

Số/No: 200 /22/S3-TCKT

Đà Nẵng, ngày 20 tháng 05 năm 2022.
Da Nang, 20th May 2022.

CÔNG BỐ THÔNG TIN ĐỊNH KỲ
INFORMATION DISCLOSURE PERIODIC

Kính gửi/ To:

- Ủy ban Chứng khoán Nhà nước/ *The State Securities Commission;*
- Sở Giao dịch Chứng khoán Việt Nam/ *Vietnam Exchange;*
- Sở Giao dịch chứng khoán TP.HCM/ *HoChiMinh Stock Exchange.*

1. Tên tổ chức/ *Organization name:* Công ty Cổ phần Sông Ba/ *Song Ba Joint Stock Company.*

- Mã chứng khoán/ *Securities Symbol:* **SBA**
- Địa chỉ trụ sở chính/ *Address:* 573 Núi Thành – Q. Hải Châu –TP. Đà Nẵng/ *573 Nui Thanh, Hai Chau District, Da Nang City.*
- Điện thoại/ *Telephone* : 0236.3653592 – 0236.2215592;
- Fax : 0236.3653593
- Email : sba2007@songba.vn

2. Nội dung thông tin công bố/*Contents of disclosure:*

Báo cáo thường niên năm 2021 của Công ty Cổ phần Sông Ba (bản tiếng Anh)/
2021 Annual Report of Song Ba Joint Stock Company (English version).

3. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 20/05/2022 tại đường dẫn/ *This information was published on the company's website on 20/05/2022, as in the link:* <https://songba.vn/quan-he-co-dong>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố/ *We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.*

Trân trọng/ *Yours truly* ✓

Nơi nhận/Recipient

- Như trên/As above
- TCHC/Administrative Department;
- Lưu: TC-KT, VTh/Save: Financial Accounting department; Documentary department.

Tài liệu đính kèm/ Attachment:

- Báo cáo thường niên năm 2021 của Công ty cổ phần Sông Ba (bản tiếng Anh);
- 2021 Annual Report of Song Ba Joint Stock Company (English version).

Đại diện tổ chức

Organization representative

Người đại diện theo pháp luật/ *Legal representative*

TỔNG GIÁM ĐỐC

General Director



ĐINH CHÂU HIỆU THIÊN



SONG BA JOINT STOCK COMPANY

2021

ANNUAL REPORT

Da Nang, April 2022

MESSAGE FROM THE CHAIRMAN OF THE BOARD



Dear valued shareholders, investors and partners of Song Ba Joint Stock Company

First of all, on behalf of the Board of Directors of Song Ba Joint Stock Company (SBA), I would like to express my sincere gratitude to all our valued shareholders, investors, and our partners for their trust in our company's management and employees.

In 2021, the prolonged Covid-19 caused far-reaching impacts on all aspects of the Company. The management and operation of 02 hydropower plants Krong H'ngang and Khe Dien faced many difficulties because wind and solar energy sources were prioritized. In the first 9 months of the year, due to the prolonged drought, the output generated by the plants only reached 56.5% of the year plan. Entering the last months of the year, the hydrological condition became better thanks to consecutive rains and floods. Regardless of such disadvantages, the Company enjoyed some certain advantages: The Company's employees and the Board of Directors was professionally knowledgeable, enthusiastic, and demonstrated a high sense of responsibility. The support and direction of the Board of Directors and the assistance of the state authorities in Dak Lak, Phu Yen, and Quang Nam, of the units of Electricity of Vietnam deserved being mentioned. With the spirit of overcoming difficulties, surpassing challenges, and promoting advantages, the Company was flexible in operating the plants and gave numerous creative and drastic solutions in management and administration, so it successfully completed the targets for the year 2021 as set out by the Resolution of the Company's Annual General Meeting of Shareholders.

SBA total revenue in 2021 was VND314.88 billion, or 5.59% higher than in 2020. Profit after tax was recorded at an impressive growth rate with VND117.16 billion, or 15.01% year over year and exceeding 39.31% of the plans. Additionally, the Company strengthened activities of research, improvement, rationalization as well as implementing flexible financial solutions to meet SBA's production and business situation. As a matter of fact, in 2021, there were 08 solutions to rationalize the Company's production that were recognized, applied, and generated efficiency for the whole Company.

Last year, the Company was also given Certificates of Merit by the People's Committee of Da Nang City, the People's Committee of Quang Nam Province, the Ministry of Industry and Trade, and the Committee for the Management of State Capital at Enterprises. Song Ba Joint Stock Company was once again honored as a sustainable enterprise in Vietnam by VCCI in 2021. Such achievements were obtained thanks to the appropriate direction of the Board of Directors, the Board of Management and relentless effort of all the Company's employees.

Under the condition of the increasingly complicated development of the climate, hydropower industry in general and SBA in particular will inevitably encounter numerous challenges and difficulties. However, with unceasing efforts to improve the professional capacity and the aspiration to contribute to the Company of all of the employees, it is expected that SBA will create more impressive breakthrough in the future.

During the operation of the Company, SBA's Management and its employees have been concerned, trusted, and supported by the shareholders, authorities, and leaders. of the localities. This is a valuable source of encouragement, helping the Company's Management and employees be aware of their roles and responsibilities in order to unceasingly strive for the Company's constant development, deserving trust and expectation of the shareholders and partners.

Once again, on behalf of the Board of Directors, I would like to express the profound gratitude to the valued shareholders, and all of the employees. We do hope for further concern and support from all of you to the sustainable development of Song Ba Joint Stock Company.

Sincerely thank!

THE CHAIRMAN OF THE BOARD

Thai Hong Quan



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GENERAL INFORMATION



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Risk Factors

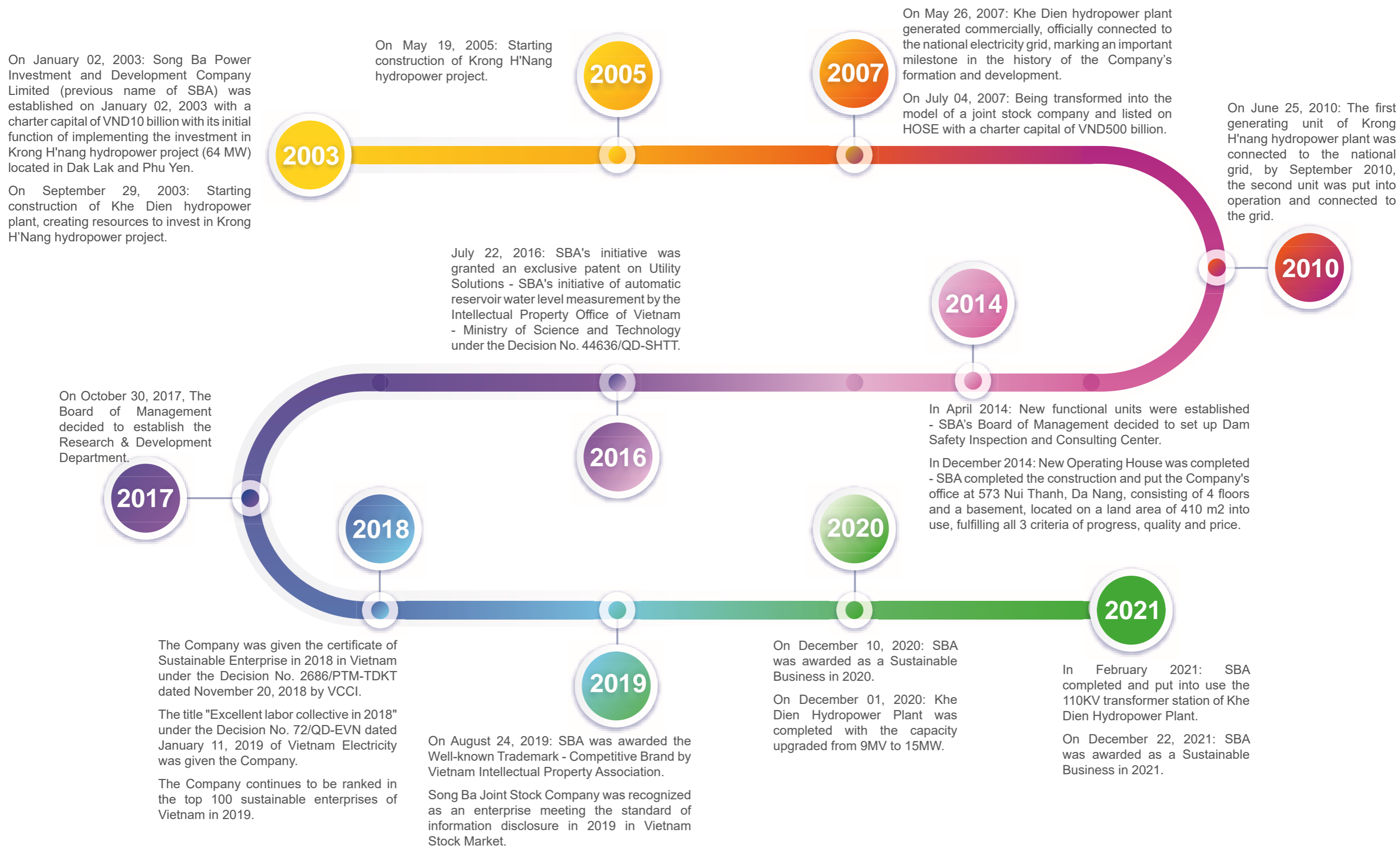
OVERVIEW INFORMATION

Company name	Song Ba Joint Stock Company
Enterprise registration certificate number	0400439955, issued by the Department of Planning and Investment of Da Nang City for the first time on July 4, 2007, and amended for the 11th time on July 01, 2021.
Charter capital	VND 604,882,610,000 as of December 31, 2021
Address	573 Nui Thanh street, Hoa Cuong Nam ward, Hai Chau district, Da Nang city, Vietnam.
Telephone	(0236) 3653 592 - (0236) 3653 596
Fax	(0236) 3653 593
Email	sba2007@songba.vn
Website	www.songba.vn
Stock ticker	SBA



OVERVIEW INFORMATION

FORMATION AND DEVELOPMENT PROCESS



OVERVIEW INFORMATION

OUTSTANDING ACHIEVEMENTS IN 2021

In 2021, the Company had 04 teams and 30 individuals awarded "Excellent Performance"; 03 teams and 46 individuals were awarded "Good Performance" and recognized the title of Unit Emulation Fighter in 2021 for 09 individuals.

In 2021, the Company was given the Certificate of Merit by: People's Committee of Da Nang City, Quang Nam Province, Ministry of Industry and Trade, Commission for the Management of State Capital at Enterprises and VCCI's Sustainable Enterprise Certification; 01 individual was awarded Certificate of Merit from the Ministry of Industry and Trade; 02 individuals were awarded Certificates of Merit from the Commission for the Management of State Capital at Enterprises; 02 teams and 03 individuals were awarded certificates of merit by EVNCP.



Merit of the Ministry of Industry and Trade 2021



Merit of The People's Committee of Da Nang City 2021



Merit of the Committee for the Management of State Capital at Enterprises 2021



Merit of Sustainable Enterprise in 2021 by VCCI

BUSINESS LINES AND LOCATION

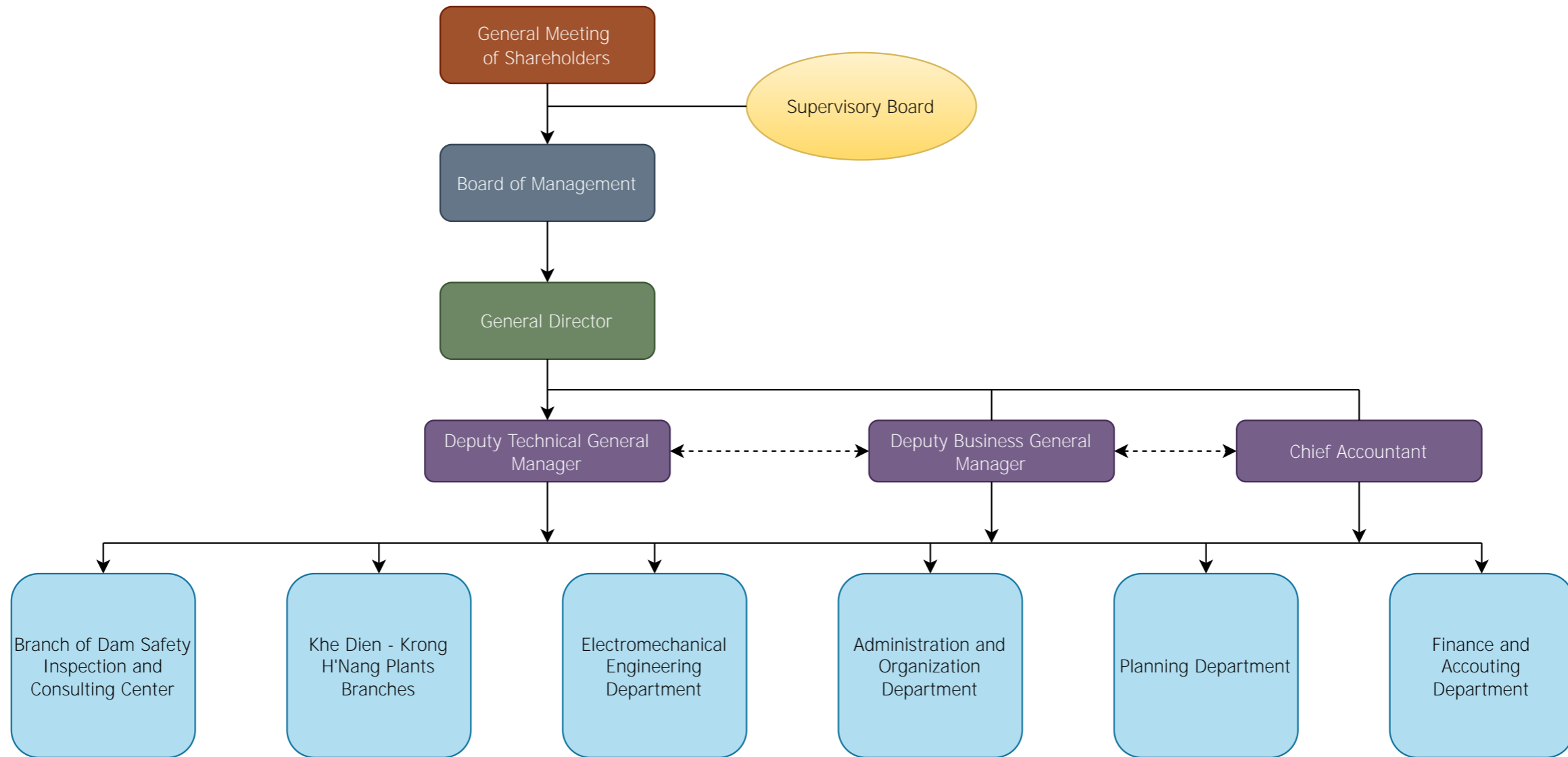
BUSINESS LINES

- **Producing, transmitting and distributing electricity.** Detail: Producing and trading electricity;
- **Implementing architectural activities and related technical consultancy.** Detail: Consulting on setting up investment projects of construction, surveying, and designing irrigation and hydropower projects with capacities of up to 30MW, electricity lines and substations with capacities up to 110KV; Consulting on construction supervision, managing small and medium hydropower projects, electricity lines, and substations with capacities up to 110KV; supervising the construction of irrigation and hydropower projects; Consulting on inspection, quality assessment of dams and hydropower construction works; designing technical infrastructure (traffic, infrastructure for domestic water supply in rural areas); consulting the investigation, collection, calculation, forecasting meteor, hydrology for different stages of the construction, consulting investment projects for construction of transportation, civil, technical infrastructure, aquaculture ponds, river and coastal protection projects; Consulting the quality appraisal of construction works of all types; Surveying works;
- **Construction of other civil engineering projects.** Detail: Investment in the construction of hydropower projects; Construction of hydropower projects with a capacity of up to 30MW, power lines and substations up to 110KV; Repairing, maintaining hydropower plants; Construction of small and medium construction projects; other specialized activities.
- **Wholesale of other construction materials, installation equipment in construction;**
- **Exploiting stone, sand, gravel, clay.** Detail: Exploiting minerals;
- **Other specialized construction.** Detail: Dredging reservoir foundation;
- **Vocational training.** Detail: Consulting on vocational training (hydropower plants management and operation);
- **Management consultancy.** Detail: Consulting on environmental solution, agricultural re-settlement, re-settlement;
- **Installing other construction systems.** Detail: Installing equipment for construction works;
- **Wholesale of other machines, equipment and spare parts.** Detail: Wholesales of materials, mechanical & electrical equipment;
- **Studying and developing natural scientific and engineering experiments** Detail: Studying, manufacturing electrical mechanical parts of hydropower plant; transferring technologies in construction technique and equipment.
- **Doing business in real-estate, land use rights of owner, users or leased land.** Detail: Leasing land, plants and warehouse.

BUSINESS LOCATION

SBA mainly deploys and operates in the Central region: **Quang Nam, Dak Lak, Phu Yen, Da Nang.**

INFORMATION ABOUT GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT STRUCTURE



INFORMATION ABOUT GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT STRUCTURE

COMPANY'S BRANCHES:

Khe Dien hydropower plant branch



Address: Phuoc Ninh commune, Nong Son district, Quang Nam province, Vietnam

Main business line: Producing and trading electricity

• Branch of Dam Safety Inspection And Consulting Center



Address: 573 Nui Thanh (3rd floor), Hoa Cuong Nam Ward, Hai Chau District, Da Nang province, Vietnam

Main business line:

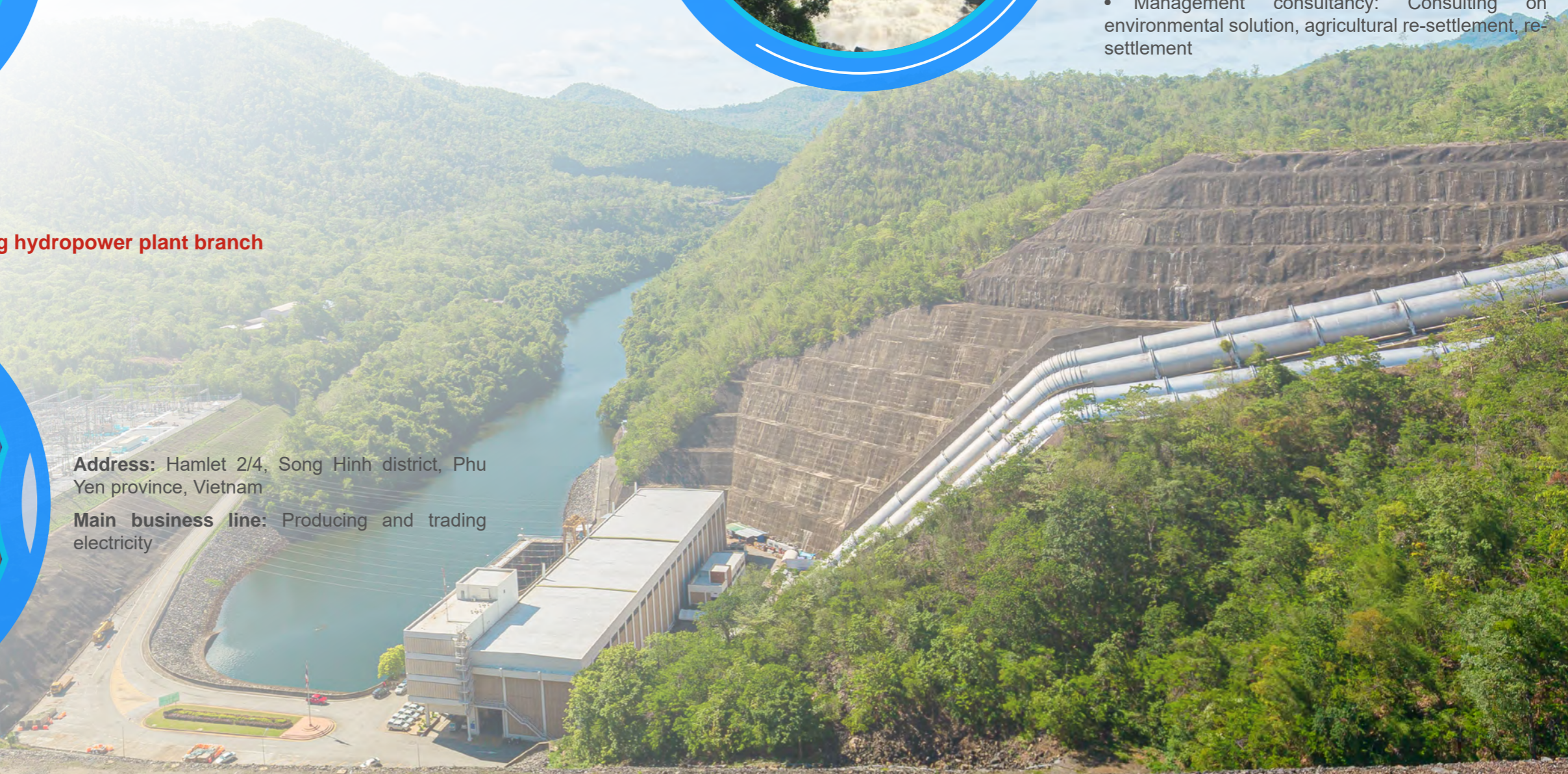
- Architectural practice and related technical consultancy: Consulting on preparing investment project of construction, survey and design of hydropower projects with capacity up to 30MW, electricity lines and substations up to 110kV. Consulting on and managing small and medium hydropower projects, electricity lines and substations up to 110kV. Consulting on and verifying as well as assessing dam quality and hydropower construction.
- Management consultancy: Consulting on environmental solution, agricultural re-settlement, re-settlement

Krong H'ngang hydropower plant branch



Address: Hamlet 2/4, Song Hinh district, Phu Yen province, Vietnam

Main business line: Producing and trading electricity



DEVELOPMENT ORIENTATION

MAIN OBJECTIVES OF THE COMPANY

Business and production activities

Ensure the safe and stable operation of the existing hydropower plants, striving to exceed the targeted power output; be always well-prepared for flood fighting and prevention and well respond at the plants in case of rain or flood.

