

FINANCIAL STATEMENTS
FOR THE SECOND QUARTER OF YEAR 2017

**POWER ENGINEERING
CONSULTING JOINT STOCK
COMPANY 4**

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

BALANCE SHEET

As of 30 June 2017

Unit: VND

| ASSETS | Code | Note | Ending balance | Beginning balance |
|--|------------|------------|------------------------|------------------------|
| A - CURRENT ASSETS | 100 | | 118.826.368.093 | 123.016.388.654 |
| I. Cash and cash equivalents | 110 | V.1 | 18.902.013.441 | 25.256.467.922 |
| 1. Cash | 111 | | 18.902.013.441 | 20.256.467.922 |
| 2. Cash equivalents | 112 | | - | 5.000.000.000 |
| II. Short-term financial investments | 120 | | - | - |
| 1. Trading securities | 121 | | - | - |
| 2. Provisions for devaluation of trading securities | 122 | | - | - |
| 3. Held-to-maturity investments | 123 | | - | - |
| III. Short-term receivables | 130 | | 94.774.684.625 | 80.986.712.993 |
| 1. Short-term trade receivables | 131 | V.3a | 78.821.126.712 | 75.613.294.847 |
| 2. Short-term prepayments to suppliers | 132 | V.4 | 5.751.169.070 | 6.191.618.297 |
| 3. Short-term inter-company receivables | 133 | | - | - |
| 4. Receivable according to the progress of construction contract | 134 | | - | - |
| 5. Receivables for short-term loans | 135 | | - | - |
| 6. Other short-term receivables | 136 | V.5 | 17.171.176.112 | 11.469.451.118 |
| 7. Allowance for short-term doubtful debts | 137 | V.6 | (6.968.787.269) | (12.287.651.269) |
| 8. Deficit assets for treatment | 139 | | - | - |
| IV. Inventories | 140 | | 5.149.670.027 | 16.773.207.739 |
| 1. Inventories | 141 | V.7 | 5.149.670.027 | 16.773.207.739 |
| 2. Allowance for inventories | 149 | | - | - |
| V. Other current assets | 150 | | - | - |
| 1. Short-term prepaid expenses | 151 | | - | - |
| 2. Deductible VAT | 152 | | - | - |
| 3. Taxes and other receivables from the State | 153 | | - | - |
| 4. Trading Government bonds | 154 | | - | - |
| 5. Other current assets | 155 | | - | - |

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

| ASSETS | Code | Note | Ending balance | Beginning balance |
|--|------------|------|------------------------|------------------------|
| B - LONG-TERM ASSETS | 200 | | 141.117.956.101 | 134.048.340.285 |
| I. Long-term accounts receivables | 210 | | 1.898.192.121 | 1.898.192.121 |
| 1. Long-term trade receivables | 211 | V.3b | 1.828.192.121 | 1.828.192.121 |
| 2. Long-term prepayments to suppliers | 212 | | - | - |
| 3. Working capital in affiliates | 213 | | - | - |
| 4. Long-term inter-company receivable | 214 | | - | - |
| 5. Receivables for long-term loans | 215 | | - | - |
| 6. Other long-term receivables | 216 | | 70.000.000 | 70.000.000 |
| 7. Allowance for long-term doubtful debts | 219 | | - | - |
| II. Fixed assets | 220 | | 27.305.349.069 | 23.826.289.846 |
| 1. Tangible fixed assets | 221 | V.9 | 11.530.499.983 | 8.880.707.842 |
| <i>Historical costs</i> | 222 | | 37.696.162.952 | 34.157.773.536 |
| <i>Accumulated depreciation</i> | 223 | | (26.165.662.969) | (25.277.065.694) |
| 2. Financial leased assets | 224 | | - | - |
| <i>Historical costs</i> | 225 | | - | - |
| <i>Accumulated depreciation</i> | 226 | | - | - |
| 3. Intangible fixed assets | 227 | V.10 | 15.774.849.086 | 14.945.582.004 |
| <i>Initial costs</i> | 228 | | 19.864.444.411 | 18.828.157.411 |
| <i>Accumulated amortization</i> | 229 | | (4.089.595.325) | (3.882.575.407) |
| III. Investment property | 230 | | - | - |
| 1. Historical costs | 231 | | - | - |
| 2. Accumulated depreciation | 232 | | - | - |
| IV. Long-term assets in process | 240 | | - | - |
| 1. Long-term work in process | 241 | | - | - |
| 2. Construction in progress | 242 | | - | - |
| V. Long-term financial investments | 250 | | 110.941.640.000 | 106.541.640.000 |
| 1. Investment in subsidiaries | 251 | | - | - |
| 2. Investment in joint ventures and associates | 252 | V.2 | 108.850.000.000 | 104.450.000.000 |
| 3. Investments in other entities | 253 | V.2 | 2.091.640.000 | 2.091.640.000 |
| 4. Provisions for devaluation of long-term financial investments | 254 | | - | - |
| 5. Held-to-maturity investments | 255 | | - | - |
| V. Other long-term assets | 260 | | 972.774.911 | 1.782.218.318 |
| 1. Long-term prepaid expenses | 261 | V.8 | 972.774.911 | 1.782.218.318 |
| 2. Deferred income tax assets | 262 | | - | - |
| 3. Long-term components and spare parts | 263 | | - | - |
| 4. Other long-term assets | 268 | | - | - |
| TOTAL ASSETS | 270 | | 259.944.324.194 | 257.064.728.939 |

