

**PETROVIETNAM NHON TRACH 2 POWER  
JOINT STOCK COMPANY**

*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

**PETROVIETNAM NHON TRACH 2 POWER JOINT STOCK COMPANY**

Hamlet 3, Phuoc Khanh Commune, Nhon Trach District

Dong Nai Province, S.R.Vietnam

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## **PETROVIETNAM NHON TRACH 2 POWER JOINT STOCK COMPANY**

Hamlet 3, Phuoc Khanh Commune, Nhon Trach District  
Dong Nai Province, S.R.Vietnam

### **STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of PetroVietnam Nhon Trach 2 Power Joint Stock Company (the "Company") presents this report together with the Company's financial statements for the year ended 31 December 2016.

### **THE BOARDS OF MANAGEMENT AND DIRECTORS**

The members of the Boards of Management and Directors of the Company who held office during the year and to the date of this report are as follows:

#### **Board of Management**

Mr. Uong Ngoc Hai	Chairman
Mr. Hoang Xuan Quoc	Member
Mr. Luong Ngoc Anh	Member
Mr. Pham Cuong	Member
Ms. Nguyen Thi Thanh Huong	Member

#### **Board of Directors**

Mr. Hoang Xuan Quoc	Director
Mr. Ngo Duc Nhan	Deputy Director
Mr. Tran Quang Thien	Deputy Director
Mr. Tran Quang Man	Deputy Director
Mr. Nguyen Ngoc Hai	Deputy Director
Mr. Trinh Viet Thang	Deputy Director

### **THE BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY**

The Board of Directors of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Directors,

  
**Hoang Xuan Quoc**  
Director  
14 February 2017



No. 277 /VN1A-HC-BC

## INDEPENDENT AUDITORS' REPORT

To: **Shareholders**  
**The Boards of Management and Directors**  
**PetroVietnam Nhon Trach 2 Power Joint Stock Company**

We have audited the accompanying financial statements of PetroVietnam Nhon Trach 2 Power Joint Stock Company (the "Company") prepared on 14 February 2017 as set out from page 3 to page 31, which comprise the balance sheet as at 31 December 2016, the statement of income, the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Board of Directors' Responsibility for the Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Directors 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, 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 December 2016, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



**Võ Thái Hoa**  
**Audit Partner**

Audit Practising Registration Certificate  
No. 0138-2013-001-1

**For and on behalf of**  
**Deloitte Vietnam Company Limited**  
14 February 2017  
Ho Chi Minh City, S.R. Vietnam

**Tran Kim Long Hai**  
**Auditor**

Audit Practising Registration Certificate  
No. 1503-2013-001-1



**BALANCE SHEET**  
*As at 31 December 2016*

Unit: VND

<b>ASSETS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>5,316,223,172,464</b>	<b>2,980,677,860,169</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>1,398,468,310,099</b>	<b>1,108,501,344,977</b>
1. Cash	111		133,468,310,099	108,501,344,977
2. Cash equivalents	112		1,265,000,000,000	1,000,000,000,000
<b>II. Short-term receivables</b>	<b>130</b>		<b>3,609,508,630,323</b>	<b>1,576,123,809,496</b>
1. Short-term trade receivables	131	6	3,447,445,691,772	1,421,490,243,475
2. Short-term advances to suppliers	132		117,366,595,233	147,020,019,418
3. Other short-term receivables	136	7	44,696,343,318	42,952,025,978
4. Provision for short-term doubtful debts	137		-	(35,338,479,375)
<b>III. Inventories</b>	<b>140</b>		<b>239,011,186,410</b>	<b>287,993,190,464</b>
1. Inventories	141	8	239,011,186,410	287,993,190,464
<b>IV. Other short-term assets</b>	<b>150</b>		<b>69,235,045,632</b>	<b>8,059,515,232</b>
1. Short-term prepayments	151	13	14,504,546,432	8,049,669,484
2. Value added tax deductibles	152		54,730,499,200	9,845,748
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>7,663,690,891,214</b>	<b>8,663,994,166,651</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>202,139,261,947</b>	<b>367,755,862,894</b>
1. Long-term trade receivables	211	6	164,486,554,947	328,973,109,894
2. Other long-term receivables	216	7	37,652,707,000	38,782,753,000
<b>II. Fixed assets</b>	<b>220</b>		<b>6,934,521,012,006</b>	<b>7,617,942,026,184</b>
1. Tangible fixed assets	221	9	6,906,903,378,576	7,588,706,105,493
- Cost	222		11,307,417,864,097	11,295,755,880,632
- Accumulated depreciation	223		(4,400,514,485,521)	(3,707,049,775,139)
2. Intangible assets	227	10	27,617,633,430	29,235,920,691
- Cost	228		30,823,217,421	30,823,217,421
- Accumulated amortisation	229		(3,205,583,991)	(1,587,296,730)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>1,404,275,541</b>	<b>5,694,983,454</b>
1. Construction in progress	242	11	1,404,275,541	5,694,983,454
<b>IV. Long-term financial investments</b>	<b>250</b>		<b>-</b>	<b>-</b>
1. Equity investments in other entities	253	12	11,140,000,000	11,140,000,000
2. Provision for impairment of long-term financial investments	254		(11,140,000,000)	(11,140,000,000)
<b>V. Other long-term assets</b>	<b>260</b>		<b>525,626,341,720</b>	<b>672,601,294,119</b>
1. Long-term prepayments	261	13	524,433,017,320	671,669,974,785
2. Deferred tax assets	262	14	1,193,324,400	931,319,334
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>12,979,914,063,678</b>	<b>11,644,672,026,820</b>

The accompanying notes are an integral part of these financial statements

**BALANCE SHEET (Continued)**

As at 31 December 2016

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>8,071,479,939,962</b>	<b>6,876,213,880,783</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>4,309,602,086,664</b>	<b>2,004,458,746,693</b>
1. Short-term trade payables	311	15	2,651,557,360,711	610,604,963,934
2. Taxes and amounts payable to the State budget	313	16	294,941,869,230	141,527,642,896
3. Payables to employees	314		16,736,277,977	30,078,428,592
4. Short-term accrued expenses	315	17	92,723,792,338	99,659,094,829
5. Other current payables	319	18	185,717,509,065	48,265,419,152
6. Short-term loans	320	19	1,044,961,195,732	1,053,664,813,698
7. Bonus and welfare funds	322		22,964,081,611	20,658,383,592
<b>II. Long-term liabilities</b>	<b>330</b>		<b>3,761,877,853,298</b>	<b>4,871,755,134,090</b>
1. Long-term loans	338	19	3,697,297,425,589	4,811,731,814,220
2. Long-term provisions	342	20	23,866,487,990	18,626,386,677
3. Scientific and technological development fund	343		40,713,939,719	41,396,933,193
<b>D. EQUITY</b>	<b>400</b>		<b>4,908,434,123,716</b>	<b>4,768,458,146,037</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>21</b>	<b>4,908,434,123,716</b>	<b>4,768,458,146,037</b>
1. Owners' contributed capital	411		2,848,760,290,000	2,739,198,430,000
- Ordinary shares carrying voting rights	411a		2,848,760,290,000	2,739,198,430,000
2. Share premium	412	21	(210,000,000)	(113,000,000)
3. Investment and development fund	418	21	137,294,913,354	79,801,049,931
4. Retained earnings	421	21	1,922,588,920,362	1,949,571,666,106
- Retained earnings accumulated to the prior year end	421a	21	1,426,832,624,142	1,074,471,803,522
- Retained earnings of the current year	421b	21	495,756,296,220	875,099,862,584
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>12,979,914,063,678</b>	<b>11,644,672,026,820</b>

