 29/06/2011 of Da Nang City Finance Department on “Approving the plan for changing useful lives of fixed assets”, the Company has changed the useful lives of most of the fixed assets of Krong H'nang Hydropower Plant since 2011. Other than that, the

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Company also changed the depreciation method (from the straight-line method to the method based on volume) of the fixed assets directly serving the electricity generation and sent Official Letter No. 223/11/S3-TC dated 09/06/2011 to notify the Tax Department of this, yet the Company has not received written response from Da Nang City Tax Department.

- On 25/04/2013, the Ministry of Finance issued Circular No. 45/2013/TT-BTC guiding the management, use and depreciation of fixed assets. According to Clause c, Point 2, Article 13, one of the conditions for applying the method of depreciation based on volume is that the actual capacity per month in the fiscal year is not less than 100% of design capacity. On 31/07/2013, the Company sent Official Letter No. 279/13/S3-TCKT to the Ministry of Finance asking for the guidance on applying the regulations of Circular 45/2013/TT-BTC to the Company's actual operations. On 14/10/2013, the Ministry of Finance issued Official Letter No. 13633/BTC-TCDN to permit Song Ba Joint Stock Company to keep applying the method of depreciation based on volume to the fixed assets directly participating in the electricity generation which the Company registered with Da Nang City Tax Department in case of failure to reach 100% of design capacity provided that Song Ba Joint Stock Company must ensure sufficient resources to repay investment loans of credit institutions and the depreciation period does not exceed the technical life of the assets.

### 12. Intangible fixed assets

	Land use rights (*)	Computer software	Total
<b>Cost</b>			
Beginning balance	5,175,261,800	302,800,000	5,478,061,800
Newly-purchased	-	-	-
Sold, disposed	-	-	-
<b>Ending balance</b>	<b>5,175,261,800</b>	<b>302,800,000</b>	<b>5,478,061,800</b>
<b>Amortization</b>			
Beginning balance	-	302,800,000	302,800,000
Charge for the period	-	-	-
Sold, disposed	-	-	-
<b>Ending balance</b>	<b>-</b>	<b>302,800,000</b>	<b>302,800,000</b>
<b>Net book value</b>			
Beginning balance	5,175,261,800	-	5,175,261,800
<b>Ending balance</b>	<b>5,175,261,800</b>	<b>-</b>	<b>5,175,261,800</b>

- (\*) Indefinite lived land use rights at 573 Nui Thanh Street, Hai Chau District, Da Nang City of 410.5m2 which is used as Head Office.

This land use right is mortgaged for the long-term loan borrowed from JSC Bank for Foreign Trade of Vietnam - Da Nang Branch (presented in Note 19).

Cost of intangible fixed assets fully amortized but still in active use at 30/06/2018 is VND302,800,000.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 13. Construction in progress

The total investment capital of Krong H'ngang 2 Hydropower Plant Project and Song Tranh 1 Hydropower Plant Project is VND407,915,000,000 and VND552,646,106,000 respectively. The documents of these two projects are being completed for submission to the Ministry of Industry and Trade for approval to adjust the planning.

### 14. Short-term trade payables

	30/06/2018	01/01/2018
Vina Power Technology Co., Ltd	300,093,200	-
Vietech Technology Co., Ltd	461,144,915	-
Others	785,565,503	2,035,065,973
<b>Total</b>	<b>1,546,803,618</b>	<b>2,035,065,973</b>

### 15. Short-term advances from customers

	30/06/2018	01/01/2018
Bao Phuc Tam Co., Ltd	488,903,666	488,903,666
Others	30,180,000	30,000,000
<b>Total</b>	<b>519,083,666</b>	<b>518,903,666</b>

