



SONG BA JOINT STOCK COMPANY

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Stock code: **SBA** Trading floor: **HoSE**



BSIVN 1125/2014

INTERIM FINANCIAL STATEMENTS

Quarter 4/2016

Da Nang City, January 2017

INTERIM BALANCE SHEET

Quarter 4/2016

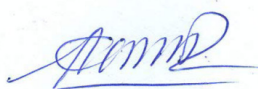
As at 31 December 2016

Unit: VND

ASSETS	Code	Note	31/12/2016	01/01/2016
1	2	3	4	5
A- CURRENT ASSETS (100=110+120+130+140+150)	100		86,409,843,169	102,432,608,228
I Cash and cash equivalents	110		14,819,783,143	838,160,183
1 Cash	111	V.01	14,819,783,143	838,160,183
2 Cash equivalents	112		-	-
II Short-term financial investments	120		-	-
III Short-term receivables	130		64,070,293,817	99,337,177,587
1 Short-term trade receivables	131	V.02	47,602,615,949	86,672,043,422
2 Short-term prepayments to suppliers	132		3,678,851,758	4,171,207,271
3 Short-term inter-company receivables	133		-	-
4 Receivables according to scheduled progress of construction contract	134		-	-
5 Short-term loans receivable	135		-	-
6 Other short-term receivables	136	V.03	12,788,826,110	8,493,926,894
7 Provision for short-term doubtful debts (*)	137		-	-
8 Shortage of assets pending resolution	139		-	-
IV Inventories	140		2,077,928,466	1,414,039,493
1 Inventories	141	V.04	2,077,928,466	1,414,039,493
2 Provision for decline in value of inventories (*)	149		-	-
V Other current assets	150		5,441,837,743	843,230,965
1 Short-term prepaid expenses	151	V.10	4,846,684,290	86,173,344
2 Deductible VAT	152		595,153,453	757,057,621
3 Taxes and amounts receivables from the State	153		-	-
4 Government bonds purchased for resale	154		-	-
5 Other current assets	155		-	-
B- LONG-TERM ASSETS (200=210+220+230+240+250+260)	200		1,316,146,018,494	1,354,124,521,680
I Long-term receivables	210		2,004,000,000	2,004,000,000
1 Long-term trade receivables	211	VI.02	-	-
2 Long-term prepayments to suppliers	212		-	-
3 Working capital in affiliates	213		-	-
4 Long-term inter-company receivables	214		-	-
5 Long-term loans receivable	215		-	-
6 Other long-term receivables	216	V.03	2,004,000,000	2,004,000,000
7 Provision for long-term doubtful debts (*)	219		-	-
II Fixed assets	220		1,295,414,238,228	1,333,725,596,192
1 Tangible fixed assets	221	V.05	1,290,232,698,669	1,328,523,028,612
- Cost	222		1,600,087,543,741	1,600,062,846,380
- Accumulated depreciation (*)	223		(309,854,845,072)	(271,539,817,768)
2 Finance lease assets	224	V.07	-	-
- Cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3 Intangible fixed assets	227	V.06	5,181,539,559	5,202,567,580
- Cost	228		5,478,061,800	5,478,061,800
- Accumulated amortization (*)	229		(296,522,241)	(275,494,220)
III Investment properties	230	V.09	-	-
IV Long-term assets in progress	240		5,691,273,761	5,691,273,761
1 Long-term work in process	241		-	-
2 Construction in progress	242	V.08	5,691,273,761	5,691,273,761
V Long-term financial investments	250		-	-
VI Other long-term assets	260		13,036,506,505	12,703,651,727
1 Long-term prepaid expenses	261	V.10	13,036,506,505	12,703,651,727
2 Deferred income tax assets	262	V.15	-	-
3 Long-term equipment, materials, spare parts	263		-	-
4 Other long-term assets	268		-	-
TOTAL ASSETS (270=100+200)	270		1,402,555,861,663	1,456,557,129,908

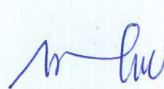
RESOURCES	Code	Note	31/12/2016	01/01/2016
A- LIABILITIES (300=310+330)	300		713,972,290,953	781,744,291,775
I Current liabilities	310		130,068,290,953	128,870,291,775
1 Short-term trade payables	311		6,230,174,163	6,714,570,291
2 Short-term advances from customers	312		2,223,731,559	105,622,386
3 Taxes and amounts payable to the State budget	313	V.12	18,771,430,625	23,695,695,874
4 Payables to employees	314		1,169,557,865	3,852,637,356
5 Short-term accrued expenses	315	V.13	7,041,091,846	4,734,120,365
6 Short-term inter-company payables	316		-	-
7 Payables according to scheduled progress of construction contract	317		-	-
8 Short-term unearned revenue	318		-	-
9 Other short-term payables	319	V.14	25,391,903,134	28,561,582,185
10 Short-term loans and finance lease liabilities	320	V.11	67,720,000,000	59,830,000,000
11 Provision for short-term payables (*)	321		-	-
12 Reward and welfare fund	322		1,520,401,761	1,376,063,318
13 Price stabilization fund	323		-	-
14 Government bonds purchased for resale	324		-	-
II Long-term liabilities	330		583,904,000,000	652,874,000,000
1 Long-term trade payables	331		-	-
2 Long-term advances from customers	332		-	-
3 Long-term accrued expenses	333		-	-
4 Inter-company payables for working capital	334		-	-
5 Long-term inter-company payables	335		-	-
6 Unearned revenue	336		-	-
7 Other long-term payables	337		-	-
8 Long-term loans and finance lease liabilities	338	V.11	583,904,000,000	652,874,000,000
9 Convertible bonds	339		-	-
10 Preferred shares	340		-	-
11 Deferred income tax liabilities	341	V.15	-	-
12 Provision for long-term payables	342		-	-
13 Scientific and technological development fund	343		-	-
B- EQUITY (400=410+430)	400		688,583,570,710	674,812,838,133
I Shareholders' equity	410	V.16	688,583,570,710	674,812,838,133
1 Share capital	411		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		(95,000,000)	(95,000,000)
3 Bond conversion option	413		-	-
4 Other owners' capital	414		7,260,810,603	6,749,952,910
5 Treasury shares (*)	415		(1,588,920,333)	(1,588,920,333)
6 Difference from re-valuation of assets	416		-	-
7 Foreign exchange differences	417		-	-
8 Investment and development fund	418		13,916,957,675	13,094,426,199
9 Fund for support of arrangement of enterprises	419		-	-
10 Other owners' fund	420		-	-
11 Undistributed profit	421		64,207,112,765	51,769,769,357
- Undistributed profit up to prior year-end	421a		-	-
- Undistributed profit this period	421b		64,207,112,765	51,769,769,357
12 Capital sources for investment in construction	422		-	-
II Budget sources and other funds	430		-	-
1 Budget sources	431	V.17	-	-
2 Budget sources forming fixed assets	432		-	-
TOTAL RESOURCES (440=300+400)	440		1,402,555,861,663	1,456,557,129,908

