



SONG BA JOINT STOCK COMPANY

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



BSIVN 1125/2014

INTERIM FINANCIAL STATEMENTS

Quarter 3/2017

Da Nang City, October 2017

INTERIM BALANCE SHEET

Quarter 3/2017

As at 30 September 2017

Unit: VND

ASSETS	Code	Note	30/09/2017	01/01/2017
1	2	3	4	5
A- CURRENT ASSETS (100=110+120+130+140+150)	100		102,811,842,884	86,738,892,153
I Cash and cash equivalents	110		5,701,129,772	14,819,783,143
1 Cash	111	V.01	5,701,129,772	14,819,783,143
2 Cash equivalents	112		-	-
II Short-term financial investments	120		-	-
III Short-term receivables	130		92,455,609,638	64,573,199,461
1 Short-term trade receivables	131	V.02	65,866,352,804	48,425,521,593
2 Short-term prepayments to suppliers	132	V.03	6,670,920,485	3,358,851,758
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.04	19,918,336,349	12,788,826,110
7 Provision for short-term doubtful debts (*)	137		-	-
8 Shortage of assets pending resolution	139		-	-
IV Inventories	140		1,669,350,514	2,077,928,466
1 Inventories	141	V.05	1,669,350,514	2,077,928,466
2 Provision for decline in value of inventories (*)	149		-	-
V Other current assets	150		2,985,752,960	5,267,981,083
1 Short-term prepaid expenses	151	V.11	1,872,329,746	4,846,684,290
2 Deductible VAT	152		837,885,810	421,296,793
3 Taxes and amounts receivables from the State	153		275,537,404	-
4 Government bonds purchased for resale	154		-	-
5 Other current assets	155		-	-
B- LONG-TERM ASSETS				
(200=210+220+230+240+250+260)	200		1,274,951,982,140	1,316,146,018,494
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.04	2,004,000,000	2,004,000,000
7 Provision for long-term doubtful debts (*)	219		-	-
II Fixed assets	220		1,254,924,560,673	1,295,414,238,228
1 Tangible fixed assets	221	V.06	1,249,749,298,873	1,290,232,698,669
- Cost	222		1,600,806,526,741	1,600,087,543,741
- Accumulated depreciation (*)	223		(351,057,227,868)	(309,854,845,072)
2 Finance lease assets	224	V.08	-	-
- Cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3 Intangible fixed assets	227	V.07	5,175,261,800	5,181,539,559
- Cost	228		5,478,061,800	5,478,061,800
- Accumulated amortization (*)	229		(302,800,000)	(296,522,241)
III Investment properties	230	V.10	-	-
IV Long-term assets in progress	240		8,721,214,787	5,691,273,761
1 Long-term work in process	241		-	-
2 Construction in progress	242	V.09	8,721,214,787	5,691,273,761
V Long-term financial investments	250		-	-
VI Other long-term assets	260		9,302,206,680	13,036,506,505
1 Long-term prepaid expenses	261	V.11	9,302,206,680	13,036,506,505
2 Deferred income tax assets	262	V.16	-	-
3 Long-term equipment, materials, spare parts	263		-	-
4 Other long-term assets	268		-	-
TOTAL ASSETS (270=100+200)	270		1,377,763,825,024	1,402,884,910,647