Management consultancy

- Continuing research and development activities with regard to consultancy services, utilizing the human resources with their current quality for the best results, etc.
- Continuing the implementation of existing consultancy contracts signed with the Owner: Consulting on designing, managing hydropower projects, construction supervision, managing small and medium hydropower projects.

Customers relationship

The decisive factor of the existence and the sustainable development of SBA is customer. Therefore, all activities of SBA have been always oriented towards mutual benefits and satisfaction of customers' needs.

Shareholders relationship

SBA's objective is to rationalize the value of dividend in order to bring long term benefits for the shareholders. Therefore, SBA has committed that all activities of the Company ensure the benefits and future value of shareholders. SBA have been always transparent in managing, controlling, responding all feedbacks from the shareholders, timely and accurately discloses information.

Partners relationship

- When working with both local and foreign partners, SBA always considers its partners as the companions, friendly and fair relationships, harmonious interests for mutual development, SBA employees affirm the Company's role and position through professional working style, punctuality, and compliance with the law.
- When dealing with works, SBA competes healthily based on wisdom, advanced technology and quality products.

Employee relationship

- SBA creates a secure, green, clean, beautiful working environment, ensuring stable jobs, all the employees are materially and spiritually concerned.
- Good policy of remuneration and benefit are given to attract highly qualified human resources, clear, fair and transparent career path. The employees are encouraged to share their opinions, their creative ideas are highly appreciated and applied so as to help the Company increasingly develop.

MEDIUM AND LONG-TERM DEVELOPMENT STRATEGIES

Khe Dien and Krong H'ngang Hydropower plants

To make effective use of water sources; to safely operate the works and equipment; at the same time to minimize production costs for better revenue.

Krong H'ngang Hydropower 2 Project

To maintain the investment certificate; to continue to complete the design adjustment and to prepare investment procedures to be ready for being invested in the coming time.

Developing services. To develop in depth, creating differences, focusing on the following areas:

- + *With respect to source water: To monitor, calculate, operate and regulate water; operate the single-reservoir flood discharge, inter-reservoir flood discharge, ensuring the reservoir full of water, ready for power generation and keeping water for dry season of the following year, ensuring safe operation and reasonable flood discharge of the reservoirs, safety for people living in downstream area.*
- + *Hydropower plants: To inspect, automatize observation and operation of dams and reservoirs, automatize the operation of the plants' equipment; localize equipment.*
- + *Organizing in-depth training for the teams of operating hydropower plants, electricity market, installing hydropower equipment, supervising the construction and installation for the irrigation and hydropower works.*

To calculate and optimally exploit the reservoirs for the highest output

To make better use of the area of the reservoirs of Krong H'Nang and Khe Dien hydropower plants: Installing solar power on the reservoirs' surface; fish farming combined ecotourism.

Human resource

The employees are always proud of the Company and its culture, proud of their work; commit and devote to the long-term development of the Company.

Research and development activities are strengthened by

- + *Studying the electricity market in order to propose suitable directions and strategies to increase the competitiveness over other peers in the same industry.*
- + *Studying and preparing procedures ready for the investment in the construction of new projects, with a focus on renewable energy projects such as wind power and solar power in the vicinity of Krong H'Nang hydropower plant.*

Shareholders relations

Shares price grows thanks to their intrinsic value, giving good cash dividends to the shareholders with greater than 10%/year, SBA stock liquidity is high.

DEVELOPMENT ORIENTATION

VISION - MISSION - SLOGAN - CORE VALUES



Vision

SBA always orients towards sustainable development and becoming a reliable company in investment, management, execution of power source projects, consulting on the services of operating single-reservoirs, inter-reservoirs and the environmental activities related to hydropower.



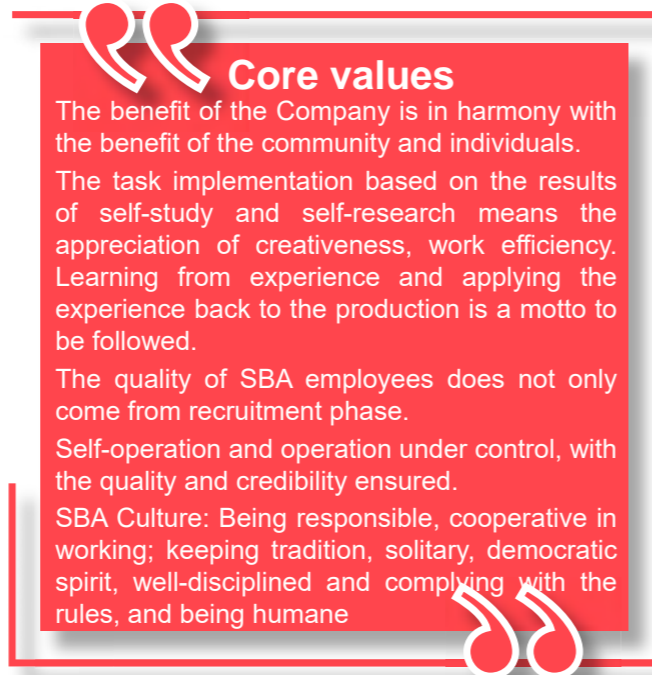
Mission

To bring the harmonious benefits to the customers, shareholders and employees in conformity with the community benefits through the Company's management, production and business performance.
To become a company rendering service of national flood regulating.
SBA makes more and more effort to meet the electricity demand and relevant service, contributing to the development of the economy, culture, society and the national security of the country.



Slogan:

"Creative thinking, growing company"



Core values

The benefit of the Company is in harmony with the benefit of the community and individuals.
The task implementation based on the results of self-study and self-research means the appreciation of creativeness, work efficiency. Learning from experience and applying the experience back to the production is a motto to be followed.
The quality of SBA employees does not only come from recruitment phase.
Self-operation and operation under control, with the quality and credibility ensured.
SBA Culture: Being responsible, cooperative in working; keeping tradition, solitary, democratic spirit, well-disciplined and complying with the rules, and being humane



RISK FACTORS

ECONOMIC RISK

The World economy in 2021 was still uncertainly complicated and faced numerous unfavorable factors due to the prolonged Covid-19. Vietnam economic situation continued its being impacted by the Covid-19 pandemic. According to the General Statistic Office of Vietnam, in 2021, GDP was 2.58% higher than in 2020. This was the lowest GDP for recent decade. Under the condition of prolonged Covid-19, especially in Q3/2021, Delta variant continued to be a big shock for Vietnam economy. Many key economic localities had to impose prolonged social distancing. Despite such many difficulties, the positive growth rate in 2021 was a great success for Vietnam economy.

In 2021, the whole industry sector continued to outperform with total added value of the industry increased by 4.82% year over year. This appears a driving force of the national economy to grow in 2022. The power manufacturing and distribution alone was 5.24% higher year over year, contributing 0.19 percentage point. The electricity production and supply for the whole system in 2021 was well performed, the units in the electricity sector also guaranteed electricity supply for socio-economic development as well as the people's daily lives; especially the electricity supply to temporary hospitals, quarantine facilities, medical examination and treatment, treatment of patients who were infected and suspected Covid-19 positive was secure and stable.

Song Ba Joint Stock Company has been operating in line with the general economy. Therefore, the use of electricity, an essential energy resource for all production, operation activities in the macroeconomic situation in the world or the domestic economy may affect the Company.

Amid uncertainly complicated condition of the economy, the Company will take proactive actions by preparing plans for business and production and financial plans as well as relevant resources to adapt different scenarios of the economy. Risk management will be paid attention to avoid irrelevant strategies and policies as well as minimize losses and damages to the Company.

LEGAL RISK

As a business in the electricity industry, operating with a model of a Joint Stock Company, of which shares have been listed on the Ho Chi Minh City Stock Exchange, SBA's operations are governed by Vietnamese legislation and other applicable policies, including: The Law on Enterprises, Law on Securities, Taxes law, Law on Environmental Natural Resources, etc. Moreover, legal documents are always updated, amended, and perfected over time. Such changes may more or less affect the Company's operation.

Therefore, SBA has always taken initiative in updating changes in policies, legislation, etc. to ensure its strict compliance with the laws; at the same time, set out targets and plans in line with the Company's operations.

INTEREST RISK

Almost the hydropower companies have to spend a huge amount of money as initial costs on the construction of the plants. Therefore, they often obtain long-term debts from credit institutions to invest in hydropower plants. That's why, with its borrowing proportion of roughly 60% of SBA's owner's equity, any minor change in interest rates may cause a huge impact on the Company's financial costs. In 2021, the State Bank of Vietnam continued its low interest rates to facilitate the rapid recovery of the economy from the consequences caused by the Covid-19 epidemic. Similar in 2020, this was a positive signal for the business, enabling SBA to save a significant amount of financial costs which has bene added to the fund for investment and development.

However, the interest rate fluctuations seem out of the Company's control, to minimize interest rate risk, the Company regularly updated changes in interest rates to make loan decisions that are beneficial for the Company, helping it save financial costs.

INDUSTRY TYPICAL RISK (WEATHER)

The electricity output mainly depends on the water source as well as rainfall in local area; as a result, hydropower industry relies much on the weather and climate. This is a major risk and the most influence on the businesses in hydropower sector. Climate change will change rainfall, impact hydrological cycle and runoff, thus the power generation output of hydropower projects is, hence affected. Additionally, prolonged drought, lower level of rainfall caused the amount of water accumulated in the reservoirs lower than designed capacity which subsequently impacted the plants' electricity output. In addition, natural disasters like flash floods, heavy rains also affect roads, works, dams and reservoirs of the plants.

The electricity industry in general and SBA in particular must always update the climate, weather - hydrological developments in a timely, accurate manner; be ready to respond to any adverse situations, and prepare plans to prevent floods and storms, ensure the safety of dams, reservoirs and hydropower projects, Especially, SBA has focused on investing in the hydrological research department for accurate forecasts of the hydrological cycle and weather in different seasons. All such measures aim to ensure safe supply of electricity and meet the targets set out.

MONOPOLISTIC RISK

Like other power companies, SBA is bound by Vietnam Electricity (EVN). Electric Power Trading Company (EPTC) under EVN has been the only entity permitted to trade electricity from all generating entities in the market and wholesale to distributing entities, resulting in an electricity selling price depending on EVN decision. Therefore, the enterprises have still encountered some certain shortcomings in their investment strategies. It has been a big challenge for the Company when electricity companies compete against each other by price to register for trading with EPTC. Due to a number of difficulties such as the ones incurred in negotiation, signing Power Purchase Agreement with EVN. It is required that SBA tries to appropriately cut down some costs so as to compete against other ones.

OTHER RISK FACTORS

Additionally, in some other cases, the Company may expose to some force majeure risks such as natural disasters, explosions, epidemics, and so on which may rarely occur, though, in case of any occurrence, they will cause serious losses and damages to the people and properties, affecting the Company's production and business.

SBA has to follow the guidelines to monitor, set up preventive measures to minimize consequences to the people and properties in case an incident occurs.



CHAPTER II

OPERATIONAL PERFORMANCE

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BUSINESS AND PRODUCTION ACTIVITIES

No.	Parameter	Unit	Actual 2020	Actual 2021	Expected 2021	Actual 2021/2020	Actual/Expected 2021
1	Electricity output	Million kWh	234.14	236.78	213.00	101.13%	111.16%
-	Khe Dien	Million kWh	38.93	42.91	38.00	110.22%	112.92%
-	Krong H'hang	Million kWh	195.21	193.87	175.00	99.31%	110.78%
2	Total Revenue:	Billion VND	265.88	282.90	239.91	106.40%	117.92%
a	Revenue from electricity production	Billion VND	257.88	278.36	231.91	107.94%	120.03%
-	Khe Dien	Billion VND	48.26	59.02	54.58	122.29%	108.13%
-	Krong H'hang	Billion VND	209.62	219.34	177.33	104.64%	123.69%
b	Revenue from service rendering and others	Billion VND	8.00	4.54	8.00	56.75%	56.75%
3	Total expenses	Billion VND	156.95	158.96	150.51	101.28%	105.61%
4	Profit before tax	Billion VND	108.93	123.94	89.39	113.78%	138.65%
5	Profit after tax	Billion VND	101.87	117.16	84.16	115.01%	139.21%
6	Basic earnings per share	VND	1,595	1,943	1,395	114.97%	139.28%

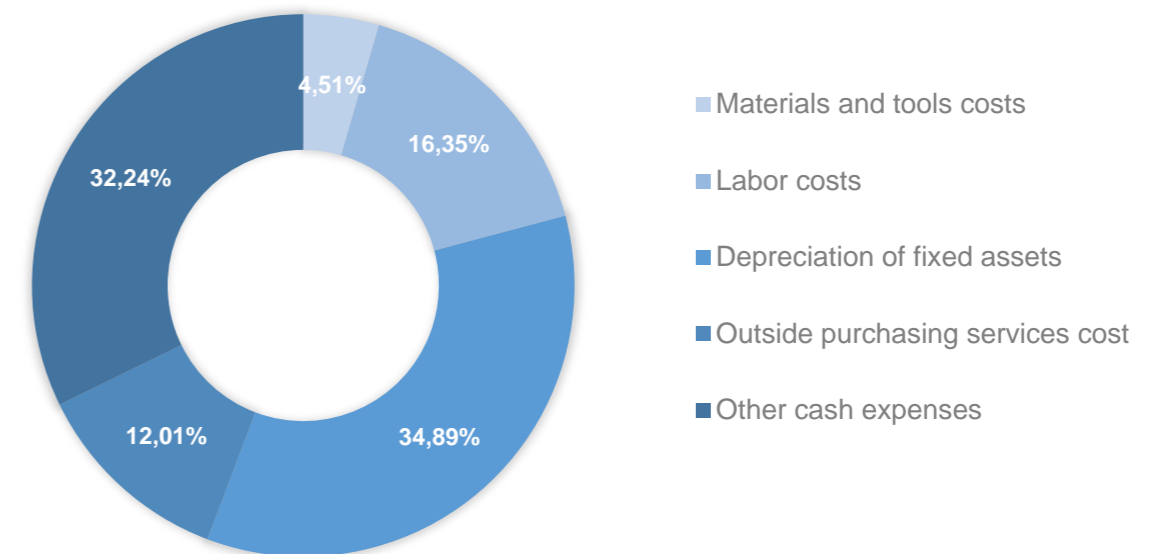
Notes: The above electricity sales and expenses do not include water consumption tax, environmental fees and Charge for granting water exploitation right of VND33.15 billion in 2021



Breakdown of Production Cost

No.	Parameter	UNIT	Actual 2020	Actual 2021
1	Materials and tools costs	VND	10,709,079,029	6,913,826,003
2	Labor costs	VND	23,209,834,734	25,052,139,957
3	Depreciation of fixed assets	VND	49,149,800,293	53,448,740,008
4	Outside purchasing services cost	VND	20,278,051,843	18,396,552,303
5	Other cash expenses	VND	47,142,241,450	49,389,503,423
	Total production costs	VND	150,489,007,349	153,200,761,694

BREAKDOWN OF PRODUCTION COST 2021



INVESTMENT AND PROJECT IMPLEMENTATION

None.

ORGANIZATION AND HUMAN RESOURCES

LIST OF BOARD OF MANAGEMENT - SUPERVISORY BOARD – EXECUTIVE BOARD

No.	Full name	Position	Number of shares held	Percentage of holding (%)	Remarks
BOARD OF MANAGEMENT (BoD)					
1	Thai Hong Quan	Chairman of the Board of Management	-	-	Elected as the member of the Chairman on 25/6/2021
2	Dinh Chau Hieu Thien	Member of the Board of Management	21,600	0.0357%	Resigned from the position of the Chairman of the Board of Management on 25/6/2021
3	Pham Phong	Member of the Board of Management	325,175	0.5376%	
4	Nguyen Quang Hung	Member of the Board of Management	4,620	0.0076%	
5	Hoang Nam Son	Independent Member of the Board of Management	44,909	0.0742%	
SUPERVISORY BOARD					
1	Phan Thi Anh Dao	Head of the Board of Supervisory	2,550	0.0042%	
2	Huynh Thi Long	Member of the Supervisory Board	-	-	
3	Do Dat Quang	Member of the Supervisory Board	-	-	
EXECUTIVE BOARD					
1	Dinh Chau Hieu Thien	General Director	21,600	0.0357%	Appointed as the General Director on 01/07/2021
2	Nguyen The Duy	Deputy General Director in charge of the corporate governance	4,596	0.0076%	
3	Phan Dinh Thanh	Deputy General Director	8,350	0.0138%	
4	Pham Thai Hung	Chief Accountant	3,600	0.0060%	



ORGANIZATION AND HUMAN RESOURCES

PROFILE OF THE BOARD OF GENERAL DIRECTORS



Mr. Dinh Chau Hieu Thien

Member of Board of Management cum the General Director

Qualifications

- Electrical Engineer – Major in Automation
- Master of Business Administration (MBA)

Working experience

- 02/1992 - 07/2002: Electrical Engineer – Electricity Testing Center - Power Company 3
- 08/2002 - 09/2005: Deputy head of Hydropower Management Department - Power Company 3
- 10/2005 - 04/2010: Head of Hydropower Management Department - Power Company 3
- 04/2010 - 11/2014: Head of Hydropower Management Board - Central Power Corporation
- 11/2014 - 05/2015: Head of Construction Management Board - Central Power Corporation
- 06/2015 - 03/2018: Deputy Director - Central Grid Company
- 04/2018 - 06/2020: Chairman of the Board of Directors - Song Ba Joint Stock Company
- 07/2020 - present: The General Director - Song Ba Joint Stock Company

Total number of shares held: 21,600 shares

Number of shares held individually: 0.0357% shares

Number of shares held on behalf of EVNCPC: 7,093,500 shares (11.7271%)



Mr. Nguyen The Duy

Deputy General Director

Qualifications:

- Electrical Engineer
- Master of Business Administration

Working experience:

- 05/2004 – 08/2008: Officer of Technical Department - Song Ba Joint Stock Company
- 09/2007 – 01/2008: Deputy Head of Mechanical and Electrical Division - Song Ba Joint Stock Company
- 02/2008 – 04/2010: Deputy Head of Steering Board of the Krong H'ngang 2 Hydropower Project
- 05/2010 – 04/2014: Head of Economic and Planning Division - Song Ba Joint Stock Company
- 05/2014 - present: Deputy Business General Manager - Song Ba Joint Stock

Number of shares held: 4,596 shares

Percentage of holding: 0.0076%

ORGANIZATION AND HUMAN RESOURCES

PROFILE OF THE BOARD OF GENERAL DIRECTORS



Mr. Phan Dinh Thanh
Deputy Technical General Manager

Qualifications: Mechanical Engineer

Working experience:

- 08/2005– 09/2007: Officer of Technical Division - Song Ba Joint Stock Company
- 09/2007 – 03/2010: Officer of Electromechanical Engineering Department - Song Ba Joint Stock Company
- 04/2010 – 09/2010: Officer of Krong H'ngang Hydropower Plant – Song Ba Joint Stock Company
- 01/2011 – 07/2011: Leader of Mechanical Team – Electromechanical Engineering Department - Song Ba Joint Stock Company
- 08/2011 – 02/2015: Head of Electromechanical Engineering Department - Song Ba Joint Stock Company
- 03/2015 – 06/2016: Head of Economic and Planning Division - Song Ba Joint Stock Company
- 07/2016 – 09/2018: Director of Krong H'ngang Hydropower Plant – Song Ba Joint Stock Company
- 10/2018 - present: Deputy Technical General Manager - Song Ba Joint Stock Company

Number of shares held: 8,350 shares

Percentage of holding: 0.0138%



Mr. Pham Thai Hung
Chief Accountant

Qualifications:

- Master of Finance - Banking
- Bachelor of Economics - Major of Corporation Accounting

Working experience:

- 2003 – 2004: Chief Accountant - My Anh Limited Company, Quang Binh Province
- 2004 – 06/2009: Chief Accountant - Central Cotton Joint Stock Company
- 07/2009 – 08/2009: Deputy Head of Finance and Accounting Division- Song Ba Joint Stock Company
- 09/2009 – 12/2009: In charge of Finance and Accounting Division - Song Ba Joint Stock Company
- 01/2010 - present: Chief Accountant - Song Ba Joint Stock Company

Number of shares held: 3,600 shares

Percentage of holding: 0.0060%

ORGANIZATION AND HUMAN RESOURCES

CHANGE IN PERSONNEL

Mr. Dinh Chau Hieu Thien:

- Resigned from the position of the Chairman of the Board of Management on 25/6/2021
- Appointed as the General Director on 01/7/2021

Mr. Thai Hong Quan:

- Elected as the member of the Chairman of the Board of Management on 25/6/2021
- Resigned from the position of the Deputy the General Director on 24/6/2021

Mr. Pham Phong:

- Resigned from the position of the General Director on 01/7/2021



STATISTICS OF EMPLOYEES

As of December 31, 2021, Total number of the Company's Employees: 95 persons

No.	Property of classification	Number	Proportion (%)
A	Classified by qualification	95	100.00%
1	Postgraduate	9	9.50%
2	Graduate	45	47.40%
3	College	19	20.00%
4	Intermediate	22	23.10%
B	Classified by labor contract	95	100.00%
1	Definite labor contract	9	9.50%
2	Indefinite labor contract	86	90.50%
3	Temporary contract	0	0.00%
C	Classified by gender	95	100.00%
1	Male	91	95.80%
2	Female	4	4.20%

Average salary per employee over years

Criteria	Unit	2018	2019	2020	2021
Average income	Million dong/person/month	14.61	15.51	16.43	19.20

Salary for the year 2022 is estimated 17.90 million dong/person/month.