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

| OWNER'S EQUITY | Code | Note | Ending balance | Beginning balance |
|---|-------------|-------------|-----------------------|--------------------------|
| A - LIABILITIES | 300 | | 78.477.321.247 | 76.054.242.808 |
| I. Current liabilities | 310 | | 78.477.321.247 | 76.054.242.808 |
| 1. Short-term trade payables | 311 | V.11 | 8.032.857.730 | 9.007.430.317 |
| 2. Short-term advances from customers | 312 | V.12 | 45.770.037.583 | 46.252.826.690 |
| 3. Taxes and other obligations to the State Budget | 313 | V.13 | 5.899.737.373 | 4.081.537.493 |
| 4. Payable to employees | 314 | V.14 | 11.951.701.609 | 9.356.201.560 |
| 5. Short-term accrued expenses | 315 | | - | 730.936.000 |
| 6. Short-term inter-company payable | 316 | | - | - |
| 7. Payable according to the progress of construction contract | 317 | | - | - |
| 8. Short-term unearned revenue | 318 | | - | - |
| 9. Other payable short-term | 319 | V.15 | 3.832.377.871 | 3.646.081.508 |
| 10. Short-term borrowings and finance lease | 320 | V.16 | - | - |
| 11. Provision for short-term payables | 321 | | - | - |
| 12. Bonus and welfare funds | 322 | V.17 | 2.990.609.081 | 2.979.229.240 |
| 13. Price stabilization fund | 323 | | - | - |
| 14. Trading Government bonds | 324 | | - | - |
| II. Long-term liabilities | 330 | | - | - |
| 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. Long-term unearned revenue | 336 | | - | - |
| 7. Other payable long-term | 337 | | - | - |
| 8. Long-term borrowings and finance lease | 338 | | - | - |
| 9. Convertible bonds | 339 | | - | - |
| 10. Preferred shares | 340 | | - | - |
| 11. Deferred income tax liability | 341 | | - | - |
| 12. Provisions for long-term payables | 342 | | - | - |
| 13. Science and technology development fund | 343 | | - | - |

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

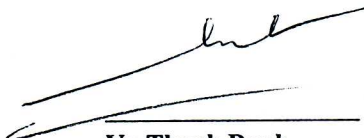
Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

| OWNER'S EQUITY | Code | Note | Ending balance | Beginning balance |
|---|------------|-------------|------------------------|------------------------|
| B - OWNER'S EQUITY | 400 | | 181.467.002.947 | 181.010.486.131 |
| I. Owner's equity | 410 | V.18 | 181.467.002.947 | 181.010.486.131 |
| 1. Capital | 411 | | 145.996.140.000 | 145.996.140.000 |
| - Ordinary shares carrying voting rights | 411a | | 145.996.140.000 | 145.996.140.000 |
| - Preference shares | 411b | | - | - |
| 2. Share premiums | 412 | | (15.784.110.000) | (15.784.110.000) |
| 3. Bond conversion options | 413 | | - | - |
| 4. Other sources of capital | 414 | | - | - |
| 5. Treasury stocks | 415 | | (745.850.060) | (745.850.060) |
| 6. Differences on asset revaluation | 416 | | - | - |
| 7. Foreign exchange differences | 417 | | - | - |
| 8. Investment and development fund | 418 | | 26.753.260.607 | 26.753.260.607 |
| 9. Business arrangement supporting fund | 419 | | - | - |
| 10. Other funds | 420 | | 1.721.694.867 | 1.721.694.867 |
| 11. Retained earnings | 421 | | 23.525.867.533 | 23.069.350.717 |
| - Retained earnings accumulated to the end of the previous period | 421a | | 15.988.600.100 | - |
| - Retained earnings of the current period | 421b | | 7.537.267.433 | 23.069.350.717 |
| 12. Construction investment fund | 422 | | - | - |
| II. Other sources and funds | 430 | | - | - |
| 1. Sources of expenditure | 432 | | - | - |
| 2. Fund to form fixed assets | 433 | | - | - |
| OWNER'S EQUITY | 440 | | 259.944.324.194 | 257.064.728.939 |

Nha Trang, 18 July 2017



Tran Le Thanh Binh
Preparer



Vu Thanh Danh
Chief Accountant



Pham Minh Son
General Director

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

INCOME STATEMENT

Second quarter of year 2017

Unit: VND

| ITEMS | Code | Note | Quarter 2 | | Accumulate to quarter 2 | |
|----------------------------------|------|------|----------------|----------------|-------------------------|----------------|
| | | | Year 2017 | Year 2016 | Year 2017 | Year 2016 |
| 1. Sales | 01 | VI.1 | 64.688.479.813 | 39.751.595.025 | 99.614.755.378 | 70.012.600.894 |
| 2. Deductions | 02 | | - | - | - | - |
| 3. Net sales | 10 | | 64.688.479.813 | 39.751.595.025 | 99.614.755.378 | 70.012.600.894 |
| 4. Costs of goods sold | 11 | VI.2 | 49.614.276.161 | 24.651.535.255 | 75.653.996.292 | 46.330.598.831 |
| 5. Gross profit / loss | 20 | | 15.074.203.652 | 15.100.059.770 | 23.960.759.086 | 23.682.002.063 |
| 6. Financial income | 21 | VI.3 | 23.069.633 | 93.434.129 | 74.699.834 | 199.185.675 |
| 7. Financial expenses | 22 | VI.4 | 17.819.637 | 65.632.999 | 18.752.276 | 129.932.897 |
| In which: Loan interest expenses | 23 | | 16.664.577 | 65.632.999 | 16.664.577 | 129.224.332 |
| 8. Selling expenses | 24 | | - | - | - | - |
| 9. Administrative overheads | 25 | VI.5 | 8.803.467.099 | 11.730.252.112 | 14.547.461.728 | 17.808.633.483 |
| 10. Net operating profit / loss | 30 | | 6.275.986.549 | 3.397.608.788 | 9.469.244.916 | 5.942.621.358 |
| 11. Other income | 31 | VI.6 | - | 100.000 | - | 52.205.000 |
| 12. Other expenses | 32 | VI.7 | 47.660.625 | - | 47.660.625 | - |
| 13. Other profit | 40 | | (47.660.625) | 100.000 | (47.660.625) | 52.205.000 |
| 14. Profit / loss before tax | 50 | | 6.228.325.924 | 3.397.708.788 | 9.421.584.291 | 5.994.826.358 |
| 15. Current corporate income tax | 51 | V.13 | 1.245.665.185 | 679.541.758 | 1.884.316.858 | 1.198.965.272 |
| 16. Deffed corporate incom tax | 52 | | - | - | - | - |
| 17. Profit / loss after tax | 60 | | 4.982.660.739 | 2.718.167.030 | 7.537.267.433 | 4.795.861.086 |
| 18. Earning per share | 70 | VI.8 | 343 | 187 | 519 | 330 |
| 19. Diluted Earning per share | 71 | | - | - | - | - |