Preparer



Trung Ngoc Hung

Chief Accountant



Pham Thai Hung

Da Nang, 16 January 2017

General Director



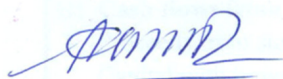
Pham Phong

INTERIM INCOME STATEMENT
QUARTER 4/2016

Unit: VND

ITEMS	Code	Note	Quarter 4		Accumulated from the beginning of the year to the end of this quarter	
			This year	Previous year	This year	Previous year
1	2	3	4	5	6	7
1. Revenue from sales and service provision	01	VI.1	105,115,750,355	95,905,095,950	210,166,605,792	194,925,779,987
2. Revenue deductions	02	VI.2	-	-	-	-
3. Net revenue from sales and service provision (10=01-02)	10	VI.3	105,115,750,355	95,905,095,950	210,166,605,792	194,925,779,987
4. Cost of goods sold	11	VI.4	32,277,120,674	31,362,100,622	66,165,387,244	67,181,704,847
5. Gross profit from sales and service provision (20=10-11)	20		72,838,629,681	64,542,995,328	144,001,218,548	127,744,075,140
6. Financial income	21	VI.5	10,156,383	5,945,877	33,271,356	87,212,324
7. Financial expenses	22	VI.6	16,427,885,984	17,032,277,851	64,384,939,106	63,738,080,830
- In which: Interest expense	23		16,427,885,984	16,165,560,186	64,297,513,820	61,747,829,453
8. Selling expenses	25		-	-	-	-
9. Administration expenses	26		5,041,206,928	3,644,602,520	9,515,198,946	8,259,071,801
10. Operating profit (30=20+(21-22)-(25+26))	30		51,379,693,152	43,872,060,834	70,134,351,852	55,834,134,833
11. Other income	31		102,177,709	1,957,666,471	293,935,090	2,064,776,664
12. Other expenses	32		225,725,274	179,796,558	811,458,232	376,211,991
13. Other profit (40=31-32)	40		-123,547,565	1,777,869,913	(517,523,142)	1,688,564,673
14. Accounting profit before tax (50=30+40)	50		51,256,145,587	45,649,930,747	69,616,828,710	57,522,699,506
15. Current corporate income tax expense	51	VI.7	4,352,472,274	4,566,500,797	5,409,715,945	5,752,930,149
16. Deferred corporate income tax expense	52		-	-	-	-
17. Profit after corporate income tax (60=50-51-52)	60		46,903,673,313	41,083,429,950	64,207,112,765	51,769,769,357
18. Basic earnings per share	70	VI.8	778	681	1,065	859
19. Diluted earnings per share	71	VI.8	778	681	1,065	859

Preparer



Truong Ngoc Hung

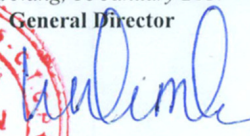
Chief Accountant



Pham Thai Hung

Da Nang, 16 January 2017

General Director

Pham Phong

INTERIM STATEMENT OF CASH FLOWS

(Under direct method)
QUARTER 4/2016

Unit: VND

Items	Code	Note	Accumulated from the beginning of the year to the end of this quarter	
			This year	Previous year
1	2	3	4	5
I Cash flows from operating activities				
1 Cash receipts from sales and service provision	01		246,134,063,234	158,368,508,530
2 Cash paid to suppliers	02		(25,080,519,175)	(24,983,045,091)
3 Cash paid to employees	03		(15,344,209,688)	(10,834,732,993)
4 Cash paid for borrowing interest	04		(64,085,675,264)	(62,352,323,919)
5 Corporate income tax paid	05		(5,623,744,468)	(2,577,028,486)
6 Other cash receipts from operating activities	06		48,507,371,125	31,147,804,023
7 Other payments for operating activities	07		(59,023,927,131)	(30,504,629,674)
Net cash provided by operating activities	20		125,483,358,633	58,264,552,390
II Cash flows from investing activities				
1 Cash paid for purchases of fixed assets and other long-term assets	21		(131,384,262)	(2,013,180,050)
2 Proceeds from disposals of fixed assets and other long-term assets	22		-	-
3 Loans given, purchase of debt instruments	23		-	-
4 Recovery of loans, resales of debt instruments	24		-	-
5 Cash paid for investment in other entities	25		-	-
6 Proceeds from divestment in other entities	26		-	-
7 Interest earned, dividends, profits received	27		33,271,356	86,186,919
Net cash used in investing activities	30		(98,112,906)	(1,926,993,131)
III Cash flows from financing activities				
1 Proceeds from stock issuance, capital contribution	31			
2 Capital withdrawals, buying treasury shares	32		-	-
3 Proceeds from loans	33		12,750,300,077	632,454,000,000
4 Repayments of loan principal	34		(73,830,300,077)	(651,344,909,612)
5 Repayments of obligations under finance lease	35		-	-
6 Dividends, profit paid to owners	36		(50,323,622,767)	(41,129,995,487)
Net cash used in financing activities	40		(111,403,622,767)	(60,020,905,099)
Net cash flows for the period (50=20+30+40)	50		13,981,622,960	(3,683,345,840)
Cash and cash equivalents at the beginning of the period	60		838,160,183	4,521,506,023
Impacts of exchange rate fluctuations	61			
Cash and cash equivalents at the end of the period (70=50+60+61)	70	VII.34	14,819,783,143	838,160,183