Over the past years, the employee' average income in SBA has been higher significantly, above the industrial average, which may become a cost burden for the Company. However, in pursuit of maintaining the quality human resource, the Company still applied pay rise policy. It can be said that in SBA, the employees' benefits have always got concerned.

ORGANIZATION AND HUMAN RESOURCES

POLICIES FOR THE EMPLOYEES



Salary, bonus and welfare

In 2021, regardless of the continued difficult situation of the economy due to Covid-19, the Company still maintained jobs, stable income and welfare for the employees:

- The employees were paid in full and punctual in terms of monthly salaries, bonuses on Tet holiday.
- Regulatory obligations of social insurance, health insurance and unemployment insurance were fulfilled.
- The Company also organized regular health check-up for all of the employees once a year as regulatory prescribed with added items of examination.
- Trade union fee was adequately paid as prescribed.
- The Company visited the employees who got married, gave birth, got sick; celebrated quarterly birthdays; supported the employees when they faced unexpected difficulties, the employees or their relatives died and so on.
- The employees' children were given gifts on International Children's Day, Mid-autumn festival, and to the employees' children.
- The Company visited, gave presents to the employees' family members on Viet Nam's War Invalids and Martyrs Day.

“
The Company as their common home
”

Union activities

The Company have always been concerned with the activities of unions, Labor unions or Youth union, the employees' spiritual and material lives, facilitating the Labor Union and Youth Union.

Ensuring fairness, democracy and civilization

The implementation of the Democracy Regulation in the Company has always been encouraged by the Management, so the employees have been encouraged to promote in all activities of the Company, Trade Union and Youth Union. The Company organized periodic reports on the implementation of the Democratic Regulations every 6 months.

The Company organized a conversation under the SBA Democratic Regulation.

The Company established and issued SBA Cultural Handbook, paying close attention to building the SBA culture so that all employees consider the Company as their "Common home".



Training activities

During the year, the Company has always attached importance to training activities for their employees to ensure the quality of the labor force, strengthen labor productivity, and ensure the efficiency of production and business to meet increasingly high requirements on capabilities.

SBA organized on-the-job experiences for the employees, so that they could grasp knowledge, skills to prevent, how to cope up with possible incidents upon their occurrence. By this way, awareness of the employees' obligations and responsibilities would be enhanced when they encountered incidents at the plants. At the same time, the efficiency and occupational safety at workplace was improved.

Emulation and initiative movement

The Company always encouraged, created favorable conditions for all employees to promote their wisdom, show their talents and devote to the Company. The Company timely commended and rewarded collectives and individuals with good achievements in production and business activities, emulation movements to motivate and encourage the employees to make them excited and assured of their employment

Facilities and tools of working

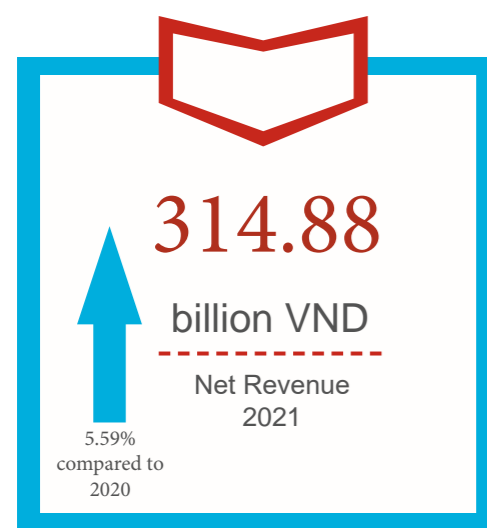
In order to create a safe, civilized and convenient working environment for the employees, the Company always focuses on the physical foundations; provides quality and safe working facilities and tools, specifically:

- The employees were fully and reasonably quipped with personal protective equipment of quality assurance. The management and implementation of Labor Safety and Hygiene was carried out seriously, in compliance with the regulations. As a results, no accidents occurred in 2021.
- The employees may be quipped with computers to work otherwise they may get financial support in case they were equipped on their own.
- The equipment with strict safety requirements while being operated was punctually inspected; medicine, medical equipment and basic medicines for first aid were adequately equipped; fire fighting rehearsal was held once a quarter; Occupational Safety and Hygiene was inspected at the workplace once a month.

FINANCIAL POSITION

No.	Parameter	Unit	2020	2021	%2021/2020
1	Total assets	VND	1,317,348,144,539	1,295,680,236,205	98.36%
2	Revenue from sales and services rendered	VND	298,214,988,810	314,881,037,813	105.59%
3	Net profit from operating activities	VND	109,063,823,395	126,697,453,150	116.17%
4	Other profit	VND	-134,958,989	-2,755,549,822	-
5	Profit before tax	VND	108,928,864,406	123,941,903,328	113.78%
6	Profit after tax	VND	101,876,453,169	117,159,016,258	115.00%
7	Dividend payout		12%	10%	

The electricity sales and expenses included water consumption tax, environmental fees and Charge for granting water exploitation right of VND33,154,352,193 (according to the Dispatch no.12001/BTC-QLKT of the Ministry of Finance, dated 01/10/2020)



There was not much change in the Company's assets. By the end of 2021, the total asset of the Company increased slightly from VND1,317.35 billion in 2020 to VND1,295.68 billion in 2021, equivalent to a decrease of 1.64%. As can be seen from the asset structure, current assets were still in an upward trend while the non-current assets' trend was downward. As for non-current assets, the decrease was mainly due to the appropriation of fixed assets' depreciation. At the end of 2021, the fixed assets were accounted for a decrease of VND45.04 billion. For a business in hydropower sector as SBA, the fixed assets (mostly 2 Hydropower Plants) accounted for the larger part in the business asset structure; therefore, the amount of depreciation was normally large. In terms of current assets, demand deposit increased from VND12.02 billion at the end of previous year to VND40.87 billion at the end of this year, equivalent to an increase of VND28.85 billion. Additionally, short-term account receivables from Electric Power Trading Company rose by VND18.39 billion when increasing from VND61.90 billion to VND80.29 billion at the end of 2021

Besides, parameters of business and production performance demonstrated a good growth rate year over year. Revenue from the sale of goods and rendering services grew by 5.59%, from VND298.21 billion in 2020 to VND314.88 billion in 2021. Profit after tax was VND117.16 billion, 15.00% higher from the figure of one year earlier. The reason was that in Q4/2021, there were heavy rains on a large scale, causing the amount of rain to increase across the country, helping the hydropower plants to achieve significantly higher output, offsetting the shortfall caused by weather factors in the first 3 quarters of the year.

MAJOR FINANCIAL INDICATORS

Parameter	UNIT	2020	2021
Solvency indicators			
Current ratio (Current assets/Short-term liabilities)	Time	0.57	0.81
Quick ratio: (Current assets - Inventory)/Short-term liabilities	Time	0.56	0.80
Capital structure indicators			
Total Liabilities/total assets	%	38.95%	33.94%
Liabilities/Owner's equity	%	63.79%	51.38%
Operational capability indicators			
Inventory turnover (Cost of goods sold/Average Inventory)	Time	54.31	56.77
Total asset turnover: (Net revenue/Average total assets)	Time	0.23	0.24
Profitability indicators			
Profit after tax/Net Revenue (ROS)	%	34.16%	37.63%
Profit after tax/Average Owner's equity (ROEA)	%	12.86%	14.27%
Profit after tax/average total asset (ROAA)	%	7.88%	9.07%
Operating profit/Net Revenue	%	36.57%	40.68%



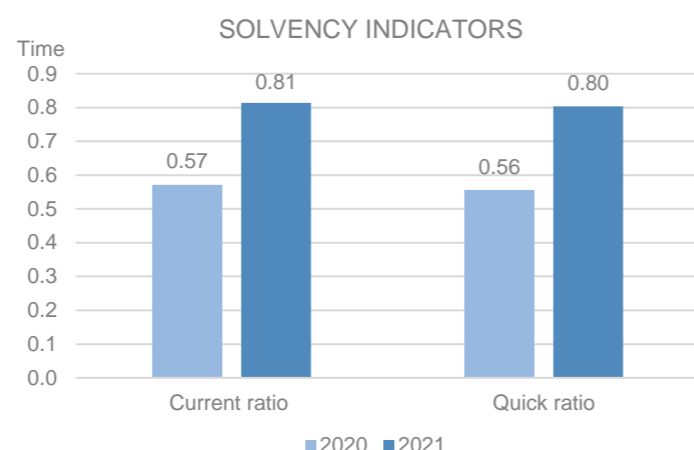
FINANCIAL POSITION

MAJOR FINANCIAL INDICATORS

Solvency Indicators

In 2021, the Company's solvency ratios in this year demonstrated a significant improvement. Current ratios increased to 0.81 times from 0.57 times and quick ratio rose to 0.80 from 0.56 time. Such change came from the significant increase in current assets when increasing from VND106.73 billion as of the ending date of 2020 to VND142.54 billion as of the ending date of 2021. The reason for the change in the current assets was due to the increase in the account receivables from Electric Power Trading Company with an increase of roughly VND18.39 billion. Besides, demand deposits were also at a high level of VND40.00 billion at the end of 2021, much bigger than the figure of VND12.02 billion year over year.

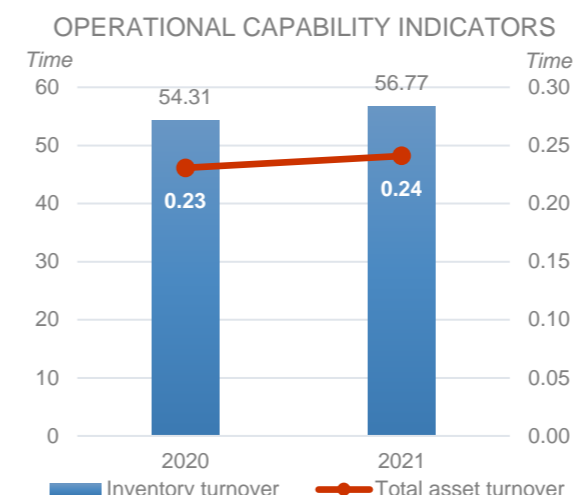
Meanwhile, short-term liabilities recorded a slight decrease from VND186.79 billion in 2020 to VND176.68 billion in 2021. The main source of impact came from the decrease in dividend payable from VND38.24 billion in 2020 to VND33.10 billion 2021, equivalent to a decrease of more than VND 5.14 billion



Operational capability indicators

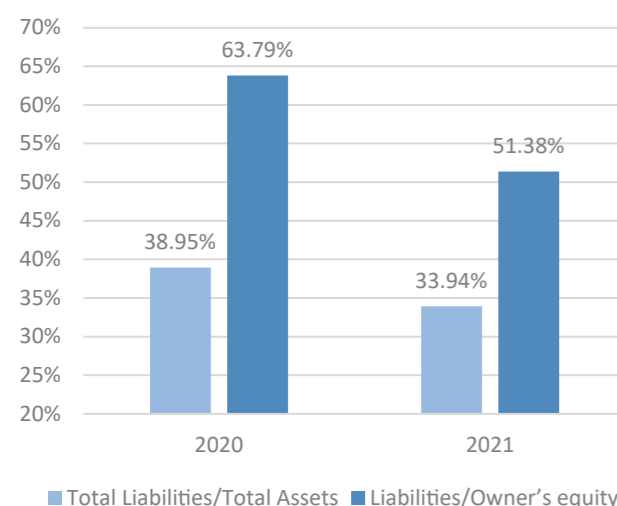
The company is a power production and trading unit, so the inventories include mainly spare materials and equipment for regular repair of the hydropower plants, so the inventory turnover of the hydropower companies in general and SBA in particular is normally high. Besides, the hydropower plants contribute the most amount to the total assets of the enterprises in the industry. And the value of these hydropower plants is of such a big amount compared to the revenue size of the company in the industry.

Financial indicators of SBA performance indicated its stable operation in 2021: The Company's inventories turnover and total asset turnover was slightly higher than in 2020. Specifically, the former increased from 54.31 to 56.77 and the latter increased from 0.23 to 0.24.



This positive figures were the result of the favorable hydrology in 2021 for the hydropower businesses. Therefore, the net revenue and costs of good sold in 2021 represented a slight growth in comparison with 2020.

CAPITAL STRUCTURE INDICATORS

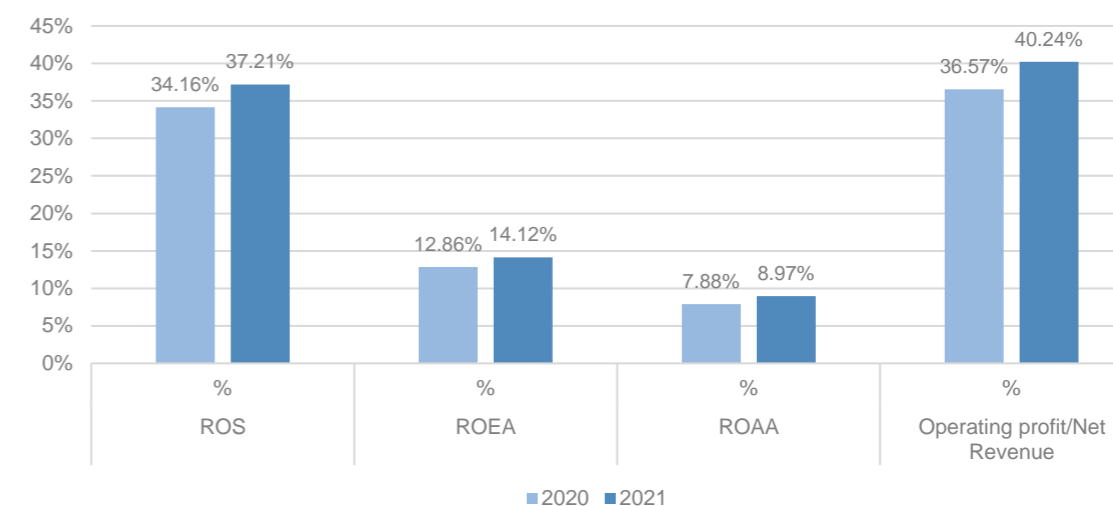


Capital structure indicators

With a decrease in liabilities and an increase in owner's equity, capital structure indicators improved significantly. Specifically, long-term liabilities fell sharply from VND326.29 billion to VND263.57 billion, which mainly came from Orient Commercial Joint Stock Bank - Trung Viet branch, which were long-term undue loans to fund the construction of Khe Dien and K'rong H'Nang hydropower plants. The most recent was a loan obtained to invest in expanding the Khe Dien hydropower project from 9MW to 15MW. Besides, undistributed profit after tax also increased by more than VND46.13 billion from VND152.83 billion to VND198.97 billion at the end of 2021, leading to an increase in owner's equity.

Total assets of the Company increased slightly from VND1,317.35 billion in 2020 to VND1,295.68 billion in 2021, equivalent to a decrease of 1.64% which seemed insignificant in comparison with the decrease of 14.19% of the Account payables. Therefore, Liabilities/Total assets also demonstrated a sharp fall at the end of the year.

PROFITABILITY INDICATORS



Profitability indicators

In the year, the Company's business performance took place in a favorable condition. The Company's profitability indicators demonstrated a better performance of business and production than in 2020. Such result was obtained thanks to the stable hydrological situation, the large amount of water flowing to the reservoirs, leading to high output, and subsequently higher revenue and profit. The Profit after tax increased sharply by 15.00%, ROE, ROA all increased year over year with rates of 14.27% and 9.07%, respectively, or equivalent to an increase of 0.41% and 1.19%, respectively.

SHAREHOLDERS STRUCTURE

Song Ba Joint Stock Company:

Charter capital: VND 604,882,610,000

Number of issued shares: 60,488,261 shares

Par value: VND10,000/share

Common share: 0 cổ phiếu

Preference share: 0 cổ phiếu

Number of Outstanding shares: 60,285,171 shares

Number of treasury shares: 203,090 shares

SHAREHOLDER STRUCTURE

As of 28 March 2022

No.	Subject	Number of shareholders	Number of shares held	Percentage of holding (%)
1	State	1	23,645,000	39.09%
2	Domestic shareholders	6,140	36,641,077	60.58%
	Individuals	6,109	35,965,067	59.46%
	Institutions	31	676,010	1.12%
3	Foreign shareholders	21	202,184	0.33%
	Institutions	7	150,039	0.25%
	Individuals	14	52,145	0.09%
	Total	6,162	60,488,261	100.00%

INFORMATION OF MAJOR SHAREHOLDER

Central Power Corporation (EVNCPC)

Number of Business registration certificate: 0400101394

Address: 78A Duy Tan, Hoa Thuan Dong Ward, Hai Chau District, Da Nang City

Number of shares: 23,645,000 shares

Percentage of holding: 39.090%

CHANGE IN PAID-IN CAPITAL

None





CHAPTER III

REPORTS AND ASSESSMENTS OF THE BOARD OF GENERAL DIRECTORS



- 50 **Assessment on business performance**
- 54 **Financial position**
- 56 **Future development plan**

ASSESSMENT ON BUSINESS PERFORMANCE

IMPLEMENTATION OF 2021 TARGETS

The business and production activities in 2021 took place in so difficult conditions: The prolonged Covid-19 caused far-reaching impacts on all aspects of the Company. The management and operation of 02 hydropower plants Krong H'ngang and Khe Dien faced many difficulties because wind and solar energy sources were prioritized. During the first 09 months of the year, prolonged drought made the plants' output just 56.5% of the year plan, as a result, the Company's financial balance faced extremely tough status. In the fourth quarter, rains and floods occurred continuously, causing the electricity system's load lower, the 110kV transmission electricity grid's being overloaded restricted generation capacity of the plants at higher frequency.