RESOURCES	Code	Note	30/09/2017	01/01/2017
A- LIABILITIES (300=310+330)	300		654,663,176,395	714,301,340,927
I Current liabilities	310		107,129,176,395	130,397,340,927
1 Short-term trade payables	311		684,461,337	5,910,174,163
2 Short-term advances from customers	312		637,759,546	1,134,215,089
3 Taxes and amounts payable to the State budget	313	V.13	12,908,147,251	18,771,430,469
4 Payables to employees	314		6,069,440,329	1,169,557,865
5 Short-term accrued expenses	315	V.14	8,606,691,052	8,779,658,446
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.15	26,783,641,581	25,391,903,134
10 Short-term loans and finance lease liabilities	320	V.12	49,820,000,000	67,720,000,000
11 Provision for short-term payables (*)	321		-	-
12 Reward and welfare fund	322		1,619,035,299	1,520,401,761
13 Price stabilization fund	323		-	-
14 Government bonds purchased for resale	324		-	-
II Long-term liabilities	330		547,534,000,000	583,904,000,000
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.12	547,534,000,000	583,904,000,000
9 Convertible bonds	339		-	-
10 Preferred shares	340		-	-
11 Deferred income tax liabilities	341	V.16	-	-
12 Provision for long-term payables	342		-	-
13 Scientific and technological development fund	343		-	-
B- EQUITY (400=410+430)	400		723,100,648,629	688,583,569,720
I Shareholders' equity	410	V.17	723,100,648,629	688,583,569,720
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	7,260,810,603
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		15,130,424,088	13,916,957,675
9 Fund for support of arrangement of enterprises	419		-	-
10 Other owners' fund	420		-	-
11 Undistributed profit	421		97,510,724,271	64,207,111,775
- Undistributed profit up to prior year-end	421a		635,264,318	-
- Undistributed profit this period	421b		96,875,459,953	64,207,111,775
12 Capital sources for investment in construction	422		-	-
II Budget sources and other funds	430		-	-
1 Budget sources	431	V.18	-	-
2 Budget sources forming fixed assets	432		-	-
TOTAL RESOURCES (440=300+400)	440		1,377,763,825,024	1,402,884,910,647

Preparer



Trung Ngoc Hung

Chief Accountant



Pham Thai Hung



Đà Nẵng, 18 October 2017
General Director



Pham Phong

INTERIM INCOME STATEMENT
QUARTER 3/2017

Unit: VND

ITEMS	Code	Note	Quarter 3		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	88,173,342,083	52,188,815,297	228,827,804,572	105,050,855,437
2. Revenue deductions	02	VI.2	-	-	-	-
3. Net revenue from sales and service provision (10=01-02)	10	VI.3	88,173,342,083	52,188,815,297	228,827,804,572	105,050,855,437
4. Cost of goods sold	11	VI.4	23,938,929,678	15,530,995,607	68,319,873,215	33,888,266,570
5. Gross profit from sales and service provision (20=10-11)	20		64,234,412,405	36,657,819,690	160,507,931,357	71,162,588,867
6. Financial income	21	VI.5	47,087,894	4,165,360	189,020,221	23,114,973
7. Financial expenses	22	VI.6	14,773,646,844	16,410,302,952	44,779,856,222	47,957,053,122
- In which: Interest expense	23		14,488,805,705	16,410,302,952	44,208,951,381	47,869,627,836
8. Selling expenses	25		-	-	-	-
9. Administration expenses	26		4,388,918,371	2,151,558,947	11,011,766,431	4,473,992,018
10. Operating profit {30=20+(21-22)-(25+26)}	30		45,118,935,084	18,100,123,151	104,905,328,925	18,754,658,700
11. Other income	31		20,379,580	104,044,304	140,836,191	191,757,381
12. Other expenses	32		69,520,134	90,418,797	353,398,107	585,732,958
13. Other profit (40=31-32)	40		-49,140,554	13,625,507	(212,561,916)	(393,975,577)
14. Accounting profit before tax (50=30+40)	50		45,069,794,530	18,113,748,658	104,692,767,009	18,360,683,123
15. Current corporate income tax expense	51	VI.7	2,323,547,693	907,473,077	7,817,307,056	1,057,243,671
16. Deferred corporate income tax expense	52		-	-	-	-
17. Profit after corporate income tax (60=50-51-52)	60		42,746,246,837	17,206,275,581	96,875,459,953	17,303,439,452
18. Basic earnings per share	70	VI.8	709	285	1,607	287
19. Diluted earnings per share	71	VI.8	709	285	1,607	287