 Le Van Tu  
 Preparer



 Nguyen Huu Minh  
 Chief Accountant

 Hoang Xuan Quoc  
 Director  
 14 February 2017



**INCOME STATEMENT**  
*For the year ended 31 December 2016*

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold	01		7,983,298,417,066	6,729,438,340,659
2. Net revenue (10=01)	10	24	7,983,298,417,066	6,729,438,340,659
3. Cost of goods sold	11		6,631,836,154,237	5,087,664,858,289
4. Gross profit from from goods sold (20=10-11)	20		1,351,462,262,829	1,641,773,482,370
5. Financial income	21	26	103,162,240,788	65,035,085,646
6. Financial expenses	22	27	249,014,358,209	359,437,861,454
- In which: Interest expense	23		155,984,410,804	183,332,784,973
7. Selling expenses	25	28	-	101,884,233
8. General and administration expenses	26	28	56,841,564,744	146,225,472,119
9. Operating profit (30 = 20+(21-22)-(25+26))	30		1,148,768,580,664	1,201,043,350,210
10. Other income	31		760,075,813	1,303,397,080
11. Other expenses	32		1,347,543,540	537,006,831
12. (Loss)/profit from other activities (40=31-32)	40		(587,467,727)	766,390,249
13. Accounting profit before tax (50=30+40)	50		1,148,181,112,937	1,201,809,740,459
14. Current corporate income tax expense	51	29	62,934,763,783	61,113,338,509
15. Deferred corporate tax income	52	14	(262,005,066)	(931,319,334)
16. Net profit after corporate income tax (60=50-51-52)	60		1,085,508,354,220	1,141,627,721,284
17. Basic earnings per share	70	30	3,740	3,937

**Le Van Tu**  
Preparer

**Nguyen Huu Minh**  
Chief Accountant



**Hoàng Xuân Quốc**  
Director  
14 February 2017

**CASH FLOW STATEMENT**  
*For the year ended 31 December 2016*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Profit before tax</b>	<b>01</b>	<b>1,148,181,112,937</b>	<b>1,201,809,740,459</b>
<b>2. Adjustments for:</b>			
Depreciation and amortisation of fixed assets	02	694,373,166,889	691,852,622,322
Provisions	03	(30,098,378,062)	8,137,037,220
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(38,496,893,255)	9,690,448,915
Gain from investing activities	05	(58,964,396,649)	(38,075,306,380)
Interest expense	06	155,984,410,804	183,332,784,973
Other adjustments	07	-	37,000,000,000
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>1,870,979,022,664</b>	<b>2,093,747,327,509</b>
(Increase)/decrease in receivables	09	(1,885,427,380,067)	353,105,408,261
Decrease/increase in inventories	10	48,982,004,054	(12,645,698,178)
Increase/(decrease) in payables	11	2,204,648,970,824	(308,092,813,904)
Decrease in prepaid expenses	12	109,154,326,001	197,340,117,608
Interest paid	14	(157,273,282,628)	(173,788,568,154)
Corporate income tax paid	15	(80,762,149,701)	(35,607,059,592)
Other cash outflows	17	(17,764,464,701)	(22,710,641,058)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>2,092,537,046,446</b>	<b>2,091,348,072,492</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets	21	(10,638,341,920)	(5,048,778,835)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	463,829,091
3. Interest earned	27	57,241,382,759	37,860,207,506
<b>Net cash generated by investing activities</b>	<b>30</b>	<b>46,603,040,839</b>	<b>33,275,257,762</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Repayment of borrowings	34	(1,060,713,743,759)	(1,043,394,610,429)
2. Dividends and profit paid	36	(788,459,445,790)	(698,853,979,305)
<b>Net cash used in financing activities</b>	<b>40</b>	<b>(1,849,173,189,549)</b>	<b>(1,742,248,589,734)</b>
<b>Net increase in cash during the year (50=20+30+40)</b>	<b>50</b>	<b>289,966,897,736</b>	<b>382,374,740,520</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>1,108,501,344,977</b>	<b>726,126,885,017</b>
Effects of changes in foreign exchange rates	61	67,386	(280,560)
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>1,398,468,310,099</b>	<b>1,108,501,344,977</b>

**Le Van Tu**  
Preparer

**Nguyen Huu Minh**  
Chief Accountant



**Hoàng Xuân Quốc**  
Director  
14 February 2017



**NOTES TO THE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the accompanying financial statements*

**1. GENERAL INFORMATION****Structure of ownership**

PetroVietnam Nhon Trach 2 Power Joint Stock Company (the "Company") was incorporated in Vietnam under Business Registration Certificate No. 4703000396 dated 20 June 2007 issued by Department of Planning and Investment of Dong Nai Province, and the latest amendment of Business Registration Certificate No. 3600897316 dated 15 October 2015.

The number of the Company's employees as at 31 December 2016 was 190 (As at 31 December 2015: 183).

**Operating industry**

The business operations of the Company are:

- Produce, transmission and contribution power;
- Directly support services in marine transportation;
- Wholesale solid fuel, liquid, gas and other relative products;
- Warehouse and products storage;
- Road transportation;
- Architecture and technical consultants;
- Wholesale equipment, material and other spare parts;
- Professional activities, sciences and other technology;
- Professional education;
- Providing services in domestic marine transportation;
- Other transportation support services.

**Principal activities**

Principal activities of the Company are management the investment in construction and operating power works.

**Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

**Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2015.

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR****Accounting convention**

The accompanying financial statements, expressed in Vietnam Dong ("VND"), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

**Financial year**

The Company's financial year begins on 1 January and ends on 31 December.