Nha Trang, 18 July 2017


Tran Le Thanh Binh
Preparer


Vu Thanh Danh
Chief Accountant


Pham Minh Son
General Director

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

CASH FLOWS STATEMENT

(Indirect method)

Second quarter of year 2017

Unit: VND

| ITEMS | Code | Note | <u>Current year</u> | <u>Previous year</u> |
|--|-----------|------|-------------------------------|-------------------------------|
| I. Cash flows from operating activities | | | | |
| 1. Profit/ (loss) before tax | 01 | | 9.421.584.291 | 5.994.826.358 |
| 2. Adjustments | | | | |
| - Depreciation of fixed assets and investment properties | 02 | | 1.095.617.193 | 879.483.079 |
| - Provisions and allowances | 03 | | (5.318.864.000) | - |
| - Gain/ (loss) from unrealized foreign exchange difference | 04 | | - | - |
| - Gain/ (loss) from investing activities | 05 | | (53.973.538) | (182.346.665) |
| - Loan interest expenses | 06 | | 16.664.577 | 129.224.332 |
| - Other adjustments | 07 | | - | - |
| 3. Operating profit/ (loss) before changes of working capital | 08 | | 5.161.028.523 | 6.821.187.104 |
| - Increase/ (decrease) of receivables | 09 | | (9.414.667.966) | (17.320.110.079) |
| - Increase/ (decrease) of inventories | 10 | | 11.623.537.712 | 2.662.564.352 |
| - Increase/ (decrease) of payables | 11 | | (7.960.217.863) | 6.213.158.190 |
| - Increase/ (decrease) of prepaid expenses | 12 | | 809.443.407 | (75.722.684) |
| - Increase/ (decrease) of trading securities | 13 | | - | - |
| - Interests paid | 14 | | (16.664.577) | (41.458.332) |
| - Corporate income tax paid | 15 | | (1.271.664.342) | (1.758.942.464) |
| - Other cash inflows | 16 | | 6.000.000 | 10.000.000 |
| - Other cash outflows | 17 | | (959.490.000) | (3.261.579.000) |
| Net cash flows from operating activities | 20 | | <u>(2.022.695.106)</u> | <u>(6.750.902.913)</u> |
| II. Cash flows from investing activities | | | | |
| 1. Purchases and construction of fixed assets and other long-term assets | 21 | | - | (229.718.955) |
| 2. Gains from disposals and liquidation of fixed assets and other long-term assets | 22 | | - | - |
| 3. Cash outflow for lending, buying debt instruments of other entities | 23 | | - | - |
| 4. Cash recovered from lending, selling debt instruments of other entities | 24 | | - | - |
| 5. Investments into other entities | 25 | | (4.400.000.000) | - |
| 6. Withdrawals of investments in other entities | 26 | | - | - |
| 7. Interest earned, dividends and profits received | 27 | | 68.240.625 | 182.346.665 |
| Net cash flows from investing activities | 30 | | <u>(4.331.759.375)</u> | <u>(47.372.290)</u> |

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St., - Nha Trang City - Khanh Hoa Province

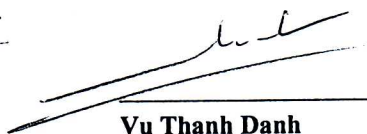
Cash flows statement (cont.)

| ITEMS | Code | Note | <u>Current year</u> | <u>Previous year</u> |
|--|-----------|------|------------------------------|-----------------------------|
| III. Cash flows from financing activities | | | | |
| 1. Proceeds from issuing stocks and capital contributions from owners | 31 | | - | - |
| 2. Repayment for capital contributions and re-purchases of stocks already issued | 32 | | - | - |
| 3. Proceeds from borrowings | 33 | | 9.508.360.000 | 20.000.000.000 |
| 4. Repayment for loan privipal | 34 | | (9.508.360.000) | (20.000.000.000) |
| 5. Payments for financial leasehold assets | 35 | | - | - |
| 6. Dividends and profit already paid to the owners | 36 | | - | (7.255.551.500) |
| <i>Net cash flows from financing activities</i> | 40 | | <u>-</u> | <u>(7.255.551.500)</u> |
| Net cash flows during the year | 50 | | (6.354.454.481) | (14.053.826.703) |
| Beginning cash and cash equivalents | 60 | V.1 | 25.256.467.922 | 22.446.436.893 |
| Effects of fluctuations in foreign exchange rates | 61 | | - | - |
| Ending cash and cash equivalents | 70 | V.1 | <u>18.902.013.441</u> | <u>8.392.610.190</u> |

Nha Trang, 18 July 2017



Tran Le Thanh Binh
Preparer



Vu Thanh Danh
Chief Accountant



Phạm Minh Sơn
General Director

NOTES TO THE FINANCIAL STATEMENTS

Second quarter of year 2017

I. OPERATION FEATURES

1. **Investment form** : Joint Stock Company
2. **Operating field** : Consulting service
3. **Business industry** : Consulting, investigating, designing power
4. **Normal operating cycle** : The normal operating cycle of the Company is generally within 12 months.
5. **Material effects on the operations of the company**
6. **Company structure:**

Associates:

| Name of the Company | Address | Principal business activities | Contribution rate | Possessing rate | Voting rate |
|---|---|-------------------------------|-------------------|-----------------|-------------|
| Buon Don Hydroelectricity Joint Stock Company | Floor 7, Dien Bien Hotel, 1 Ngo Quyen, Thang Loi Ward, Buon Ma Thuot City, Dak Lak Province | Trading in electricity | 31% | 31% | 31% |
| Son Giang Power Joint Stock Company | No. 14/34 Phan Dang Luu St, Ward 9, Tuy Hoa City, Phu Yen Province, Vietnam | Trading in electricity | 30% | 30% | 30% |

Affiliates:

| Branches | Address |
|--------------------|--|
| Branch in Northern | Lot 3 - TT4 Lane 183 - Hoang Van Thai Street - Khuong Trung Ward - Thanh Xuan District - Ha Noi City |
| Branch in Southern | 28B Dang Tat St - Tan Dinh Ward - District 1 - Ho Chi Minh City |

7. **Statement of information comparability in the financial statements:**
8. **Number of employees**
As of 30 June 2017, the company has had 457 employees (as of 31 December 2016: 465 employees).

