**HNA: Explanation for the difference of over 10% in financial statement of 2019 year on year**

On 20 Mar 2020, Hua Na Hydropower Joint Stock Company explained the difference of over 10% in financial statement of 2019 year on year as follows:

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| --- | --- | --- | --- | --- |
| Indicators | Year 2019 | Year 2018 | Difference | Rate % |
| Revenue | 668,950,224,869 | 883,234,745,640 | (214,284,520,771) | 75.74% |
| Expense | 596,367,761,422 | 662,092,269,689 | (65,724,508,267) | 90.07% |
| Profit before tax | 72,582,463,447 | 221,142,475,951 | (148,560,012,504) | 32.82% |
| Profit after tax | 68,340,097,004 | 217,416,073,774 | (149,075,976,770) | 31.43% |

The year 2019 is the year with adverse climate changes for hydropower plants, the phenomenon of Elnino came back on a large scale, most hydroelectric plants was subject to poor hydrograph: For Hua Na Hydroelectric Plant, due to the very low average water flow (about 60.84 m3/s), it is only 64% of the average for many years (91.96 m3/s), resulting in 2019 electricity output of 559.9 million kWh (69.28%) compared to the same period in 2018. Therefore, 2019 revenue was only VND 668.9 billion (75.74% compared to the same period in 2018 (VND 883.23 billion)

The total cost in 2019 was VND 65.72 billion (90.07%) lower than the same period in 2018, in which: (i) cost of goods sold decreased by VND 27.12 billion (ii) Interest expense decreased by VND 37.21 billion due to outstanding loans at banks on December 31, 2019: VND 1,620.39 billion, VND 459.38 billion lower than with the same period of 2018 (VND 2,079.77 billion); (iii) General and administration expenses increased by VND 1.27 billion

In 2019, revenue and income decreased by 24.26% (equivalent to a decrease of VND 214.28 billion), expenses decreased by 9.93% (equivalent to a decrease of VND 65.72 billion) leading to profit after tax of VND 68.34 billion, VND 149.08 billion lower than 2018 (profit of VND 217.42 billion)