**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Financial investments**

***Equity investments in other entities***

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have book value higher than net realisable values as at the balance sheet date.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use. The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	05 – 20
Machinery and equipment	05 – 14
Motor vehicles	06 – 10
Office equipment	03 – 06

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

**Leasing**

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.



### **Intangible assets and amortisation**

Intangible assets represent land use rights and software. Value of infinity land use is stated at cost and not amortised. Software is amortised using the straight-line method over the estimated useful life.

### **Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

### **Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including short-term and long-term prepayments.

Short-term prepayment represents for insurance fee for factory, which covered for the 1 year insurance.

Long-term prepayments comprise of insurance fees for long-term loans; mobilization fee, variable fee, fixed fee and loan interest expenditure to finance the maintenance contracts of machinery and equipment; medium maintenance expenditure for Nhon Trach 2 Combined Cycle Power Plant and other long-term prepayments.

Detailed information about long-term prepayments related to insurance fees for long-term loans; mobilization fee, variable fee and fixed fee of maintenance contracts of machinery and equipment; medium maintenance expenditure for Nhon Trach 2 Combined Cycle Power Plant and loan interest expense to finance the maintenance contract are disclosed in Note 13.

Other types of long-term prepayments comprise costs of tools, supplies and other expenditures which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as long-term prepayments, and are allocated to the income statement using the straight-line method over the period of from 2 to 3 years.

### **Payable provisions**

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

### **Revenue recognition**

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.



Revenue from selling electricity is recognized monthly based on electricity output distributing to the National Grid, which has confirmed monthly by Electric Power Trading Company (EPTC) multiply with the official electricity price specified in the amendment and supplement contract No. 08 dated 30 December 2016 of the Power Purchase Contract No. 07/2012/HD-NMD-NT2 ("Contract No. 07"), which was signed on 6 July 2012 and appendix and the amendment and supplement contract of Contract No. 07 above. Electric Power Trading Company (EPTC) is notified about this revenue in advance and differences arising are recognized in the current accounting period when the Company determine the exact revenue based on the exchange rate between the United States Dollar and Vietnam Dong announced at the date of issuing invoice.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

#### **Foreign currencies**

The Company applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates" and Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 issued by Vietnam Oil and Gas Group applied for its subsidiaries and affiliates. Vietnam Oil and Gas Group received Official Letter No. 7526/BTC-TCDN dated 8 June 2015 from the Ministry of Finance allowing them to apply the foreign exchange rates of Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate transactions arising in foreign currencies and revalue the balances of monetary items denominated in foreign currencies as at the balance sheet date. Accordingly, transactions arising in foreign currencies are retranslated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are translated at the buying exchange rate announced on the same date by Joint Stock Commercial Bank for Foreign Trade of Vietnam. Exchange differences are recognised in the income statement.

#### **Fund distribution and dividend issuance**

Dividends for the Company's shareholders are recognized as payables in the financial statements of the Company in which dividends shall be approved by the shareholders of the Company. Dividends advances in 2016 were confirmed by the Board of Directors to be paid to shareholders based on (i) current and expected business result in next year, (ii) the expected dividends in 2016 approved in the Annual General Shareholders' Meeting (iii) ensuring compliance with the Charter of the Company and the legal regulations of Vietnam as well as retaining the balance of funds for payment other financial obligations after the dividend advances.

The finalized number relates to distribution of the above funds from its profit after tax distribution plan for the year 2016 which will be approved by the Company's Annual General Shareholders' meeting

#### **Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs".

#### **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.



Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable and deferred tax is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

**5. CASH AND CASH EQUIVALENTS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	22,500,916	15,427,761
Demand deposits	133,445,809,183	108,485,917,216
Cash equivalents	1,265,000,000,000	1,000,000,000,000
	<b><u>1,398,468,310,099</u></b>	<b><u>1,108,501,344,977</u></b>

Cash equivalents represent term deposits in commercial banks in Vietnam Dong with the terms less than 3 months and earn the interest rates from 4.6% to 5.5% per annum (2015: from 4.5% to 5% per annum). These deposits at bank are automatically renewed if the Company does not require final settlement at the maturity date.

**6. TRADE RECEIVABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Short-term trade receivables		
- Electric Power Trading Company (EPTC) (*)	3,447,370,559,194	1,421,455,631,186
- Others	75,132,578	34,612,289
	<b><u>3,447,445,691,772</u></b>	<b><u>1,421,490,243,475</u></b>
b. Long-term trade receivables (**)		
- Electric Power Trading Company (EPTC)	164,486,554,947	328,973,109,894
	<b><u>164,486,554,947</u></b>	<b><u>328,973,109,894</u></b>

(\*) Short-term trade receivables include:

(i) The remaining amount from the difference in electricity prices due to retroactive transportation fees of Phu My - Ho Chi Minh gas pipeline for the period from 01 January 2012 to 31 December 2015 and retroactive gas prices for the period from 11 December 2015 to 31 October 2016 as stated in Note 24 with an amount of VND 2,129 billion.

(ii) The outstanding amount of electricity fees charged to Electric Power Trading Company (EPTC) for the period from 01 November 2016 to 31 December 2016 following the official electricity prices specified in the amendment and supplement contract No. 08 of Power Purchase Contract No. 07/2012/HD-NMD-NT2 dated 06 July 2012 with an amount of VND 1,154 billion.

(iii) The additional electricity amount according to official electricity prices of Nhon Trach 2 Combined Cycle Power Plant for the period from 01 May 2012 to 31 December 2013 which had collection term under 12 months (VND 164 billion). The Board of Directors assessed and believed that the Company shall collect the entire outstanding amount above.



(\*\*) Long-term trade receivables represent the additional electricity amount according to official electricity prices of Nhon Trach 2 Combined Cycle Power Plant for the period from 01 May 2012 to 31 December 2013 which had the collection term more than 12 months as described in Note (iii) above.

**7. OTHER RECEIVABLES**

	Closing balance	Opening balance
	VND	VND
<b>a. Current</b>		
- Unearned late payment interest income from EPTC (*)	42,153,554,457	42,153,554,457
- Accrued interests	2,343,486,110	620,472,220
- Advances to employees	149,000,000	136,000,000
- Deposits and mortgages	10,000,000	10,000,000
- Other receivables	40,302,751	31,999,301
<b>Total</b>	<b>44,696,343,318</b>	<b>42,952,025,978</b>
<b>b. Non-current</b>		
- Compensations for site clearance	37,652,707,000	38,782,753,000
	<b>37,652,707,000</b>	<b>38,782,753,000</b>

(\*) Other short-term receivables represent interests due to late payment from Electric Power Trading Company (EPTC).