### 16. Taxes and amounts payable to the State

	Beginning balance		Amount to be paid	Amount paid in the period	Ending balance	
	Payable	Receivable			Payable	Receivable
VAT	6,982,551,605	-	12,020,960,283	18,280,404,848	723,107,040	-
CIT	1,344,752,380	-	4,976,823,428	4,845,783,534	1,475,792,274	-
PIT	-	37,898,387	3,536,754,925	3,662,447,033	-	163,590,495
Natural resources tax	6,313,515,048	-	8,211,733,040	13,519,946,326	1,005,301,762	-
License fee	-	-	6,000,000	6,000,000	-	-
Forest environment service fee	2,750,112,352	-	3,435,929,964	5,160,267,568	1,025,774,748	-
<b>Total</b>	<b>17,390,931,385</b>	<b>37,898,387</b>	<b>32,188,201,640</b>	<b>45,474,849,309</b>	<b>4,229,975,824</b>	<b>163,590,495</b>

The Company's tax reports would be subject to examination of tax authorities. The tax amounts reported in these financial statements could be changed under decision of the tax authorities.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**17. Short-term accrued expenses**

	30/06/2018	01/01/2018
Loan interest payable	2,304,078,522	2,557,602,567
Expenses for implementing general map for Ba River's lowland	212,859,705	212,859,705
Consulting expenses for dam protection of A Roang HP	38,751,980	47,697,582
Survey expenses for preparing cost estimate and managing Song Bung 3A Project	4,602,140,652	5,553,418,438
Expenses for preparing plan for flood prevention and dam protection in raining season for Dray H'linh HP	69,527,521	77,471,157
Consulting fee for installation of monitoring equipment of Ry Ninh dam	107,518,635	107,518,635
Expenses for dam safety testing at A Roang HP -stage 1	142,014,183	172,651,455
Expenses for preparing plan for flood prevention in lowland of Dak Pring HP	181,034,185	187,425,094
Others	419,537,765	730,446,447
<b>Total</b>	<b>8,077,463,148</b>	<b>9,647,091,080</b>

**18. Other short-term payables**

	30/06/2018	01/01/2018
Trade union fees	9,629,134	-
Dividend payable	8,000,938,379	54,057,198,825
Other payables	670,293,341	765,625,826
<b>Total</b>	<b>8,680,860,854</b>	<b>54,822,824,651</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 19. Loans and finance lease liabilities

#### a. Short-term loans and finance lease liabilities

	Beginning balance	Increase in the period	Decrease in the period	Ending balance
Current portion of long-term loans	67,870,000,000	23,776,000,000	22,220,000,000	69,426,000,000
- Vietcombank - Da Nang Branch	5,870,000,000	5,176,000,000	3,620,000,000	7,426,000,000
- Oricombank - Quang Nam Branch	62,000,000,000	18,600,000,000	18,600,000,000	62,000,000,000
<b>Total</b>	<b>67,870,000,000</b>	<b>23,776,000,000</b>	<b>22,220,000,000</b>	<b>69,426,000,000</b>

#### b. Long-term loans and finance lease liabilities

	Beginning balance	Increase in the period	Decrease in the period	Ending balance
Long-term loans	582,604,000,000	-	22,220,000,000	560,384,000,000
- Vietcombank - Da Nang Branch	96,604,000,000	-	3,620,000,000	92,984,000,000
- Oricombank - Quang Nam Branch	486,000,000,000	-	18,600,000,000	467,400,000,000
<b>Total</b>	<b>582,604,000,000</b>	<b>-</b>	<b>22,220,000,000</b>	<b>560,384,000,000</b>
<i>In which:</i>				
- Amount due within 1 year	67,870,000,000			69,426,000,000
<b>Long-term loans and finance lease liabilities</b>	<b>514,734,000,000</b>			<b>490,958,000,000</b>

The Company is borrowing from JSC Bank for Foreign Trade of Vietnam - Da Nang Branch under 2 loan agreements:

- On 07/02/2013, the Company entered into long-term borrowing contract No. 34/2013/VCB-KHDN with maximum credit amount of VND50,000,000,000. The loan period is 120 months as from the first drawdown date. This loan bears interest at the rate announced by JSC Bank for Foreign Trade of Vietnam – Da Nang Branch and shall be changed once a quarter.
- On 14/05/2014, the Company entered into long-term borrowing contract No. 162/2014/VCB-KHDN with maximum credit amount of VND77,650,000,000. The loan period is 120 months as from the first drawdown date. This loan bears interest at the rate announced by JSC Bank for Foreign Trade of Vietnam – Da Nang Branch and shall be changed once a quarter.