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING**1. Fiscal year**

The fiscal year of the company is from 01 January to 31 December annually.

2. Standard currency unit

The standard currency unit used is Vietnam Dong (VND).

III. ACCOUNTING SYSTEM AND STANDARDS

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St. – Nha Trang City – Khanh Hoa Province

Notes to the financial statements (cont.)

1. Accounting system

The Company had adopted the Vietnamese Accounting System for enterprisess in accordanc with Circular No.200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014.

2. Statement on the compliance with the Vietnamese Accounting System and Standards

The Directors ensure to follow all the requirements of the prevailing Vietnamese accounting system and standards in the preparation of these financial statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the financial statements are prepared on the basis of the accrual accounting..

2. Foreign exchange rates applied in accounting

The transactions in foreign currencies during the year are converted at the actual exchange rates ruling as of the transaction dates. The balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Difference on foreign exchange arisen during the year from transactions in foreign currencies of monetary items in foreign currencies and difference on foreign exchange due to revaluation of balance of monetary items in foreign currencies as at the balance sheet date after offsetting their positive differences against negative differences are recorded into financial income or expenses during the year.

The exchange rate used to convert the transactions arisen by foreign currencies is the actual exchange rate ruling as of the transaction dates of commercial banks where the company has transactions.

At the reporting date, the Company revaluated closing balance of monetary items denominated in foreign currencies as follows:

- Captial in cash and loans receivable: reevaluate at buying exchange rates of the BIDV where the Company opens its accounts.
- Accounts payable: reevaluate at selling exchange rates of the BIDV where the Company opens its accounts.

3. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank, cash in transit and short-term investments of which the due dates can not exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash.

4. Financial investement accounting principles

Held-to-maturity investments

Including term deposits at bank, bonds, and held-to-maturity loans for the purpose of esrning periodic interest and other held-to-maturity investments.

Held-to-maturity investments are stated at coasts and recognised at fair value besed on the recovery of the investments.

Associates :

Associates are entities in which the Company has significant influence, but not control.

Associates are recorded at their original costs.

Provisions for loss of investments in other economic organizations are made when these organizations suffer from loss (except for the case that this loss is an approved part of the business plan before making the investment) at the rate equivalent to rate of capital contribution of the company in these organizations.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St. – Nha Trang City – Khanh Hoa Province

Notes to the financial statements (cont.)

Any increase, decrease of balance of provision for financial investments is recorded into item “financial expenses” during the year.

Investments in other entities:

Investments in other entities are recorded at their original costs.

5. Receivables

Receivables are presented in the interim consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

Provision for bad debts is made for each particular type of bad debt on the basis of the estimated losses can cause.

Increase or decrease of balance of provision for bad debts is recorded into administrative overheads during the year.

6. Inventories

Inventories are stated at the lower of original costs and net realisable value.

Costs include purchasing expenses, processing expenses and other directly related costs to bring the inventories to the current positions and conditions.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

Costs of inventories are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Provision for devaluation of inventories is recognized when their costs are higher than their net realizable values.

7. Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet. They include:

Tool expenses

Expenses for tools being put into use are allocated into expenses during the period in accordance with the straight line method for the maximum period of 24 months.

Computer software

Purchase price of computer software without part associated with hardware is capitalized. Initial costs of software includes all the expenses paid until the date the software is put into use. Computer software is amortized in line with straight line method for 2 years.

Vehicles

Vehicles which have its historical costs of under VND 30 million are depreciated in line with straight line method in 3 years.

Other expenses are allocated in line with the actual use period of fee for finding out online legal documents.

8. Tangible fixed assets

Fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of fixed assets achieved from purchasing, constructing and transferring include all the expenses of the company to have these fixed assets as of the dates they are ready to be put into use. Other expenses incurred subsequent to the initial recognition are included in historical costs of fixed assets only if they certainly bring more economic benefits in the future thanks to the use of these assets. Those which do not meet the above conditions will be recorded into expenses during the period.

When a fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain/ (loss) arisen are posted into the income or the expenses during the period.

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St. – Nha Trang City – Khanh Hoa Province

Notes to the financial statements (cont.)

Fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of fixed assets are as follows:

| <u>Fixed assets</u> | <u>Years</u> |
|--------------------------|--------------|
| Buildings and structures | 05 – 25 |
| Machinery and equipment | 03 – 06 |
| Vehicle | 06 |
| Office equipment | 03 – 06 |

9. Intangible fixed assets

Value of land use right

Land use right includes all the actual expenses related to the land being used such as expenses to obtain the land use right, expenses for house removal and land clearance, expenses on ground leveling, registration fees, etc. Fixed - term land use right is amortized for the period of using. Long-term land use right is not applied amortization.

Long-term land use right taken over state-owned company is determined in line with documents of evaluating company's value in order to conduct equitization as of 31 December 2005.

Computer software

Computer software includes all the expenses paid until the date the software is put into use. Computer software is amortized for the period from 3 to 5 years.

10. Payable liabilities and accrued expenses

Payable liabilities is monitored in details by terms, suppliers, kind of currency and other factors depending on the Company's managerial demand.

Accrued expenses are recorded based on reasonable estimates on the amounts payable for goods and services already used during the period.

Accounts payable to suppliers, loans payable and other payables are payable that are determined probably in value and timing and recognised at actual obligation incurred.

Accounts payable are classified as Short-term and Long-term in the Balance sheet based on the remaining maturity period of these payable at the reporting date.

11. Source of capital

Capital

Capital is recorded in line with amount actually invested by shareholders.