Other long-term receivables represent compensations for site clearance which shall be deducted in rental fee which will be paid to the Government in the future in accordance with the Land Law. These receivables are classified from cost of tangible fixed assets to other long-term receivables in accordance with Decision No. 35/QĐ-CPNT2 dated 23 May 2011 issued by the Board of Management of PetroVietnam Nhon Trach 2 Power Joint Stock Company. On 20 October 2014, the Company signed a land lease contract No. 122/HĐTD with the People's Committee of Dong Nai Province with total land area of 423,912.8 m<sup>2</sup>. However, the Company has not received any notice of the offset compensation costs clearance and land rental payable from State at the date of this report.

**8. INVENTORIES**

Inventories as at 31 December 2016 and 31 December 2015 comprise DO oil which has been stored in warehouses and used in electricity production and materials which have been used for maintenance the commercial operation of Nhon Trach 2 Combined Cycle Power Plant.

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9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>COST</b>					
Opening balance	2,971,262,039,138	8,287,871,059,424	27,192,328,393	9,430,453,677	11,295,755,880,632
Additions		5,929,570,557	5,022,792,908	709,620,000	11,661,983,465
Reclassification	-	1,323,194,000	-	(1,323,194,000)	-
<b>Closing balance</b>	<b>2,971,262,039,138</b>	<b>8,295,123,823,981</b>	<b>32,215,121,301</b>	<b>8,816,879,677</b>	<b>11,307,417,864,097</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	626,978,526,756	3,059,870,803,233	16,191,956,972	4,008,488,178	3,707,049,775,139
Charge for the year	149,106,180,532	539,894,952,179	2,916,909,982	1,546,667,689	693,464,710,382
Reclassification		52,869,820	-	(52,869,820)	-
<b>Closing balance</b>	<b>776,084,707,288</b>	<b>3,599,818,625,232</b>	<b>19,108,866,954</b>	<b>5,502,286,047</b>	<b>4,400,514,485,521</b>
<b>NET BOOK VALUE</b>					
Closing balance	2,195,177,331,850	4,695,305,198,749	13,106,254,347	3,314,593,630	6,906,903,378,576
Opening balance	2,344,283,512,382	5,228,000,256,191	11,000,371,421	5,421,965,499	7,588,706,105,493

As at 31 December 2016, the cost of fixed assets include VND 8,680,037,264 (As at 31 December 2015: VND 6,421,444,296) of fixed assets which have been fully depreciated but are still in use.



**10. INCREASES, DECREASES IN INTANGIBLE ASSETS**

	Land used rights VND	Software VND	Total VND
<b>COST</b>			
Opening balance	21,602,554,546	9,220,662,875	30,823,217,421
<b>Closing balance</b>	<b>21,602,554,546</b>	<b>9,220,662,875</b>	<b>30,823,217,421</b>
<b>ACCUMULATED AMORTISATION</b>			
Opening balance	-	1,587,296,730	1,587,296,730
Charge for the year	-	1,618,287,261	1,618,287,261
<b>Closing balance</b>	<b>-</b>	<b>3,205,583,991</b>	<b>3,205,583,991</b>
<b>NET BOOK VALUE</b>			
<b>Closing balance</b>	<b>21,602,554,546</b>	<b>6,015,078,884</b>	<b>27,617,633,430</b>
<b>Opening balance</b>	<b>21,602,554,546</b>	<b>7,633,366,145</b>	<b>29,235,920,691</b>

Land use right represents the indefinite land use rights at the lot of Building CC1.2 – Unit No. 1 - Phuoc An – Long Tho Residential Area, Nhon Trach District, Dong Nai Province.

Software represents equipment and assets maintenance management system at the factory, SAP accounting software and the Company's website.

**11. CONSTRUCTION IN PROGRESS**

	Closing balance VND	Opening balance VND
Car acquisition	-	2,201,818,181
Assets for science research	-	3,493,165,273
Construction investment	1,404,275,541	-
	<b>1,404,275,541</b>	<b>5,694,983,454</b>

Construction in progress represents the cost of purchasing of fixed assets which should undergo installation, testing before being put into use.

**12. EQUITY INVESTMENTS IN OTHER ENTITIES**

The Company has contributed VND 11,140,000,000 which is equivalent to 1,114,000 shares (par value VND 10,000/share) of the charter capital of High Tech Concrete Investment Joint Stock Company ("Sopewaco") as at 31 December 2016 and 31 December 2015.

Provision for impairment of long-term investments has been made in accordance with the Circular No. 228/2009/TT-BTC dated 07 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. The basis used for making this provision of other investment is Sopewaco's financial statements for the year ended 31 December 2016. As at 31 December 2016, Sopewaco's accumulated loss was higher than its charter capital. Therefore, the Board of Directors of the Company decided to make full provision for its long-term investments as at balance sheet date.



**13. PREPAYMENTS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Short-term</b>		
Insurance fee for factory	14,148,091,059	8,049,669,484
Others	356,455,373	-
	<u><b>14,504,546,432</b></u>	<u><b>8,049,669,484</b></u>
<b>a. Long-term</b>		
Insurance fee for long-term loans	284,363,481,902	380,148,837,329
Mobilization fee, variable and fixed fee of maintenance contracts	208,742,615,755	242,481,734,966
Overhaul expenses to be allocated	10,951,128,462	41,860,145,380
Life insurance fee	13,841,666,667	-
Others	6,534,124,534	7,179,257,110
	<u><b>524,433,017,320</b></u>	<u><b>671,669,974,785</b></u>

Short-term prepayment represents insurance fee for factory with the insurance term of 1 year.

Long-term prepayments include expenditures as follows:

- Insurance fee for long-term loans: According to the export credit contract dated 22 July 2010 and 23 July 2010 between the Company and banks represented by Citibank - an authorized agency. The insurance fee was issued by HERMES and NEXI to guarantee lenders during the credit term of 2.5 years of grace period and 9.5 years of payment. Insurance fee for these loans is allocated using the straight-line method over the durations of such long-term loans.
- Mobilization fee, variable fee and fixed fee of maintenance contracts of machinery and equipment: The maintenance contract No. 68/2011/PVPOWER NT2 - PVPS between PetroVietnam Power Nhon Trach 2 Joint Stock Company and PetroVietnam Power Technical Services Joint Stock Company is to maintain the major equipment and machinery in Nhon Trach 2 Combined Cycle Power Plant for the duration of 11.7 years or 200,000 equivalent operation hours (EOH). Mobilization fee, variable fee and fixed fee had been paid before Nhon Trach 2 Combined Cycle Power Plant was in the commercial operation and these fees are allocated to the income statement in the period based on the actual EOH hours.
- Overhaul expense of Nhon Trach 2 Combined Cycle Power Plant arose when the plant reached 25,000 EOH and the Company had to perform overhaul according to specifications. Accordingly, this expense was recognized and allocated to the income statement for the next 25,000 EOH. On 15 December 2014, the Company's Board of Managements issued Decision No. 46/QĐ-CPNT2 for the approval of the completion of overhaul, in which the overhaul expense will be allocated based on the actual EOH from the end of overhaul period of the factory.