These loans are for the purpose of reimbursing the capital which the Company invested in Khe Dien Hydropower Plant Project. They are secured by the indefinite lived land use rights at 573 Nui Thanh Street, Hai Chau District, Da Nang City and Khe Dien Hydropower Plant.

The Company is borrowing from Orient Commercial Joint Stock Bank – Quang Nam Branch under long-term borrowing contract No. 024/2015/HDTD-DN dated 26/03/2015 with maximum credit amount of VND620,000,000,000. The loan period is 120 months as from the first drawdown date. This loan bears interest at the rate announced by Orient Commercial Joint Stock Bank – Quang Nam Branch and shall be changed once a quarter. The loan is to finance the Krong H'ngang Hydropower Project (giving loan to purchase debt of Song Ba Joint Stock Company in Viet Nam Development Bank – Phu Yen Branch) and is secured by Krong H'ngang Hydropower Plant.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 20. Owners' equity

#### a. Statement of changes in owners' equity

	Share capital	Share premium	Other equity	Treasury shares	Investment and development fund	Undistributed profit
As at 01/01/2017	604,882,610,000	(95,000,000)	7,260,810,603	(1,588,920,333)	13,916,957,675	64,207,111,775
Increase in the period	-	-	-	(930,000)	1,213,466,413	135,909,398,292
Decrease in the period	-	-	-	-	-	111,802,464,257
As at 31/12/2017	<u>604,882,610,000</u>	<u>(95,000,000)</u>	<u>7,260,810,603</u>	<u>(1,589,850,333)</u>	<u>15,130,424,088</u>	<u>88,314,045,810</u>
As at 01/01/2018	604,882,610,000	(95,000,000)	7,260,810,603	(1,589,850,333)	15,130,424,088	88,314,045,810
Increase in the period	-	-	-	-	24,151,847,627	45,645,044,354
Decrease in the period	-	-	7,260,810,603	-	-	67,161,254,102
As at 30/06/2018	<u>604,882,610,000</u>	<u>(95,000,000)</u>	<u>-</u>	<u>(1,589,850,333)</u>	<u>39,282,271,715</u>	<u>66,797,836,062</u>

#### b. Breakdown of share capital

	30/06/2018	01/01/2018
Central Power Corporation	236,450,000,000	236,450,000,000
Other shareholders	366,432,710,000	366,432,710,000
Par value of treasury shares	1,999,900,000	1,999,900,000
<b>Total</b>	<u><b>604,882,610,000</b></u>	<u><b>604,882,610,000</b></u>

#### c. Capital transactions with owners and distribution of dividend

	First 6 months of 2018	First 6 months of 2017
<b>Share capital</b>		
- Beginning balance	604,882,610,000	604,882,610,000
- Increase in the period	-	-
- Decrease in the period	-	-
- Ending balance	604,882,610,000	604,882,610,000
<b>Dividend paid</b>	42,201,789,700	60,288,331,000

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### d. Shares

	30/06/2018	01/01/2018
	Share	Share
Number of shares registered to be issued	60,488,261	60,488,261
Number of shares issued publicly	60,488,261	60,488,261
- Common shares	60,488,261	60,488,261
- Preferred shares (classified as owners' equity)	-	-
Number of shares bought back (treasury shares)	199,990	199,990
- Common shares	199,990	199,990
- Preferred shares (classified as owners' equity)	-	-
Number of outstanding shares	60,288,271	60,288,271
- Common shares	60,288,271	60,288,271
- Preferred shares (classified as owners' equity)	-	-
Par value of outstanding shares: VND10,000 each		

### e. Undistributed profit

	First 6 months of 2018	First 6 months of 2017
Profit brought forward	88,314,045,810	64,207,111,775
Profit after corporate income tax of current period	45,645,044,354	54,129,213,116
Distribution of profit	67,161,254,102	63,571,847,457
+ Investment and development fund	16,891,037,024	1,213,466,413
+ Reward and welfare fund	6,184,325,274	889,370,044
+ Reward fund for the Management	1,103,000,000	500,000,000
+ Paying dividend	42,201,789,700	60,288,331,000
+ Remunerations for the Board of Directors and Supervisory	781,102,104	680,680,000
<b>Undistributed profit</b>	<b>66,797,836,062</b>	<b>54,764,477,434</b>

(\*) The 2017 profit was distributed in accordance with Resolution of the 2018 Annual Shareholders' Meeting No. 01/2018/NQ-DHDCD dated 30/03/2018.

