



SONG BA JOINT STOCK COMPANY

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Stock code: **SBA**

Trading floor: **HoSE**



INTERIM FINANCIAL STATEMENTS

Quarter 3/2020

Da Nang City, October 2020

INTERIM BALANCE SHEET

Quarter 3/2020

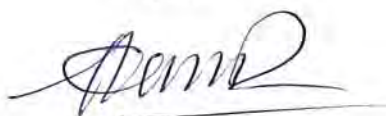
As at 30 September 2020

Unit: VND

ASSETS	Code	Note	30/09/2020	01/01/2020
I	2	3	4	5
A- CURRENT ASSETS (100=110+120+130+140+150)	100		106,077,588,868	65,920,443,198
I Cash and cash equivalents	110		2,691,355,138	12,999,905,264
1 Cash	111	V.01	2,691,355,138	12,999,905,264
2 Cash equivalents	112		-	-
II Short-term financial investments	120		-	-
III Short-term receivables	130		93,674,522,550	42,296,966,823
1 Short-term trade receivables	131	V.02	68,863,666,853	24,733,889,134
2 Short-term prepayments to suppliers	132	V.03	14,994,735,182	8,258,081,845
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	9,816,120,515	9,304,995,844
7 Provision for short-term doubtful debts (*)	137		-	-
8 Shortage of assets pending resolution	139		-	-
IV Inventories	140		3,713,026,621	2,072,858,303
1 Inventories	141	V.05	3,713,026,621	2,072,858,303
2 Provision for decline in value of inventories (*)	149		-	-
V Other current assets	150		5,998,684,559	8,550,712,808
1 Short-term prepaid expenses	151	V.11	2,436,209,522	6,023,306,635
2 Deductible VAT	152		3,413,805,119	2,527,406,173
3 Taxes and amounts receivables from the State	153		148,669,918	-
4 Government bonds purchased for resale	154		-	-
5 Other current assets	155		-	-
B- LONG-TERM ASSETS				
(200=210+220+230+240+250+260)	200		1,210,898,425,055	1,201,212,609,096
I Long-term receivables	210		2,004,000,000	2,686,258,046
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	2,686,258,046
7 Provision for long-term doubtful debts (*)	219		-	-
II Fixed assets	220		1,125,793,131,062	1,151,701,342,800
1 Tangible fixed assets	221	V.06	1,120,617,869,262	1,146,526,081,000
- Cost	222		1,600,923,589,650	1,600,923,589,650
- Accumulated depreciation (*)	223		(480,305,720,388)	(454,397,508,650)
2 Finance lease assets	224	V.08	-	-
- Cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3 Intangible fixed assets	227	V.07	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)
III Investment properties	230	V.10	-	-
IV Long-term assets in progress	240		63,647,706,051	27,054,799,307
1 Long-term work in process	241		-	-
2 Construction in progress	242	V.09	63,647,706,051	27,054,799,307
V Long-term financial investments	250		-	-
VI Other long-term assets	260		19,453,587,942	19,770,208,943
1 Long-term prepaid expenses	261	V.11	19,453,587,942	19,770,208,943
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		1,316,976,013,923	1,267,133,052,294

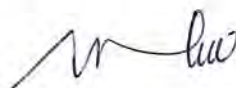
RESOURCES	Code	Note	30/09/2020	01/01/2020
A- LIABILITIES (300=310+330)	300		501,072,534,456	487,050,388,881
I Current liabilities	310		139,544,917,368	115,592,979,998
1 Short-term trade payables	311		1,504,594,773	517,159,971
2 Short-term advances from customers	312		2,762,514,888	1,301,000,000
3 Taxes and amounts payable to the State budget	313	V.13	19,074,219,277	14,288,658,492
4 Payables to employees	314		2,801,215,885	4,968,750,938
5 Short-term accrued expenses	315	V.14	1,629,511,467	2,368,511,349
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	8,102,295,212	8,260,567,348
10 Short-term loans and finance lease liabilities	320	V.12	100,545,285,823	81,546,557,421
11 Provision for short-term payables (*)	321		-	-
12 Reward and welfare fund	322		3,125,280,043	2,341,774,479
13 Price stabilization fund	323		-	-
14 Government bonds purchased for resale	324		-	-
II Long-term liabilities	330		361,527,617,088	371,457,408,883
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	361,527,617,088	371,457,408,883
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		815,903,479,467	780,082,663,413
I Shareholders' equity	410	V.17	815,903,479,467	780,082,663,413
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		-	-
3 Bond conversion option	413		-	-
4 Other owners' capital	414		-	-
5 Treasury shares (*)	415		(2,405,771,754)	(2,381,126,754)
6 Difference from re-valuation of assets	416		-	-
7 Foreign exchange differences	417		-	-
8 Investment and development fund	418		48,955,973,929	39,282,271,715
9 Fund for support of arrangement of enterprises	419		-	-
10 Other owners' fund	420		-	-
11 Undistributed profit	421		164,470,667,292	138,298,908,452
- - Undistributed profit up to prior year-end	421a		123,300,107,131	40,299,486,313
- - Undistributed profit this period	421b		41,170,560,161	97,999,422,139
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		1,316,976,013,923	1,267,133,052,294