Share premium

Share premium is recorded in line with difference between issuance price and face value of shares as the first issuance, additional issuance or difference between re-issuance price and book value of treasury stocks. Direct expenses related to the additional issuance of shares and re-issuance of treasury stocks are recorded as decrease of share premium.

Other capital

Other capital include supplement from the business results, assets given and re-valuation of assets.

Treasury stocks

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is classified as a treasury stocks and are recorded as a decrease in owner's equity. When re-issuance, difference between re-issuance price and book value of treasury stocks is recorded into share premium.

Notes to the financial statements (cont.)

12. Appropriation of net profit

Net profit after tax is available for appropriation to shareholders after getting approval by the shareholders in the annual general meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

Dividends are recorded as an amount payable in the period during which the dividends are disclosed.

13. Recognition of sales and income

Sales of service provision

Sales of service provision are recognized when there are no uncertain factors related to payments or additional costs. In case that the services are to be provided in many accounting periods, the determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date.

Interests

Interests are recorded based on the term and the interest rates applied for each period.

Dividends and profit shared

Dividends and profit shared are recognized when the company has right to receive dividends and profit from its capital contribution. In particular, dividends received in form of shares are not recorded into income but are only followed up the additional quantity.

14. Borrowing costs

Borrowing costs will be recognized into expenses during the period. Borrowing costs will be capitalized when they are directly related to the construction or the production of an asset in progress, which has taken a substantial period of time (over 12 months) to get ready for intended use or sales of the asset.

In the event of general borrowings which are partly used for acquiring, constructing or producing an asset in progress, the costs eligible for capitalization will be determined according to the capitalization rates applied to average accumulated expenditure on that asset. The capitalization rates are computed at the average interest rates on the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

15. Expenses

Expenses are those that result in outflows of the Corporation's economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

16. Corporate income tax

Corporate income tax during the period includes current income tax and deferred income tax.

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

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an

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Notes to the financial statements (cont.)

assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

17. Related parties

A party is considered a related party of the company in case that party is able to control the company or to cause material effects on the financial decisions as well as the operations of the company. A party is considered a related party if parties are under control or material effects together.

To consider relationship between related parties, nature of relationship is attached great importance than legal form.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

1. Cash and cash equivalents

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|------------------------------|------------------------------|
| Cash on hand | 152.019.696 | 52.895.000 |
| Cash in bank | 18.749.993.745 | 20.203.572.922 |
| Cash equivalents (under 3 months deposit) | - | 5.000.000.000 |
| Total | <u>18.902.013.441</u> | <u>25.256.467.922</u> |

2. Financial investment

| | Ending balance | | | Beginning balance | | |
|---|-------------------------------|-----------------|-------------------------------|-------------------------------|-----------------|-------------------------------|
| | Cost | Provision | Fair value | Cost | Provision | Fair value |
| Buon Don Hydroelectricity Joint Stock Company | 103.850.000.000 | - | 103.850.000.000 | 103.850.000.000 | - | 103.850.000.000 |
| Son Giang Power Joint Stock Company - EVN | 5.000.000.000 | - | 5.000.000.000 | 600.000.000 | - | 600.000.000 |
| International Joint Stock Company - Khanh Hoa - Ha Noi Development Investment Joint Stock Company | 1.050.000.000 | - | 1.050.000.000 | 1.050.000.000 | - | 1.050.000.000 |
| Total | <u>110.941.640.000</u> | <u>-</u> | <u>110.941.640.000</u> | <u>106.541.640.000</u> | <u>-</u> | <u>106.541.640.000</u> |

Pursuant to Business Registration Certificate No. 6000884487 dated 20 May 2009 of Buon Don Hydroelectricity Joint Stock Company granted by Department of Planning and Investment of Daklak Province, the Company has invested into Buon Don Hydroelectricity Joint Stock Company

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Notes to the financial statements (cont.)

at amount of VND 103.850.000.000 equivalent to 31% of charter capital. As of the balance sheet date, the Company has fully invested its charter capital.

In performance of Resolution No. 18/NQ-BDHC-ĐHĐCĐ dated 14th July 2017 of the General Assembly of Shareholders of Buon Don Hydropower JSC, on June 2017, BDHC made payment of dividend of year 2016 with the rate of 13.5% by shares. Therefore, in existing, PECC4 keeps 11.786.975 shares at BDHC, equivalent to 31% of BDHC's capital.

Pursuant to Business Registration Certificate No. 4401028708 dated 22 November 2016 of Son Giang Power Joint Stock Company granted by Department of Planning and Investment of Phu Yen Province, the Company has invested into Son Giang Power Joint Stock Company at amount of VND 15.000.000.000 VND equivalent to 30% of charter capital. As of the balance sheet date, the Company has invested VND 1.500.000.000.

Buon Don Hydroelectricity Joint Stock Company are operating in normal condition, there are no material changes in comparison with those of previous year.

Son Giang Power Joint Stock Company was established on 22 November 2016, it is in the process of construction and has not yet come into operation.

3. Receivable

3a. Short-term receivable from customers

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|------------------------------|------------------------------|
| Customers are belonged to EVN and NPT | 34.289.949.213 | 25.790.652.508 |
| Customers are not belonged to EVN and NPT | 44.531.177.499 | 49.822.642.339 |
| Total | <u>78.821.126.712</u> | <u>75.613.294.847</u> |

3b. Long-term receivable from customers

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------------|-----------------------------|
| Nho Que Power Development and Investment JSC | 1.532.762.821 | 1.532.762.821 |
| Trung Son Hydropower One Member Co., Ltd | 138.611.000 | 138.611.000 |
| Management Board of Hydroelectricity 2 | 156.818.300 | 156.818.300 |
| Total | <u>1.828.192.121</u> | <u>1.828.192.121</u> |

4. Prepayment to suppliers

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------------|-----------------------------|
| Customers are belonged to EVN and NPT | 1.691.117.279 | 1.122.997.242 |
| Customers are not belonged to EVN and NPT | 4.060.051.791 | 5.068.621.055 |
| Total | <u>5.751.169.070</u> | <u>6.191.618.297</u> |

5. Other receivables

| | <u>Ending balance</u> | | <u>Beginning balance</u> | |
|---------------------------------------|------------------------------|-----------------|------------------------------|-----------------|
| | Cost | Provision | Cost | Provision |
| Receivable from employees | 33.000.000 | - | 42.500.000 | - |
| Advances for employees of the company | 8.443.548.906 | - | 2.754.421.947 | - |
| Others | 8.694.627.206 | - | 8.672.529.171 | - |
| Total | <u>17.171.176.112</u> | <u>-</u> | <u>11.469.451.118</u> | <u>-</u> |

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Notes to the financial statements (cont.)