### f. Dividend

According to Resolution of the 2018 Annual General Shareholders' Meeting No. 01/2018/NQ-DHDCD dated 30/03/2018, it was resolved to approve the plan for paying dividend of 2017 in cash at 15% of the charter capital (equivalent to VND90,432,406,500). The Company finalized the list of shareholders to pay first dividend in December 2017 (8%) and the remaining amount (7%) in the first 6 months of 2018.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**21. Revenue from sales and service provision**

	First 6 months of 2018	First 6 months of 2017
Revenue from selling electricity	118,363,842,462	140,381,285,040
Revenue from rendering services	83,204,663	273,177,449
<b>Total</b>	<b><u>118,447,047,125</u></b>	<b><u>140,654,462,489</u></b>

**22. Cost of goods sold**

	First 6 months of 2018	First 6 months of 2017
Cost of electricity sold	33,211,746,993	44,118,010,242
Cost of services rendered	74,884,197	262,933,295
<b>Total</b>	<b><u>33,286,631,190</u></b>	<b><u>44,380,943,537</u></b>

**23. Financial income**

	First 6 months of 2018	First 6 months of 2017
Loan interest, deposit interest	380,283,193	141,932,327
<b>Total</b>	<b><u>380,283,193</u></b>	<b><u>141,932,327</u></b>

**24. Financial expenses**

	First 6 months of 2018	First 6 months of 2017
Loan interest	26,590,042,932	29,720,145,676
Interest on late payment of dividend	-	285,513,375
Others	-	550,327
<b>Total</b>	<b><u>26,590,042,932</u></b>	<b><u>30,006,209,378</u></b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

**25. Administrative expenses**

	First 6 months of 2018	First 6 months of 2017
Materials, tools expenses	343,657,623	111,627,672
Labor costs	5,752,663,179	5,276,008,475
Depreciation expenses	116,309,189	111,366,241
Outside service expenses	1,240,067,428	476,191,151
Others	924,774,719	647,654,521
<b>Total</b>	<b><u>8,377,472,138</u></b>	<b><u>6,622,848,060</u></b>

**26. Other income**

	First 6 months of 2018	First 6 months of 2017
Received fee for using electricity of K'rong H'nang Plant	109,632,608	104,325,708
Others	54,871,440	16,130,903
<b>Total</b>	<b><u>164,504,048</u></b>	<b><u>120,456,611</u></b>

**27. Other expenses**

	First 6 months of 2018	First 6 months of 2017
Expenses for using electricity of K'rong H'nang Plant	107,580,608	104,325,708
Others	8,239,716	179,552,265
<b>Total</b>	<b><u>115,820,324</u></b>	<b><u>283,877,973</u></b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)**

(These notes form part of and should be read in conjunction with the accompanying financial statements)