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung



INTERIM STATEMENT OF CASH FLOWS

(Under direct method)
QUARTER 3/2017

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		213,004,579,462	143,211,895,587
2 Cash paid to suppliers	02		(17,413,194,322)	(20,451,428,637)
3 Cash paid to employees	03		(12,329,268,884)	(9,891,612,908)
4 Cash paid for borrowing interest	04		(44,504,942,521)	(47,921,611,289)
5 Corporate income tax paid	05		(9,529,645,531)	(4,716,271,391)
6 Other cash receipts from operating activities	06		44,599,701,437	25,286,845,217
7 Other payments for operating activities	07		(64,728,358,596)	(37,500,791,788)
Net cash provided by operating activities	20		109,098,871,045	48,017,024,791
II Cash flows from investing activities				
1 Cash paid for purchases of fixed assets and other long-term assets	21		(5,203,622,854)	(72,773,962)
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		189,020,221	23,114,973
Net cash used in investing activities	30		(5,014,602,633)	(49,658,989)
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		3,439,776,200	12,750,300,077
4 Repayments of loan principal	34		(57,709,776,200)	(19,130,000,000)
5 Repayments of obligations under finance lease	35		-	-
6 Dividends, profit paid to owners	36		(58,932,921,783)	(23,869,767,166)
Net cash used in financing activities	40		(113,202,921,783)	(30,249,467,089)
Net cash flows for the period (50=20+30+40)	50		(9,118,653,371)	17,717,898,713
Cash and cash equivalents at the beginning of the period	60		14,819,783,143	838,160,183
Impacts of exchange rate fluctuations	61			
Cash and cash equivalents at the end of the period (70=50+60+61)	70	VII.34	5,701,129,772	18,556,058,896

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung

Da Nang, 18 October 2017
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 3/2017

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 an 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 established under Business Registration Certificate No. 0400439955-001 dated 10/09/2007.
 - 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

	30/09/2017	01/01/2017
	VND	VND
Cash on hand	1,561,724,185	787,921,797
Cash in bank	4,139,405,587	14,031,861,346
+ VND	4,139,405,587	14,031,861,346
+ USD		
Cash in transits		
Cash equivalents		
Total	5,701,129,772	14,819,783,143

2. Trade receivables

	30/09/2017	01/01/2017
	VND	VND
- Short-term trade receivables	-	-
+ <i>Electric Power Trading Company</i>	61,667,889,274	39,229,787,178
+ Other short-term trade receivables	2,334,201,105	980,770,438
- Receivables from related parties		
+ <i>Central Power Corporation</i>	1,864,262,425	8,214,963,977
Total	65,866,352,804	48,425,521,593

3. Shot-term prepayments to suppliers

	30/09/2017	01/01/2017
	VND	VND
- Thuy Loi Technology Transfer and Consulting JSC	37,233,000	2,969,766,000
- Phu An Duong Joint Stock Company	78,190,069	210,440,000
- Infrastructure & Energy Investment Consultant JSC	720,000,000	-
- P.L.T Mechanical and Construction Co., Ltd	724,624,488	-
- 579 Consultancy and Construction JSC	1,865,010,514	
- Dong Tay Investment and Construction JSC	2,183,083,825	
- Phong Vu Electric Company Limited	677,069,000	
- Others	385,709,589	178,645,758
Total	6,670,920,485	3,358,851,758

4. Other receivables

a. Short-term	30/09/2017		01/01/2017	
	Amount VND	Provision VND	Amount VND	Provision VND
- Other receivables	273,123,968	-	714,461,496	-
- Advances for production and business activities, repair, maintenance and outside projects	19,645,212,381	-	12,074,364,614	-
+ <i>Forest tending costs</i>	1,650,000,000		750,000,000	
+ <i>Management costs of Project Song Bung 3A , Tam Phuc, Dak Rong 1 ...</i>	3,400,000,000		3,400,000,000	
+ <i>Repair and maintenance costs of Krong H'ngang HP-electromechanical part 2017</i>	2,800,000,000		2,800,000,000	
+ <i>Repair costs of construction part KRN 2016-2017</i>	2,363,000,000		1,563,000,000	
+ <i>Costs of purchasing equipment for Khe Dien HP 2017</i>	2,800,000,000		700,000,000	
+ <i>Costs of purchasing materials, equipment, repair and maintenance of Khe Dien HP</i>	1,353,414,775		842,383,815	
+ <i>Costs of flood and storm prevention, information installation system, KRN valve gate maintenance</i>	1,800,000,000		800,000,000	
+ <i>Cost of road concrete VH1 Khe Dien Hydropower Plant</i>	1,600,000,000			
+ <i>Costs of production and business activities, repairing construction items and other receivables</i>	1,878,797,606		1,218,980,799	
Total	19,918,336,349	-	12,788,826,110	-