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung

14 October 2020
General Director

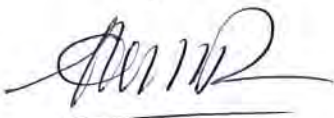
Pham Phong

INTERIM INCOME STATEMENT
QUARTER 3/2020

Unit: VND

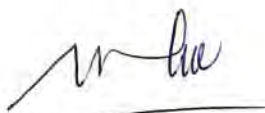
ITEMS	Code	Note	Quarter 3		Accumulated from the beginning of the year to the end of this quarter	
			This year	Previous year	This year	Previous year
1	2	3	4	5	6	7
1. Revenue from sales and service provision	01	VI.1	73,351,532,406	30,304,831,050	138,274,840,787	167,268,052,330
2. Revenue deductions	02	VI.2	-	-	-	-
3. Net revenue from sales and service provision (10=01-02)	10	VI.3	73,351,532,406	30,304,831,050	138,274,840,787	167,268,052,330
4. Cost of goods sold	11	VI.4	25,178,160,519	11,227,606,750	54,792,088,503	47,902,782,813
5. Gross profit from sales and service provision (20=10-11)	20		48,173,371,887	19,077,224,300	83,482,752,284	119,365,269,517
6. Financial income	21	VI.5	1,424,389	4,264,370	4,203,297	474,486,731
7. Financial expenses	22	VI.6	9,818,677,494	12,000,021,357	30,092,673,543	36,023,370,709
- In which: Interest expense	23		9,818,677,494	11,601,209,024	30,092,673,543	35,472,836,293
8. Selling expenses	25		-	-	-	-
9. Administration expenses	26		4,243,611,104	2,260,800,935	8,825,106,552	11,245,266,556
10. Operating profit {30=20+(21-22)-(25+26)}	30		34,112,507,678	4,820,666,378	44,569,175,486	72,571,118,983
11. Other income	31		73,811,092	932,723,038	231,376,082	1,367,001,869
12. Other expenses	32		121,537,269	63,159,035	367,018,562	345,252,691
13. Other profit (40=31-32)	40		(47,726,177)	869,564,003	(135,642,480)	1,021,749,178
14. Accounting profit before tax (50=30+40)	50		34,064,781,501	5,690,230,381	44,433,533,006	73,592,868,161
15. Current corporate income tax expense	51	VI.7	1,706,831,868	516,315,891	3,262,972,845	5,986,058,196
16. Deferred corporate income tax expense	52		-	-	-	-
17. Profit after corporate income tax (60=50-51-52)	60		32,357,949,633	5,173,914,490	41,170,560,161	67,606,809,965
18. Basic earnings per share	70	VI.8	537	86	683	1,121
19. Diluted earnings per share	71	VI.8	537	86	683	1,121

Preparer



Trung Ngoc Hung

Chief Accountant



Pham Thai Hung



Da Nang, 14 October 2020

General Director

Pham Phong

Pham Phong

INTERIM STATEMENT OF CASH FLOWS

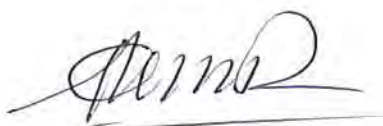
(Under direct method)