**28. Current corporate income tax expense**

	First 6 months of 2018	First 6 months of 2017
Accounting profit before tax	50,621,867,782	59,622,972,479
- From principal activities of Khe Dien Hydropower Plant	15,749,028,308	16,388,600,789
- From principal activities of Krong H'nang Hydropower Plant	34,439,226,449	43,136,356,897
- From principal activities of Head Office and the Consulting Center	433,613,025	98,014,793
Adjustment to taxable income	91,669,196	465,065,640
- Increasing adjustments (unqualified expenses)	91,669,196	465,065,640
+ Khe Dien Hydropower Plant	-	28,898,073
+ Krong H'nang Hydropower Plant	-	369,848,961
+ Head Office and the Consulting Center	91,669,196	66,318,606
- Decreasing adjustments	-	-
Total taxable income	50,713,536,978	60,088,038,119
- From principal activities of Khe Dien Hydropower Plant	15,749,028,308	16,417,498,862
- From principal activities of Krong H'nang Hydropower Plant	34,439,226,449	43,506,205,858
- From principal activities of Head Office and the Consulting Center	525,282,221	164,333,399
Corporate income tax as regulated	6,698,784,751	7,666,987,039
+ Khe Dien Hydropower Plant	3,149,805,662	3,283,499,773
+ Krong H'nang Hydropower Plant	3,443,922,645	4,350,620,586
+ Head Office and the Consulting Center	105,056,444	32,866,680
Reduced, exempted corporate income tax	1,721,961,323	2,175,310,293
+ Krong H'nang Hydropower Plant (50%)	1,721,961,323	2,175,310,293
Current corporate income tax of previous period	-	2,082,617
<b>Current corporate income tax expense</b>	<b>4,976,823,428</b>	<b>5,493,759,363</b>
<b>In which:</b>		
- Current corporate income tax expense this period	4,976,823,428	5,491,676,746
+ Khe Dien Hydropower Plant	3,149,805,662	3,283,499,773
+ Krong H'nang Hydropower Plant	1,721,961,322	2,175,310,293
+ Head Office and the Consulting Center	105,056,444	32,866,680
- Adjusting prior period income tax expenses to current period income tax expenses	-	2,082,617

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 29. Basic, diluted earnings per share

	First 6 months of 2018	First 6 months of 2017
Profit after corporate income tax	45,645,044,354	54,129,213,116
Adjustments increasing or decreasing accounting profit	-	-
- Increase	-	-
- Decrease (appropriated for reward and welfare fund, reward fund of the Management, Remunerations for the Board of	-	-
Profit or loss attributable to common shareholders	45,645,044,354	54,129,213,116
Weighted average number of outstanding common shares	60,288,271	60,288,331
<b>Basic, diluted earnings per share</b>	<b>757</b>	<b>898</b>

(\*) Basis, diluted earnings per share for the first 6 months of 2018 is computed before deducting the amounts appropriated to reward and welfare fund. The plan of General Shareholders' Meeting and the Company's Charter do not specify the appropriation rate of reward and welfare fund. Annually, the Management will propose a specific rate for appropriating reward and welfare fund based on the business results at the end of the year. Accordingly, this data can be changed upon the Profit Distribution Decision of the General Shareholder Meeting later.

### 30. Operating expenses by elements

	First 6 months of 2018	First 6 months of 2017
Materials expenses	741,342,915	676,882,139
Labor costs	11,660,157,535	11,230,502,803
Depreciation and amortization expenses	20,388,794,025	27,119,802,963
Outside service expenses	4,109,365,697	3,491,244,492
Other cash expenses	4,652,948,244	9,194,915,033
<b>Total</b>	<b>41,552,608,416</b>	<b>51,713,347,430</b>

### 31. Segment reporting

According Vietnamese Accounting Standard No. 28 and the guiding circular, the Company is required to report segment information. A segment is a distinguishable component of the Company that is engaged in providing related products or services (business segment) or providing products or services in a specific economic environment (geographical segment) and that is subject to risks and returns that are different from those of other segments.

Based on the actual operating situation of the Company, the Management assesses that the Company operates in the sole business segment, that is electricity generation and the three main geographical segments are Quang Nam Province, Dak Lak Province and Phu Yen Province.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)***(These notes form part of and should be read in conjunction with the accompanying financial statements)*