With the spirit of overcoming difficulties, surpassing challenges, and promoting advantages, the Company was flexible in operating the plants and gave numerous creative and drastic solutions in management and administration, so it successfully completed the targets for the year 2021 as set out by the Resolution of the Company's Annual General Meeting of Shareholders, specifically:

No.	Parameter	UNIT	Expected 2021	Actual 2021	Actual/Expected
1	Electricity output	Million kWh	213.00	236.78	111.16%
-	Khe Dien	Million kWh	38.00	42.91	112.92%
-	Krong H'ngang	Million kWh	175.00	193.87	110.78%
2	Total Revenue:	Billion VND	239.91	282.90	117.92%
a)	Revenue from electricity production	Billion VND	231.91	278.36	120.03%
-	Khe Dien	Billion VND	54.58	59.02	108.13%
-	Krong H'ngang	Billion VND	177.33	219.34	123.69%
b)	Revenue from service rendering and others	Billion VND	8.00	4.54	56.75%
3	Total expenses	Billion VND	150.51	158.96	105.61%
4	Profit before tax	Billion VND	89.39	123.94	138.65%
5	Profit after tax	Billion VND	84.16	117.16	139.21%
6	Basic earnings per share	VND	1,395	1,943	139.28%

(Notes: The above electricity sales and expenses do not include water consumption tax, environmental fees and Charge for granting water exploitation right of VND33.15 billion in 2021)

Profit after tax
in 2021

117.16
billion VND

exceeded 39.21% of the plan

In general, the Company's targets of the business and production exceeded the targets set out. Especially profit after tax was VND117.16 billion, 39.21% higher from the figure of the plan, which was a deserving results for what the Company endeavored.

ASSESSMENT ON THE PLANTS' OPERATION

The Company well performed the activities to ensure Occupational Safety and Hygiene with no labor accident occurring, no incidents happening due to subjective factors. The operation of the plants strictly adhered to the State regulations on environmental protection, fire and explosion fighting and prevention, natural disaster prevention and control, search and rescue.

In the year, there were 06 delegates visiting and inspecting items relation to fire and explosion fighting and prevention, reservoirs' safety, forest protection and development at the two plants. The delegates highly appreciated the Company's management, steering, compliance with laws and there was no serious violation occurring.

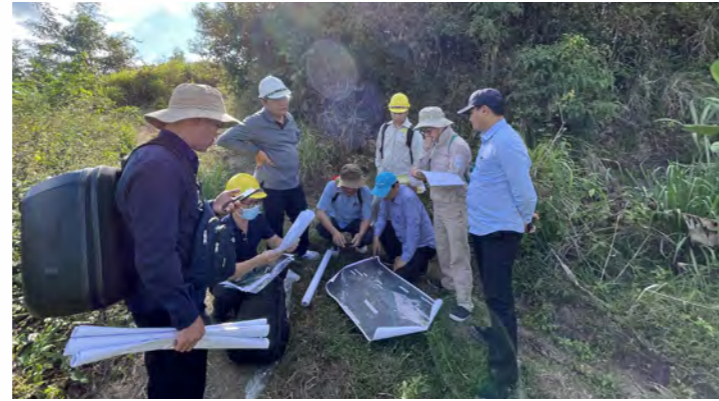
The operation of the plants was so effective, utilizing the water resources; the two plants were operated in accordance with the water condition and electricity market condition, which enabled the Company proactive in operating even at the time the market price fluctuated at the threshold of 1.00 dong/kWh. Krong H'ngang Hydropower Plant's average selling price reached 1,131 dong/kWh, (an increase of 6.81 % compared to contract price), as a result, revenue from electricity market was VND13.99 billion. Khe Dien Hydropower Plant was effectively operated according to the Avoided Cost Tariff, total output at peak time in 2021 was 14.50 million kWh or an increase of 4.00 million kWh year over year, equivalent to a revenue addition of VND7.28 billion.

The Company took initiative in developing scenarios and organized rehearsal in the two Plants to flexibly and safely respond, control the Covid-19. The natural disaster prevention and control, search and rescue activities, flood control at the plants took place in a safe, effective manner and in compliance with the regulations. Water levels in the reservoirs by the end of 2021 were kept at normal level of rising water.



ASSESSMENT ON BUSINESS PERFORMANCE

CONSTRUCTION AND INVESTMENT



The expansion project of Khe Dien hydro-power plant to upgrade its capacity by 06MW from 09 MW to 15M.

110kV substation, 35kV extension line were accepted and taken over, put into use, electricity connection was switched to the national 110kV grid on February 6, 2021 (Construction and installation of unit H3 were completed and put into use on 18/08/2020)..

The Company's Board of Directors approved the final settlement of investment and construction by the Decision no.23/21/QD-S3-HDQT dated 30/9/2021. Total amount of final settlement after tax approved was VND96,004,761,831, equivalent to a decrease of VND3,752,830,169 compared to the total investment approved of VND99,757,592,000.

Krong H'Nang 2 hydropower project:

The Resolution of the Company's General Meeting of Shareholders on continuing to research, review the design, re-evaluate the efficiency and resolve related procedures to maintain the project were carried out and submitted to the General Meeting of Shareholders in the next meeting for approval; and the investment activities will be implemented when applicable. In 2021, the Company reviewed and re-evaluated previous design options, surveyed and re-evaluated the current conditions of the project to for further research and calculation of a reasonable design plan, and effective investment solutions.

Song Tranh 1 hydropower project:

The Company has been monitoring and updating information on the policy to stop permanently the project given by the relevant units in Quang Nam province to handle the procedures for stopping the project as prescribed.

CONSULTING SERVICES AND RESEARCH ACTIVITIES

In 2021, the Covid - 19 epidemic took place on a large scale and prolonged from the beginning of the year, so the Company's consulting services faced many difficulties. Actually, the Company had to seek for new partners and jobs. In addition, online bidding applied strict requirements on capacity and experience, so the Company's opportunities to bid were also limited.

In 2021, the Company signed 04 new contracts with the total value after tax of VND1.20 billion and continued to execute the signed contracts, meeting the progress required by the Owner. The total value of consultancy service and others in 2021 was VND4.54 billion (equivalent to 56.75% of the targets).

In addition to service rendering, the Company's Consultancy Center also conducted related activities by itself such as: researching and forecasting hydrology of water sources, testing, and monitoring to assess the safety of works, making plans for emergency, plan for dam protection, design, supervising the construction of annual repair and maintenance works for the plants, etc., instead of hiring outside consultant. The total average annual value of these items was VND8.70 billion.



FINANCIAL POSITION

Assets

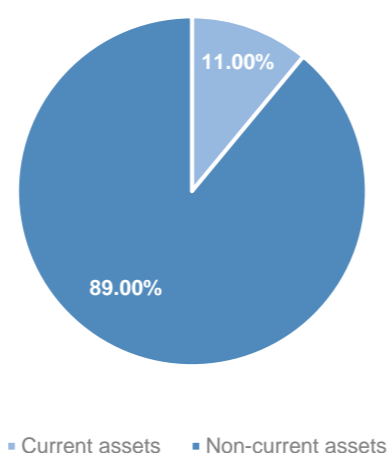
Unit: VND

Parameter	31/12/2020	31/12/2021	Actual 2021/2020	Proportion in 2020	Proportion in 2021
Current assets	106,732,921,842	142,541,282,461	133.55%	8.10%	11.00%
Non-current assets	1,210,615,222,697	1,153,138,953,744	95.25%	91.90%	89.00%
Total assets	1,317,348,144,539	1,295,680,236,205	98.36%	100.00%	100.00%

The Company's total assets in 2021 were VND1,295.68 billion, or VND21.67 billion lower than in 2020 with a decrease of 1.64%. In which, the current assets increased by 33.55%, or VND35.81 billion. Cash and cash equivalents were the main contributor to this increase with an increase of nearly VND28.85 billion, from VND12.02 billion to VND40.87 billion at the end of 2021. Most of the item was demand deposits (VND40.00 billion).

Non-current assets accounted for a large proportion in the structure of total assets with 89.00%, due to the characteristic of the hydropower industry is high investment rate, and big amount of prime costs of tangible fixed assets (buildings, hydropower dam, turbine, transformer, etc.) to operate the hydropower plant. In 2021, the non-current assets slightly decreased by 4.75% which was mainly due to the appropriation of fixed assets' depreciation. In fact, in this year, there was no item of expansion.

ASSET STRUCTURE IN 2021



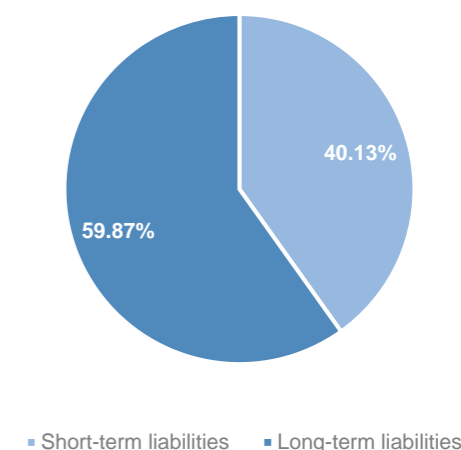
Liabilities

Unit: VND

Parameter	31/12/2020	31/12/2021	Actual 2021/2020	Proportion in 2020	Proportion in 2021
Short-term liabilities	186,794,762,808	176,684,059,846	94.59%	36.41%	40.13%
Long-term liabilities	326,286,214,456	263,574,259,281	80.78%	63.59%	59.87%
Total liabilities	513,080,977,264	440,258,319,127	85.81%	100.00%	100.00%

In 2021, total liabilities decreased by 14.19% year over year, from VND513.08 billion to VND440.26 billion. The major change came from long-term loans from the Orient Bank - Trung Viet Branch to refinance Khe Dien hydropower project and finance Krong H'ngang hydropower project which were due. The amount of this bank's long-term loans due within 1 year was VND94.93 billion. The total carrying amount of loans at the Orient Bank was VND326.29 billion at the end of the year.

LIABILITIES STRUCTURE IN 2021



FUTURE DEVELOPMENT PLAN

TARGETS OF BUSINESS AND PRODUCTION FOR 2022



It is likely that La Nina phenomenon will continue and prolong to the first half of the year 2022; as a result, the amount of water flowing to hydropower reservoirs are kept at a high level. Nonetheless, the hydrology assessment shows that the probability of the El Nino occurrence by August 2022 is about 35%. This reduces the capacity of hydropower plants to accumulate water, especially in the North and the Central region, and will affect the structure of electricity mobilization in the period of 2022 - 2023. After analyzing and forecasting the hydrology, assessing the factors affecting the electricity market price (the Covid 19 epidemic situation, system load, power source, etc.), the operation status of hydropower plants, the situation of investment and development of the projects, consultancy services, the production and business plan for the year 2022 is as follows:

No.	Product	Unit	Plan for 2022
1	Total output	Million kWh	217.00
-	<i>Khe Dien hydropower plant:</i>	Million kWh	42.00
-	<i>Krong H'nang Hydropower Plant:</i>	Million kWh	175.00
2	Total revenue	Billion VND	249.53
a)	Revenue from electricity production	Billion VND	245.53
-	<i>Khe Dien hydropower plant:</i>	Billion VND	59.60
-	<i>Krong H'nang Hydropower Plant:</i>	Billion VND	185.93
b)	Revenue from consultancy service	Billion VND	4.00
3	Total expenses	Billion VND	149.62
4	Profit before tax	Billion VND	99.91
5	Profit after tax	Billion VND	93.93
6	Basic earnings per share	VND/share	1.558

TECHNICAL MANAGEMENT AND OPERATION OF HYDROPOWER PLANTS

MANAGEMENT AND OPERATION

Continuing activities of hydrological research and forecast to be proactive and flexible in preparing operation plan for the Krong H'nang Hydropower Plant in line with the electricity market, Khe Dien Hydropower plant by following Avoided Cost Tariff for the high efficiency in terms of revenue and selling price, reservoirs, items of operation to ensure safety and in compliance with the regulations.

Carrying out periodic repair and maintenance activities for the two factories, ensuring no incident occurring due to subjective reasons; the incident rate must not exceed the target according to the assigned plan and some other main tasks as follows:

► Khe Dien hydropower plant:

- Upgrading and renovating the excitation and speed regulation system of unit H1; completing additional installation of 02 protection relays for Khe Dien 110 kV station.
- Continuing the construction to upgrade the remaining part of the operation road VH1 with total length of 2,847 m.
- Renovating and upgrading facilities to improve working conditions, accommodation, daily activities, physical training, and sports activities of the plants' employees.



► Krong H'nang Hydropower Plant:

- Overhauling the plants' 10.5/110kV transformers; renovating the fiber optic cable line from the spillway to the inlet, repairing the mechanical equipment of the spillway.
- Dredging the sedimentation of the channel leading to the inlet.
- Repairing damaged construction items due to floods at the end of 2021.



► Occupational Safety and Hygiene, Fire and explosion prevention and natural disaster prevention, search and rescue:

- Strictly implementing regulations on occupational Safety and Hygiene, Fire and explosion prevention to ensure that there are no occupational accidents, fire and explosion incidents; well performing fire prevention and fighting activities.
- Organizing periodic training and rehearsal on occupational Safety and Hygiene, Fire and explosion prevention.



FUTURE DEVELOPMENT PLAN

CONSTRUCTION & INVESTMENT

Krong H'ngang 2 project (Capacity of 13-15MW, taking water directly from the discharge canal of Krong H'ngang hydropower plant, in Ea Ly commune, Song Hinh district, Phu Yen province): In 2022, the Company will continue to research and choose the optimal design option; survey, make investment reports, work with relevant authorities, and handle necessary procedures to prepare investment projects.

Song Tranh 1 project (capacity of 20MW, Quang Nam province): Under the general policy, the People's Committee of Quang Nam province removed the project from planning, so in 2022, SBA will continue to monitor and work with relevant authorities in Quang Nam province, to update information on the policy of permanently stopping the project from the competent authorities of Quang Nam province to handle the procedure for stopping the project as prescribed

CONSULTANCY SERVICE

Continuing to implement the signed consultancy contracts, searching, bidding for the jobs related to dam inspection, surface water exploitation license, dam protection plan, operation training, etc. for hydropower plants. Striving to obtain revenues of VND 4.0 billion in 2022.

Completing contracts for design consultancy and monitoring of Tam Phuc Hydropower Project, providing consultancy service to the operation of inter-reservoir flood control.

Promoting working with the Owners, actively seeking and bidding for the opportunities in relation to the Company's strengths: Inspecting dams; formulating plans for emergency, reservoirs, and dam protection plans for the hydropower plants; providing design consultancy service, supervision service for electrical works and so on (by the end of Q1/2022, the company signed 2 new contracts with a total value of nearly VND0.7 billion).

Completing the public capacity profile to bid for consultancy packages in the fields of Agriculture and Rural Development.



GOVERNANCE, FINANCIAL ACTIVITIES

Continuing to maintain and strengthen the governance of the Board of Directors, flexibly handle, comply with the regulations, improve work quality and efficiency, and reasonably save operating costs.

Taking proactive position in controlling and balancing cash flow, ensuring stable production and business activities and paying dividends in 2022 to the shareholders as planned.

Compiling and issuing the entire system of quality management documents of the Company.

Organizing internal inspection, assessment, and maintenance of the quality management system in accordance with the regulations.

Completing the storage and implementing 5S at the Company's office and the two plants.

Promoting the movement of initiatives, improvement and registration of research topics.

OTHER IMPORTANT ACTIVITIES

Celebrating 15th anniversary of commercial operation of Khe Dien Hydropower Plant.

Renovating the interior, equipping and supplementing with tools in some offices of the Company.

Putting the company's electronic office software into use; digitizing all records and archives; software application for managing the shareholder information; upgrading Bravo accounting software to match existing infrastructure; studying and applying digital technologies to upgrade flood forecasting program on Khe Dien and Krong H'ngang reservoirs



FUTURE DEVELOPMENT PLAN

BASIS FOR PLAN ACHIEVEMENT



Technical management and operation of hydropower plants:

- Doing research on the hydrological developments to be proactive and flexible in preparing operational plan for the Krong H'ngang Hydropower Plant in line with the electricity market, Khe Dien Hydropower plant in line with the Avoided Cost Tariff for better efficiency.
- Well-prepared for appropriate plans, human resources, spare materials and equipment to repair, maintain and timely handle in case of incidents to the works and equipment of the Hydropower Plants.

Improving the Company's documents. Frequently examining, assessing the Company's application of and compliance with the issued documents.

Reviewing, revising plans of digital transformation to speed up the progress and complete in 2023.

Bettering the assessment of work efficiency, salary-reward regimes, remuneration policies, and organizing training activities in a specific and in-depth manner to conform to the Company's operation situation

Organizing extracurricular activities, training, and self-training, improving the Company's employees' spiritual lives.

Improving working and spiritual life conditions for all the employees of the Company.

EXPLANATION OF THE BOARD OF DIRECTORS ON THE AUDITOR'S OPINION

According to the audited financial statements for the year 2021, the independent auditor, AAC Auditing and Accounting Company Limited, issued an unqualified opinion on the 2021 financial statements of Song Ba Joint Stock Company. Therefore, there is no further explanation made by the Board of Directors.





CHAPTER IV

REPORT OF THE BOARD OF MANAGEMENT



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- 66 Report and Assessments of Board of Management on the Board of General Directors' performance
- 67 Plan and direction of the Board of Directors

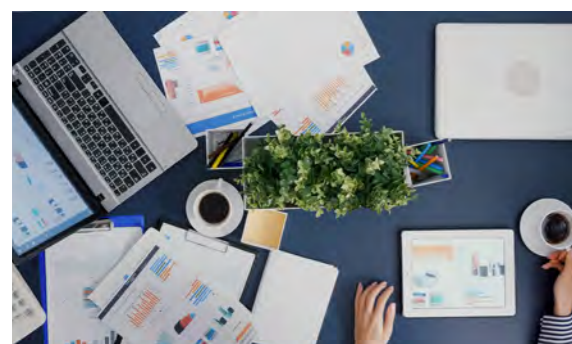
REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT ON THE COMPANY'S PERFORMANCE

ASSESSMENT ON THE IMPLEMENTATION OF 2021 TARGETS

In 2021, the Company succeeded in achieving the production and business targets as set out by the resolution of the General Meeting of Shareholders. Specifically:

No.	Parameter	UNIT	Expected 2021	Actual 2021	%Actual/Expected
1	Total output	Million kWh	213.00	236.78	111.16%
2	Revenue from electricity production	Billion VND	231.91	278.36	120.03%
3	Revenues from consultancy service and others	Billion VND	8.00	4.54	56.75%
4	Total revenue	Billion VND	239.91	282.90	117.92%
5	Total expenses	Billion VND	150.51	158.96	105.61%
6	Profit before tax	Billion VND	89.39	123.94	138.65%
7	Profit after tax	Billion VND	84.16	117.16	139.21%
8	Basic earnings per share	VND/share	1,395	1,943	139.28%

ASSESSMENT ON CORPORATE GOVERNANCE



Corporate governance is always concerned and focused in all aspects of the Company's activities in order to improve quality, work efficiency and save operating costs in reasonable manner. Information disclosure is fully, accurately and promptly carried out on the production and business activities to the relevant authorities and the Company's shareholders in accordance with the regulations.

In 2021, regardless of the difficulties, the Company still strived to find more jobs from outside, to increase the Company's revenue, ensure jobs and stable income for the employees. The Company made full and punctual payment to the employee. The employees' average income in 2021 was 16.96 million dong/person/month.

The Company has always fully and strictly complied with the State's regulations on electricity production and business. The Company has always paid attention to the technical management, repair, and maintenance, handling troubles of the equipment, occupational safety and hygiene and fire and explosion prevention aiming to ensure stable, safe and effective operation of the two plants.

The Company's capital resources were preserved and increased, its cash flows were balanced, its obligations to the State were fulfilled in accordance with the regulations (VND70.35 billion), and the dividends for the year 2020 were paid to the shareholders.

ASSESSMENT ON RESEARCH AND INITIATIVE

With the motto "Creatively think, constantly grows", the Company always facilitates the employees to promote their initiative, improve and rationalize its production to improve efficiency in the production and business activities. As a matter of fact, in 2021, there were 08 solutions to rationalize the Company's production that were recognized, applied, and generated efficiency for the whole Company.