QUARTER 3/2020

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		101,998,558,341	193,498,864,701
2 Cash paid to suppliers	02		(19,532,962,975)	(14,993,256,414)
3 Cash paid to employees	03		(12,771,337,276)	(15,780,603,880)
4 Cash paid for borrowing interest	04		(30,200,939,914)	(37,752,409,015)
5 Corporate income tax paid	05		(2,441,182,069)	(6,045,071,809)
6 Other cash receipts from operating activities	06		28,193,614,388	43,156,149,321
7 Other payments for operating activities	07		(42,396,148,578)	(75,081,699,449)
Net cash provided by operating activities	20		22,849,601,917	87,001,973,455
II Cash flows from investing activities				
1 Cash paid for purchases of fixed assets and other long-term assets	21		(42,041,379,047)	(19,377,758,180)
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		4,203,297	474,486,731
Net cash used in investing activities	30		(42,037,175,750)	(18,903,271,449)
III Cash flows from financing activities				
1 Proceeds from stock issuance, capital contribution	31			
2 Capital withdrawals, buying treasury shares	32			(1,374,412,036)
3 Proceeds from loans	33		54,848,452,921	101,441,828,758
4 Repayments of loan principal	34		(45,779,516,314)	(129,045,000,000)
5 Repayments of obligations under finance lease	35		-	-
6 Dividends, profit paid to owners	36		(189,912,900)	(43,110,892,387)
Net cash used in financing activities	40		8,879,023,707	(72,088,475,665)
Net cash flows for the period (50=20+30+40)	50		(10,308,550,126)	(3,989,773,659)
Cash and cash equivalents at the beginning of the period	60		12,999,905,264	11,270,557,614
Impacts of exchange rate fluctuations	61			
Cash and cash equivalents at the end of the period (70=50+60+61)	70	VII.34	2,691,355,138	7,280,783,955

Preparer



Truong Ngoc Hung

Chief Accountant



Pham Thai Hung



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 3/2020

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:
 - Branch of Song Ba Joint Stock Company - Khe Dien Hydropower Plant established under Business Registration Certificate No. 0400439955-001 dated 10/09/2007;
 - Branch of Song Ba Joint Stock Company - Krong H'Nang Hydropower Plant: 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

	30/09/2020	01/01/2020
	VND	VND
Cash on hand	709,566,169	1,417,395,960
Cash in bank	1,981,788,969	11,582,509,304
+ VND	1,981,788,969	11,582,509,304
+ USD		
Total	<u>2,691,355,138</u>	<u>12,999,905,264</u>

2. Trade receivables

	30/09/2020	01/01/2020
	VND	VND
- Short-term trade receivables	-	-
+ <i>Electric Power Trading Company</i>	63,226,475,386	16,716,015,047
+ Other short-term trade receivables	2,038,014,688	2,135,651,831
- Receivables from related parties		
+ <i>Central Power Corporation</i>	3,599,176,779	5,882,222,256
Total	68,863,666,853	24,733,889,134

3. Shot-term prepayments to suppliers

	30/09/2020	01/01/2020
	VND	VND
- Infrastructure & Energy Investment Consultant JSC	850,000,000	
- Entec Electrical Energy Technical JSC	569,839,380	
- P.L.T Mechanical and Construction Co., Ltd	827,897,055	
- Dong Tay Investment and Construction JSC		1,457,506,673
- Hung Trang Joint stock Company		637,565,500
- Cam Pha Electrical Equipment JSC	10,016,186,400	
- Vaptech Ltd		4,643,100,000
- Others	2,730,812,347	1,519,909,672
Total	14,994,735,182	8,258,081,845

4. Other receivables

a. Short-term

	30/09/2020		01/01/2020	
	Amount VND	Provision VND	Amount VND	Provision VND
- Other receivables	2,060,521,797	-	1,261,563,675	-
- Advances for production and business activities, repair, maintenance and outside projects	7,755,598,718	-	8,043,432,169	-
+ <i>Costs of Project Nong Son, Nuoc Che</i>	200,000,000			
+ <i>Repair and maintenance costs of Krong H'nang HP-electromechanical part</i>	400,000,000		650,000,000	
+ <i>Repair costs of construction works Khe Dien HP</i>			800,000,000	
+ <i>Costs of purchasing equipment for Khe Dien HP</i>			400,000,000	
+ <i>Costs of purchasing materials, equipment, repair and maintenance of Khe Dien HP</i>			300,000,000	
+ <i>Costs of implementing the flood discharge project in the Song Ba and Vu Gia Thu Bon basins.</i>	600,000,000		800,000,000	
+ <i>Cost of road concrete VHI Khe Dien Hydropower Plant</i>			1,100,000,000	
+ <i>Costs of production and business activities, repairing construction items and other receivables</i>	6,555,598,718		3,993,432,169	
Total	9,816,120,515	-	9,304,995,844	-

b. Long-term	30/09/2020		01/01/2020	
	Amount VND	Provision VND	Amount VND	Provision VND
- Deposits, collaterals	2,004,000,000	-	2,686,258,046	-
- Other receivables	-	-	-	-
Total	2,004,000,000	-	2,686,258,046	-