Geographical segments	Khe Dien Hydropower Plant - Quang Nam Province		Krong H'nang Hydropower Plant - Dak Lak and Phu Yen Province		Head Office & Dam Safety Testing and Consulting Center		Total	
	First 6 months of 2018	First 6 months of 2017	First 6 months of 2018	First 6 months of 2017	First 6 months of 2018	First 6 months of 2017	First 6 months of 2018	First 6 months of 2017
	VND	VND	VND	VND	VND	VND	VND	VND
Revenue from sales and service provision	31,761,164,294	35,880,401,724	86,602,678,168	104,500,883,316	83,204,663	273,177,449	118,447,047,125	140,654,462,489
Revenue deductions	-	-	-	-	-	-	-	-
Cost of goods sold	9,269,646,699	12,769,928,014	23,942,100,294	31,348,082,228	74,884,197	262,933,295	33,286,631,190	44,380,943,537
Financial income	38,900	30,700	321,800	231,500	379,922,493	141,670,127	380,283,193	141,932,327
Financial expenses	4,406,717,266	4,778,559,113	22,183,325,666	25,227,650,265	-	-	26,590,042,932	30,006,209,378
Selling expenses	-	-	-	-	-	-	-	-
Administrative expenses	2,337,862,921	1,916,498,435	6,038,347,559	4,704,689,840	1,261,658	1,659,785	8,377,472,138	6,622,848,060
<b>Operating profit</b>	<b>15,746,976,308</b>	<b>16,415,446,862</b>	<b>34,439,226,449</b>	<b>43,220,692,483</b>	<b>386,981,301</b>	<b>150,254,496</b>	<b>50,573,184,058</b>	<b>59,786,393,841</b>
Other income	2,052,000	2,052,000	-	-	162,452,048	118,404,611	164,504,048	120,456,611
Other expenses	-	28,898,073	-	84,335,586	115,820,324	170,644,314	115,820,324	283,877,973
<b>Other profit (loss)</b>	<b>2,052,000</b>	<b>(26,846,073)</b>	<b>-</b>	<b>(84,335,586)</b>	<b>46,631,724</b>	<b>(52,239,703)</b>	<b>48,683,724</b>	<b>(163,421,362)</b>
Profit before tax	15,749,028,308	16,388,600,789	34,439,226,449	43,136,356,897	433,613,025	98,014,793	50,621,867,782	59,622,972,479
Corporate income tax	3,149,805,662	3,285,023,748	1,721,961,322	2,175,868,935	105,056,444	32,866,680	4,976,823,428	5,493,759,363
<b>Profit after tax</b>	<b>12,599,222,646</b>	<b>13,103,577,041</b>	<b>32,717,265,127</b>	<b>40,960,487,962</b>	<b>328,556,581</b>	<b>65,148,113</b>	<b>45,645,044,354</b>	<b>54,129,213,116</b>
<b>Fixed assets</b>	<b>30/06/2018</b>	<b>01/01/2018</b>	<b>30/06/2018</b>	<b>01/01/2018</b>	<b>30/06/2018</b>	<b>01/01/2018</b>	<b>30/06/2018</b>	<b>01/01/2018</b>
Tangible fixed assets	99,868,749,777	104,681,125,580	1,105,404,468,698	1,120,864,577,731	4,509,543,641	4,476,161,921	1,209,782,762,116	1,230,021,865,232
- Cost	191,908,064,582	191,908,064,582	1,401,454,456,556	1,401,454,456,556	7,593,696,512	7,444,005,603	1,600,956,217,650	1,600,806,526,741
- Accumulated depreciation	92,039,314,805	87,226,939,002	296,049,987,858	280,589,878,825	3,084,152,871	2,967,843,682	391,173,455,534	370,784,661,509
Intangible fixed assets	-	-	-	-	5,175,261,800	5,175,261,800	5,175,261,800	5,175,261,800
- Cost	-	-	-	-	5,478,061,800	5,478,061,800	5,478,061,800	5,478,061,800
- Accumulated amortization	-	-	-	-	302,800,000	302,800,000	302,800,000	302,800,000

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

*(These notes form part of and should be read in conjunction with the accompanying financial statements)*

### 32. Risk management

#### a. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

#### b. Financial risk management

Financial risks include market risk (interest rate risk, commodity price risk), credit risk and liquidity risk.

**Market risk management:** The Company's activities expose it primarily to the financial risks of changes in interest rates and commodity prices.

##### *Interest rate risk management*

The Company's interest rate risks mainly derive from interest bearing loans which are arranged. To minimize these risks, the Company has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management assesses that uncontrollable risks arising from fluctuations of interest rates are insignificant.

##### *Price risk management*

Since the Company purchases materials from domestic suppliers to serve its production and business activities, it is exposed to the risk of changes in prices of materials. However, costs of materials account for a small proportion of the total production cost, thus the Management assesses that the Company's exposure to risks of changes in commodity prices is low.