ASSESSMENT ON CONSULTANCY SERVICE

Despite the fact that consultancy services do not make so much contribution to the revenue structure, they are always considered important by the Company. With available potentials on human resources, effective operation management of the plants, so far, the consultancy service has always been encouraged, contributing to the increase in the Company's revenue, subsequently the employees' income and benefit to the Shareholders. As a result, SBA brand and position has been increasingly strengthened.

In 2021, amid the prolonged social distance due to the Covid-19 epidemic, consultancy activities encountered numerous difficulties, therefore, this segment did not achieve the targets set out. The Company signed 04 new contracts with the total value after tax of VND1.2 billion and continued to execute the signed contracts, meeting the progress required by the Owner. The total value of consultancy service and others in 2021 was VND4.54 billion (equivalent to 56.75% of the targets).



REPORT AND ASSESSMENTS OF BOARD OF MANAGEMENT ON THE BOARD OF GENERAL DIRECTORS' PERFORMANCE

The Company's Board of General Directors always takes economic efficiency and profit as the targets of their actions. So, they have closely monitored the work, and maintained a high sense of responsibility in performing the assigned tasks, targeting the highest efficiency for the Company. The Management has always been exemplary in fully and seriously adhering with the Company's Charter, monitoring and supervising the implementation of the resolutions set forth by the Board of Management and the General Meeting of Shareholders. In 2021, amid the prolonged complicated developments of the Covid 19 epidemic, the Board of General Directors always endeavored to proactively and promptly come up with suitable solutions, timely embrace the opportunities from market developments and weather. When there were any issues beyond the authority, the General Director proposed to the Board of Management for timely resolutions.

In general, by monitoring and supervising, the Board of Management acknowledged that the Board of General Directors made their great efforts in business administration to guarantee that all the Company's business was implemented effectively, economically and complied with laws, at the same time ensured the shareholders' interests as well as the benefits for all the Company's employees, along with fulfilling all tax obligations to the State. Especially, SBA were so creative in coming up with decisions that timely met the Company's requirements of business and production activities.



PLAN AND DIRECTION OF THE BOARD OF MANAGEMENT

The Board of Management continued to strengthen the leadership, direction and was accompanied with the Board of Management in running company's production and business activities flexibly, effectively and appropriately, and strived to achieve the plan and targets for 2022 as follows:

- *Operation of Krong H'Nang and Khe Dien Hydropower plants: Organizing safe operation and efficient exploitation of water sources and selling price; total electricity output will be 217.0 million kWh, total revenue from electricity generation will be VND245.53 billion.*
- *Reasonable cost saving, embracing every opportunity to increase revenue and strive to achieve basic earnings per share of 1,558 VND/share or more.*
- *In terms of the investment in the Krong H'Nang 2 hydropower project, the Company will continue to research and choose the optimal design option; survey, make investment reports, work with relevant authorities, and handle necessary procedures to prepare investment projects.*
- *Research and hydrology to be proactive and flexible in preparing operation plan for the Krong H'ngang Hydropower Plant in line with the electricity market, Khe Dien Hydropower plant by following Avoided Cost Tariff for the high efficiency in terms of revenue and selling price.*
- *Consultancy service: Continuing to implement the signed consultancy contracts, for example, consulting on designing and supervising Tam Phuc Hydropower Plant Project, consulting on operation of inter-reservoir flood control. Moreover, the Company will try to search, bid for the jobs related to dam inspection, surface water exploitation license, dam protection plan, operation training, etc. for hydropower plants. Targeting to a revenue of more than VND4.0 billion in 2022, enhance the company's reputation and brand.*
- *Digital transition: In 2022, the Company will focus on completing key points as follows: digitalizing all records and archives; software application for managing the shareholder information; upgrading Bravo accounting software to match existing infrastructure; studying and applying digital technologies to upgrade flood forecasting program on Khe Dien and Krong H'ngang reservoirs.*





CHAPTER V

SUSTAINABLE DEVELOPMENT



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- 75 Social responsibilities
- 75 Complying with the laws on environmental protection



SUSTAINABLE DEVELOPMENT ORIENTATION



In 2021, the Company achieved a number of remarkable achievements in its business and production activities. In addition to being highly concentrated on its business and production performance, the Company has been still always aware of the importance of sustainable development. As a matter of fact, in Song Ba Jsc, the sustainable development has been always considered as a guideline throughout the Company's business and production activities. That's the reason why SBA always attaches significance to each stage of the production process from production to distribution. SBA always pays attention to waste treatment, environmental cleanup around production plants and zones. operate. The Company always seeks for opportunities to strengthen and balance the benefits for its stakeholders: Shareholders, customers, state management agencies, employees, and so on.

SPECIFIC GOALS

Economic benefits

- Sustainable growth must be in parallel with economic benefits through the Company's production and business activities: Meeting demand for electricity output used for domestic activities, contributing to the sustainable economic growth through the Company's core business.
- Training to improve the skills and qualifications for the young labor force.
- Continuing to strengthen and improve the quality of management at all levels and boards of operation, preparing all resources to serve the objective of sustainable economic growth.

Environmental protection

- Seriously following environmental regulations, landscape protection, ecological system surrounding the operation area.
- Enhancing the awareness of saving, waste prevention and environmental protection among all the employees.
- Economical use of the natural resources.
- Making unceasing improvements in production process to meet the standards of green, clean and beautiful environment.



EFFECTIVE USE OF ENERGY

In order to operate machines and equipment at the plants as well as for management activities at offices, the energies mainly used by the Company are electricity. Additionally, during its operation, some other types of necessary energies are also used such as gasoline, oil, gas, and so on.

Total energy used which is classified by source	Unit	2021
Total energy consumed	kWh	431,562
Electricity used for office management	kWh	39,072
Electricity used in production	kWh	392,490
• <i>Khe Dien hydropower plant</i>	kWh	113,688
• <i>Krong H'nang Hydropower Plant</i>	kWh	278,802

Saving energy has been ongoing concern of most of the people. As the energy sources have been increasingly exhausted, energy saving is put on top of priority. So, SBA has made significant investment in energy-saving machines and equipment, regularly checking the use of energies, following energy saving policies in the production process, aiming to enhance the efficiency of energies use, helping ensure the benefits for the entire Company and contribute to the protection of natural resources.





USE WATER EFFICIENTLY

Water flowing to the reservoirs in the year

Water sources	Unit	Total volume of water collected/reached in 2021
Krong H'ngang reservoir	m3	1,431,734,400
Khe Dien reservoir	m3	138,758,400

Actual use of water in the year at the plants

Type of activities	Unit	Total volume of water used
Used for electricity generation	m3	865,663,200
• Krong H'ngang Hydropower Plant	m3	741,096,000
• Khe Dien hydropower plant	m3	124,567,200
Domestic use	m3	602



DEVELOPING HUMAN RESOURCES, ENSURING SAFETY FOR THE EMPLOYEES



The Company's core value for its stable and sustainable development is always solid and plentiful human resource. Therefore, for the Company's sustainable development, SBA has been committed to providing all of its employees with safe and professional working environment so that they could devote all of their capabilities.

Organization, systems, salaries, bonuses and welfare

- The Company's organizational structure was consolidated, its units of operation were re-arranged in streamline and reasonable way.
- New Regulation on Internal Management, Regulation on salaries were developed and issued on the basis of functions and duties of each unit and applied throughout the Company.
- List of the Company's documents (internal legal documents, technical documents, and ISO records) were issued to orient and develop plans for each stage of compilation and completion. By the end of 2021, the Company edited and newly issued 44/103 documents; organized periodic internal assessment as regulated and assessed by BSI, and the Certification thereof was accepted to be maintained in December 2021.
- The Covid-19 prevention and control was timely and flexibly implemented with different levels to be proactive in responding to the complicated developments of the epidemic in the plants areas and the Company's office area.
- The Company has step by step implemented upgrading the comprehensive information technology infrastructure system, procured electronic office software, and digitalized documents in accordance with the Digital Transformation Outline approved by the Board of Directors.
- The Company adjusted the pay rise, fully and promptly handled to implement the regimes, ensured benefits for the employees as prescribed by the Labor Code, made punctual payment of the salaries and bonuses, fulfilled obligations of social insurance, health insurance, and unemployment insurance for the employees, organized periodic health examination, fully equipped with tools, labor protection equipment, allowances of travel expenses and accommodation, gave supports to the Company's employees who worked under the "3 on-site" working mode. The employees' average income in 2021 was 19.2 million dong/person/month. The Company drawn from the Welfare Fund with a total amount of more than VND1.3 billion to take care of the employees' material and spiritual lives.
- In 2021, in order to promote democracy in management and administration activities, surveys, feedback collection, and dialogues were organized to capture the thoughts and aspirations of the employees in order to make appropriate adjustments and strengthen solidarity, and create a sociable environment, a soft working atmosphere.



DEVELOPING HUMAN RESOURCES, ENSURING SAFETY FOR THE EMPLOYEES

Training activities

Training topics	Subject	Average training hours
Training and examinations (upgrading, keeping ranks, switching ranks) were held among the employees at the 2 plants	Employees of operational and repair divisions at the two plants	64
Shift leaders of Electricity plant were trained	Operators of Krong H'hang Hydropower Plant	40
Training on labor laws, Social insurance took place	Employees in charge of human resource activities, payroll	16
Training on basic bidding and online bidding	Employees in charge of the work in connection with bidding	16
Training on Labor safety and hygiene at the two plants	Employees working at the two plants	32

Initiatives, emulation and reward activities



The Company always facilitates the employees to promote their initiative, improve and rationalize its production to improve efficiency in the production and business activities. As a matter of fact, in 2021, there were 08 solutions to rationalize the Company's production that were recognized, applied, and generated efficiency for the whole Company.

In 2021, the Company had 04 teams and 30 individuals awarded "Excellent Performance"; 03 teams and 46 individuals were awarded "Good Performance" and recognized the title of Unit Emulation Fighter in 2021 for 09 individuals.

In 2021, the Company was given the Certificate of Merit by: People's Committee of Da Nang City, Quang Nam Province, Ministry of Industry and Trade, Commission for the Management of State Capital at Enterprises and VCCI's Sustainable Enterprise Certification; 01 individual was awarded Certificate of Merit from the Ministry of Industry and Trade; 02 individuals were awarded Certificates of Merit from the Commission for the Management of State Capital at Enterprises; 02 teams and 03 individuals were awarded certificates of merit by EVNCPC.

SOCIAL RESPONSIBILITIES

With the spirit and perception of the social responsibilities, the Company always encouraged the employees to join social activities, charity initiated by the Labor Union, Youth Union at higher level and external unions and organizations such as: Giving Tet gifts to households in the resettlement area of Krong H'Nang Hydropower Plant and children of kindergartens and primary schools; Giving gifts to poor students who overcame difficulties and studied well in the areas where the two plants resided; Supporting the Covid-19 epidemic prevention and control activities; Supporting the social organizations (Association for Victims of Agent Orange; Disabled People's Association; Association for Promoting Education etc.) in Quang Nam province and Danang city. The total amount of money spent on social activities in 2021 was nearly VND370 million.

With the spirit and perception of the social responsibilities, the Company always encouraged the employees to join social activities, charity initiated by the Labor Union, Youth Union at higher level and external unions and organizations such as: Giving Tet gifts to households in the resettlement area of Krong H'Nang Hydropower Plant and children of kindergartens and primary schools; Giving gifts to poor students who overcame difficulties and studied well in the areas where the two plants resided; Supporting the Covid-19 epidemic prevention and control activities; Supporting the social organizations (Association for Victims of Agent Orange; Disabled People's Association; Association for Promoting Education etc.) in Quang Nam province and Danang city. The total amount of money spent on social activities in 2021 was nearly VND370 million.



COMPLYING WITH THE LAWS ON ENVIRONMENTAL PROTECTION

In 2021, Song Ba Joint Stock Company did not commit any violations of environmental protection laws. The company fulfilled its obligations of natural resource tax and forest protection service fee in accordance with the law. It actively participated in protecting watershed forests, the environment in the area surrounding the hydropower plant areas of the company to keep them green, clean and beautiful.

During the Covid-19 epidemic, the Plant Trade Union unit launched a movement to grow clean vegetables, making a small contribution to the employee's meals at the collective kitchen. With the motto "Union is power", along with the practical actions as listed above created the closeness and union in each employee at the plant. This was also an opportunity for each employee of the plant to demonstrate a responsible lifestyle with the environment as well as their daily work, thereby contributing their power to make the Company more and more developed.



CHAPTER VI

CORPORATE GOVERNANCE



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BOARD OF MANAGEMENT

INFORMATION OF MEMBERS OF THE BOARD OF MANAGEMENT



Mr. THAI HONG QUAN - Chairman of the Board of Management

Number of shares held individually: 0 shares

Number of shares held on behalf of EVNCPC: 11,822,500 shares (19.5451%)

Mr. DINH CHAU HIEU THIEN – Member of the Board of Management

(Information at Profile of the Board of General Directors)

Mr. PHAM PHONG - Member of the Board of Management

(Information at Profile of the Board of General Directors)

Mr. NGUYEN QUANG HUNG - Member of the Board of Management

Number of shares held individually: 4,620 shares (0.0076%)

Number of shares held on behalf of EVNCPC: 4,729,000 shares (7.8180%)

Mr. HOANG NAM SON - Member of the Board of Management

Number of shares held individually: 44,909 shares (0.0742%)

SUB-COMMITTEES UNDER THE BOARD OF MANAGEMENT

Internal Audit team is a sub-committee under Board of Management.

PERFORMANCE OF THE BOARD OF MANAGEMENT

The Board of Management includes 05 members. The Board of Management held regular meetings as prescribed (1 time/quarter) and other irregular meetings to deal with regular and urgent matters. The Company's Supervisory Board was invited by the Board of Directors to all of the meetings. Therefore, steering and managing activities were quickly implemented, meeting the operational requirements of the Company.

Introduction to the members of the Board of Management and meetings of the Board of Management in 2021:

No.	Member of BoM	Position	Number of BoM meetings attending	Percentage of attendance
1	Mr. Thai Hong Quan	Chairman of the BoM	6	100%
2	Mr. Dinh Chau Hieu Thien	Member of the BoM	6	100%
3	Mr. Pham Phong	Member of the BoM	6	100%
4	Mr. Nguyen Quang Hung	Member of the BoM	6	100%
5	Mr. Hoang Nam Son	Member of the BoM	6	100%

Last year, the Board of Management of the Company issued 07 Resolutions, 25 Decisions, and many documents to solve important issues in connection with the production, business, investment, and construction activities. The contents of the resolutions issued by the Board of Management were 100% agreed upon by the members.

The details of the meetings and their Resolutions are listed as follows:

No.	Number of Resolution/ Decision	Date	Contents
1	01/21/NQ-HĐQT	26/01/2021	Approving the business outcomes of Q4 and the whole year of 2020; business plan for the year 2021, Q1/2021 and related important contents.
2	02/21/NQ-HĐQT	19/04/2021	Approving the business outcomes of Q1/2021, business plan for Q2.2021, and other related important contents.
3	03/21/NQ-HĐQT	25/05/2021	The Resolution of the Board of Directors on approving the resignation of the Chairman of the Board of Directors, unanimously electing a new Chairman of the Board of Directors, dismissing and appointing the position of the General Director.

BOARD OF DIRECTORS

PERFORMANCE OF THE BOARD OF DIRECTORS

No.	Number of Resolution/ Decision	Date	Contents
4	04/21/NQ-HĐQT	09/8/2021	Short-term loans and guarantee limit at Orient Commercial Joint Stock Bank - Trung Viet Branch to finance the Company's production and business activities.
5	05/21/NQ-HĐQT	06/9/2021	Approving the business outcomes of Q2/2021, business plan for Q3/2021, and other relevant contents.
6	06/21/NQ-HĐQT	26/10/2021	Approving the business outcomes of Q3/2021, business plan for Q4/2021, and other relevant contents.
7	07/21/NQ-HĐQT	10/11/2021	Approving the bond issuance plan of Song Ba Joint Stock Company which was issued under the form of private placement without being converted and warrants.
8	01/21/QĐ-S3-HĐQT	03/02/2021	Issuing the regulation on the Company's financial management.
9	02/21/QĐ-HĐQT	01/04/2021	Holding Annual General Meeting of Shareholders for the year 2021.
10	03/21/QĐ-S3-HĐQT	31/05/2021	Establishing Internal Auditing team under the Board of Directors of Song Ba Joint Stock Company
11	04/21/QĐ-S3-HĐQT	31/05/2021	Promulgating the regulations on the internal audit of Song Ba Joint Stock Company
12	05/21/QĐ-S3-HĐQT	21/06/2021	Removing the position of Deputy General Director of Song Ba Joint Stock Company
13	06/21/QĐ-S3-HĐQT	28/06/2021	Removing the position of the General Director of Song Ba Joint Stock Company
14	07/21/QĐ-S3-HĐQT	28/06/2021	Appointing the position of the General Director of Song Ba Joint Stock Company
15	08/21/QĐ-S3-HĐQT	30/06/2021	Rewarding the Management for its performance in 2020
16	09/21/QĐ-S3-HĐQT	30/06/2021	Rewarding the General Director of the Company for the excellent performance in organizing the implementation of expanding Khe Dien Hydropower Plant.

No.	Number of Resolution/ Decision	Date	Contents
17	10/21/QĐ-S3-HĐQT	01/07/2021	Termination of contract with the Managing director.
18	11/21/QĐ-S3-HĐQT	05/07/2021	Deciding on the auditor to perform the audit of the Financial Statements of the year 2021
19	12/21/QĐ-S3-HĐQT	06/07/2021	Issuing the Regulation of the Board of Directors' operation.
20	13/21/QĐ-S3-HĐQT	06/07/2021	Issuing the Internal Regulations of corporate governance.
21	15/21/QĐ-S3-HĐQT	19/07/2021	Establishing the Inspection team to finalize the completed project to expand Khe Dien Hydropower Plant
22	16/21/QĐ-S3-HĐQT	30/07/2021	Re-appointing the position of Director of the Branch of Song Ba JSC - Consulting and Testing Center for dam safety
23	17/21/QĐ-S3-HĐQT	02/08/2021	Pay rate of the General Director of Song Ba Joint Stock Company
24	18/21/QĐ-S3-HĐQT	02/08/2021	Pay rate applied to Social insurance, Health Insurance, Unemployment Insurance of the Chairman of the Board of Directors of Song Ba Joint Stock Company.
25	19/21/QĐ-S3-HĐQT	20/08/2021	Approving the plan to deal with damages to the generator cooling water tanks of Unit H2 - Khe Dien Hydropower Plant
26	20/21/QĐ-S3-HĐQT	07/09/2021	Assigning tasks among the members of the Company's Board of Directors
27	21/21/QĐ-S3-HĐQT	07/09/2021	Issuing the Regulation on managerial decentralization of the Board of Directors to the General Director of Song Ba Joint Stock Company
28	22/21/QĐ-S3-HĐQT	15/09/2021	Approving revised organizational structure and internal management regulations of Song Ba Joint Stock Company
29	23/21/QĐ-S3-HĐQT	30/09/2021	Approving the final settlement of the project of expanding Khe Dien Hydropower Plant.

BOARD OF DIRECTORS

PERFORMANCE OF THE BOARD OF DIRECTORS

No.	Number of Resolution/ Decision	Date	Contents
30	24/21/QĐ-S3-HĐQT	08/10/2021	Issuing the Regulation on Salaries of Song Ba Joint Stock Company
31	25/21/QĐ-S3-HĐQT	27/10/2021	Making payment of cash dividend for the year 2020 of Song Ba Joint Stock Company
32	26/21/QĐ-S3-HĐQT	21/12/2021	Approving the plan of upgrading comprehensive IT infrastructure system for digital transformation of Song Ba Joint Stock Company

ACTIVITIES OF THE INDEPENDENT MEMBER OF THE BOD

The Board of Directors of the Company has 01 independent member, who is directly in charge of risk-related issues of the Company; monitoring and directing in building a system of rules and regulations to be applied in the Company. The independent member well performed their assigned tasks, contributing to the success in completing the general tasks of the Board of Directors of the Company

The independent member conducted an assessment on the Board of Directors' performance: working carefully and effectively, closely monitoring the activities of the Company, demonstrating a high sense of responsibility for the overall development of the Company and the interests of the shareholders; the Board of Directors of the Company monitored and directed the Board of Management in the Company's operation flexibly and effectively; supervising the General Director, other managers and all aspects of the Company's activities in accordance with the Company's Charter and the Regulation of the Board of Directors' activities; the members of the Board of Directors performed well their guiding role in the production and business activities of the Company.

LIST OF THE MEMBERS OF BOARD OF MANAGEMENT OWNING CORPORATE GOVERNANCE CERTIFICATES.