Da Nang, 16 January 2017

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung

General Director



Pham Phong

Form B 09a – DN

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

NOTES TO THE FINANCIAL STATEMENTS
Quarter 4/2016

I. Nature of operations

1. Ownership structure : Joint stock company.

2. Scope of business : Electrical energy.

3. Operating activities:

- Investing in construction of hydropower projects;
- Producing and trading electrical energy;
- Providing advisory service on preparing investment project of construction works, surveying, designing to construct hydropower projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV;
- Providing advisory service on monitoring construction, managing small and medium-scaled hydropower projects, electricity transmission lines and transformer stations up to 110KV;
- Exploiting minerals and dredging lake;
- Vocational training (managing, running hydropower plants);
- Providing advisory service on solutions to environment, agricultural resettlement, residential resettlement;
- Monitoring the construction of hydropower, irrigation projects;
- Installing equipment for construction works;
- Repairing, maintaining hydropower plants;
- Trading construction materials right at the construction site;
- Trading electromechanical materials, equipment.

4. Factors that affect the Company's financial statements in the year

II. Accounting period, currency unit used in accounting

1. Fiscal year: starting on 1 January and ending on 31 December.

2. Currency unit used in accounting: Vietnamese Dong (VND).

III. Applied accounting standards and accounting system

1. Applied accounting system:

Vietnamese Corporate Accounting System issued under Circular No. 200/2014/TT-BTC dated 22/12/2014 by the Ministry of Finance guiding the Corporate Accounting System.

2. Statement of compliance with accounting standards and accounting system:

The financial statements are prepared and presented in accordance with the Vietnamese Accounting Standards and System. The financial statements comply with all provisions of each standard, guiding circular of each accounting standard of the Finance Ministry and the prevailing accounting system which the Company is applying.

3. Form of accounting records: Voucher system (on computer).

IV. Applied accounting policies

1. Recognition of cash and cash equivalents:

- Accounting transactions are recognized and reported in Vietnamese Dong. Cash equivalents include 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 in accordance with Accounting Standard No. 24 "Cash flow statement".
- Method of translating other currencies into currency used in accounting: Other currencies are translated into VND using the exchange rate announced by the bank where the Company conducts transactions on the date of the transactions. At the balance sheet date, debts and cash in bank denominated in foreign currency are revaluated using the purchasing exchange rate announced by the bank where the Company conducts transactions at the time of the financial statements.

2. Recognition of inventories:

- Principle for recognition of inventories: Materials are accounted for at actual purchase price and related purchasing costs.
- Method of calculating cost of inventories: First-In,First-Out.
- Method of accounting for inventories: Perpetual Inventory System.
- Method of making provision for decline in value of inventories: Provision for decline in value of inventories is made on the basis of cost and net realizable value of inventories in accordance with Accounting Standard No. 02 "Inventories" and conservatism principle.

3. Recognition and depreciation of fixed assets:

- Recognition of fixed assets (tangible and intangible fixed assets): recorded at cost: purchase price and related costs. In the balance sheet, fixed assets are reflected through 3 items: cost, accumulated depreciation and amortization, net book value.
- Depreciation and amortization of fixed assets (tangible and intangible fixed assets): straight-line depreciation method; method of depreciation according to volume are based on the estimated useful lives of fixed assets in conformity with Circular No. 45/2013/TT-BTC dated 25/04/2013 guiding regulation on management, use and depreciation of fixed assets and Circular No. 147/2016/TT-BTC dated 13/10/2016 on amending some articles of Circular No. 45/2013/TT-BTC dated 25/04/2013.

4. Recognition and depreciation of investment properties

- Recognition principle of investment properties.
- Depreciation method of investment properties.

5. Recognition of financial investments:

- Trading securities;

- Held-to-maturity investments;
- Loans;
- Investments in subsidiaries, affiliates, joint ventures;
- Investments in capital instruments of other entities;
- Methods of accounting for other transactions related to financial investments.

6. Recognition and capitalization of borrowing costs:

- Recognition of borrowing costs: Borrowing costs that are directly attributable to the construction of a qualifying asset shall be capitalized as part of the cost of that asset. Borrowing costs shall be recorded as financial expenses of the period when the construction is completed.
- Capitalization rate is used to determine the amount of borrowing costs eligible for capitalization in the period.

7. Accounting for prepaid expenses:

- Prepaid expenses include: expenses for purchasing, equipping to serve the production and business activities and are amortized to production and business expenses gradually.
- Amortization of prepaid expenses: in accordance with straight-line method.

8. Recognition of accrued expenses:

Recorded are accrued expenses that have been planned in production activities.

9. Recognition of provisions for payables

10. Recognition of owners' capital:

- Principle for recognition of share capital, share premium, other owners' capital:
 - + Share capital: actually contributed capital of owners.
 - + Other owners' capital: the amounts appropriated from undistributed profit after deducting the payable corporate income tax.
- Principle for recognition of differences resulted from re-valuation of assets.
- Principle for recognition of foreign exchange differences.
- Principle for recognition of undistributed profit: Undistributed profit after tax reflected in the balance sheet is the profit (gain) from the Company' operation after deducting corporate income tax expense of current year and adjustments due to retroactive application of changing accounting policies and of material misstatements from previous years.