b. Long-term	30/09/2017		01/01/2017	
	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	-

5. Inventories

	30/09/2017		01/01/2017	
	Cost VND	Provision VND	Cost VND	Provision VND
Materials	374,762,988	-	933,460,018	-
Tools, instruments	898,230,000	-	895,760,000	-
Work in process	396,357,526	-	248,708,448	-
Total	1,669,350,514	-	2,077,928,466	-

6. Increase, decrease in tangible fixed assets:

	Buildings, architectures VND	Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost					
Beginning balance	1,184,055,609,156	334,580,065,801	81,158,664,955	293,203,829	1,600,087,543,741
Newly-purchased	-	-	678,073,909	40,909,091	718,983,000
Self-constructed	-	-	-	-	-
Re-classified	-	-	-	-	-
Other decrease	-	-	-	-	-
Sold, disposed	-	-	-	-	-
Ending balance	1,184,055,609,156	334,580,065,801	81,836,738,864	334,112,920	1,600,806,526,741
Depreciation					
Beginning balance	150,485,333,086	132,642,894,806	26,484,572,441	242,044,739	309,854,845,072
Charge for the year	20,219,511,060	16,859,822,651	4,115,375,220	7,673,865	41,202,382,796
Re-classified	-	-	-	-	-
Other decrease	-	-	-	-	-
Sold, disposed	-	-	-	-	-
Ending balance	170,704,844,146	149,502,717,457	30,599,947,661	249,718,604	351,057,227,868
Net book value					
Beginning balance	1,033,570,276,070	201,937,170,995	54,674,092,514	51,159,090	1,290,232,698,669
Ending balance	1,013,350,765,010	185,077,348,344	51,236,791,203	84,394,316	1,249,749,298,873

- As at 30/09/2017, fixed assets with a carrying value of VND 1,245 billion have been mortgaged as collateral for borrowings granted to the Company;
- Cost of fixed assets fully depreciated but still in active use at 30/09/2017 is VND 3.67 billion.
- Cost of fixed assets pending disposal at 30/09/2017:
- 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.

7. 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	<u>5,175,261,800</u>	<u>302,800,000</u>	<u>5,478,061,800</u>
Amortization			
Beginning balance	0	296,522,241	296,522,241
Increase in the period		6,277,759	6,277,759
Decrease in the period			-
Ending balance	<u>-</u>	<u>302,800,000</u>	<u>302,800,000</u>
Net book value			
Beginning balance	5,175,261,800	6,277,759	5,181,539,559
Ending balance	<u>5,175,261,800</u>	<u>0</u>	<u>5,175,261,800</u>

* 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.

8. 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:

9. Construction in progress

	30/09/2017		01/01/2017	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
Construction costs of Krong H'ngang 2 Hydropower Plant	3,475,284,736	3,475,284,736	1,291,509,910	1,291,509,910
Construction costs of Song Tranh 1 Hydropower Plant	5,245,930,051	5,245,930,051	4,399,763,851	4,399,763,851
Total	8,721,214,787	8,721,214,787	5,691,273,761	5,691,273,761

10. 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.

