**SJE: Explanation for the difference in financial statement of 2019 year on year**

On 30 Mar 2020, Song Da No. 11 Joint Stock Company explained the difference in financial statement of 2019 year on year as follows:

1. In general financial statement of 2019

Unit: VND

|  |  |  |  |
| --- | --- | --- | --- |
| Indicators | Year 2019 | Year 2018 | Rate % |
| Profit after tax  | 89,539,728,496 | 85,250,740,498 | 5% |

Profit after tax in the financial statements in 2019 after the audit increased by 5% year on year due to:

+ During the period, the Company earned profit from receiving divided of more VND 24.2 billion than 2018, equivalent to 118%, which led to a decrease of VND 6.7 billion in corporate income tax in the period, equivalent to 39% compared to 2018

- All these issues led to after-tax profit in the financial statement of 2019 after auditing increased by VND 4.2 billion, equivalent to 5% compared to 2018

2. In consolidated financial statement of 2019

Unit: VND

|  |  |  |  |
| --- | --- | --- | --- |
| Indicators | Year 2019 | Year 2018 | Rate % |
| Profit after tax  | 71,430,953,414 | 43,588,774,322 | 63.9% |

The consolidated profit after tax after auditing of Song Da 11 Joint Stock Company in 2019 increased by 63.9% compared to 2018 because:

+ During the period, the Company completed the investment in the solar power project with 99.96% of capital owned by the parent company (Solar Power Investment Joint Stock Company was completed and generated electricity in May 2019), leading a revenue of VND 90.4 billion and after tax profit of VND 33.16 billion

+ Because Solar Power Investment Joint Stock Company is an investment project eligible for 100% exemption of corporate income tax, the payable corporate income tax decreased by VND 6.1 billion, equivalent to 44%

All of these matters led to an increase of 63.9% in the audited 2019 consolidated after-tax profit compared to 2018