11. Principle and method of revenue recognition:

- Sales revenue: Sales revenue is recognized in accordance with the 5 conditions for revenue recognition stipulated in Accounting Standard No. 14 "Revenue and other income". Sales revenue is measured at the fair value of the consideration received or receivable in accordance with the accrual accounting principle. Advances from customers are not recognized as revenue in the period.
- Service revenue;

- Financial income: Financial income is recognized in accordance with the 2 conditions for recognizing financial income as regulated in Accounting Standard No. 14 "Revenue and other income"
- Revenue from construction contracts.

12. Accounting for financial expenses:

Financial expenses recorded in the income statement is the total of financial expenses incurred in the period (not offsetting against financial income).

13. Principle and method of recognizing current corporate income tax expense, deferred corporate income tax expense:

- Current corporate income tax expense is computed based on the taxable income and corporate income tax rate in the current year. Deferred corporate income tax expense is determined on the basis of the deductible temporary differences, taxable temporary differences and corporate income tax rate. Current corporate income tax expense is not offset against deferred corporate income tax expense.
- At present, the Company has 3 dependent branches:
 - Khe Dien Hydropower Plant Branch: exempted from corporate income tax for 3 years starting from 2007 and entitled to 50% reduction of corporate income tax for the next 5 years. These incentives are indicated in the Investment Incentive Certificate No. 24/CN-UB dated 29/6/2004 by the People's Committee of Quang Nam Province.
 - Krong H'Nang Hydropower Plant Branch: exempted from corporate income tax for 4 years starting from 2010 and entitled to 50% reduction of corporate income tax for the next 9 years and tax rate of 10% for 15 years. These incentives are indicated in the Investment Certificate No. 36121000085 dated 03/03/2014 by the People's Committee of Phu Yen Province.
 - Branch of Song Ba Joint Stock Company – Dam Safety Testing and Consulting Center established under Business Registration Certificate No. 0400439955-003 dated 18/03/2013.

14. Other accounting principles and methods.

V. Supplementary information about the items in the balance sheet

1. Cash and cash equivalents

	31/12/2016	01/01/2016
	VND	VND
Cash on hand	787,921,797	189,884,955
Cash in bank	14,031,861,346	648,275,228
+ VND	14,031,861,346	648,275,228
+ USD		
Cash in transits		
Cash equivalents		
Total	14,819,783,143	838,160,183

2. Trade receivables

	31/12/2016	01/01/2016
	VND	VND
- Short-term trade receivables	-	-
+ <i>Electric Power Trading Company</i>	39,229,788,324	73,957,305,704
+ Other short-term trade receivables	157,863,648	29,055,027
- Receivables from related parties		
+ <i>Central Power Corporation</i>	8,214,963,977	12,685,682,691
Total	47,602,615,949	86,672,043,422

3. Other receivables

a. Short-term	31/12/2016		01/01/2016	
	Amount VND	Provision VND	Amount VND	Provision VND
- Advances for afforestation at K'rong H'ngang Hydropower Project 3.3 ha	-	-	500,000,000	-
- Other receivables, advance payment of salary	714,461,496	-	355,559,403	-
- Advances for production and business activities, repair, maintenance and outside projects	12,074,364,614	-	7,638,367,491	-
+ <i>Forest tending costs</i>	750,000,000		900,000,000	
+ <i>Management costs of Project Song Bung 3A, Tam Phuc, Dak Rong 1 ...</i>	3,400,000,000			
+ <i>Repair and maintenance costs of Krong H'ngang HP-electromechanical part 2017</i>	2,800,000,000		2,605,950,500	
+ <i>Repair costs of construction part KRN 2016-2017</i>	1,563,000,000			
+ <i>Costs of purchasing equipment of Khe Dien HP 2017</i>	1,300,000,000		1,714,140,078	
+ <i>Costs of purchasing materials, equipment, repair and maintenance of Khe Dien HP</i>	1,042,383,815		1,164,397,160	
+ <i>Costs of production and business activities, repairing construction items and other receivables</i>	1,218,980,799		1,253,879,753	
Total	12,788,826,110	-	8,493,926,894	-
b. Long-term	31/12/2016		01/01/2016	
	Amount VND	Provision VND	Amount VND	Provision VND
- Receivables from equitization	-	-	-	-
- Dividends, profit receivable	-	-	-	-
- Receivables from employees	-	-	-	-
- Deposits, collaterals	2,004,000,000	-	2,004,000,000	-
- Lending	-	-	-	-
- Amounts paid on others' behalf	-	-	-	-
- Other receivables	-	-	-	-
Total	2,004,000,000	-	2,004,000,000	-

4. Inventories

	31/12/2016		01/01/2016	
	Cost VND	Provision VND	Cost VND	Provision VND
Materials	933,460,018	-	229,992,395	-
Tools, instruments	895,760,000	-	836,450,000	-
Work in process	248,708,448	-	347,597,098	-
Total	2,077,928,466	-	1,414,039,493	-