11. Prepaid expenses

a. Short-term prepaid expenses	30/09/2017 VND	01/01/2017 VND
Costs of tools and instruments allocated		
Repair costs, forest tending costs and others	1,872,329,746	4,846,684,290
Total	1,872,329,746	4,846,684,290

b. Long-term prepaid expenses	30/09/2017 VND	01/01/2017 VND
Costs of tools and instruments to be allocated	448,544,047	246,650,381
Others	8,853,662,633	12,789,856,124
Total	9,302,206,680	13,036,506,505

12. Short-term, long-term loans

	30/09/2017 VND	01/01/2017 VND
Current portion of long-term debts and short-term loans	49,820,000,000	67,720,000,000
- Vietcombank - Danang Branch	5,820,000,000	5,720,000,000
- OCB - Trung Viet Branch	44,000,000,000	62,000,000,000
Total	49,820,000,000	67,720,000,000

	30/09/2017 VND	01/01/2017 VND
Loans with the term of over 1 year	547,534,000,000	583,904,000,000
- Vietcombank - Danang Branch (i)	23,450,000,000	27,450,000,000
- Vietcombank - Danang Branch (ii)	69,084,000,000	70,454,000,000
- OCB - Quang Nam Branch (iii)	455,000,000,000	486,000,000,000
Total	547,534,000,000	583,904,000,000

* 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.

13. Taxes and amounts payable to the State Budget

	30/09/2017 VND	01/01/2017 VND
Value added tax	5,763,066,106	7,026,068,130
Corporate income tax	2,323,547,693	4,035,886,168
Personal income tax		7,160,005
Natural resource tax	3,444,326,172	5,693,706,526
Forest environmental service fee	1,377,207,280	2,008,609,640
Total	12,908,147,251	18,771,430,469

14. Accrued expenses

	30/09/2017 VND	01/01/2017 VND
Accrued interest	2,859,714,992	3,820,934,228
- Loan interest of Khe Dien HP (VCB Da Nang Contract 34)	667,804,583	764,427,111
- Loan interest of Khe Dien HP (VCB Da Nang Contract 162)	1,671,911,117	1,719,044,729
- Loan interest of Krong H'ngang HP (OCB Trung Viet)	127,245,000	279,480,000
- Interest on deferred payment	392,754,292	1,057,982,388
External project implementation costs		
- Expenses for implementing general map for Song Ba River's lowland	232,859,705	242,761,418
- Expenses for protecting reservoir of Krong H'ngang hydropow	-	106,666,400
- Survey expenses of Song Bung 3A Investment Project	4,356,904,769	3,354,407,321
- Survey expenses of Tầm phục Investment Project	340,047,533	483,433,043
- Expenses of preparing flood prevention plan of Zahung		106,881,612
Hydropower plant		
- Other	817,164,053	664,574,424
Total	8,606,691,052	8,779,658,446

15. Other short-term payables

	30/09/2017	01/01/2017
	VND	VND
Trade union fees	8,234,264	-
Statutory insurances	7,027,020	-
Other payables	26,768,380,297	25,391,903,134
- Dividends payable	25,981,686,525	24,626,277,308
- Other payables	786,693,772	765,625,826
Total	26,783,641,581	25,391,903,134

16. Deferred income tax assets and liabilities

	30/09/2017	01/01/2017
	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		
- Reversal of deferred income tax assets recorded from previous years		
Deferred income tax assets	-	-

b. Deferred income tax liabilities

	30/09/2017	01/01/2017
	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	-	-

17. Owners' equity

a. Statement of changes in owners' equity

Items	Share capital VND	Share premium VND	owner's capital VND	Treasury shares VND	Development fund VND	Undistributed profit after tax VND	Total VND
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 year	-	-	510,857,693	-	822,531,476	64,207,111,775	65,540,500,944
Decrease in the year	-	-	-	-	-	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>64,207,111,775</u>	<u>688,583,569,720</u>
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	688,583,569,720
Increase in the period	-	-	-	-	123,466,413	96,875,459,953	98,088,926,366
Decrease in the period	-	-	-	-	-	63,571,847,457	63,571,847,457
As at 30/09/2017	<u>604,882,610,000</u>	<u>(95,000,000)</u>	<u>7,260,810,603</u>	<u>(1,588,920,333)</u>	<u>15,130,424,088</u>	<u>97,510,724,271</u>	<u>723,100,648,629</u>

b. Share capital

	30/09/2017 VND	01/01/2017 VND
Central Power Corporation	236,450,000,000	236,450,000,000
Other shareholders	368,432,610,000	368,432,610,000
Total	604,882,610,000	604,882,610,000