**14. DEFERRED TAX ASSETS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Corporate income tax rates used for determination of value of deferred tax assets	5%	5%
Deferred tax assets related to deductible temporary differences	1,193,324,400	931,319,334
<b>Deferred income tax assets</b>	<u><b>1,193,324,400</b></u>	<u><b>931,319,334</b></u>



**15. SHORT-TERM TRADE PAYABLES**

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid off	Amount	VND Amount able to be paid off
a. Short-term trade payables to related parties				
- Petro Vietnam Gas Joint Stock Corporation (*)	2,587,804,650,220	2,587,804,650,220	559,158,374,502	559,158,374,502
- Petro Vietnam Power Technical Services Joint Stock Company	51,658,974,760	51,658,974,760	38,809,164,052	38,809,164,052
- Southern Management Board of PVC's project	454,403,426	454,403,426	454,403,426	454,403,426
- Petroleum Power Property Joint Stock Company	1,140,250,000	1,140,250,000	1,140,250,000	1,140,250,000
- Petrovietnam Maintenance and Repair Corporation (PVMR)	787,743,000	787,743,000	-	-
- Petro Vietnam Insurance Joint Stock Corporation	75,000,000	75,000,000	75,000,000	75,000,000
- Drilling Mud Corporation	-	-	455,697,900	455,697,900
	<b>2,641,921,021,406</b>	<b>2,641,921,021,406</b>	<b>600,092,889,880</b>	<b>600,092,889,880</b>
b. Short-term trade payables to third parties				
Others	9,636,339,305	9,636,339,305	10,512,074,054	10,512,074,054
	<b>9,636,339,305</b>	<b>9,636,339,305</b>	<b>10,512,074,054</b>	<b>10,512,074,054</b>

(\*) Include:

(i) The additional gas amount to be paid to PetroVietnam Gas – Corporation ("PV GAS") which was approximately VND 1,935 billion (at 31 December 2015: VND 0) due to retroactive transportation fees of Phu My - Ho Chi Minh gas pipeline in the period from 01 January 2012 to 31 December 2015 and retroactive gas prices and transportation fees for the period from 11 December 2015 to 31 October 2016 as stated in Note 24. The Company will pay the amount above to PV GAS immediately after receiving the corresponding amount from Electric Power Trading Company (ETCP).

(ii) The outstanding gas amount in November 2016 and the provision for gas payables in December 2016 that the company has to pay PV GAS in accordance with Official Letter No. 66/KDN-TM dated 11 January 2017 regarding the advanced notice of gas fee payment for December 2016.

**16. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET**

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
<b>Payables</b>				
Value added tax	112,174,434,429	408,758,019,106	237,488,453,150	283,444,000,385
Corporate income tax	25,506,278,917	62,934,763,783	80,762,149,701	7,678,892,999
Personal income tax	241,776,619	10,434,413,367	10,114,049,896	562,140,090
Natural resource tax	3,604,758,030	36,999,749,880	37,799,883,000	2,804,624,910
Other tax	394,901	3,102,384,116	2,650,568,171	452,210,846
	<b>141,527,642,896</b>	<b>522,229,330,252</b>	<b>368,815,103,918</b>	<b>294,941,869,230</b>

**17. SHORT-TERM ACCRUED EXPENSES**

	Closing balance	Opening balance (Restaed)
	VND	VND
Maintenance expenses	70,809,211,912	77,385,546,697
Accrued interest expenses	10,435,851,361	11,549,037,820
Others	11,478,729,065	10,724,510,312
	<b>92,723,792,338</b>	<b>99,659,094,829</b>



Short-term accrual expenses mainly are maintenance expenses, accrued according to maintenance contract No. 68/2011/PVPOWER NT2 – PVPS between PetroVietnam Nhon Trach 2 Power Joint Stock Company and PetroVietnam Power Technical Services Joint Stock Company for maintaining machineries and equipments for Nhon Trach 2 Combined Cycle Power Plant for the duration of 11.7 years or 200,000 equivalent operation hours (EOH).

**18. OTHER CURRENT PAYABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Late payment interest income payable to Petro Vietnam Gas Joint Stock Company	39,278,284,374	39,278,284,374
Dividends and profits payable (*)	145,862,287,505	8,473,879,395
Other payables	576,937,186	513,255,383
	<b><u>185,717,509,065</u></b>	<b><u>48,265,419,152</u></b>

(\*) According to Resolution No. NQ 12/NQ-CPNT2 dated 21 July 2016 and Resolution No. NQ 20/NQ-CPNT2 dated 02 December 2016 from the Board of Management, the Company has issued dividend advances from the Company's 2016 profit after tax by cash at 15% and 5% per share value which are equal to VND 427,314,043,500 and VND 142,438,014,500, respectively. The dividends as at the balance sheet date were advanced in accordance with the Resolution above but have not been paid to shareholders.

**19. LOANS**

	<u>Current portion of long-term loans</u>	<u>Long-term loans</u>
	VND	VND
<b>Opening balance</b>		
- Amount	1,053,664,813,698	4,811,731,814,220
- Amount able to paid off	1,053,664,813,698	4,811,731,814,220
<b>During the year</b>		
- Increase	1,049,894,419,474	-
+ Transfer from long-term loans	1,049,894,419,474	-
- Decrease	1,058,598,037,440	1,114,434,388,631
+ Transfer to current portion of long-term loans	-	1,049,894,419,474
+ Paid during this year	1,060,713,743,759	-
+ Other decreases (*)	-	31,627,754,516
+ Foreign exchange rate differences	(2,115,706,319)	32,912,214,641
<b>Closing balance</b>		
- Amount	1,044,961,195,732	3,697,297,425,589
- Amount able to paid off	1,044,961,195,732	3,697,297,425,589

Details of long-term loans by lenders are as below:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
HERMES, CIRR, NEXI and Citibank	4,461,298,558,270	5,537,609,887,691
Vietnam Prosperity Bank (VPBank)	171,880,226,826	200,526,931,298
- Ho Chi Minh City Branch		
Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank) - Cong Hoa Branch	109,079,836,225	127,259,808,929
	<b><u>4,742,258,621,321</u></b>	<b><u>5,865,396,627,918</u></b>

As at 22 July 2010 and 23 July 2010, the Company entered into a long-term loan contracts with agency banks such as HERMES, CIRR, NEXI and Citibank in which Citibank is a main agency bank for total credit line of USD 215,380,981 and EUR 202,585,883. These loans are guaranteed by the Government of Vietnam and granted the insurance by HERMES and NEXI. The loan bears an interest rates of 6 - month Euribor and 6 - month Libor plus the adjustment. The loan and interest are repaid every 6 - month on 19 half-yearly installments during 9.5 years and the first repayment is on 1 June 2012. The balances of loans as at 31 December 2016 are USD 100,885,760.9 and EUR 91,381,201.78, respectively (As at 31 December 2015: USD 123,622,299.57 and EUR 112,944,730.03).