5. Increase, decrease in tangible fixed assets:

	Buildings, architectures VND	Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost					
Beginning balance	1,184,082,070,885	334,580,065,801	81,158,664,955	242,044,739	1,600,062,846,380
Newly-purchased	-	-	-	51,159,090	51,159,090
Self-constructed	-	-	-	-	-
Re-classified	-	-	-	-	-
Other decrease	26,461,729	-	-	-	26,461,729
Sold, disposed	-	-	-	-	-
Ending balance	1,184,055,609,156	334,580,065,801	81,158,664,955	293,203,829	1,600,087,543,741
Depreciation					
Beginning balance	131,119,974,240	117,698,405,490	22,479,393,299	242,044,739	271,539,817,768
Charge for the year	19,365,358,846	14,944,489,316	4,005,179,142	-	38,315,027,304
Re-classified	-	-	-	-	-
Other decrease	-	-	-	-	-
Sold, disposed	-	-	-	-	-
Ending balance	150,485,333,086	132,642,894,806	26,484,572,441	242,044,739	309,854,845,072
Net book value					
Beginning balance	1,052,962,096,645	216,881,660,311	58,679,271,656	-	1,328,523,028,612
Ending balance	1,033,570,276,070	201,937,170,995	54,674,092,514	51,159,090	1,290,232,698,669

- As at 31/12/2015, fixed assets with a carrying value of VND1,285 billion have been mortgaged as collateral for borrowings granted to the Company;
- Cost of fixed assets fully depreciated but still in active use at 31/12/2016 is VND2.253billion.
- Cost of fixed assets pending disposal at 31/12/2016:
- Commitments to purchase, sell tangible fixed assets of high value in future.
- Other changes in tangible fixed assets.
- On 29/06/2011, the Finance Department of Da Nang City issued Decision No. 293/QD-STC "Regarding: Approval of the plan for changing useful lives of fixed assets of Song Ba Joint Stock Company - K'rong H'Nang Hydropower Plant". Accordingly, the useful lives of architecture category and machinery, equipment category change from 30 years to 50 years and from 10 year to 15 years respectively.
- On 14/10/2013, the Ministry of Finance issued Official Letter No. 13633/BTC-TCDN "on depreciation method of fixed assets". Accordingly, the Ministry of Finance accepts the request of Song Ba Joint Stock Company to keep applying the method of depreciation according to volume to the fixed assets directly participating in the production of electrical energy which the Company registered with the Tax Department of Da Nang City provided that Song Ba Joint Stock Company must ensure sufficient resources to repay investment

loans of credit institutions and the depreciation period should not exceed the technical life of the assets.

6. Increase, decrease in intangible fixed assets

	Land use rights VND	Computer software VND	Total VND
Cost			
Beginning balance	5,175,261,800	302,800,000	5,478,061,800
Increase in the period	-	-	-
Decrease in the period	-	-	-
Ending balance	5,175,261,800	302,800,000	5,478,061,800
Amortization			
Beginning balance	0	275,494,220	275,494,220
Increase in the period	-	21,028,021	21,028,021
Decrease in the period	-	-	-
Ending balance	-	296,522,241	296,522,241
Net book value			
Beginning balance	5,175,261,800	27,305,780	5,202,567,580
Ending balance	5,175,261,800	6,277,759	5,181,539,559

* Other notes to data and explanation:

- Use right of the land for construction of the Company's Head Office which has not been put into use and the useful life is indefinite.

7. Increase, decrease in finance lease assets

	Buildings, architectures VND	Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost					
Beginning balance					
Finance lease in the year					
Re-purchase of finance lease fixed assets					
Other increase					
Return of finance lease fixed assets					
Sale, disposal					
Other decrease					-
Ending balance	-	-	-	-	-
Accumulated depreciation					
Beginning balance					
Charge for the year					-
Re-purchase of finance lease fixed assets					-
Other increase					-
Return of finance lease fixed assets					-
Other decrease					-
Ending balance	-	-	-	-	-
Net book value					
Beginning balance					-
Ending balance	-	-	-	-	-

* Additional rentals recorded as expenses in the period:

* Basis to determine additional rentals:

* Terms of lease extension and option to purchase asset:

8. Construction in progress

	31/12/2016		01/01/2016	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
Construction costs of Krong Hnang 2 Hydropower Plant	1,291,509,910	1,291,509,910	1,291,509,910	1,291,509,910
Construction costs of Song Tranh 1 Hydropower Plant	4,399,763,851	4,399,763,851	4,399,763,851	4,399,763,851
Other construction and purchase costs				
Total	5,691,273,761	5,691,273,761	5,691,273,761	5,691,273,761

9. Increase, decrease in investment properties

	Beginning balance VND	Increase in the year VND	Decrease in the year VND	Ending balance VND
Cost				-
Land use rights				-
Buildings				-
Buildings & Land use rights				-
Infrastructures	-			-
Accumulated depreciation				-
Land use rights				-
Buildings				-
Buildings & Land use rights				-
Infrastructures				-
Net book value				-
Land use rights				-
Buildings				-
Buildings & Land use rights				-
Infrastructures				-

* Other notes to data and explanation.

10. Prepaid expenses

a. Short-term prepaid expenses	31/12/2016 VND	01/01/2016 VND
Costs of tools and instruments allocated		
Repair costs, forest tending costs and others	4,846,684,290	86,173,344
Total	4,846,684,290	86,173,344
b. Long-term prepaid expenses	31/12/2016 VND	01/01/2016 VND
Costs of tools and instruments to be allocated	246,650,381	351,070,993
Others	12,789,856,124	12,352,580,734
Total	13,036,506,505	12,703,651,727

11. Short-term, long-term loans

	31/12/2016	01/01/2016
	VND	VND
Current portion of long-term debts and short-term loans	67,720,000,000	59,830,000,000
- Vietcombank - Danang Branch	5,720,000,000	5,830,000,000
- OCB - Quang Nam Branch	62,000,000,000	54,000,000,000
Total	67,720,000,000	59,830,000,000

	31/12/2016	01/01/2016
	VND	VND
Loans with the term of over 1 year	583,904,000,000	652,874,000,000
- Vietcombank - Danang Branch (i)	27,450,000,000	32,600,000,000
- Vietcombank - Danang Branch (ii)	70,454,000,000	72,274,000,000
- OCB - Quang Nam Branch (iii)	486,000,000,000	548,000,000,000
Total	583,904,000,000	652,874,000,000