None



SUPERVISORY BOARD

LIST OF MEMBERS OF AND ACTIVITIES OF THE SUPERVISORY BOARD

No.	Full name	Position	Number of shares held	Percentage of holding (%)	Number of meetings	Percentage of attendance
1	Pham Thi Anh Dao	Head of Supervisory Board	2,550	0.0042	2	100%
2	Huynh Thi Long	Member of the Supervisory Board	-	-	2	100%
3	Do Dat Quang	Member of the Supervisory Board	-	-	2	100%

The Supervisory Board held 02 meetings. The details of the meetings are listed as follows:

No.	Number of the Meeting minutes	Date	Contents
1	01/21/BB-S3-BKS	27-03-21	Meeting held to approve the report of supervising and checking the Company's operation in 2020
2	02/21/BB-S3-BKS	15-10-21	Meeting held to approve the report of supervising the Company's operation in 2021 for the first 6 months of the year 2021.

In 2021, the Supervisory Board fully implemented the function of supervising the compliance with laws, the Company's Charter, Resolution of the General Meeting of Shareholders in the management and administration of production and business, specifically:

- Supervising the activities of the Board of Management and Board of General Directors in administering and managing the Company's business and production activities in accordance with laws and the Company's Charter. Supervising the implementation of the Resolution of the Annual General Meeting of Shareholders approved on 25/06/2021
- Examining the reasonability, lawfulness, honesty in administering and managing the Company's business and production activities in accordance with laws and the Company's Charter.
- Appraising the Company's quarterly, semi-annual and annual financial statements, supervising its compliance with accounting standards and the current financial accounting regime, preservation and development of the owner's equity in an honest and objective way. Examining economic contracts, controlling operational expenses, revenues, use of funds in construction and investment.
- Controlling the compliance with regulations on information disclosure of the Company in accordance with the law.

THE COORDINATION BETWEEN THE SUPERVISORY BOARD, THE BOARD OF MANAGEMENT AND THE BOARD OF GENERAL DIRECTORS

Performing the functions of supervision: The Supervisory Board was invited and attended all the meetings of the Board of Management and fully supervised the Board of Management's activities in implementing the Resolutions of the General Meeting of Shareholders. In the meetings, the Supervisory Board promptly recommended the Board of Management issues that need resolving for more effective management. The recommendations of the Supervisory Board were reviewed and handled in a timely manner by the Board of Management to ensure that the Company's operations comply with Laws, improve governance efficiency and secure the interests of the shareholders.

During its operation, the Supervisory Board always got the coordination and support from the Board of Management, the Board of Directors as well as the subsidiaries of the Company so that the Supervisory Board can perform the tasks assigned by the General Meeting of Shareholders.

In 2021, the Supervisory Board did not receive any complaints from the Shareholders against the Board of Management, the Board of Directors and other managers.



TRANSACTIONS, REMUNERATIONS AND INTERESTS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

SALARIES, BONUSES, REMUNERATIONS AND BENEFITS IN 2021

Full name	Position	Fulltime salaries	Remuneration for the BoD, Secretary	Bonus for executives of 2020	Salaries from generation of electricity	Salaries from provision of consulting services	Other income, bonus (public holidays, etc)	Total income 2021
BOARD OF MANAGEMENT		524,880,000	357,696,000	517,600,000	-	-	-	1,400,176,000
Thai Hong Quan	Chairman (07/2021-12/2021)	262,440,000	-	48,800,000	-	-	-	311,240,000
	Member (01/2021-06/2021)	-	44,712,000	-	-	-	-	44,712,000
Dinh Chau Hieu Thien	Member (07/2021-12/2021)	262,440,000	-	195,400,000	-	-	-	457,840,000
	Chairman (01/2021-07/2021)	-	44,712,000	-	-	-	-	44,712,000
Pham Phong	Member	-	89,424,000	175,800,000	-	-	-	265,224,000
Nguyen Quang Hung	Member	-	89,424,000	48,800,000	-	-	-	138,224,000
Hoang Nam Son	Independent member	-	89,424,000	48,800,000	-	-	-	138,224,000
SUPERVISORY BOARD		288,000,000	172,800,000	87,800,000	-	-	114,720,000	663,320,000
Pham Thi Anh Dao	Head	288,000,000	-	48,800,000	-	-	102,300,000	439,100,000
Huynh Thi Long	Member	-	86,400,000	19,500,000	-	-	6,210,000	112,110,000
Do Dat Quang	Member	-	86,400,000	19,500,000	-	-	6,210,000	112,110,000
EXECUTIVE BOARD		-	60,000,000	234,300,000	3,391,418,205	557,427,786	1,178,645,610	5,421,791,601
Dinh Chau Hieu Thien	General Director (07/2021-12/2021)	-	-	-	315,146,739	-	95,146,892	410,293,631
Pham Phong	General Director (01/2021-06/2021)	-	-	-	683,530,223	319,239,440	296,626,680	1,299,396,343
Thai Hong Quan	Vice General Director (01/2021-06/2021)	-	-	-	277,213,672	20,646,193	24,348,703	322,208,568
Nguyen The Duy	Sale Vice General Director	-	60,000,000	78,100,000	701,988,921	82,570,975	257,628,206	1,180,288,102
Phan Dinh Thanh	Technical Vice General Director	-	-	78,100,000	676,752,157	69,881,225	255,696,266	1,080,429,648
Pham Thai Hung	Chief Accountant	-	-	78,100,000	736,786,493	65,089,953	249,198,863	1,129,175,309

TRANSACTIONS, REMUNERATIONS AND INTERESTS OF THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD

SHARE TRANSACTIONS OF INTERNAL PERSONS

None.

CONTRACTS OR TRANSACTIONS SIGNED WITH INTERNAL PERSONS

None.

ASSESSING THE COMPANY'S COMPLIANCE WITH THE REGULATIONS ON CORPORATE GOVERNANCE

The Company's governance is always ensured in accordance with the law, the Charter, internal regulations, and criteria to ensure the smoothest operation of the Company; to pursue goals for the benefits of the Company and its shareholders, as well as to create favorable conditions for monitoring of the effectiveness of the Company's operation, thereby encouraging the Corporation to make the best use of its resources.





CHAPTER VII

**FINANCIAL
STATEMENTS 2021**



**AAC AUDITING AND ACCOUNTING CO., LTD**AN INDEPENDENT MEMBER OF PRIMEGLOBAL
AUDITING ACCOUNTING AND FINANCE SPECIALITYHead Office: Lot 78 - 80, April 30th Street, Hai Chau District, Da Nang City
Tel: +84 (236) 3 655 886; Fax: +84 (236) 3 655 887; Email: aac@dng.vnn.vn; Website: http://www.aac.com.vnSONG BA JOINT STOCK COMPANY
573 Nui Thanh Street, Hai Chau District, Da Nang CityFINANCIAL STATEMENTS
For the year ended 31/12/2021**BALANCE SHEET**

As at 31/12/2021

Form B 01 - DN

Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

No.525/2022/BCKT-AAC

INDEPENDENT AUDITORS' REPORT**To: The Shareholders, Board of Directors and Management
Song Ba Joint Stock Company**

We have audited the financial statements which were prepared on 30/03/2022 of Song Ba Joint Stock Company ("the Company") as set out on pages 5 to 34, which comprise the balance sheet as at 31/12/2021, the income statement, statement of cash flows, and notes to the financial statements for the year then ended.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and other regulations relevant to the preparation and presentation of financial statements, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31/12/2021, and its financial performance and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of financial statements.



AAC Auditing and Accounting Co., Ltd.

Lam Quang Tu – Deputy General Director
Audit Practicing Registration Certificate
No. 1031-2018-010-1Do Thi Phuong Thuy – Auditor
Audit Practicing Registration Certificate
No. 2970-2019-010-1

Da Nang City, 30 March 2022

ASSETS	Code	Note	31/12/2021 VND	01/01/2021 VND
A. CURRENT ASSETS	100		142,541,282,461	106,732,921,842
I. Cash and cash equivalents	110	5	40,865,726,393	12,017,851,625
1. Cash	111		40,865,726,393	12,017,851,625
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		96,592,203,415	86,848,505,035
1. Short-term trade receivables	131	6	92,396,147,925	78,514,138,212
2. Short-term prepayments to suppliers	132	7	2,669,994,272	2,323,003,416
3. Other short-term receivables	136	8.a	1,526,061,218	6,011,363,407
IV. Inventories	140	9	1,946,458,898	2,852,848,983
1. Inventories	141		1,946,458,898	2,852,848,983
2. Provision for decline in value of inventories	149		-	-
V. Other current assets	150		3,136,893,755	5,013,716,199
1. Short-term prepaid expenses	151	10.a	2,435,042,137	1,623,991,926
2. Deductible VAT	152		701,851,618	3,352,474,310
3. Taxes and amounts recoverable from the State	153		-	37,249,963
B. LONG-TERM ASSETS	200		1,153,138,953,744	1,210,615,222,697
I. Long-term receivables	210		2,004,000,000	2,004,000,000
1. Long-term trade receivables	211		-	-
2. Other long-term receivables	216	8.b	2,004,000,000	2,004,000,000
II. Fixed assets	220		1,137,437,360,938	1,182,480,556,838
1. Tangible fixed assets	221	11	1,132,262,099,138	1,177,305,295,038
- Cost	222		1,689,258,148,089	1,680,852,603,981
- Accumulated depreciation	223		(556,996,048,951)	(503,547,308,943)
2. Intangible fixed assets	227	12	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		-	-
IV. Long-term assets in progress	240		8,867,514,787	8,721,214,787
1. Long-term work in process	241		-	-
2. Construction in progress	242	13	8,867,514,787	8,721,214,787
V. Long-term financial investments	250		-	-
VI. Other long-term assets	260		4,830,078,019	17,409,451,072
1. Long-term prepaid expenses	261	10.b	4,830,078,019	17,409,451,072
2. Other long-term assets	268		-	-
TOTAL ASSETS	270		1,295,680,236,205	1,317,348,144,539

BALANCE SHEET (cont'd)
As at 31/12/2021

RESOURCES	Code	Note	31/12/2021 VND	01/01/2021 VND
C. LIABILITIES	300		440,258,319,127	513,080,977,264
I. Current liabilities	310		176,684,059,846	186,794,762,808
1. Short-term trade payables	311	14	2,102,735,177	2,280,124,938
2. Short-term advances from customers	312	15	1,166,000,000	1,166,000,000
3. Taxes and amounts payable to the State	313	16	26,335,447,965	28,619,932,327
4. Payables to employees	314		5,263,004,702	7,211,570,682
5. Short-term accrued expenses	315	17	1,329,235,505	4,595,566,188
6. Other short-term payables	319	18	33,204,650,037	38,251,795,100
7. Short-term loans and finance lease liabilities	320	19.a	106,387,613,505	102,823,995,530
8. Reward and welfare fund	322		895,372,955	1,845,778,043
II. Long-term liabilities	330		263,574,259,281	326,286,214,456
1. Long-term trade payables	331		-	-
2. Long-term loans and finance lease liabilities	338	19.b	263,574,259,281	326,286,214,456
D. EQUITY	400		855,421,917,078	804,267,167,275
I. Owners' equity	410		855,421,917,078	804,267,167,275
1. Share capital	411	20	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. Treasury shares	415	20	(2,405,771,754)	(2,405,771,754)
3. Development investment fund	418	20	53,979,929,268	48,955,973,929
4. Undistributed profit after tax	421	20	198,965,149,564	152,834,355,100
- Undistributed profit after tax up to prior year-end	421a	20	81,806,133,306	50,957,901,931
- Undistributed profit after tax of current year	421b	20	117,159,016,258	101,876,453,169
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		1,295,680,236,205	1,317,348,144,539



Dinh Chau Hieu Thien
General Director

Da Nang City, 30 March 2022

Pham Thai Hung
Chief Accountant

Trung Ngoc Hung
Preparer

INCOME STATEMENT
For the year ended 31/12/2021

Form B 02 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2021 VND	Year 2020 VND
1. Revenue from sales and service provision	01	21	314,881,037,813	298,214,988,810
2. Revenue deductions	02		-	-
3. Net revenue from sales and service provision	10		314,881,037,813	298,214,988,810
4. Cost of goods sold	11	22	136,226,925,331	133,759,499,247
5. Gross profit from sales and service provision	20		178,654,112,482	164,455,489,563
6. Financial income	21	23	222,717,668	22,466,935
7. Financial expenses	22	24	34,321,369,248	39,680,667,265
Including: Interest expense	23		34,103,383,839	39,589,870,465
8. Selling expenses	25		-	-
9. Administrative expenses	26	25	17,858,007,752	15,733,465,838
10. Operating profit	30		126,697,453,150	109,063,823,395
11. Other income	31	26	953,999,577	459,004,397
12. Other expenses	32	27	3,709,549,399	593,963,386
13. Other profit	40		(2,755,549,822)	(134,958,989)
14. Accounting profit before tax	50		123,941,903,328	108,928,864,406
15. Current corporate income tax expense	51	28	6,782,887,070	7,052,411,237
16. Deferred corporate income tax expense	52		-	-
17. Profit after tax	60		117,159,016,258	101,876,453,169
18. Basic earnings per share	70	29	1,943	1,595
19. Diluted earnings per share	71	29	1,943	1,595



Dinh Chau Hieu Thien
General Director

Da Nang City, 30 March 2022

Pham Thai Hung
Chief Accountant

Trung Ngoc Hung
Preparer

STATEMENT OF CASH FLOWS
For the year ended 31/12/2021

Form B 03 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2021 VND	Year 2020 VND
I. Cash flows from operating activities				
1. Cash receipts from sales, service provision and other income	01		302,174,157,126	249,289,751,438
2. Cash paid to suppliers	02		(68,683,856,079)	(63,121,546,722)
3. Cash paid to employees	03		(22,313,901,964)	(17,873,110,245)
4. Cash paid for borrowing interest	04	17, 24	(34,127,290,625)	(39,603,495,282)
5. Cash paid for corporate income tax	05	16	(7,670,541,404)	(4,148,013,937)
6. Other cash receipts from operating activities	06		33,022,863,374	27,117,079,754
7. Other payments for operating activities	07		(40,028,264,402)	(32,663,346,586)
Net cash provided by operating activities	20		162,373,166,026	118,997,318,420
II. Cash flows from investing activities				
1. Purchases of fixed assets and other long-term assets	21		(9,561,180,319)	(53,766,257,056)
2. Dividends, profit, interest received	27	23	222,717,668	22,466,935
Net cash used in investing activities	30		(9,338,462,651)	(53,743,790,121)
III. Cash flows from financing activities				
1. Proceeds from borrowings	33	19	44,066,567,437	66,875,781,589
2. Repayments of borrowings	34	19	(102,823,995,546)	(90,769,537,907)
3. Dividends, profit paid to owners	36	18,20	(65,429,400,498)	(42,341,825,620)
Net cash used in financing activities	40		(124,186,828,607)	(66,235,581,938)
Net cash flows for the period	50		28,847,874,768	(982,053,639)
Cash and cash equivalents at the beginning of the year	60	5	12,017,851,625	12,999,905,264
Impact of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70	5	40,865,726,393	12,017,851,625



Dinh Chau Hieu Thien
General Director

Da Nang City, 30 March 2022

Pham Thai Hung
Chief Accountant

Truong Ngoc Hung
Preparer

NOTES TO THE FINANCIAL STATEMENTS
(These notes form part of and should be read in conjunction
with the accompanying financial statements)

Form B 09 - DN
Issued under Circular 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

1. Nature of operations

1.1. Overview

Song Ba Joint Stock Company ("the Company") was incorporated on the basis of converting from Song Ba Electricity Investment and Development Co., Ltd to joint stock company (Song Ba Electricity Investment and Development Co., Ltd was established under the Joint Venture Contract between Power Company No.3 (now being Central Power Corporation) and Vietnam Electricity Construction Joint Stock Corporation). The Company was granted Business Registration Certificate (now being Enterprise Registration Certificate) No. 0400439955 dated 04/07/2007 by Da Nang City Planning and Investment Department (since the establishment date, the Enterprise Registration Certificate has been amended 11 times and the nearest amendment was made on 01/07/2021). The Company is an independent accounting entity, operating in observance of the Enterprise Law, its Charter and other relevant regulations.

1.2. Principal scope of business: Generating and trading electricity.

1.3. Operating activities

- Generating, transmitting and distributing electricity. Detail: Generating and trading electricity;
- Architectural activities and related technical consultancy. Detail: Consultancy on preparing investment project of construction works, surveying, designing to construct hydropower, hydraulic projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Consultancy on monitoring construction, managing small and medium-scaled hydropower projects, electricity transmission lines and transformer stations up to 110KV; Monitoring the construction of hydropower, hydraulic projects; Consultancy on verifying, testing quality of dam and hydropower plants; Design of engineering infrastructure works (traffice, supply of water for daily life in rural areas); Consultancy on investigation, collection, calculation, forecast of meteorology, hydrology of construction phases; Consultancy on preparing investment projects of construction, civil, engineering infrastructure works, aquariums, river bank and coast protection works; Consultancy on assessing quality of construction works; Geodetic survey of works;
- Construction of other civil engineering projects. Detail: Investing in construction of hydropower projects; construction of hydropower projects with capacity up to 30MW, electricity transmission lines and transformer stations up to 110KV; Repairing, maintaining hydropower plants; construction of small and medium-scaled projects;
- Wholesale of other construction materials, installation equipment;
- Exploiting stone, sand, gravel and clay. Detail: Exploitation of minerals;
- Other specialized construction activities. Detail: Dredging lake bed;
- Vocational education. Detail: Vocational training consultancy (management and operation of hydropower plants);
- Management consultancy activities. Detail: Consultancy on solutions to environment, agricultural resettlement, residential resettlement;
- Other construction installation activities. Detail: Installing equipment for construction works;
- Wholesale of other machinery, equipment, parts. Detail: Wholesale of mechanical and electrical equipment, materials;

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

- Research and experimental development on natural sciences and engineering. Detail: Research and manufacture of mechanical and electrical parts of hydropower plant; transfer of technology for construction techniques, equipment;
- Real estate activities with own or leased property. Detail: Leasing land, workshop, and warehouse.

1.4. Normal course of business cycle

The Company's normal course of business cycle is 12 months.

1.5. Business structure

As at 31/12/2021, the Company has 3 dependent entities, namely:

- Branch of Song Ba Joint Stock Company - Khe Dien Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Krong H'ngang Hydropower Plant;
- Branch of Song Ba Joint Stock Company - Dam Safety Testing and Consulting Center.

2. Accounting period, currency used in accounting

The annual accounting period of the Company is from 1 January to 31 December.

Financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

3. Applied accounting standards and accounting system

The Company adopted the Vietnamese Corporate Accounting System guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Vietnamese Accounting Standards promulgated by the Ministry of Finance.

4. Summary of significant accounting policies

4.1 Cash and cash equivalents

Cash includes cash on hand, bank demand deposits and cash in transit.

All 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 shall be recognized as cash equivalents.

4.2 Receivables

Receivables include trade receivables and other receivables:

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or running away.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

4.3 Inventories

Inventories are stated at the lower of cost and net realizable value.

Value of inventories is calculated using the First-In, First-Out method and accounted for using the perpetual method with cost determined as follows:

- Materials, tools, instruments: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition.
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.

4.4 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	15 – 50
Machinery, equipment	6 – 15
Motor vehicles	5 – 30
Office equipment	3 – 5

In which, the depreciation period of fixed assets of Krong H'ngang Hydropower Plant applied by the Company is longer than the regulated one. This adjustment was approved by Da Nang City Finance Department in Decision No. 293/QD-STC dated 29/06/2011. Accordingly, specific depreciation period is as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	50
Machinery, equipment	15

In order to ensure that the depreciation method is in line with the actual use and seasonal nature of hydropower production, the fixed assets used directly at Khe Dien Hydropower Plant and Krong H'ngang Hydropower Plant are depreciated in accordance with the method of depreciation based on volume. Details are as follows:

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Depreciation rate in the period =	Cost of fixed assets		x	Volume of electricity actually generated in the period
	Depreciation period of fixed assets registered with tax authority	Average design capacity of each year		

4.5 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state.

Land use rights

Intangible fixed assets are land use rights including:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right).
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the effective date of the Land Act 2003 and being granted with certificate of land use right by the competent authority.

The cost of land use right includes all the costs directly attributable to the putting of land into the ready-for-use state.