#### **Credit risk management**

The Company's customers are Central Power Corporation and Electricity Power Trading Company belonging to Viet Nam Electricity (EVN). With the specific characteristics of the activity of purchasing and selling electricity in Vietnam, the Management assumes that the Company has no significant exposure to credit risk with customers.

For the customers operating in the field of consultancy, design, training and running of dam safety, the Company requests advance payment as defined in terms of contract. Thus, the Management assumes that the Company has no significant exposure to credit risk with such customers.

#### **Liquidity risk management**

To ensure the availability of funds to meet present and future financial obligations, the Company manages liquidity risk by regularly monitoring and maintaining sufficient cash reserve, optimizing cash flows, making use of credit from customers and counterparties, controlling maturing liabilities in relative to maturing assets and the amount of funds can be generated within that period,...

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

The Company's aggregate financial liabilities are categorized in accordance with their maturity as follows:

<b>30/06/2018</b>	<b>Within 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Trade payables	1,546,803,618	-	1,546,803,618
Accrued expenses	8,077,463,148	-	8,077,463,148
Loans and finance lease liabilities	69,426,000,000	490,958,000,000	560,384,000,000
Other payables	8,671,231,720	-	8,671,231,720
<b>Total</b>	<b>87,721,498,486</b>	<b>490,958,000,000</b>	<b>578,679,498,486</b>
<b>01/01/2018</b>	<b>Within 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Trade payables	2,035,065,973	-	2,035,065,973
Accrued expenses	9,647,091,080	-	9,647,091,080
Loans and finance lease liabilities	67,870,000,000	514,734,000,000	582,604,000,000
Other payables	54,822,824,651	-	54,822,824,651
<b>Total</b>	<b>134,374,981,704</b>	<b>514,734,000,000</b>	<b>649,108,981,704</b>

The Management assumes that the Company has high exposure to liquidity risk but believes that it can generate sufficient resources to meet its financial obligations as they fall due.

The Company's available financial assets are drawn up on a net asset basis as follows:

<b>30/06/2018</b>	<b>Within 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents	14,962,409,766	-	14,962,409,766
Trade receivables	21,596,202,964	-	21,596,202,964
Other receivables	249,630,742	2,004,000,000	2,253,630,742
<b>Total</b>	<b>36,808,243,472</b>	<b>2,004,000,000</b>	<b>38,812,243,472</b>
<b>01/01/2018</b>	<b>Within 1 year</b>	<b>Over 1 year</b>	<b>Total</b>
Cash and cash equivalents	52,623,448,960	-	52,623,448,960
Trade receivables	58,568,800,663	-	58,568,800,663
Other receivables	623,798,168	2,004,000,000	2,627,798,168
<b>Total</b>	<b>111,816,047,791</b>	<b>2,004,000,000</b>	<b>113,820,047,791</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

### 33. Related party information

#### a. Related parties

	Relationship
Central Power Corporation	Investor, Subsidiary of Viet Nam Electricity
Electricity Power Trading Company	Affiliate of Viet Nam Electricity

#### b. Significant transactions with related parties in the period

	Transactions	First 6 months of 2018	First 6 months of 2017
Central Power Corporation	Sales of electricity	31,744,272,157	35,867,506,955
	Dividend payable	16,551,500,000	23,645,000,000
	Dividend paid	35,467,500,000	18,916,000,000
Electricity Power Trading Company	Sales of electricity	86,602,678,168	104,500,883,316

#### c. Income of the Board of Directors and Management in the period

	First 6 months of 2018	First 6 months of 2017
Remunerations, bonus for the Board of Directors	1,091,100,000	550,000,000
Income of the Management	1,015,126,454	825,822,583

### 34. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

### 35. Corresponding figures

Corresponding figures of the interim balance sheet were taken from the financial statements for the year ended 31/12/2017. Corresponding figures of the interim income statement and of the interim statement of cash flows were taken from the financial statements for the first 6 months of the year 2017. These financial statements were audited and reviewed by AAC.



*Pham Phong*  
Pham Phong  
General Director

Da Nang City, 18 July 2018

Pham Thai Hung  
Chief Accountant

Truong Ngoc Hung  
Preparer