5. Inventories

	30/09/2020		01/01/2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Materials	958,762,777	-	971,447,330	-
Tools, instruments	1,639,519,618	-	1,038,696,000	-
Work in process	1,114,744,226	-	62,714,973	-
Total	3,713,026,621	-	2,072,858,303	-

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	81,836,738,864	451,175,829	1,600,923,589,650
Newly-purchased	-	-	-	-	-
Self-constructed	-	-	-	-	-
Re-classified	-	-	-	-	-
Other decrease	-	-	-	-	-
Sold, disposed	-	-	-	-	-
Ending balance	1,184,055,609,156	334,580,065,801	81,836,738,864	451,175,829	1,600,923,589,650
Depreciation					
Beginning balance	222,230,618,456	189,936,359,581	41,889,288,614	341,241,999	454,397,508,650
Charge for the year	13,465,109,375	9,576,486,871	2,815,691,627	50,923,865	25,908,211,738
Re-classified	-	-	-	-	-
Other decrease	-	-	-	-	-
Sold, disposed	-	-	-	-	-
Ending balance	235,695,727,831	199,512,846,452	44,704,980,241	392,165,864	480,305,720,388
Net book value					
Beginning balance	961,824,990,700	144,643,706,220	39,947,450,250	109,933,830	1,146,526,081,000
Ending balance	948,359,881,325	135,067,219,349	37,131,758,623	59,009,965	1,120,617,869,262

- As at 30/09/2020, fixed assets with a carrying value of VND 1,116.42 billion have been mortgaged as collateral for borrowings granted to the Company;
- Cost of fixed assets fully depreciated but still in active use at 30/09/2020 is VND 13.08 billion.
- Cost of fixed assets pending disposal at 30/09/2020:
- 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/QĐ-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	5,175,261,800	302,800,000	5,478,061,800
Amortization			
Beginning balance	-	302,800,000	302,800,000
Increase in the period	-	-	-
Decrease in the period	-	-	-
Ending balance	-	302,800,000	302,800,000
Net book value			
Beginning balance	5,175,261,800	-	5,175,261,800
Ending balance	5,175,261,800	-	5,175,261,800

* Other notes to data and explanation:

- Use right of the land for construction of the Company's Head Office which has 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

	30/09/2020		01/01/2020	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
Construction costs of Krong Hnang 2 Hydropower Plant	3,475,284,736	3,475,284,736	3,475,284,736	3,475,284,736
Construction costs of Song Tranh 1 Hydropower Plant	5,245,930,051	5,245,930,051	5,245,930,051	5,245,930,051
Construction costs of Khe Dien Hydropower extend Plant	54,926,491,264	54,926,491,264	18,333,584,520	18,333,584,520
Total	63,647,706,051	63,647,706,051	27,054,799,307	27,054,799,307

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	30/09/2020	01/01/2020
	VND	VND
Repair costs, forest tending costs and others	2,436,209,522	6,023,306,635
Total	2,436,209,522	6,023,306,635

b. Long-term prepaid expenses	30/09/2020	01/01/2020
	VND	VND
Costs of tools and instruments to be allocated	513,802,633	1,042,215,211
Others	18,939,785,309	18,727,993,732
Total	19,453,587,942	19,770,208,943

12. Short-term, long-term loans

	30/09/2020	01/01/2020
	VND	VND
Current portion of long-term debts and short-term loans	100,545,285,823	81,546,557,421
- OCB - Trung Viet Branch - short-term loans	12,570,634,541	
- OCB - Trung Viet Branch (i)	17,897,000,000	19,018,000,000
- OCB - Trung Viet Branch (ii)	3,077,651,282	528,557,421
- OCB - Trung Viet Branch (iii)	67,000,000,000	62,000,000,000
Total	100,545,285,823	81,546,557,421
	30/09/2020	01/01/2020
	VND	VND
Loans with the term of over 1 year	361,527,617,088	371,457,408,883
- OCB - Trung Viet Branch (i)	42,253,000,000	52,470,000,000
- OCB - Trung Viet Branch (ii)	55,274,617,088	18,987,408,883
- OCB - Trung Viet Branch (iii)	264,000,000,000	300,000,000,000
Total	361,527,617,088	371,457,408,883