(\*) During the year, the Company was reduced the principal loan balance of loan contracts which was financed by HERMES which was equal to insurance fee for long-term loans. The reduced amount is VND 31,627,754,516, equivalent to USD 259,756.93 and EUR 1,028,122.79.

In 2013, the Company entered into a long-term loan contract with Vietnam Prosperity Bank (VPBank) - Ho Chi Minh City Branch for the total credit line of VND 286,467,044,714 with duration is starting from the first withdrawal to 25 December 2022, include the withdrawal period merely lasted until 30 June 2013. The purpose is to finance construction of Nhon Trach 2 Combined Cycle Power Plant and to replace the credit line of VND 600 billion for the contract No. 02/2011/HĐTD-THD dated 31 March 2011 with Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) - Hanoi Branch. The principal is paid on a six-month basis within 20 installments. The loan is unsecured and bears floating interest rates. Principal balance of this loan at 31 December 2016 was VND 171,880,226,826 (As at 31 December 2015: VND 200,526,931,298).

As at 15 May 2014, the Company entered into a long-term loan contract with Ho Chi Minh City Development Joint Stock Commercial Bank - Cong Hoa Branch for the total credit line of VND 163,619,754,337. The purpose is to replace a former loan contract which financed construction of Nhon Trach 2 Combined Cycle Power Plant (replace the loan contract No. 01/2011/HĐTD-THD dated 20 January 2011 signed with Vietnam Joint Stock Commercial Bank for Industry and Trade - Ha Noi City Branch for a credit line of VND 200 billion). The loan duration starts from the first withdrawal to 25 December 2022, include the withdrawal period merely lasted until 30 June 2014. The principal is paid on a six-month basis within 18 installments. The first repayment was on 25 June 2014. The loan is unsecured and bears an 12-month interest rate of term deposits, receiving interests at due date, which is announced by the bank, plus marginal interest rate and the loan interest rate is adjusted every three months. Principal balance of this loan at 31 December 2016 was VND 109,079,836,225 (as at 31 December 2015: VND 127,259,808,929).

Long-term loans are repayable as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
On demand or within one year	1,044,961,195,732	1,053,664,813,698
In the second year	1,044,961,195,732	1,053,664,813,698
In the third to fifth year inclusive	2,605,509,428,301	3,160,994,441,094
After five years	46,826,801,556	597,072,559,428
	<b><u>4,742,258,621,321</u></b>	<b><u>5,865,396,627,918</u></b>
Less: Amount due for settlement within 12 months	(1,044,961,195,732)	(1,053,664,813,698)
<b>Amount due for settlement after 12 months</b>	<b><u>3,697,297,425,589</u></b>	<b><u>4,811,731,814,220</u></b>

## **20. LONG-TERM PROVISIONS**

Long-term provisions mainly present maintenance expenses, accrued according to maintenance contract No. 68/2011/PVPOWER NT2 – PVPS between PetroVietnam Power Nhon Trach 2 Joint Stock Company and PetroVietnam Power Technical Services Joint Stock Company for maintaining machinery and equipment for Nhon Trach 2 Combined Cycle Power Plant for the duration of 11.7 years or 200,000 equivalent operation hours (EOH).

## **21. OWNERS' EQUITY**

	<u>Closing balance</u>	<u>Opening balance</u>
- Number of shares issued to public		
+ Common shares	284,876,029	273,919,843
- Number of outstanding shares in circulation		
+ Common shares	<b><u>284,876,029</u></b>	<b><u>273,919,843</u></b>

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Details of shareholders as at the balance sheet date as follows:

	Closing balance		Opening balance	
	VND	%	VND	%
Petro Vietnam Power Corporation	1,709,260,800,000	60.00%	1,643,520,000,000	60.00%
Technology Development Company Limited	237,961,150,000	8.35%	228,808,800,000	8.35%
Other shareholders	901,538,340,000	31.65%	866,869,630,000	31.65%
	<b>2,848,760,290,000</b>	<b>100%</b>	<b>2,739,198,430,000</b>	<b>100%</b>





**Movement on owners' equity:**

	Owners' contributed capital VND	Share premium VND	Other owner's equity VND	Investment and Development fund VND	Retained earnings VND	Total VND
<b>For the year ended 31 December 2015</b>						
Opening balance	2,560,000,000,000	-	169,237,381,136	20,850,842,750	1,496,595,536,926	4,246,683,760,812
Capital increase	179,198,430,000	-	(169,237,381,136)	-	(9,961,048,864)	-
Fund appropriation	-	-	-	59,362,684,540	(99,362,684,540)	(40,000,000,000)
Profit for the year	-	-	-	-	1,141,627,721,284	1,141,627,721,284
Dividends declared	-	-	-	-	(579,327,858,700)	(579,327,858,700)
Other decreases	-	(113,000,000)	-	(412,477,359)	-	(525,477,359)
<b>Closing balance</b>	<b>2,739,198,430,000</b>	<b>(113,000,000)</b>	<b>-</b>	<b>79,801,049,931</b>	<b>1,949,571,666,106</b>	<b>4,768,458,146,037</b>
<b>For the year ended 31 December 2016</b>						
Opening balance	2,739,198,430,000	(113,000,000)	-	79,801,049,931	1,949,571,666,106	4,768,458,146,037
Capital increase	109,561,860,000	-	-	-	(109,561,860,000)	-
Fund appropriation	-	-	-	57,081,386,064	(77,081,386,064)	(20,000,000,000)
Profit for the year	-	-	-	-	1,085,508,354,220	1,085,508,354,220
Dividends declared	-	-	-	-	(925,847,853,900)	(925,847,853,900)
Other increases/(decreases)	-	(97,000,000)	-	412,477,359	-	315,477,359
<b>Closing balance</b>	<b>2,848,760,290,000</b>	<b>(210,000,000)</b>	<b>-</b>	<b>137,294,913,354</b>	<b>1,922,588,920,362</b>	<b>4,908,434,123,716</b>

According to the Resolution No.04/NQ-CPNT2 dated 25 March 2016 of the 2016 Annual General Shareholders' Meeting, the Company has appropriated to Investment and Development fund with an amount of VND 57,081,386,064 (2015: VND 59,362,684,540) and remaining dividend 13% coupon equivalent to VND 356,095,795,900 (2015: advances of 9% coupon, equivalent to VND 246,527,858,700) from retained earnings of year 2015. In addition, According to the Resolution above, the Company's General Shareholders' Meeting has approved the implementation plan and the regulations relating to the issuance of stock under the Employee Stock Ownership Plan in 2016 with an additional number of 3,000,000 shares. Currently, the Company is awaiting approval from the State Security Commission of Vietnam to complete the necessary procedures for the issuance of shares under the Employee Stock Ownership Plan at the date of this financial statement.