6. Bad debts

| | Ending balance | | Beginning balance | |
|---|----------------|--------------------|-------------------|--------------------|
| | Cost | Recoverable amount | Cost | Recoverable amount |
| Total value of receivables, loans that are overdue or not pass due but hardly recoverable | 20.016.401.697 | 13.047.614.428 | 25.335.265.697 | 13.047.614.428 |

Provision for bad debts

Situation of fluctuations in provision for bad debts is as follows:

| | Accumulation from the beginning of the year | |
|-----------------------|---|-----------------------|
| | Current year | Previous year |
| Beginning balance | 12.287.651.269 | 11.740.310.069 |
| Additional extraction | - | - |
| Written off | (5.318.864.000) | - |
| Ending balance | 6.968.787.269 | 11.740.310.069 |

7. Inventories

| | Ending balance | | Beginning balance | |
|------------------------|----------------------|-----------|-----------------------|-----------|
| | Cost | Provision | Cost | Provision |
| Materials and supplies | 499.769.444 | - | 457.514.549 | - |
| Tools | 83.059.771 | - | 8.453.608 | - |
| Work in progress | 4.566.840.812 | - | 16.307.239.582 | - |
| Total | 5.149.670.027 | - | 16.773.207.739 | - |

8. Long-term prepaid expenses

| | Ending balance | Beginning balance |
|----------------|--------------------|----------------------|
| Tools | 862.926.158 | 1.522.260.347 |
| Other expenses | 109.848.753 | 259.957.971 |
| Total | 972.774.911 | 1.782.218.318 |

9. Tangible fixed assets

| | Buiding & structures | Machinery & equipment | Vehicles | Office equipment | Total |
|--|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|
| Historical costs | | | | | |
| Beginning balance | 10.104.595.287 | 10.314.130.755 | 12.541.821.147 | 1.197.226.347 | 34.157.773.536 |
| New purchases | - | 3.017.876.689 | 348.840.000 | 171.672.727 | 3.538.389.416 |
| Ending balance | 10.104.595.287 | 13.332.007.444 | 12.890.661.147 | 1.368.899.074 | 37.696.162.952 |
| <i>In which:</i> | | | | | |
| Fully depreciated but still being in use | 773.606.927 | 7.837.767.082 | 9.908.142.964 | 838.752.339 | 19.358.269.312 |
| Depreciation | | | | | |
| Beginning | 4.775.794.463 | 8.320.444.332 | 11.209.988.977 | 970.837.922 | 25.277.065.694 |

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Notes to the financial statements (cont.)

| | <u>Buiding & structures</u> | <u>Machinery & equipment</u> | <u>Vehicles</u> | <u>Office equipment</u> | <u>Total</u> |
|------------------------|---------------------------------|----------------------------------|------------------------------|-----------------------------|------------------------------|
| balance | | | | | |
| Depreciation | 225.160.596 | 371.560.945 | 245.265.021 | 46.610.713 | 888.597.275 |
| Ending balance | <u>5.000.955.059</u> | <u>8.692.005.277</u> | <u>11.455.253.998</u> | <u>1.017.448.635</u> | <u>26.165.662.969</u> |
| Net book values | | | | | |
| Beginning balance | | | | | |
| | 5.328.800.824 | 1.993.686.423 | 1.331.832.170 | 226.388.425 | 8.880.707.842 |
| Ending balance | <u>5.103.640.228</u> | <u>4.640.002.167</u> | <u>1.435.407.149</u> | <u>351.450.439</u> | <u>11.530.499.983</u> |

10. Intangible fixed assets

| | <u>Long-term land use right</u> | <u>Fixed-term land use right</u> | <u>Computer's software</u> | <u>Total</u> |
|--|---------------------------------|----------------------------------|-----------------------------|------------------------------|
| Initial costs | | | | |
| Beginning balance | 7.093.957.000 | 9.463.506.000 | 2.270.694.411 | 18.828.157.411 |
| Increases during the year | - | - | 1.036.287.000 | 1.036.287.000 |
| Ending balance | <u>7.093.957.000</u> | <u>9.463.506.000</u> | <u>3.306.981.411</u> | <u>19.864.444.411</u> |
| <i>In which:</i> | | | | |
| Fully depreciated but still being in use | - | - | 2.107.552.255 | 2.107.552.255 |
| Amortiation | | | | |
| Beginning balance | - | 1.676.425.305 | 2.206.150.102 | 3.882.575.407 |
| Amortization | - | 99.752.400 | 107.267.518 | 207.019.918 |
| Ending balance | <u>-</u> | <u>1.776.177.705</u> | <u>2.313.417.620</u> | <u>4.089.595.325</u> |
| Net books value | | | | |
| Beginning balance | 7.093.957.000 | 7.787.080.695 | 64.544.309 | 14.945.582.004 |
| Ending balance | <u>7.093.957.000</u> | <u>7.687.328.295</u> | <u>993.563.791</u> | <u>15.774.849.086</u> |

11. Short-term trade payables

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------------|-----------------------------|
| Customers are belonged to EVN and NPT | 983.545.000 | 983.545.000 |
| Customers are not belonged to EVN and NPT | 7.049.312.730 | 8.023.885.317 |
| Total | <u>8.032.857.730</u> | <u>9.007.430.317</u> |

12. Short-term advances from customers

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|------------------------------|------------------------------|
| Customers are belonged to EVN and NPT | 36.647.432.799 | 41.489.095.898 |
| Customers are not belonged to EVN and NPT | 9.122.604.784 | 4.763.730.792 |
| Total | <u>45.770.037.583</u> | <u>46.252.826.690</u> |

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Notes to the financial statements (cont.)