* Other notes:

- (i) On 26/03/2019, the Company entered into long-term borrowing contract No. 0058/2019/HĐTD-OCB-DN with Orient Commercial Bank – Trung Viet Branch to refinance the contracts No.34/2013/VCB-KHDN and No.162/2014/VCB-KHDN at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch. This is a long-term loan with maximum credit amount of VND 90,734,000,000. The loan period is 62 months as from the date of withdrawal.
- The VND loan bears interest at the rate announced by Orient Commercial Bank – Trung Viet Branch and subject to change two time a quarter.
 - The loan is to refinance the Khe Dien Hydropower Plant in Quang Nam Province.
- (ii) On 26/03/2019, the Company entered into long-term borrowing contract No. 0057/2019/HĐTD-OCB-DN with Orient Commercial Bank – Trung Viet Branch. This is a long-term loan with maximum credit amount of VND 72,000,000,000. The loan period is 132 months as from the date of withdrawal.
- The loan bears interest at the rate announced by Orient Commercial Bank – Trung Viet Branch and subject to change one time a quarter.
 - The loan is to invest in the Khe Dien Hydropower Plant extended project.
- (iii) On 26/03/2015, the Company entered into long-term borrowing contract No. 024/2015/HĐTD-DN with Orient Commercial 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 Orient Commercial Joint stock Bank – Quang Nam Branch and subject to change once a quarter.
 - The loan is to refinance the Krong H'ngang Hydropower Plant in Phu Yen and Dak Lak Province.

13. Taxes and amounts payable to the State Budget

	30/09/2020	01/01/2020
	VND	VND
Value added tax	7,765,638,530	6,074,307,519
Corporate income tax	1,706,831,868	885,041,092
Personal income tax		222,038,645
Natural resource tax	7,164,918,095	4,602,003,012
Forest environmental service fee	2,436,830,784	2,505,268,224
Total	<u>19,074,219,277</u>	<u>14,288,658,492</u>

14. Accrued expenses

	30/09/2020	01/01/2020
	VND	VND
Accrued interest	134,569,972	238,184,853
- Interest on short-term loan for production and business	21,546,086	
- Loan interest of Khe Dien HP (OCB Trung Việt Contract 0058)	16,407,583	39,477,262
- Loan interest of Khe Dien HP (OCB Trung Việt Contract 0057)	15,521,303	10,869,813
- Loan interest of Krong H'nan HP (OCB Trung Viet)	81,095,000	187,837,778
External project implementation costs		
- Survey expenses of Song Bung 3A Investment Project	829,152,043	878,961,620
- Survey expenses of Tầm phục Investment Project	139,204,237	179,516,545
- Expenses of installation of water level measament equipment for Dak Mi 4B HP, Ry Ninh HP		175,890,009
- Other	526,585,215	895,958,322
Total	<u>1,629,511,467</u>	<u>2,368,511,349</u>

15. Other short-term payables

	30/09/2020	01/01/2020
	VND	VND
Trade union fees	9,902,000	9,151,828
Other payables	8,092,393,212	8,251,415,520
- Dividends payable	8,050,115,495	8,240,028,395
- Other payables	42,277,717	11,387,125
Total	<u>8,102,295,212</u>	<u>8,260,567,348</u>

16. Deferred income tax assets and liabilities

a. Deferred income tax assets

	30/09/2020	01/01/2020
	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	<u>-</u>	<u>-</u>

b. Deferred income tax liabilities

	30/09/2020	01/01/2020
	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	<u>-</u>	<u>-</u>

17. Owners' equity

a. Statement of changes in owners' equity

Items	Share capital VND	Share premium VND	Treasury shares VND	Development fund VND	Undistributed profit after tax VND	Total VND
As at 01/01/2019	604,882,610,000	(95,000,000)	(663,277,833)	39,282,271,715	117,495,067,796	760,901,671,678
Increase in the year	-		(1717,848,921)		97,999,422,139	66,232,397,929
Decrease in the year	-	95,000,000			77,195,581,483	77,290,581,483
As at 31/12/2019	<u>604,882,610,000</u>	<u>-</u>	<u>(2,381,126,754)</u>	<u>39,282,271,715</u>	<u>138,298,908,452</u>	<u>780,082,663,413</u>
As at 01/01/2020	604,882,610,000	-	(2,381,126,754)	39,282,271,715	138,298,908,452	780,082,663,413
Increase in the period	-		(24,645,000)	9,673,702,214	41,170,560,161	50,819,617,375
Decrease in the period	-				4,998,801,321	4,998,801,321
As at 30/09/2020	<u>604,882,610,000</u>	<u>0</u>	<u>(2,405,771,754)</u>	<u>48,955,973,929</u>	<u>164,470,667,292</u>	<u>815,903,479,467</u>

b. Share capital

	30/09/2020	01/01/2020
	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: 203,090 shares