Amortization

Intangible fixed assets being land use rights with indefinite term are not amortized. For land use rights with definite term, the amortization period is the period in which the Company is allowed to use the land.

Other intangible fixed assets are amortized in accordance with the straight-line method. Amortization period complies with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

The amortization period of intangible fixed assets of the Company is as follows:

<u>Kinds of asset</u>	<u>Amortization period (years)</u>
Indefinite lived land use rights	Not amortized
Computer software	Fully amortized

4.6 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Cost of tools and instruments being put into use and repair costs are amortized in accordance with the straight-line method for a period ranging from 12 to 36 months;
- Insurance premiums of assets, cars are amortized in accordance with the straight-line method over the purchase term stated in the contracts;

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

- Other prepaid expenses: the Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

4.7 Payables

Payables include trade payables and other payables:

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.

4.8 Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company.

4.9 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4.10 Owners' equity

Paid-in capital represents the amount of capital actually contributed by the shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Treasury shares

Treasury shares are the amounts payable to repurchase the shares that the Company has issued and all costs directly related to this repurchase transaction.

Profit distribution

Profit after corporate income tax is available for appropriation to funds and to shareholders as provided for in the Company's Charter or Resolution of the Shareholders' General Meeting.

The dividend to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

4.11 Recognition of revenue and other income

- Revenue from sales of electricity is recognized based on the documents on confirming the power capacity sold to the national power grid and unit price stated in the following Economic Contracts:
 - ✓ For Khe Dien Hydropower Plant Branch: According to Economic Contract No. 05/2011/KHEDIEN/EVNCPC-SBA dated 31/05/2011 and Appendix No. 12 dated 24/02/2021 with Central Power Corporation: unit price is applied in accordance with the avoided cost tariff issued annually by the Electricity Regulatory Authority of Vietnam.
 - ✓ For Krong H'ngang: According to Economic Contract No. 06/2012/HD-NMD-KRH dated 10/06/2012 and Contract for Amendment and Supplementation No. 08 dated 05/03/2021 with Viet Nam Electricity: using competitive electricity price.
- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods.
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interests are recognized on the basis of the actual term and interest rates.
 - ✓ Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

4.12 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Costs of inventories and services rendered which are incurred in excess of the ordinary level are shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

4.13 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, payment discounts for buyers, expenses and loss on liquidating, transferring investments; provision for diminution in value of trading securities, provision for loss from investment in other entities, loss from sale of foreign currency, foreign exchange loss and other expenses attributable to other investing activities.

4.14 Administrative expenses

Administrative expenses recognized are expenses actually incurred related to the overall administration of enterprises.

4.15 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses in the period include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is 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 determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

4.16 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets include cash on hand, deposits, trade receivables and other receivables.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities include loans, trade payables, accrued expenses and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

4.17 Tax rate and charges paid to the State which the Company is applying

- Value Added Tax (VAT): tax rate of 10% is applicable to sales of electricity; other activities are subject to tax rates in accordance with the current regulations.
- Corporate Income Tax (CIT):
 - ✓ For Khe Dien Hydropower Plant: Applicable tax rate is 20%.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

- ✓ For expanded Khe Dien Hydropower Plant: Applicable tax rate is 20%. Income from expanded Khe Dien Hydropower Plant is exempted from corporate income tax for 4 years and entitled to 50% reduction of corporate income tax for the next 9 years as from the time the expanded Khe Dien Hydropower Plant is completed and put into operation and business income is generated. Since 2021 was the first year the expanded Khe Dien Hydropower Plant has made taxable income, income from expanded Khe Dien Hydropower Plant is exempted from corporate income tax from 2021 to 2024 and entitled to 50% reduction of corporate income tax from 2025 to 2033.

These incentives are stipulated in Point 4, Article 10 and Article 12 of Circular No. 96/2015/TT-BTC dated 22/06/2015 of the Ministry of Finance.

- ✓ For Krong H'Nang Hydropower Plant: tax rate of 10% is applicable for 15 years (from 2010 to 2024), exempted from corporate income tax for 4 years as from the time the taxable income is made and entitled to 50% reduction of corporate income tax for the next 9 years. Since 2010 was the first year Krong H'Nang Hydropower Plant has made taxable income, the Company is exempted from corporate income tax from 2010 to 2013 and entitled to 50% reduction of corporate income tax from 2014 to 2022.

These incentives are indicated in the Investment Certificate No. 36121000085 dated 03/03/2014 by the People's Committee of Phu Yen Province.

- ✓ Other activities are subject to CIT rate of 20%.

- Other taxes and charges are fulfilled in accordance with the prevailing regulations.

4.18 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

Unit: VND

5. Cash and cash equivalents

	31/12/2021	01/01/2021
Cash on hand	862,644,044	854,816,211
Bank demand deposits	40,003,082,349	11,163,035,414
Total	40,865,726,393	12,017,851,625

6. Short-term trade receivables

	31/12/2021	01/01/2021
Central Power Corporation	9,621,260,750	13,662,965,831
Electricity Power Trading Company	80,289,822,660	61,901,083,909
Other customers	2,485,064,515	2,950,088,472
Total	92,396,147,925	78,514,138,212

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

In which: trade receivables from related parties

	Relationship	31/12/2021	01/01/2021
Central Power Corporation	Investor	9,621,260,750	13,662,965,831
Electricity Power Trading Company	Fellow-subsiary of the investor	80,289,822,660	61,901,083,909
Total		89,911,083,410	75,564,049,740

7. Short-term prepayments to suppliers

	31/12/2021	01/01/2021
Tuan Minh Construction & Trading - Service JSC	735,154,976	-
Infrastructure & Electric Energy Investment Consultancy JSC	540,000,000	-
Phu An Duong Joint Stock Company	438,014,847	438,014,847
Dai Loc Construction JSC	300,012,933	-
Other suppliers	656,811,516	1,884,988,569
Total	2,669,994,272	2,323,003,416

8. Other receivables

a. Short-term

	31/12/2021		01/01/2021	
	Amount	Provision	Amount	Provision
Advances	810,281,033	-	3,595,447,738	-
Deposits, collaterals	-	-	682,258,046	-
Other receivables	715,780,185	-	1,733,657,623	-
Total	1,526,061,218	-	6,011,363,407	-

b. Long-term

	31/12/2021		01/01/2021	
	Amount	Provision	Amount	Provision
Deposits, collaterals	2,004,000,000	-	2,004,000,000	-
Total	2,004,000,000	-	2,004,000,000	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

9. Inventories

	31/12/2021		01/01/2021	
	Cost	Provision	Cost	Provision
Materials	934,687,250	-	953,015,946	-
Tools, instruments	837,185,800	-	841,075,800	-
Work in process	174,585,848	-	1,058,757,237	-
Total	1,946,458,898	-	2,852,848,983	-

- There are no inventories which are unsold, in poor quality at 31/12/2021.
- There are no inventories which were pledged, mortgaged as security for debts as at 31/12/2021.

10. Prepaid expenses

a. Short-term

	31/12/2021	01/01/2021
Asset repair costs	2,168,177,615	1,482,846,979
Unexpired insurance	131,137,518	141,144,947
Cost for clearing and dredging canals - K'rong H'nang Plant	135,727,004	-
Total	2,435,042,137	1,623,991,926

b. Long-term

	31/12/2021	01/01/2021
Costs of installing monitoring equipment system - K'rong H'nang Hydropower Plant	265,151,517	1,060,606,061
Costs of constructing downstream drainage ditch of K'rong H'nang Hydropower Plant	152,246,692	608,986,764
Costs of handling tunnel water leak of K'rong H'nang HP	752,582,026	2,558,778,894
Unit repair, maintenance costs - Khe Dien Plant	1,897,622,931	6,042,487,463
Nong Son Coal Mine Bypass - Khe Dien Plant	1,299,753,495	3,032,758,151
Costs of renovating the internal PBX system - Krong H'nang Plant	121,068,291	-
Costs of tools, instruments pending amortization	341,653,067	358,503,079
Other prepaid expenses	-	3,747,330,660
Total	4,830,078,019	17,409,451,072

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

11. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
Cost					
Beginning balance	1,213,202,011,691	385,265,913,961	81,836,738,864	547,939,465	1,680,852,603,981
Increase in the year	2,953,086,781	5,245,620,963	-	206,836,364	8,405,544,108
Decrease in the year	-	-	-	-	-
Ending balance	1,216,155,098,472	390,511,534,924	81,836,738,864	754,775,829	1,689,258,148,089
Depreciation					
Beginning balance	246,648,228,381	209,484,374,114	47,005,404,598	409,301,850	503,547,308,943
Charge for the year	25,747,592,324	22,520,647,426	5,087,690,169	92,810,089	53,448,740,008
Decrease in the year	-	-	-	-	-
Ending balance	272,395,820,705	232,005,021,540	52,093,094,767	502,111,939	556,996,048,951
Net book value					
Beginning balance	966,553,783,310	175,781,539,847	34,831,334,266	138,637,615	1,177,305,295,038
Ending balance	943,759,277,767	158,506,513,384	29,743,644,097	252,663,890	1,132,262,099,138

- As at 31/12/2021, tangible fixed assets with a carrying value of VND1,128,260,798,091 have been mortgaged as collateral for borrowings granted to the Company.
- Cost of tangible fixed assets fully depreciated but still in active use at 31/12/2021 is VND18,669,445,637.
- There are no tangible fixed assets pending disposal.
- There are no commitments to repurchase fixed assets of high value in the future.
- Pursuant to Decision No. 293/QĐ – STC dated 29/06/2011 of Da Nang City Finance Department on “Approving the plan for changing useful lives of fixed assets”, the Company has changed the useful lives of most of the fixed assets of Krong H'nang Hydropower Plant since 2011. Other than that, the Company also changed the depreciation method (from the straight-line method to the method based on volume) of the fixed assets directly serving the electricity generation and sent an official letter (No. 223/11/S3-TC dated 09/06/2011) to notify the Tax Department of such change.
- On 25/04/2013, the Ministry of Finance issued Circular No. 45/2013/TT-BTC guiding the management, use and depreciation of fixed assets. According to Clause c, Point 2, Article 13, one of the conditions for applying the method of depreciation based on volume is that the actual capacity per month in the fiscal year is not less than 100% of design capacity. On 31/07/2013, the Company sent Official Letter No. 279/13/S3-TCKT to the Ministry of Finance asking for the guidance on applying the regulations of Circular 45/2013/TT-BTC to the Company's actual operations. On 14/10/2013, the Ministry of Finance issued Official Letter No. 13633/BTC-TCDN to permit Song Ba Joint Stock Company to keep applying the method of depreciation based on volume to the fixed assets directly participating in the electricity generation which the Company registered with Da Nang City Tax Department in case of failure to reach 100% of design capacity provided that Song Ba Joint Stock Company must ensure sufficient resources to repay investment loans of credit institutions, and the depreciation period does not exceed the technical life of the assets.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

12. Intangible fixed assets

	Land use rights (*)	Computer software	Total
Cost			
Beginning balance	5,175,261,800	302,800,000	5,478,061,800
Newly purchased	-	-	-
Sold, disposed	-	-	-
Ending balance	5,175,261,800	302,800,000	5,478,061,800
Amortization			
Beginning balance	-	302,800,000	302,800,000
Charge for the year	-	-	-
Sold, disposed	-	-	-
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

(*) This is long-term land use right at 573 Nui Thanh Street, Hai Chau District, Da Nang City; area: 410.5 m², used for the Company's Head Office.

This land use right is mortgaged for the long-term loan borrowed from Orient Commercial Joint Stock Bank – Trung Viet Branch (presented in Note 19).

Cost of intangible fixed assets fully amortized but still in active use at 31/12/2021 is VND302,800,000.

13. Construction in progress

	31/12/2021	01/01/2021
Construction in progress	8,867,514,787	8,721,214,787
- Krong H'ngang 2 Hydropower Plant	3,475,284,736	3,475,284,736
- Song Tranh 1 Hydropower Plant	5,245,930,051	5,245,930,051
- Digital transformation system	146,300,000	-
Total	8,867,514,787	8,721,214,787

The total investment capital of Krong H'ngang 2 Hydropower Plant Project and Song Tranh 1 Hydropower Plant Project is VND407,915,000,000 and VND552,646,106,000 respectively. The dossiers of these two projects are being completed to submit to the Ministry of Industry and Trade for approval to revise the planning.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

14. Short-term trade payables

	31/12/2021	01/01/2021
Vinacomin - Nong Son Coal & Power Joint Stock Company	361,028,601	-
P&L Information Technology Co., Ltd	177,250,250	-
6.3 Joint Stock Company	534,390,293	754,689,703
Hung Trang Joint Stock Company	270,804,462	270,804,462
Others	759,261,571	1,254,630,773
Total	2,102,735,177	2,280,124,938

15. Short-term advances from customers

	31/12/2021	01/01/2021
Phu Yen Province Science and Technology Department	482,000,000	482,000,000
Quang Nam Province Science and Technology Department	684,000,000	684,000,000
Total	1,166,000,000	1,166,000,000

16. Taxes and amounts payable to the State

	Beginning balance		Amount to be paid	Actual amount paid	Ending balance	
	Payable	Receivable			Payable	Receivable
VAT	10,884,489,739	-	25,891,478,572	26,818,176,618	9,957,791,693	-
CIT	3,789,438,392	-	6,782,887,070	7,670,541,404	2,901,784,058	-
Personal Income Tax	-	37,249,963	4,417,360,436	2,278,838,594	2,101,271,879	-
Natural resources tax	10,060,782,244	-	22,073,089,313	24,415,103,334	7,718,768,223	-
License fee	-	-	6,000,000	6,000,000	-	-
Forest environment service fee	3,885,221,952	-	8,524,073,880	8,753,463,720	3,655,832,112	-
Fees for granting rights to exploit water resources	-	-	2,557,189,000	2,557,189,000	-	-
Total	28,619,932,327	37,249,963	70,252,078,271	72,499,312,670	26,335,447,965	-

The Company's tax returns would be subject to examination of tax authorities. The tax amounts reported in these financial statements could be changed under decision of the tax authorities.

17. Short-term accrued expenses

	31/12/2021	01/01/2021
Loan interest payable	180,742,341	213,690,223
Interest on late payment of dividends	44,050,959	90,796,800
Interest on bonds issued	9,041,096	-
Survey expenses for preparing Song Bung 3A Investment Project	822,297,432	828,292,043
Other accrued expenses	273,103,677	3,462,787,122
Total	1,329,235,505	4,595,566,188

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

18. Other short-term payables

	31/12/2021	01/01/2021
Dividend payable	33,096,178,477	38,240,407,975
Other payables	108,471,560	11,387,125
Total	33,204,650,037	38,251,795,100

19. Loan and finance lease liabilities

a. Short-term loans and finance lease liabilities

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Short-term loan from Orient Bank – Trung Viet Branch	7,896,949,478	14,066,567,437	7,896,949,478	14,066,567,437
- Contract No. 0158/CTV/HDTDHM	7,896,949,478	14,066,567,437	7,896,949,478	14,066,567,437
Current portion of long-term loans from Orient Bank – Trung Viet Branch	94,927,046,052	92,321,046,084	94,927,046,068	92,321,046,068
- Contract No. 024/2015/HDTD-DN	72,000,000,000	72,000,000,000	72,000,000,000	72,000,000,000
- Contract No. 0058/2019/HDTD-OCB-DN	19,247,000,000	16,641,000,000	19,247,000,000	16,641,000,000
- Contract No. 0057/2019/HDTD-OCB-DN	3,680,046,052	3,680,046,084	3,680,046,068	3,680,046,068
Total	102,823,995,530	106,387,613,521	102,823,995,546	106,387,613,505

b. Long-term loans and finance lease liabilities

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Long-term loans from Orient Bank – Trung Viet Branch	421,213,260,508	-	94,927,046,068	326,286,214,440
- Contract No. 024/2015/HDTD-DN	300,000,000,000	-	72,000,000,000	228,000,000,000
- Contract No. 0058/2019/HDTD-OCB-DN	52,470,000,000	-	19,247,000,000	33,223,000,000
- Contract No. 0057/2019/HDTD-OCB-DN	68,743,260,508	-	3,680,046,068	65,063,214,440
Issued bonds (SBAH2125001)	-	30,000,000,000	390,909,091	29,609,090,909
Total	421,213,260,508	30,000,000,000	95,317,955,159	355,895,305,349
In which:				
- Amount due within one year	94,927,046,052			92,321,046,068
Long-term loans and finance lease liabilities	326,286,214,456			263,574,259,281

The Company is borrowing from Orient Commercial Joint Stock Bank (OCB) under the following loan agreements:

- Long-term loan agreement No. 0058/2019/HDTD-OCB-DN dated 26/03/2019 with the credit line of VND90,734,000,000. The loan period is 61 months as from the first drawdown date at OCB – Trung Viet Branch. The interest rate is adjusted every 6 months. The loan is to re-finance the loans of Song

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Ba Joint Stock Company from Vietcombank for reimbursing the capital which the Company invested in Khe Dien Hydropower Plant Project under Credit Agreement No. 34/2013/VCB/KHDN dated 07/02/2013 and Credit Agreement No. 162/2014/VCB-KHDN dated 14/05/2014 with respective debt balance of VND22,100,000,000 and VND68,634,000,000. The loan is secured by the long-term land use right at 573 Nui Thanh Street, Hai Chau District, Da Nang City and Khe Dien Hydropower Plant.

- Long-term loan agreement No. 0057/2019/HDTD-OCB-DN dated 26/03/2019 with the credit line of VND72,000,000,000. The loan period is 132 months as from the first drawdown date at OCB – Trung Viet Branch. The interest rate is agreed in the indebtedness and adjusted every 6 months. The loan is for the purpose of investing in the Khe Dien Hydropower Plant expansion project from the designed capacity of 9MW to 15MW. The loan is secured by the long-term land use right at 573 Nui Thanh Street, Hai Chau District, Da Nang City; Khe Dien Hydropower Plant and Krong H'ngang Hydropower Plant.
- The Company is borrowing from Orient Commercial Joint Stock Bank - Quang Nam Branch under long-term borrowing contract No. 024/2015/HDTD-DN dated 26/03/2015 with the credit line of VND620,000,000,000. The loan period is 120 months as from the first drawdown date at OCB – Quang Nam Branch. This loan is transferred to Orient Commercial Joint Stock Bank – Trung Viet Branch in accordance with the Announcement dated 01/04/2017 on transferring the borrowing transaction of Song Ba Joint Stock Company to Orient Commercial Joint Stock Bank – Trung Viet Branch. The interest rate is adjusted once a quarter. The loan is to re-finance the Krong H'ngang Hydropower Project (giving loan to purchase debt of Song Ba Joint Stock Company in Viet Nam Development Bank – Phu Yen Branch) and is secured by Krong H'ngang Hydropower Plant.

c. Issued bonds

	31/12/2021					Interest rate
	Cost	Total issuance expenses	Allocated issuance expenses	Decrease in the year	Year-end value	
Bond issued at par value	30,000,000,000	390,909,091	-	-	29,609,090,909	
- Bond SBAH2125001 with the 4-year term	30,000,000,000	390,909,091	-	-	29,609,090,909	Fixed 11%/year

20. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Treasury shares	Development investment fund	Undistributed profit after tax	Total
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 year	-	(24,645,000)	9,673,702,214	101,876,453,169	111,525,510,383
Decrease in the year	-	-	-	87,341,006,521	87,341,006,521
As at 31/12/2020	604,882,610,000	(2,405,771,754)	48,955,973,929	152,834,355,100	804,267,167,275
As at 01/01/2021	604,882,610,000	(2,405,771,754)	48,955,973,929	152,834,355,100	804,267,167,275
Increase in the year	-	-	5,023,955,339	117,159,016,258	122,182,971,597
Decrease in the year	-	-	-	71,028,221,794	71,028,221,794
As at 31/12/2021	604,882,610,000	(2,405,771,754)	53,979,929,268	198,965,149,564	855,421,917,078

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

b. Capital transactions with owners and distribution of dividend

	Year 2021	Year 2020
Share capital		
- Beginning balance	604,882,610,000	604,882,610,000
- Increase in the year	-	-
- Decrease in the year	-	-
- Ending balance	604,882,610,000	604,882,610,000
Dividend paid	60,285,171,000	72,342,205,200

c. Shares

	31/12/2021 Shares	01/01/2021 Shares
Number of shares registered to be issued	60,488,261	60,488,261
Number of shares issued publicly	60,488,261	60,488,261
- Common shares	60,488,261	60,488,261
- Preferred shares (classified as owners' equity)	-	-
Number of shares bought back (treasury shares)	203,090	203,090
- Common shares	203,090	203,090
- Preferred shares (classified as owners' equity)	-	-
Number of outstanding shares	60,285,171	60,285,171
- Common shares	60,285,171	60,285,171
- Preferred shares (classified as owners' equity)	-	-
Par value of outstanding shares: VND10,000 each		

d. Undistributed profit after tax

	Year 2021	Year 2020
Profit brought forward	152,834,355,100	138,298,908,452
Profit after corporate income tax of current period	117,159,016,258	101,876,453,169
Distribution of profit	71,028,221,794	87,341,006,521
- Distribution of prior-year profit (*)	71,028,221,794	87,341,006,521
+ Development investment fund	5,023,955,339	9,673,702,214
+ Reward and welfare fund	3,014,373,204	2,902,110,664
+ Reward fund for the Management	1,307,375,867	1,382,588,443
+ Paying dividends	60,285,171,000	72,342,205,200
+ Remunerations for the Board of Directors & Supervisory Board	1,397,346,384	1,040,400,000
- Distribution of current-year profit	-	-
Undistributed profit after tax	198,965,149,564	152,834,355,100

(*) The 2020 profit after tax was distributed in accordance with Resolution of the 2021 General Shareholders' Meeting No. 01/2021/NQ-DHDCD dated 25/06/2021.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

e. Dividend

Resolution of the 2021 General Shareholders' Meeting No. 01/2021/NQ-DHDCD dated 25/06/2021 approved the plan for paying dividend of the year 2020 in cash at 10% of the charter capital (equivalent to VND60,285,171,000).