According to Resolution No. NQ 12/NQ-CPNT2 dated 21 July 2016 and Resolution No. NQ 20/NQ-CPNT2 dated 02 December 2016 from the Board of Management, the Company has issued dividends advances from the Company's 2016 profit after tax in cash at 15% and 5% per share value which are equal to VND 427,314,043,500 and VND 142,438,014,500 respectively.

During the year, the Company has also issued 10,956,186 shares equivalent to 4% of the total number of shares for existing shareholders from retained earnings of year 2015. According to Notification No. 621/TB-SGDHCM dated 25 May 2016 of Ho Chi Minh Stock Exchange, the validity of additional shares have been taken into effects from 21 May 2016.



The finalized number relates to distribution of the above funds from its profit after tax distribution plan for the year 2016 which will be approved by the Company's Annual General Shareholders' meeting.

**22. OFF BALANCE SHEET ITEMS**

**Foreign currencies**

	Unit	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar	USD	268.20	270.28
Euro	EUR	<u>6.99</u>	<u>7.96</u>

**23. BUSINESS AND GEOGRAPHICAL SEGMENTS**

The Company's principal activities are to manufacture and consume electricity in domestic. Other business activities make up minor ratio in total revenue and operating result of Company in this year as well as previous financial years. Consequently, financial information has been presented in the balance sheet as at 31 December 2015 and 31 December 2016 as well as revenues, expenses presented in the income statement during the year then end and previous financial years are relevant to principle activities. Hence, the Company did not prepare the report by business segment and geographical segments.

**24. NET REVENUE**

Net revenue from goods sold during the year included (i) revenue from sales of electricity in the period from 01 January 2016 to 30 November 2016 and the period from 01 December 2016 to 31 December 2016 following the electricity price specified in the Power Purchase Contract No. 07/2012/HD-NMD-NT2 dated 06 July 2012 and the Supplementary appendices between Electric Power Trading Company (EPTC) and PetroVietnam Power Nhon Trach 2 Joint Stock Company and (ii) revenue from additional electricity sales due to retroactive transportation fees of Phu My - Ho Chi Minh gas pipeline in the period from 01 January 2012 to 31 December 2015 and additional electricity sales due to changes in gas prices and transportation fees in the period from 11 December 2015 to 31 October 2016 under the amendment and supplement contract No. 08 ("Annex No. 08") dated 30 December 2016 of Power Purchase Contract No. 07/2012/HD-NMD-NT2 dated 06 July 6 2012 between Vietnam Electricity and the Company; Meeting Minutes No. 116/BB-KVN dated 14 April 2016 regarding the settlement of any difference between provisional fees and transportation fees of Phu My - Ho Chi Minh gas pipeline in the period from 01 January 2012 to 31 December 2015, confirmed by Vietnam Electricity Corporation, Petro Vietnam Oil and Gas Group, Petro Vietnam Gas Joint Stock Corporation and the Company. This additional revenue (about approximately with amount of VND1.935 billion) shall be conducted based on principles of equality of additional gas price and does not affect the profitability of the Company in 2016.

Revenue from sales of electricity in the period from 01 January 01 2016 to 30 November 2016 was recorded based on the foreign exchange rate as at invoice issuance date. The revenue for the period from 01 December 2016 to 31 December 2016 in which any invoice was not yet to be issued as well as the revenue from additional electricity sales as mentioned above was recorded based on the estimated foreign exchange rate at the reporting date. Therefore, the difference of revenue from selling electricity for the period from 01 December 2016 to 31 December 2016 and from additional sales of electricity will be exactly adjusted and recognized after the foreign exchange rate is fixed. The Board of Directors have assessed and confirmed that based on the documents and voucher which the Company obtained at the reporting date, revenue from electricity sales in December 2016 and any additional revenue/ additional cost, receivables/payables relating to the recognition of revenue and additional revenue/additional cost for the periods as presented above have been fully and appropriately reflected.



**25. PRODUCTION COST BY NATURE**

	Current year VND	Prior year VND
Raw materials and consumables	5,420,892,853,967	3,873,129,578,133
Labour	70,674,413,447	77,492,958,360
Depreciation and amortization	694,373,166,889	691,852,622,322
Out-sourced services	447,934,096,070	495,279,139,848
Other monetary expenses	54,803,188,608	96,237,915,978
	<b><u>6,688,677,718,981</u></b>	<b><u>5,233,992,214,641</u></b>

**26. FINANCIAL INCOME**

	Current year VND	Prior year VND
Interest income	58,964,396,649	37,611,477,289
Realised foreign exchange gain	5,700,950,884	27,423,608,357
Unrealized foreign exchange gain	38,496,893,255	-
	<b><u>103,162,240,788</u></b>	<b><u>65,035,085,646</u></b>

**27. FINANCIAL EXPENSES**

	Current year VND	Prior year VND
Interest expense	155,984,410,804	183,332,784,973
Allocation of foreign exchange loss in construction stage	-	66,380,869,389
Insurance fee for loan	64,157,600,911	61,399,837,792
Unrealised foreign exchange loss	-	9,689,887,795
Guarantee fee from the State for the loan	13,269,968,354	16,260,487,508
Realised foreign exchange loss	12,202,150,547	19,397,673,976
Others	3,400,227,593	2,976,320,021
	<b><u>249,014,358,209</u></b>	<b><u>359,437,861,454</u></b>

**28. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES**

	Current year VND	Prior year VND
<b>General and administration expenses</b>		
- Management staff	31,893,297,241	34,426,465,382
- Office supplies	2,442,749,735	3,987,643,164
- Depreciation and amortisation	9,882,430,539	9,657,374,165
- Taxes, fees and charges	651,600,027	1,141,177,970
- Out-sourced services	35,046,388,741	47,306,522,009
- Others	12,263,577,836	49,706,289,429
- Reversal of provision for short-term doubtful debts	(35,338,479,375)	-
	<b><u>56,841,564,744</u></b>	<b><u>146,225,472,119</u></b>
<b>Selling expenses</b>		
- Out-sourced services	-	101,884,233
	<b><u>-</u></b>	<b><u>101,884,233</u></b>
	<b><u>56,841,564,744</u></b>	<b><u>146,327,356,352</u></b>

During the year, the Company has reverted the provision for short-term doubtful debts for electricity payment from Electric Power Trading Company ("EPTC") with an amount of VND 35,338,479,375 following the notification of adjustment of audit results dated 18 March 2016 from the State Audit of Vietnam. The Board of Directors has assessed this reversal as true and appropriate.