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

	30/09/2020	01/01/2020
	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

	30/09/2020	01/01/2020
	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		

e. Shares

	30/09/2020	01/01/2020
	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	203,090	199,990
- Common shares	203,090	199,990
- Preferred shares	-	-
Number of outstanding shares	60,285,171	60,288,271
- Common shares	60,285,171	60,288,271
- Preferred shares	-	-
Par value: VND10,000 each		

f. Funds

	30/09/2020	01/01/2020
	VND	VND
- Development investment fund	48,955,973,929	39,282,271,715
- Reward fund	2,306,770,180	1,195,919,848
- Welfare fund	818,509,863	1,145,854,631
- 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.

- g. 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 2020 VND	Quarter 3 Year 2019 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 3 Year 2020 VND	Quarter 3 Year 2019 VND
Total revenue	73,351,532,406	30,304,831,050
+ Revenue from selling electricity	73,351,532,406	29,610,532,963
+ Revenue from rendering services provision		694,298,087
Total revenue from sales and service provision	73,351,532,406	30,304,831,050

2. Revenue deductions (Code 02)

	Quarter 3 Year 2020 VND	Quarter 3 Year 2019 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 3 Year 2020 VND	Quarter 3 Year 2019 VND
- Revenue from selling electricity	73,351,532,406	29,610,532,963
- Revenue from rendering services provision		694,298,087
Total	73,351,532,406	30,304,831,050

4. Cost of goods sold (Code 11)

	Quarter 3 Year 2020 VND	Quarter 3 Year 2019 VND
Cost of electricity sold	25,178,160,519	10,559,344,841
Cost of services rendered		668,261,909
Total	<u>25,178,160,519</u>	<u>11,227,606,750</u>

5. Financial income (Code 21)

	Quarter 3 Year 2020 VND	Quarter 3 Year 2019 VND
Loan interest, deposit interest	1,424,389	4,264,370
Foreign exchange gains		
Total	<u>1,424,389</u>	<u>4,264,370</u>

6. Financial expenses (Code 22)

	Quarter 3 Year 2020 VND	Quarter 3 Year 2019 VND
Loan interest	9,818,677,494	11,601,209,024
Interest on late payment		398,812,333
Total	<u>9,818,677,494</u>	<u>12,000,021,357</u>

7. Current corporate income tax expense (Code 51)

	Quarter 3 Year 2020 VND	Quarter 3 Year 2019 VND
Accounting profit before tax	34,064,781,501	5,690,230,381
In which:		
- Profit from operation of Khe Dien HP	(2,257,161,010)	(3,613,423,607)
- Profit from operation at the Head Office	(21,765,027)	886,544,526
- Profit from operation of Krong H'ngang HP	36,343,678,204	8,407,780,532
- Profit from operation of the Dam Safety Testing and Consulting Center	29,334	9,328,930
Increasing adjustments to determine taxable income	50,288,375	786,355,308
- Adjustments for operation at Khe Dien HP	3,636,214	
- Adjustments for operation at the Head Office	168,198	387,370,588
- Adjustments for operation at KRN HP	46,483,963	398,984,720
- Adjustments for operation at the Dam Safety Testing and Consulting Center		
Decreasing adjustment, offsetting to determine taxable income	-	-
- Adjustments for operation at Khe Dien HP offset against operation of KRN HP	(2,253,524,796)	(3,613,423,607)
- Adjustments for operation at the Head Office	(29,334)	
- Adjustments for operation at KRN HP offset against operation of Khe Dien HP	2,253,524,796	3,613,423,607
- Adjustments for operation at the Dam Safety Testing and Consulting Center	29,334	
Total taxable income	34,115,069,876	6,476,585,689
- Khe Dien Hydropower Plant	-	-
- Head Office	(21,567,495)	1,273,915,114
- Krong H'ngang Hydropower Plant	34,136,637,371	5,193,341,645
- Dam Safety Testing and Consulting Center	-	9,328,930
Corporate income tax rate	20%	20%
Corporate income tax	3,413,663,737	775,982,974
- Khe Dien Hydropower Plant	-	-
- Head Office		254,783,023
- Krong H'ngang Hydropower Plant (tax rate of 10%)	3,413,663,737	519,334,165
- Dam Safety Testing and Consulting Center	-	1,865,786
Reduced, exempted corporate income tax	1,706,831,869	259,667,083
- Khe Dien Hydropower Plant		
- Head Office		
- Krong H'ngang Hydropower Plant	1,706,831,869	259,667,083
- Dam Safety Testing and Consulting Center	-	-
Current corporate income tax expense	1,706,831,868	516,315,891
- Khe Dien Hydropower Plant	-	-
- Head Office	-	254,783,023
- Krong H'ngang Hydropower Plant	1,706,831,868	259,667,082
- Dam Safety Testing and Consulting Center	-	1,865,786
Profit after tax	32,357,949,633	5,173,914,490

