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

On 17 Mar 2020, Hai Phong Thermal Power Joint Stock Company explained the difference of over 10% in financial statement of 2019 year on year as follows:

Explanation of changes in financial statements of 2019 financial statements after auditing:

1. Explanation for the reason for the after-tax profit in the income statement of 2019 changed more than 10% compared to the financial statements in 2018: Profit after tax in 2019 increased by VND 747.82 billion compared to 2018 (an increase of 176%), due to the following reasons:

The reasons for increasing profit before tax:

- Regarding electricity production revenue: Revenue in 2019 increased by VND 1,774.4 billion compared to 2018 due to the increase of 1,051.95 million kWh in electricity generation in 2019 compared to 2018. Besides, the Company had an effective offering strategy in the market

- Regarding financial income: Financial income increased by VND 9.8 billion mainly due to increased deposits

- Regarding financial expenses: Interest expense in 2019 decreased by VND 120.4 billion compared to 2018 (due to the reduction in the long-term loan), making profit increase by VND 120.4 billion. The cost of exchange rate difference in 2019 decreased by VND 479.8 billion compared to 2018 because of no allocation of CLTG and the low CLTG in the year

- General and administration expenses in 2019 decreased by VND 16 billion compared to 2018

- Other causes: other income increased to VND 3.8 billion

\* Summary of reasons for increase of VND 2,404.4 billion in profit before tax

The reasons for reducing profit before tax:

- Cost of goods sold in 2019 increased by VND 1,610.3 billion in comparison with 2018 due to the increase of 1,051.95 million kWh in real electricity output compared to 2018 and coal price in 2019 increased year on year

- Other expenses decreased by VND 0.6 billion

\* Summary of reasons for reduction of VND 1,610.9 billion in profit before tax

2. Summary of reasons for the increase and decrease of profit before tax, making the profit before tax in 2019 increase by VND 793.46 billion compared to 2018. The expense of CIT in 2019 increased by VND 45.64 billion compared to 2018 (because the profit before tax in 2019 was higher than 2018). Therefore, after-tax profit in 2019 increased by VND 747.82 billion compared to 2018