13. Taxes and other obligations to the State budget

| | <u>Beginning balance</u> | <u>Amount payable</u> | <u>Amount already paid</u> | <u>Ending balance</u> |
|--|------------------------------|------------------------------|--------------------------------|-----------------------------|
| VAT on local sales | 3.200.220.834 | 8.325.359.866 | (6.940.907.512) | 4.584.673.188 |
| VAT on imports | - | 174.337.509 | (174.337.509) | - |
| Corporate income tax | 633.012.669 | 1.884.316.858 | (1.271.664.342) | 1.245.665.185 |
| Personal income tax | 248.303.990 | 946.512.880 | (1.125.417.870) | 63.399.000 |
| Tax on using non- agricultural land | - | 3.123.300 | (3.123.300) | - |
| Other taxes | - | 63.207.843 | (63.207.843) | - |
| Total | <u>4.081.537.493</u> | <u>11.396.858.256</u> | <u>(9.578.658.376)</u> | <u>5.899.737.373</u> |

Value added tax

The company has paid value added tax in line with deduction method. Tax rate applied for service of design and investigation consultancy is 10%.

Corporate income tax

The company has to pay corporate income tax at rate of 20%

Estimated corporate income tax payable during the year is as follows:

| | Accumulation from the beginning of the year | |
|--|--|-----------------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Total accounting profit before tax | 9.421.584.291 | 5.994.826.358 |
| Increases, decreases of accounting profit to determine income subject to corporate income tax | | |
| - Increase | - | - |
| - Decrease | - | - |
| Taxable income | 9.421.584.291 | 5.994.826.358 |
| Corporate income tax rate | 20% | 20% |
| Corporate income tax payable | <u>1.884.316.858</u> | <u>1.198.965.272</u> |

Other taxes

The company has paid and declared these taxes in line with prevailing regulations.

14. Payable to employees

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|--------------------------|------------------------------|-----------------------------|
| Salary paid to employees | 11.951.701.609 | 9.356.201.560 |
| Total | <u>11.951.701.609</u> | <u>9.356.201.560</u> |

15. Other short-term payable

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|-----------------------------|-----------------------|--------------------------|
| Trade Union's Expenditure | 1.679.658.299 | 1.714.909.889 |
| Social Insurance | 185.433.429 | - |
| Payable for equitization | 2.100.000 | 2.100.000 |
| Payable for EVN | 1.659.879.935 | 1.659.879.935 |
| - Interest on bonds payable | 1.659.879.935 | 1.659.879.935 |

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Notes to the financial statements (cont.)

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|------------------------------------|-----------------------------|-----------------------------|
| Interest on bonds payable | 48.118.000 | 48.118.000 |
| Dividends payable for shareholders | 93.749.600 | 84.154.400 |
| Others | 163.438.608 | 136.919.284 |
| Total | <u>3.832.377.871</u> | <u>3.646.081.508</u> |

16. Short-term loans

| | <u>Ending balance</u> | | <u>Beginning balance</u> | |
|-----------------|-----------------------|-------------------------|--------------------------|-------------------------|
| | <u>Value</u> | <u>Repayable amount</u> | <u>Value</u> | <u>Repayable amount</u> |
| Loans from bank | - | - | - | - |
| Total | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

17. Bonus and welfare funds

| | <u>Beginning balance</u> | <u>Increase due to extraction from profit of previous year</u> | <u>Bonus from the Group</u> | <u>Funds paid during the period</u> | <u>Ending balance</u> |
|-------------------------------------|-----------------------------|--|-----------------------------|-------------------------------------|-----------------------------|
| Bonus fund | 469.426.962 | 895.538.217 | 6.000.000 | (589.500.000) | 781.465.179 |
| Welfare fund | 2.266.151.278 | - | - | (445.844.376) | 1.820.306.902 |
| Remuneration for Executive officers | 243.651.000 | 371.176.000 | - | (225.990.000) | 388.837.000 |
| Total | <u>2.979.229.240</u> | <u>1.266.714.217</u> | <u>6.000.000</u> | <u>(1.261.334.376)</u> | <u>2.990.609.081</u> |

18. Owner's equity

18a. Statements of fluctuation in owner's equity

| | <u>Owner's equity</u> | <u>Equity surplus</u> | <u>Business promotion fund</u> | <u>Other funds</u> | <u>Retained earnings</u> | <u>Treasury stocks</u> |
|--|-------------------------------|--------------------------------|--------------------------------|-----------------------------|------------------------------|-----------------------------|
| Beginning balance of previous year | 145.996.140.000 | (15.784.110.000) | 26.753.260.607 | 1.721.694.867 | 22.545.879.288 | (745.850.060) |
| Increases | - | - | - | - | 4.795.861.086 | - |
| Decreases | - | - | - | - | (8.010.788.288) | - |
| Ending balance of previous period | <u>145.996.140.000</u> | <u>(15.784.110.000)</u> | <u>26.753.260.607</u> | <u>1.721.694.867</u> | <u>19.330.952.086</u> | <u>(745.850.060)</u> |
| Beginning balance in current year | 145.996.140.000 | (15.784.110.000) | 26.753.260.607 | 1.721.694.867 | 23.069.350.717 | (745.850.060) |
| Increases | - | - | - | - | 7.537.267.433 | - |
| Decreases | - | - | - | - | (7.080.750.617) | - |
| Ending balance in current period | <u>145.996.140.000</u> | <u>(15.784.110.000)</u> | <u>26.753.260.607</u> | <u>1.721.694.867</u> | <u>23.525.867.533</u> | <u>(745.850.060)</u> |

18b. Details of owner's equity

| | <u>As of 30 June 2017</u> | |
|------------------------|-------------------------------|----------------------|
| | <u>Share capital</u> | <u>Rate (%)</u> |
| Electricity of Vietnam | 104.478.440.000 | 71,56 |
| Other shareholders | 41.517.700.000 | 28,44 |
| Total | <u>145.996.140.000</u> | <u>100,00</u> |

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Notes to the financial statements (cont.)