* Other notes:

- (i) On 07/02/2013, the Company entered into long-term borrowing contract No. 34/2013/VCB-KHDN with JSC Bank for Foreign Trade of Vietnam – Da Nang Branch. This is a long-term loan with maximum credit amount of VND50,000,000,000. The loan period is 120 months as from the date of withdrawal.
 - The VND loan bears interest at the rate announced by JSC Bank for Foreign Trade of Vietnam – Da Nang Branch and subject to change once a quarter.
 - The loan is to reimburse the capital which the Company invested in Khe Dien Hydropower Plant.
- (ii) On 14/05/2014, the Company entered into long-term borrowing contract No. 162/2014/VCB-KHDN with JSC Bank for Foreign Trade of Vietnam – Da Nang Branch. This is a long-term loan with maximum credit amount of VND77,650,000,000. The loan period is 120 months as from the date of withdrawal.
 - The VND loan bears interest at the rate announced by JSC Bank for Foreign Trade of Vietnam – Da Nang Branch and subject to change once a quarter.
 - The loan is to reimburse the capital which the Company invested in Khe Dien Hydropower Plant.
- (iii) On 26/03/2015, the Company entered into long-term borrowing contract No. 024/2015/HDTD-DN with Ocean Commercial One Member Limited Liability Bank – Quang Nam Branch. This loan has maximum credit amount of VND 620,000,000,000 VND. The loan period is 120 months as from the date of withdrawal.
 - The loan bears interest at the rate announced by Ocean Commercial One Member Limited Liability Bank – Quang Nam Branch and subject to change once a quarter.
 - The loan is to finance the Krong H'ngang Hydropower Plant in Phu Yen and Dak Lak Province.

12. Taxes and amounts payable to the State Budget

	31/12/2016	01/01/2016
	VND	VND
Value added tax	7,026,068,234	11,050,859,081
Corporate income tax	4,035,886,220	4,249,914,743
Personal income tax	7,160,005	24,787,809
Natural resource tax	5,693,706,526	6,261,523,601
Forest environmental service fee	2,008,609,640	2,108,610,640
Total	18,771,430,625	23,695,695,874

13. Accrued expenses

	31/12/2016	01/01/2016
	VND	VND
Accrued interest	3,820,934,228	3,522,397,339
- Loan interest of Khe Dien HP (VCB Da Nang Contract 3-	764,427,111	833,209,166
- Loan interest of Khe Dien HP (VCB Da Nang Contract 10	1,719,044,729	1,692,004,394
- Loan interest of Krong H'ngang HP (OCB Quang Nam)	279,480,000	139,069,444
- Intererst on short-term loan for production and business (OCB QN Contract 043)		2,953,502
- Interest on deferred payment	1,057,982,388	855,160,833
External project implentation costs		
Implementation costs of Projects Dak Psi5	8,252,013	104,315,187
Labor supervision expenses of A Roang Hydropower Plant	43,421,980	721,092,976
Consulting expenses for flood mapping	242,761,418	214,145,973
Consulting expenses for mapping, protecting Ry Ninh Dam	19,783,676	19,783,676
Consulting expenses for dam protection of An Diem and Dak Pone Hydropower Plant	16,239,543	19,741,453
Expenses for im plementing contract to Aroang HP.	72,231,488	72,643,761
Expenses for implementing contract to protect KRN lake bec	106,666,400	60,000,000
Expenses for implementing contract to protect Ry Ninh Dan	12,433,447	
Expenses of preparing flood prevention plan of Zahung HP	106,881,612	
Survey expenses of Song Bung 3A Investment Project	1,934,548,721	
Expenses of project,Tam Phuc,Ry Ninh,Dak Pring,Dray H'li	656,937,320	
Total	7,041,091,846	4,734,120,365

14. Other short-term payables

	31/12/2016	01/01/2016
	VND	VND
Trade union fees		-
Statutory insurances		-
Other payables	25,391,903,134	28,561,582,185
- Dividends payable	24,626,277,308	27,827,217,478
- Other payables	765,625,826	734,364,707
Total	25,391,903,134	28,561,582,185

15. Deferred income tax assets and liabilities

a. Deferred income tax assets

	31/12/2016	01/01/2016
	VND	VND
- Deferred income tax assets related to the deductible temporary difference		
- Deferred income tax assets related to the unused tax losses		
- Deferred income tax assets related to the unused tax credits		
- Reversal of deferred income tax assets recorded from previous years		
Deferred income tax assets	-	-

b. Deferred income tax liabilities

	31/12/2016	01/01/2016
	VND	VND
- Deferred income tax liabilities arising from temporary taxable differences		
- Reversal of deferred income tax liabilities recorded from previous years		
Deferred income tax liabilities	-	-

16. Owners' equity

a. Statement of changes in owners' equity

Items	Share capital	Share premium	owner's capital	Treasury shares	Development fund	Undistributed profit after tax	Total
	VND	VND	VND	VND	VND	VND	VND
As at 01/01/2015	604,882,610,000	(95,000,000)	4,692,172,664	(1,588,920,333)	10,420,123,594	67,535,565,155	685,846,551,080
Increase in the year	-	-	2,057,780,246	-	2,674,302,605	51,769,769,357	56,501,852,208
Decrease in the year	-	-	-	-	-	67,535,565,155	67,535,565,155
As at 31/12/2015	<u>604,882,610,000</u>	<u>(95,000,000)</u>	<u>6,749,952,910</u>	<u>(1,588,920,333)</u>	<u>13,094,426,199</u>	<u>51,769,769,357</u>	<u>674,812,838,133</u>
As at 01/01/2016	604,882,610,000	(95,000,000)	6,749,952,910	(1,588,920,333)	13,094,426,199	51,769,769,357	674,812,838,133
Increase in the period	-	-	510,857,693	-	822,531,476	64,207,112,765	65,540,501,934
Decrease in the period	-	-	-	-	-	51,769,769,357	51,769,769,357
As at 31/12/2016	<u>604,882,610,000</u>	<u>(95,000,000)</u>	<u>7,260,810,603</u>	<u>(1,588,920,333)</u>	<u>13,916,957,675</u>	<u>64,207,112,765</u>	<u>688,583,570,710</u>

b. Share capital

	31/12/2016	01/01/2016
	VND	VND
Central Power Corporation	236,450,000,000	236,450,000,000
Other shareholders	368,432,610,000	368,432,610,000
Total	<u>604,882,610,000</u>	<u>604,882,610,000</u>