21. Revenue from sales and service provision

	Year 2021	Year 2020
Revenue from selling electricity	311,511,462,819	290,701,616,623
Revenue from rendering services	3,369,574,994	7,513,372,187
Total	314,881,037,813	298,214,988,810

22. Cost of goods sold

	Year 2021	Year 2020
Cost of electricity sold	132,983,783,465	126,763,165,676
Cost of services rendered	3,243,141,866	6,996,333,571
Total	136,226,925,331	133,759,499,247

23. Financial income

	Year 2021	Year 2020
Loan interest, deposit interest	222,717,668	22,466,935
Total	222,717,668	22,466,935

24. Financial expenses

	Year 2021	Year 2020
Loan interest	34,094,342,743	39,589,870,465
Interest on late payment of dividends	217,985,409	90,796,800
Bond interest	9,041,096	-
Total	34,321,369,248	39,680,667,265

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

25. Administrative expenses incurred in the year

	Year 2021	Year 2020
Materials, tool expenses	356,118,448	218,759,322
Labor costs	13,251,472,116	12,320,224,859
Depreciation and amortization expenses	293,269,233	268,004,995
Outside service expenses	1,310,014,200	1,370,470,960
Others	2,647,133,755	1,556,005,702
Total	17,858,007,752	15,733,465,838

26. Other income

	Year 2021	Year 2020
Proceeds from insurance compensation	561,773,719	-
Received fee for using electricity of Khe Dien Plant	92,402,031	-
Received fee for using electricity of K'rong H'nang Plant	299,823,827	394,749,355
Others	-	64,255,042
Total	953,999,577	459,004,397

27. Other expenses

	Year 2021	Year 2020
Expenses for covering damages caused by rain and floods in 2020 at Khe Dien Plant	2,915,234,179	-
Electricity expenses of Khe Dien Plant	92,402,031	-
Electricity expenses of K'rong H'nang Plant	299,823,827	318,798,674
Fines for late payment of taxes, charges	402,089,362	275,164,712
Total	3,709,549,399	593,963,386

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

28. Current corporate income tax expense

	Year 2021	Year 2020
Accounting profit before tax	123,941,903,328	108,928,864,406
- From principal activities of Khe Dien Hydropower Plant	5,012,641,286	9,922,653,035
- From principal activities of Krong H'nang Plant	118,625,406,884	98,490,791,148
- From principal activities of the Head Office and Consulting Center	303,855,158	515,420,223
Adjustment to taxable income	1,341,613,077	472,694,665
- Increasing adjustments (Unqualified, improper expenses)	1,341,613,077	472,694,665
+ Khe Dien Hydropower Plant	205,221,829	8,140,801
+ K'rong H'nang Hydropower Plant	1,000,854,030	361,879,355
+ Head Office and Consulting Center	135,537,218	102,674,509
- Decreasing adjustments	-	-
Total taxable income	125,283,516,405	109,401,559,071
- From principal activities of Khe Dien Hydropower Plant	5,217,863,115	9,930,793,836
- From principal activities of Krong H'nang Plant	119,626,260,914	98,852,670,503
- From principal activities of the Head Office and Consulting Center	439,392,376	618,094,732
Corporate income tax	13,094,077,188	11,995,044,763
+ Khe Dien Hydropower Plant	1,043,572,623	1,986,158,768
+ K'rong H'nang Hydropower Plant	11,962,626,091	9,885,267,049
+ Head Office and Consulting Center	87,878,474	123,618,946
Reduced, exempted corporate income tax	6,311,190,118	4,942,633,526
+ Khe Dien Hydropower Plant (tax exemption for new investment project)	329,877,072	-
+ K'rong H'nang Hydropower Plant (50%)	5,981,313,046	4,942,633,526
Current corporate income tax expense	6,782,887,070	7,052,411,237
In which:		
- Current corporate income tax expense this period	6,782,887,070	7,052,411,237
+ Khe Dien Hydropower Plant	713,695,551	1,986,158,768
+ K'rong H'nang Hydropower Plant	5,981,313,045	4,942,633,523
+ Head Office and Consulting Center	87,878,474	123,618,946

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

29. Basic, diluted earnings per share

	Year 2021	Year 2020
Profit after corporate income tax	117,159,016,258	101,876,453,169
Adjustments increasing or decreasing profit after tax	-	(5,719,095,455)
- Increase	-	-
- Decrease (appropriated to reward welfare fund, reward fund of the Management Board, remunerations of the Board of Directors and Supervisory Board)	-	5,719,095,455
Profit or loss attributable to common shareholders	117,159,016,258	96,157,357,714
Weighted average number of outstanding common shares	60,285,171	60,285,927
Basic, diluted earnings per share	1,943	1,595

- The 2021 basic, diluted earnings per share is computed before deducting the amounts appropriated to reward and welfare fund. The plan of General Shareholders' Meeting and the Company's Charter do not specify the appropriation rate of the fund. Annually, the Management Board will propose a specific rate for appropriating reward and welfare fund based on the business results at the end of the year. Accordingly, this data can be changed upon the Profit Distribution Decision of the General Shareholder Meeting later.

- The 2020 basic, diluted earnings per share was recalculated on the basis of the profit distribution figures which were approved in accordance with Resolution of the 2021 General Shareholder Meeting No. 01/2021/NQ-DHDCD dated 25/06/2021. The approved amount for appropriation to the reward welfare fund, reward fund of the Management Board, remunerations of the Board of Directors and Supervisory Board was VND5,719,095,455.

30. Operating expenses by elements

	Year 2021	Year 2020
Materials expenses	6,913,826,003	10,709,079,029
Labor costs	25,052,139,957	23,209,834,734
Depreciation and amortization expenses	53,448,740,008	49,149,800,293
Outside service expenses	18,396,552,303	20,278,051,843
Other cash expenses	49,389,503,423	47,142,241,450
Total	153,200,761,694	150,489,007,349

31. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the Circular guiding this Standard, the Company is required to have segment reporting. Accordingly, a segment is a distinguishable component of the Company that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment.

Based on the actual operating situation of the Company, the Management assesses that the Company operates in the sole business segment, that is electricity generation and the three main geographical segments are Quang Nam Province, Dak Lak Province and Phu Yen Province.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Geographical segments	Khe Dien Hydropower Plant - Quang Nam Province		Krong H' nang Hydropower Plant - Dak Lak and Phu Yen Province		Head Office & Dam Safety Testing and Consulting Center		Total	
	Year 2021 VND	Year 2020 VND	Year 2021 VND	Year 2020 VND	Year 2021 VND	Year 2020 VND	Year 2021 VND	Year 2020 VND
Revenue from sales and service provision	65,054,369,075	53,788,423,452	246,457,093,744	236,913,193,171	3,369,574,994	7,513,372,187	314,881,037,813	298,214,988,810
Revenue deductions	-	-	-	-	-	-	-	-
Cost of goods sold	41,941,051,607	32,980,461,251	91,042,731,858	93,782,704,425	3,243,141,866	6,996,333,571	136,226,925,331	133,759,499,247
Financial income	248,400	87,400	227,800	430,700	222,241,468	21,948,835	222,717,668	22,466,935
Financial expenses	10,098,850,504	6,863,677,331	24,192,161,679	32,750,127,988	30,357,065	66,861,946	34,321,369,248	39,680,667,265
Selling expenses	-	-	-	-	-	-	-	-
Administrative expenses	5,629,625,197	4,089,529,116	12,218,415,094	11,628,918,635	9,967,461	15,018,087	17,858,007,752	15,733,465,838
Operating profit	7,385,090,167	9,854,843,154	119,004,012,913	98,751,872,823	308,350,070	457,107,418	126,697,453,150	109,063,823,395
Other income	654,175,750	127,036,944	-	880	299,823,827	331,966,573	953,999,577	459,004,397
Other expenses	3,026,624,631	59,227,063	378,606,029	261,082,555	304,318,739	273,653,768	3,709,549,399	593,963,386
Other profit (loss)	(2,372,448,881)	67,809,881	(378,606,029)	(261,081,675)	(4,494,912)	58,312,805	(2,755,549,822)	(134,958,989)
Profit before tax	5,012,641,286	9,922,653,035	118,625,406,884	98,490,791,148	303,855,158	515,420,223	123,941,903,328	108,928,864,406
Corporate income tax	713,695,551	1,986,158,768	5,981,313,045	4,942,633,523	87,878,474	123,618,946	6,782,887,070	7,052,411,237
Profit after tax	4,298,945,735	7,936,494,267	112,644,093,839	93,548,157,625	215,976,684	391,801,277	117,159,016,258	101,876,453,169
Fixed assets	31/12/2021	01/01/2021	31/12/2021	01/01/2021	31/12/2021	01/01/2021	31/12/2021	01/01/2021
Tangible fixed assets	159,485,893,954	164,701,266,482	968,925,587,219	1,008,667,491,722	3,850,617,965	3,936,536,834	1,132,262,099,138	1,177,305,295,038
- Cost	279,903,523,021	271,740,315,277	1,401,489,956,556	1,401,454,456,556	7,864,668,512	7,657,832,148	1,689,258,148,089	1,680,852,603,981
- Accumulated depreciation	120,417,629,067	107,039,048,795	432,564,369,337	392,786,964,834	4,014,050,547	3,721,295,314	556,996,048,951	503,547,308,943
Intangible fixed assets	-	-	-	-	5,175,261,800	5,175,261,800	5,175,261,800	5,175,261,800
- Cost	-	-	-	-	5,478,061,800	5,478,061,800	5,478,061,800	5,478,061,800
- Accumulated amortization	-	-	-	-	302,800,000	302,800,000	302,800,000	302,800,000

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

32. Risk management

a. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

b. Financial risk management

Financial risks include market risk (interest rate risk, exchange rate risk, commodity price risk), credit risk and liquidity risk.

Market risk management: The Company's activities expose it primarily to the financial risks of changes in interest rates and commodity prices.

Interest rate risk management

The Company's interest rate risks mainly derive from interest bearing loans which are arranged. To minimize these risks, the Company has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management assesses that uncontrollable risks arising from fluctuations of interest rates are insignificant.

Price risk management

Since the Company purchases materials from domestic suppliers to serve its production and business activities, it is exposed to the risk of changes in prices of materials. However, costs of materials account for a small proportion of the total production cost, thus the Management assesses that the Company's exposure to risks of changes in prices is low.

Credit risk management

The Company's customers are Central Power Corporation and Electricity Power Trading Company belonging to Viet Nam Electricity (EVN). With the specific characteristics of electricity trading in Vietnam, the Management assumes that the Company has no significant exposure to credit risk with customers.

For the group of customers engaged in the field of consultancy, design, training and operation of dam safety services,... the Company implements the prepayment policy under terms of contract. Therefore, the Management believes that the Company has almost no credit risks from this group of customers.

Liquidity risk management

To ensure the availability of funds to meet present and future financial obligations, the Company manages liquidity risk by regularly monitoring and maintaining sufficient cash reserve, optimizing cash flows, making use of credit from customers and counterparties, controlling maturing liabilities in relative to maturing assets and the amount of funds that can be generated within that period,...

The Company's aggregate financial liabilities are categorized in accordance with their maturity as follows:

31/12/2021	Within 1 year	Over 1 year	Total
Trade payables	2,102,735,177	-	2,102,735,177
Accrued expenses	1,329,235,505	-	1,329,235,505
Loans and finance lease liabilities	106,387,613,505	263,574,259,281	369,961,872,786
Other payables	33,204,650,037	-	33,204,650,037
Total	143,024,234,224	263,574,259,281	406,598,493,505

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

01/01/2021	Within 1 year	Over 1 year	Total
Trade payables	2,280,124,938	-	2,280,124,938
Accrued expenses	4,595,566,188	-	4,595,566,188
Loans and finance lease liabilities	102,823,995,530	326,286,214,456	429,110,209,986
Other payables	38,251,795,100	-	38,251,795,100
Total	147,951,481,756	326,286,214,456	474,237,696,212

The Management assumes that the Company has exposure to liquidity risk but believes that it can generate sufficient resources to meet its financial obligations as they fall due.

The Company's available financial assets are drawn up on a net asset basis as follows:

31/12/2021	Within 1 year	Over 1 year	Total
Cash and cash equivalents	40,865,726,393	-	40,865,726,393
Trade receivables	92,396,147,925	-	92,396,147,925
Other receivables	715,780,185	2,004,000,000	2,719,780,185
Total	133,977,654,503	2,004,000,000	135,981,654,503

01/01/2021	Within 1 year	Over 1 year	Total
Cash and cash equivalents	12,017,851,625	-	12,017,851,625
Trade receivables	78,514,138,212	-	78,514,138,212
Other receivables	2,415,915,669	2,004,000,000	4,419,915,669
Total	92,947,905,506	2,004,000,000	94,951,905,506

33. Related party information

a. Related parties

	Relationship
Central Power Corporation	Investor, Subsidiary of Viet Nam Electricity
Electricity Power Trading Company	Affiliate of Viet Nam Electricity

b. Material related-party transactions arising in the year

	Transactions	Year 2021	Year 2020
Central Power Corporation	Sales of electricity	65,054,369,075	53,788,423,452
	Dividend payable	23,645,000,000	28,374,000,000
	Dividend paid	28,374,000,000	-
	Interest on late payment of dividend	264,731,250	90,796,800
Electricity Power Trading Company	Sales of electricity	246,457,093,744	236,913,193,171

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

c. Income of key managing officers

Year 2021									
No.	Full name	Title	Full-time salaries	Remuneration for the Board of Directors, Company's secretary	Bonus for executives of 2020	Salaries from generation of electricity	Salaries from provision of consulting services	Other income, bonus (public holidays, lunar new year, awards, etc)	Total income
I Board of Directors									
1	Dinh Chau Hieu Thien	Chairman (From 01-06/2021)	524,880,000	357,696,000	517,600,000	-	-	-	1,400,176,000
		Member (Từ tháng 07-12/2021)	262,440,000	-	195,400,000	-	-	-	457,840,000
2	Thai Hong Quan	Chairman (From 07-12/2021)	262,440,000	-	48,800,000	-	-	-	311,240,000
		Member (From 01-06/2021)	-	44,712,000	-	-	-	-	44,712,000
3	Pham Phong	Member	-	89,424,000	175,800,000	-	-	-	265,224,000
4	Hoang Nam Son	Member	-	89,424,000	48,800,000	-	-	-	138,224,000
5	Nguyen Quang Hung	Member	-	89,424,000	48,800,000	-	-	-	138,224,000
II Supervisory Board									
1	Phan Tha Anh Dao	Head	288,000,000	172,800,000	87,800,000	-	-	114,720,000	663,320,000
2	Huyhnh Thi Long	Member	288,000,000	-	48,800,000	-	-	102,300,000	439,100,000
3	Do Dat Quang	Member	-	86,400,000	19,500,000	-	-	6,210,000	112,110,000
III Management and Chief Accountant									
1	Dinh Chau Hieu Thien	General Director	-	-	-	3,391,418,205	557,427,786	1,178,645,610	5,421,791,601
2	Pham Phong	General Director	-	-	-	315,146,739	-	95,146,892	410,293,631
3	Thai Hong Quan	Vice General Director	-	-	-	683,530,223	319,239,440	296,626,680	1,299,396,343
4	Nguyen The Duy	Sales Vice General Director	-	60,000,000	78,100,000	701,988,921	82,570,975	24,348,703	322,208,568
5	Phan Dinh Thanh	Technical Vice General Director	-	-	78,100,000	676,752,157	69,881,225	257,628,206	1,180,288,102
6	Pham Thai Hung	Chief Accountant	-	-	78,100,000	736,786,493	65,089,953	249,198,863	1,129,175,309

SONG BA JOINT STOCK COMPANY

573 Nui Thanh Street, Hai Chau District, Da Nang City

FINANCIAL STATEMENTS
For the year ended 31/12/2021

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Year 2020									
No.	Full name	Title	Full-time salaries	Remuneration for the Board of Directors, Company's secretary	Bonus for executives of 2019	Salaries from generation of electricity	Salaries from provision of consulting services	Other income, bonus (public holidays, lunar new year, awards, etc)	Total income
I Board of Directors									
1	Dinh Chau Hieu Thien	Chairman	486,000,000	388,800,000	788,000,000	-	-	93,500,000	1,756,300,000
		Vice Chairman	486,000,000	-	212,000,000	-	-	93,500,000	791,500,000
2	Pham Phong	Member	-	97,200,000	192,000,000	-	-	-	289,200,000
3	Thai Hong Quan	Member	-	48,600,000	-	-	-	-	48,600,000
4	Nguyen Quang Hung	Member	-	48,600,000	-	-	-	-	48,600,000
5	Hoang Nam Son	Member	-	48,600,000	-	-	-	-	48,600,000
6	Thai Van Thang	Vice Chairman	-	48,600,000	170,000,000	-	-	-	218,600,000
7	Truong Thanh Nam	Member	-	48,600,000	107,000,000	-	-	-	155,600,000
8	Pham Si Huan	Member	-	48,600,000	107,000,000	-	-	-	155,600,000
II Supervisory Board									
1	Phan Tha Anh Dao	Head	300,000,000	60,000,000	107,000,000	-	-	-	467,000,000
2	Huyhnh Thi Long	Member	300,000,000	-	107,000,000	-	-	-	407,000,000
3	Do Dat Quang	Member	-	30,000,000	-	-	-	-	30,000,000
III Management and Chief Accountant									
1	Pham Phong	General Director	-	60,000,000	255,000,000	2,423,561,797	204,843,507	172,160,672	3,115,565,976
2	Thai Hong Quan	Vice General Director	-	-	-	856,718,912	145,902,936	52,074,672	1,054,696,520
3	Nguyen The Duy	Sales Vice General Director	-	60,000,000	85,000,000	501,300,230	13,851,859	32,840,000	692,992,089
4	Phan Dinh Thanh	Technical Vice General Director	-	-	85,000,000	470,118,281	11,267,669	41,607,000	607,992,950
5	Pham Thai Hung	Chief Accountant	-	-	85,000,000	529,436,730	33,821,043	35,639,000	683,896,773

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

34. Significant event in the year that affected the financial statements

In 2021, Vietnam was deeply affected by the Covid-19 pandemic. The Government applied strict measures to contain the outbreak, including movement restrictions, border control, social distancing. Therefore, the operating activities of enterprises were adversely impacted. The Company's Management has evaluated the possible effects of the Covid-19 pandemic on the Company's operations and subsequently has devised and adopted appropriate plans to control the situation, minimize negative impacts and ensure the stability of the Company's operations.


35. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

36. Corresponding figures

Corresponding figures were taken from the financial statements for the year ended 31/12/2020 which were audited by AAC.




Dinh Chau Hieu Thien
General Director
Da Nang City, 30 March 2022



Pham Thai Hung
Chief Accountant



Truong Ngoc Hung
Preparer

Danang, April 2022
CONFIRMED BY THE LEGAL REPRESENTATIVE



SONG BA JOINT STOCK COMPANY



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