18c. Shares

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|---------------------------------------|-----------------------|--------------------------|
| Number of shares allowed to be issued | 14.599.614 | 14.599.614 |
| Number of shares sold to public | 14.599.614 | 14.599.614 |
| Number of shares repurchased | 64.523 | 64.523 |
| Number of outstanding shares | 14.535.091 | 14.535.091 |

All shares are common shares. Face value is VND 10.000.

18d. Profit distribution

During the year, the Company has distributed profit in line with Resolution of 2017 shareholders' meeting dated 25 April 2017 as follows:

| | | |
|---|---|---------------|
| • Sharing remaining dividends to shareholders | : | 5.814.036.400 |
| • Extraction for bonus and welfare fund | : | 895.538.217 |
| • Bonus fund for the Executive Officers | : | 371.176.000 |

19. Off-balance sheet items**19a. Foreign currencies**

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|-----|-----------------------|--------------------------|
| USD | 117.023,83 | 17.389,84 |

19b. Bad debts already treated

| | <u>Ending balance</u> | <u>Beginning balance</u> |
|-----------------|------------------------------|-----------------------------|
| Other customers | 13.753.924.390 | 8.435.060.390 |
| Total | <u>13.753.924.390</u> | <u>8.435.060.390</u> |

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT**1. Net sales**

| | <u>Accumulation from the beginning of the year</u> | |
|-------------------|--|------------------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Gains from survey | 61.423.517.036 | 29.269.610.820 |
| Gains from design | 38.191.238.342 | 40.742.990.074 |
| Total | <u>99.614.755.378</u> | <u>70.012.600.894</u> |

2. Costs of goods sold

| | <u>Accumulation from the beginning of the year</u> | |
|-----------------|--|------------------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Costs of survey | 42.951.014.572 | 18.888.725.052 |
| Costs of design | 32.702.981.720 | 27.441.873.779 |
| Total | <u>75.653.996.292</u> | <u>46.330.598.831</u> |

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Notes to the financial statements (cont.)

3. Financial income

| | Accumulation from the beginning of the year | |
|--|---|--------------------|
| | Current year | Previous year |
| Gains from time-deposits | 70.638.115 | 198.096.117 |
| Gains from foreign exchange difference | 4.061.719 | 1.089.558 |
| Total | 74.699.834 | 199.185.675 |

4. Financial expenses

| | Accumulation from the beginning of the year | |
|--------------------------------------|---|--------------------|
| | Current year | Previous year |
| Loan interest expenses | 16.664.577 | 129.224.332 |
| Loss from selling foreign currencies | 2.087.699 | 708.565 |
| Total | 18.752.276 | 129.932.897 |

5. Administrative overheads

| | Accumulation from the beginning of the year | |
|--------------------------------|---|-----------------------|
| | Current year | Previous year |
| Expenses for employees | 8.552.991.056 | 6.972.894.035 |
| Supplies and office equipments | 195.669.103 | 277.365.100 |
| Depreciation of fixed assets | 37.263.690 | 33.900.548 |
| External service rendered | 528.712.687 | 506.222.346 |
| Other expenses | 5.232.825.192 | 10.018.251.454 |
| Total | 14.547.461.728 | 17.808.633.483 |

6. Other income

| | Accumulation from the beginning of the year | |
|--|---|-------------------|
| | Current year | Previous year |
| Gains from refund of training expenses | - | 52.205.000 |
| Total | - | 52.205.000 |

7. Other expenses

| | Accumulation from the beginning of the year | |
|---------------------------------|---|-------------------|
| | Current year | Previous year |
| Fines due to contract violation | 47.660.625 | 65.805.459 |
| Total | 47.660.625 | 65.805.459 |

8. Earning per share

| | Accumulation from the beginning of the year | |
|---|---|-----------------|
| | Current period | Previous period |
| Accounting profit after corporate income tax | 7.537.267.433 | 4.795.861.086 |
| Increase/(decrease) of accounting profit to determine profit attribute shareholders owned ordinary shares | - | - |

POWER ENGINEERING CONSULTING JOINT STOCK COMPANY 4

Address: 11 Hoang Hoa Tham St. – Nha Trang City – Khanh Hoa Province

Notes to the financial statements (cont.)

| | Accumulation from the beginning of the year | |
|---|---|------------------------|
| | <u>Current period</u> | <u>Previous period</u> |
| Profit attribute shareholders owned ordinary shares | 7.537.267.433 | 4.795.861.086 |
| Outstanding average ordinary shares during the year | 14.535.091 | 14.535.091 |
| Earning per share | 519 | 330 |

Average outstanding ordinary shares during the year are as follows:

| | Accumulation from the beginning of the year | |
|--|---|----------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Average outstanding ordinary shares at beginning year | 14.535.091 | 14.535.091 |
| Average outstanding ordinary shares during the year | 14.535.091 | 14.535.091 |

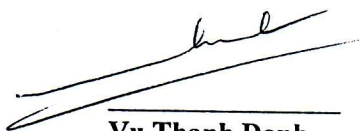
9. Operating expenses

| | Accumulation from the beginning of the year | |
|------------------------------|---|-----------------------|
| | <u>Current year</u> | <u>Previous year</u> |
| Materials and supplies | 4.791.435.015 | 4.011.318.906 |
| Labors | 47.516.616.976 | 38.738.799.051 |
| Depreciation of fixed assets | 1.095.617.193 | 879.483.079 |
| External service rendered | 14.554.431.969 | 3.836.198.098 |
| Other expenses | 10.502.958.097 | 14.032.735.106 |
| Total | 78.461.059.250 | 61.498.534.240 |

Nha Trang, 18 July 2017



Tran Le Thanh Binh
Preparer



Vu Thanh Danh
Chief Accountant



Phạm Minh Sơn
General Director