* Value of bonds converted to shares in the period: none

* Number of treasury shares: 199,930 shares

c. Capital transactions with owners and distribution of profits, dividends

	31/12/2016	01/01/2016
	VND	VND
Share capital		
- Opening balance	604,882,610,000	604,882,610,000
- Increase in the period		
- Decrease in the period		
- Closing balance	604,882,610,000	604,882,610,000
Profit, dividend paid		

d. Dividends

	31/12/2016	01/01/2016
	VND	VND

Dividends declared dater the balance sheet date

- Dividends declared for common shares
- Dividends declared for preferred shares

Accumulated dividends of preferred shares not yet recorded

d. Shares

	31/12/2016	01/01/2016
	Shares	Shares
Number of shares authorized to be issued		
Number of issued shares	60,488,261	60,488,261
- Common shares	60,488,261	60,488,261
- Preferred shares	-	-
Number of shares bought back	199,930	199,930
- Common shares	199,930	199,930
- Preferred shares	-	-
Number of outstanding shares	60,288,331	60,288,331
- Common shares	60,288,331	60,288,331
- Preferred shares	-	-
Par value: VND10,000 each		

e. Funds

	31/12/2016	01/01/2016
	VND	VND
- Development investment fund	13,916,957,675	13,094,426,199
- Reward fund	792,959,679	777,501,985
- Welfare fund	727,442,082	598,561,333
- Reward fund for Management Board	-	

* Purpose for appropriating and using funds of the Company:

- To enhance the financial autonomy of the company.
- Minimize risks.
- Expanding production development capabilities as well as the size of the Company.

f. Income and expenses, profits or losses are charged directly to the owners' equity in accordance with the specific accounting standards.

17. Budget sources

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Budget sources granted in the quarter		
Expenditures for non-business activities		
Closing balance		

VI. Supplementary information about items in the income statement

1. Revenue from sales and service provision (Code 01)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Total revenue	105,115,750,355	95,905,095,950
+ Revenue from selling electricity	102,377,295,276	94,459,399,367
+ Revenue from rendering services	2,738,455,079	1,445,696,583
Total revenue from sales and service provision	105,115,750,355	95,905,095,950

2. Revenue deductions (Code 02)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
- Trade discounts	-	-
- Sales rebates		
- Sales returns		
- Payable VAT (direct method)		
- Special consumption tax		
- Export duty		
Total	-	-

3. Revenue from sales and service provision (Code 10)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
- Revenue from selling electricity	102,377,295,276	94,459,399,367
- Revenue from rendering services	2,738,455,079	1,445,696,583
Total	105,115,750,355	95,905,095,950

4. Cost of goods sold (Code 11)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Cost of electricity sold	29,641,357,660	29,972,007,754
Cost of services rendered	2,635,763,014	1,390,092,868
Total	32,277,120,674	31,362,100,622

5. Financial income (Code 21)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Loan interest, deposit interest	10,156,383	5,945,877
Foreign exchange gains		
Total	10,156,383	5,945,877

6. Financial expenses (Code 22)

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Loan interest	16,311,762,762	16,165,560,186
Interest on late payment	116,123,222	866,717,665
Total	16,427,885,984	17,032,277,851

7. Current corporate income tax expense (Code 51)

	Quarter 4	Quarter 4
	Year 2016	Year 2015
	VND	VND
Accounting profit before tax	51,256,145,587	45,649,930,747
In which:		
- Profit from operation of Khe Dien HP	6,424,981,723	3,383,097,316
- Profit from operation at the Head Office	120,239,349	105,968,580
- Profit from operation of Krong H'nang HP	44,684,104,197	42,156,652,059
- Profit from operation of the Consulting and Testing Center	26,820,318	4,212,792
Increasing adjustments to determine taxable income	243,311,787	1,060,074,994
- Adjustments for operation at Khe Dien HP		63,779,628
- Adjustments for operation at the Head Office	22,615,000	4,995,336
- Adjustments for operation at KRN HP	220,696,787	990,398,770
- Adjustments for operation at the Consulting and Testing Center		901,260
Decreasing adjustment, offsetting to determine taxable income	33,051,437	850,421
- Adjustments for operation at Khe Dien HP offset against operation of KRN HP	(5,299,408,227)	(9,561,678,043)
- Adjustments for operation at the Head Office	12,384,359	(1,326,019)
- Adjustments for operation at KRN HP offset against operation of Khe Dien HP	5,299,408,227	9,561,678,043
- Adjustments for operation at the Consulting & Testing Center	20,667,078	2,176,440
Total taxable income	51,466,405,937	46,709,155,320
- Khe Dien Hydropower Plant	11,724,389,950	13,008,554,987
- Head Office	130,469,990	112,289,935
- Krong H'nang Hydropower Plant	39,605,392,757	33,585,372,786
- Dam Safety Testing and Consulting Center	6,153,240	2,937,612
Corporate income tax rate	20%	22%
Corporate income tax	6,332,741,912	6,245,769,437
- Khe Dien Hydropower Plant	2,344,877,990	2,861,882,097
- Head Office	26,093,998	24,703,786
- Krong H'nang Hydropower Plant (tax rate of 10%)	3,960,539,276	3,358,537,279
- Dam Safety Testing and Consulting Center	1,230,648	646,275
Reduced, exempted corporate income tax	1,980,269,638	1,679,268,640
- Khe Dien Hydropower Plant		
- Head Office		
- Krong H'nang Hydropower Plant	1,980,269,638	1,679,268,640
- Dam Safety Testing and Consulting Center	-	-
Current corporate income tax expense	4,352,472,274	4,566,500,797
- Khe Dien Hydropower Plant	2,344,877,990	2,861,882,097
- Head Office	26,093,998	24,703,786
- Krong H'nang Hydropower Plant	1,980,269,638	1,679,268,639
- Dam Safety Testing and Consulting Center	1,230,648	646,275
Profit after tax	46,903,673,313	41,083,429,950