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 2020	Year 2019	Year 2020	Year 2019
	VND	VND	VND	VND
Profit after corporate income tax	32,357,949,633	5,173,914,490	41,170,560,161	67,606,809,965
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	32,357,949,633	5,173,914,490	41,170,560,161	67,606,809,965
Weighted average number of outstanding common shares	60,285,171	60,311,221	60,285,171	60,311,221
Basis earnings per share	537	86	683	1,121

b. Diluted earnings per share	Quarter 3	Quarter 3	Accumulated for the year	
	Year 2020	Year 2019	Year 2020	Year 2019
	VND	VND	VND	VND
Profit after corporate income tax	32,357,949,633	5,173,914,490	41,170,560,161	67,606,809,965
Adjustments increasing or decreasing profit	-	-	-	-
- Increasing adjustments	-	-	-	-
- Decreasing adjustments	-	-	-	-
Profit attributable to common shareholders	32,357,949,633	5,173,914,490	41,170,560,161	67,606,809,965
Weighted average number of outstanding common shares	60,285,171	60,311,221	60,285,171	60,311,221
Additional common shares expected to be issued	-	-	-	-
Diluted earnings per share	537	86	683	1,121

9. Production and business expenses by elements

	Quarter 3	Quarter 3
	Year 2020	Year 2019
	VND	VND
Materials, tools expenses	158,968,224	395,674,890
Labor costs	6,601,637,916	2,674,643,434
Depreciation expenses	14,010,397,592	6,585,574,358
Outside service expenses, other cash expenses	8,650,767,891	3,832,515,003
Total	29,421,771,623	13,488,407,685

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 2020 VND	Quarter 3 Year 2019 VND
a. Purchasing assete 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 2020 VND	Quarter 3 Year 2019 VND
Revenue (sales of electricity)		
Central Power Corporation	6,944,946,057	-
b. Related party balance	30/09/2020 VND	01/01/2020 VND
Amount receivable (from sale of electricity)		
Central Power Corporation	3,599,176,779	5,882,222,256

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 3/2020

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	73,351,532,406	6,944,946,057	66,406,586,349
2. Cost of goods sold	25,178,160,519	6,492,753,035	18,685,407,484
3. Cost of fixed assets	1,593,362,521,138	191,908,064,582	1,401,454,456,556
4. Accumulated depreciation	476,651,547,346	102,332,718,372	374,318,828,974
5. Accounting profit before tax	34,086,517,194	(2,257,161,010)	36,343,678,204
6. Profit after tax	32,379,685,326	(2,257,161,010)	34,636,846,336

Quarter 3/2019

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	29,610,532,963	-	29,610,532,963
2. Cost of goods sold	10,559,344,841	1,347,089,688	9,212,255,153
3. Cost of fixed assets	1,593,362,521,138	191,908,064,582	1,401,454,456,556
4. Accumulated depreciation	436,586,445,454	97,441,661,796	339,144,783,658
5. Accounting profit before tax	4,794,356,925	(3,613,423,607)	8,407,780,532
6. Profit after tax	4,534,689,843	(3,613,423,607)	8,148,113,450

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

Preparer



Trương Ngọc Hùng

Chief Accountant



Phạm Thái Hưng

Da Nang, 14 October 2020

General Director



Phạm Phong