* 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

	30/09/2017 VND	01/01/2017 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

	30/09/2017 VND	01/01/2017 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

	30/09/2017 Shares	01/01/2017 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

	30/09/2017 VND	01/01/2017 VND
- Development investment fund	15,130,424,088	13,916,957,675
- Reward fund	1,010,544,701	792,959,679
- Welfare fund	608,490,598	727,442,082
- 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.		

18. Budget sources

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
Budget sources granted in the quarter		
Expenditures for non-business activities		
Closing balance	<u> </u>	<u> </u>

VI. Supplementary information about items in the income statement

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

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
Total revenue	88,173,342,083	52,188,815,297
+ Revenue from selling electricity	85,856,443,037	51,654,114,145
+ Revenue from rendering services	2,316,899,046	534,701,152
Total revenue from sales and service provision	<u>88,173,342,083</u>	<u>52,188,815,297</u>

2. Revenue deductions (Code 02)

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
- Trade discounts	-	-
- Sales rebates		
- Sales returns		
- Payable VAT (direct method)		
- Special consumption tax		
- Export duty		
Total	<u>-</u>	<u>-</u>

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

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
- Revenue from selling electricity	85,856,443,037	51,654,114,145
- Revenue from rendering services	2,316,899,046	534,701,152
Total	88,173,342,083	52,188,815,297

4. Cost of goods sold (Code 11)

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
Cost of electricity sold	21,935,546,040	15,016,345,749
Cost of services rendered	2,003,383,638	514,649,858
Total	23,938,929,678	15,530,995,607

5. Financial income (Code 21)

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
Loan interest, deposit interest	47,087,894	4,165,360
Foreign exchange gains		
Total	47,087,894	4,165,360

6. Financial expenses (Code 22)

	Quarter 3 Year 2017 VND	Quarter 3 Year 2016 VND
Loan interest	14,488,805,705	16,410,302,952
Interest on late payment	284,841,139	
Total	14,773,646,844	16,410,302,952

7. Current corporate income tax expense (Code 51)

	Quarter 3	Quarter 3
	Year 2017	Year 2016
	VND	VND
Accounting profit before tax	45,069,794,530	18,113,748,658
In which:		
- Profit from operation of Khe Dien HP	(4,033,685,366)	(3,178,449,752)
- Profit from operation at the Head Office	347,789,013	(13,249,025)
- Profit from operation of Krong H'ngang HP	48,755,617,015	21,325,304,697
- Profit from operation of the Dam Safety Testing and Consulting Center	73,868	(19,857,262)
Increasing adjustments to determine taxable income	334,665,693	2,661,447
- Adjustments for operation at Khe Dien HP	4,819,671	1,604,288
- Adjustments for operation at the Head Office	7,635,001	54,850
- Adjustments for operation at KRN HP	322,211,021	1,002,309
- Adjustments for operation at the Dam Safety Testing and Consulting Center		
Decreasing adjustment, offsetting to determine taxable income	-	3,176,845,464
- Adjustments for operation at Khe Dien HP offset against operation of KRN HP	(4,028,865,695)	3,176,845,464
- Adjustments for operation at the Head Office	(73,868)	
- Adjustments for operation at KRN HP offset against operation of Khe Dien HP	4,028,865,695	
- Adjustments for operation at the Dam Safety Testing and Consulting Center	73,868	
Total taxable income	45,404,460,223	18,116,410,105
- Khe Dien Hydropower Plant	-	
- Head Office	355,497,882	(13,194,175)
- Krong H'ngang Hydropower Plant	45,048,962,341	18,149,461,542
- Dam Safety Testing and Consulting Center	-	(19,857,262)
Corporate income tax rate	20%	20%
Corporate income tax	4,575,995,810	1,814,946,154
- Khe Dien Hydropower Plant	-	
- Head Office	71,099,576	
- Krong H'ngang Hydropower Plant (tax rate of 10%)	4,504,896,234	1,814,946,154
- Dam Safety Testing and Consulting Center	-	-
Reduced, exempted corporate income tax	2,252,448,117	907,473,077
- Khe Dien Hydropower Plant		
- Head Office		
- Krong H'ngang Hydropower Plant	2,252,448,117	907,473,077
- Dam Safety Testing and Consulting Center	-	-
Current corporate income tax expense	2,323,547,693	907,473,077
- Khe Dien Hydropower Plant	-	
- Head Office	71,099,576	
- Krong H'ngang Hydropower Plant	2,252,448,117	907,473,077
Profit after tax	42,746,246,837	17,206,275,581