8. Basic earnings per share, diluted earnings per share (Code 70, Code 71)

a. Basic earnings per share	Quarter 4	Quarter 4	Accumulated for the year	
	Year 2016	Year 2015	Year 2016	Year 2015
	VND	VND	VND	VND
Profit after corporate income tax	46,903,673,313	41,083,429,950	64,207,112,765	51,769,769,357
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	46,903,673,313	41,083,429,950	64,207,112,765	51,769,769,357
Weighted average number of outstanding common shares	60,288,331	60,288,331	60,288,331	60,288,331
Basis earnings per share	778	681	1,065	859

b. Diluted earnings per share	Quarter 4	Quarter 4	Accumulated for the year	
	Year 2016	Year 2015	Year 2016	Year 2015
	VND	VND	VND	VND
Profit after corporate income tax	46,903,673,313	41,083,429,950	64,207,112,765	51,769,769,357
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	46,903,673,313	41,083,429,950	64,207,112,765	51,769,769,357
Weighted average number of outstanding common shares	60,288,331	60,288,331	60,288,331	60,288,331
Additional common shares expected to be issued	-	-	-	-
Diluted earnings per share	778	681	1,065	859

9. Production and business expenses by elements

	Quarter 4	Quarter 4
	Year 2016	Year 2015
	VND	VND
Materials, tools expenses	493,378,449	403,442,759
Labor costs	7,383,081,966	7,147,586,487
Depreciation expenses	19,727,799,595	16,737,204,286
Outside service expenses, other cash expenses	9,714,067,592	10,718,469,610
Total	37,318,327,602	35,006,703,142

VII. Supplementary information about items in the statement of cash flows:

10. Non-cash transactions affecting the statement of cash flows and amounts held by the Company but not in use

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
a. Purchasing assets by receiving directly related debts or via finance lease transaction:	-	-
- Acquiring enterprise through issuing shares;		
- Converting debts into owner's equity;		
b. Acquiring and disposing subsidiaries or other business entities in the reporting period:	-	-
- Total acquisition or disposal value;		
- The acquisition or disposal value paid by cash and cash equivalents;		
- Amounts of cash and cash equivalents actually held by subsidiaries or other business entities which are acquired or disposed;		
- Value of assets (summarized by each category) and liabilities which are not cash and cash equivalents in subsidiaries or other business entities acquired or disposed in the period.		
c. Present amount and reasons why cash and cash equivalents of high value held by the Company are unused due to limitations of laws or other binds which the Company must implement.	-	-

VIII. Other information

1. Contingent liabilities, commitments and other financial information.

2. Post balance sheet date events.

3. Related party information.

a. Related party transactions

	Quarter 4 Year 2016 VND	Quarter 4 Year 2015 VND
Revenue (sales of electricity)		
Central Power Corporation	16,120,197,719	11,710,191,900
b. Related party balance		
	31/12/2016 VND	31/12/2015 VND
Amount receivable (from sale of electricity)		
Central Power Corporation	8,214,963,977	12,685,682,691

4. Reporting assets, revenue, business results by segment (business segments or segments by geographical area) in accordance with Accounting Standard No. 28 "Segment reporting".

Quarter 4/2016

Items	Total	In which:	
		Khe Dien Hydropower Plant – Quang Nam Province VND	Krong H' nang Hydropower Plant – Dak Lak Province VND
1. Net revenue from sales	102,377,295,276	16,126,444,215	86,250,851,061
2. Cost of goods sold	29,641,357,660	6,107,375,889	23,533,981,771
3. Cost of fixed assets	1,592,684,447,229	191,229,990,673	1,401,454,456,556
4. Accumulated depreciation	307,100,587,445	76,165,157,149	230,935,430,296
5. Accounting profit before tax	51,109,085,920	6,424,981,723	44,684,104,197
6. Profit after tax	4,325,147,628	2,344,877,990	1,980,269,638

Quarter 4/2015

Items	Total	In which:	
		Khe Dien Hydropower Plant – Quang Nam Province VND	Krong H' nang Hydropower Plant – Dak Lak Province VND
1. Net revenue from sales	94,459,399,367	11,715,038,813	82,744,360,554
2. Giá vốn	29,972,007,754	6,617,859,304	23,354,148,450
3. Cost of fixed assets	1,592,684,447,229	191,229,990,673	1,401,454,456,556
4. Accumulated depreciation	269,120,586,018	68,920,350,860	200,200,235,158
5. Accounting profit before tax	45,539,749,375	3,383,097,316	42,156,652,059
6. Profit after tax	40,998,598,639	521,215,219	40,477,383,420

- 5. Comparative figures (changes in information of the financial statements of previous accounting periods)**
6. Going concern information.
7. Other information.

Da Nang, 16 January 2017

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung

General Director



Pham Phong