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

a. Basic earnings per share	Quarter 3	Quarter 3	Accumulated for the year	
	Year 2017	Year 2016	Year 2017	Year 2016
	VND	VND	VND	VND
Profit after corporate income tax	42,746,246,837	17,206,275,581	96,875,459,953	17,303,439,452
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	42,746,246,837	17,206,275,581	96,875,459,953	17,303,439,452
Weighted average number of outstanding common shares	60,288,331	60,288,331	60,288,331	60,288,331
Basis earnings per share	709	285	1,607	287

b. Diluted earnings per share	Quarter 3	Quarter 3	Accumulated for the year	
	Year 2017	Year 2016	Year 2017	Year 2016
	VND	VND	VND	VND
Profit after corporate income tax	42,746,246,837	17,206,275,581	96,875,459,953	17,303,439,452
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	42,746,246,837	17,206,275,581	96,875,459,953	17,303,439,452
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	709	285	1,607	287

9. Production and business expenses by elements

	Quarter 3	Quarter 3
	Year 2017	Year 2016
	VND	VND
Materials, tools expenses	443,014,460	343,185,080
Labor costs	7,181,245,558	3,612,569,611
Depreciation expenses	14,088,857,592	8,831,931,767
Outside service expenses, other cash expenses	6,614,730,439	4,894,868,096
Total	28,327,848,049	17,682,554,554

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 3 Year 2017 VND	Quarter 3 Year 2016 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 3 Year 2017 VND	Quarter 3 Year 2016 VND
Revenue (sales of electricity)		
Central Power Corporation	3,966,000,548	2,881,172,670
b. Related party balance		
	30/09/2017 VND	01/01/2017 VND
Amount receivable (from sale of electricity)		
Central Power Corporation	1,864,262,425	5,113,479,421

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 3/2017

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	85,856,443,037	3,971,698,706	81,884,744,331
2. Cost of goods sold	21,935,546,040	4,718,680,163	17,216,865,877
3. Cost of fixed assets	1,593,362,521,138	191,908,064,582	1,401,454,456,556
4. Accumulated depreciation	348,816,405,978	85,156,925,650	263,659,480,328
5. Accounting profit before tax	44,721,931,649	(4,033,685,366)	48,755,617,015
6. Profit after tax	42,469,483,532	(4,033,685,366)	46,503,168,898

Quarter 3/2016

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	51,654,114,145	2,888,960,574	48,765,153,571
2. Cost of goods sold	15,016,345,749	2,958,019,142	12,058,326,607
3. Cost of fixed assets	1,592,684,447,229	191,229,990,673	1,401,454,456,556
4. Accumulated depreciation	287,439,513,407	72,548,417,910	214,891,095,497
5. Accounting profit before tax	18,146,854,945	(3,178,449,752)	21,325,304,697
6. Profit after tax	17,239,381,868	(3,178,449,752)	20,417,831,620

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

Da Nang, 18 October 2017

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung

General Director




Pham Phong