**29. CURRENT CORPORATE INCOME TAX EXPENSE**

	Current year VND	Prior year VND
<b>Current corporate income tax expense</b>		
- Corporate income tax based on taxable income in the current year	57,760,073,651	61,113,338,509
- Adjustments for corporate income tax expenses in previous years to the current year	5,174,690,132	-
<b>Total current corporate income tax expense</b>	<b>62,934,763,783</b>	<b>61,113,338,509</b>

The current corporate income tax expense for the year was computed as follows:

	Current year			Prior year
	Main activities VND	Other activities VND	Total VND	Total VND
Profit before tax	1,148,768,580,664	(587,467,727)	1,148,181,112,937	1,201,809,740,459
Add: non-deductible expenses	4,262,568,370	1,130,065,568	5,392,633,938	20,457,310,276
Less: non-assessable income	67,386	-	67,386	280,560
Taxable income	1,153,031,081,648	542,597,841	1,153,573,679,489	1,222,266,770,175
Tax rate	5%	20%		
Corporate income tax	57,651,554,082	108,519,569	57,760,073,651	61,113,338,509
Adjustments for corporate income tax expense in previous years to the current year	-	-	5,174,690,132	-
<b>Total Corporate income tax expense</b>	<b>57,651,554,082</b>	<b>108,519,569</b>	<b>62,934,763,783</b>	<b>61,113,338,509</b>

The Company is obliged to pay corporate income tax at the rate of 10% of its taxable income from producing and trading power activities (main activities) for 15 years from the first profit making year and 20% for the following years.

The Company is entitled to a corporate income tax exemption for four years from the first profit making year for manufacturing and selling electricity power and a reduction of 50% for the following nine years. This is the sixth profit making year of the Company from manufacturing and selling electricity power and also the second year of 50% tax reduction.

The Company is obliged to pay corporate income tax at the rate of 20% (2015:22%) of its taxable income from other activities according to the Circular No. 78/2014/TT-BTC dated 18 June 2014 issued by the Ministry of Finance.

**30. BASIC EARNINGS PER SHARE**

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the data as below and the certain reclassification has been made to the prior year's figures in accordance with the guidance of Circular 200 to enhance their comparability with the current year's presentation:

	Current year VND	Prior year VND
Profit after tax	1,085,508,354,220	1,141,627,721,284
Bonus and welfare fund	20,000,000,000	20,000,000,000
Profit after tax for calculating earnings per share	1,065,508,354,220	1,121,627,721,284
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	284,876,029	284,876,029
<b>Basic earnings per share</b>	<b>3,740</b>	<b>3,937</b>



In 2016, the Company has also distributed dividends by issuing 10,956,186 shares for the shareholders from retained earnings of year 2015 in accordance with the Resolution No. 04/NQ-CPNT2 of Annual General Shareholders' Meeting dated 25 March 2016. This event led to a retrospective adjustment to the weighted average number of ordinary shares for the year ended 31 December 2016 as follows:

	<b>Weighted average number of ordinary shares</b>
<b>Under the financial statements for the year ended 31 December 2015</b>	<b>273,919,843</b>
Effect of increasing shares from retained earnings of previous years	10,956,186
<b>Adjusted amount</b>	<b>284,876,029</b>

### **31. DILUTED EARNINGS PER SHARE**

Conducting the Resolution No. 04/NQ-CPNT2 of Annual General Shareholders' Meeting dated 25 March 2016, the Board of Management has approved the plan of implementation and the regulations relating to the issuance of shares under the Employee Stock Ownership Plan in 2016 with an additional issuance number of shares and price of shares are of 3,000,000 shares with par value of VND 10,000 per share respectively. Accordingly, the Company has incurred factors which affect to diluted earnings per share as following:

	<b>Current year VND</b>
Profit after tax	1,085,508,354,220
Less bonus and welfare fund appropriation	(20,000,000,000)
Profit after tax for calculating diluted earnings per share	1,065,508,354,220
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share (share)	284,876,029
The effect of issuing shares for Employee Stock Ownership Plan (share)	3,000,000
Weighted average number of ordinary shares for the purposes of calculating diluted earnings per share (share)	287,876,029
<b>Diluted earnings per share (VND/Share)</b>	<b>3,701</b>

### **32. SELLING COMMITMENTS**

The Company signed Power Purchase Contract No. 07/2012/HD-NMD-NT2 dated 6 July 2012 with Electric Power Trading Company (EPTC). Accordingly, all electricity are produced under the requirement of Electricity Regulatory Authority of Vietnam is exclusively purchased by EPTC with the duration of 10 years from the date which Nhon Trach 2 Combined Cycle Power Plant was in the commercial operation on 16 October 2011.

### **33. FINANCIAL INSTRUMENTS**

#### **Capital risk management**

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

The capital structure of the Company consists of net debt (borrowings disclosed in Note 20, offset by cash and cash equivalents) and owners' equity (comprising capital, share premium, investment and development fund and retained earnings):

*Gearing ratio*

The gearing ratio of the Company as at the balance sheet date was as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>(Restated)</u>
		<u>VND</u>
Borrowings	4,742,258,621,321	5,865,396,627,918
Less: Cash and cash equivalents	1,398,468,310,099	1,108,501,344,977
Net debt	3,343,790,311,222	4,756,895,282,941
Equity	4,908,434,123,716	4,768,458,146,037
<b>Net debt to equity ratio</b>	<b>0.68</b>	<b>1.00</b>

**Significant accounting policies**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities are disclosed in Note 4.

**Categories of financial instruments**

	<u>Carrying amounts</u>	
	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>(Restated)</u>
		<u>VND</u>
<b>Financial assets</b>		
Cash and cash equivalents	1,398,468,310,099	1,108,501,344,977
Trade and other receivables	3,694,132,297,037	1,796,723,652,972
	<b>5,092,600,607,136</b>	<b>2,905,224,997,949</b>
<b>Financial liabilities</b>		
Borrowings	4,742,258,621,321	5,865,396,627,918
Trade and other payables	2,837,058,842,603	658,706,074,481
Accrued expenses	92,723,792,338	99,659,094,829
	<b>7,672,041,256,262</b>	<b>6,623,761,797,228</b>

The Company has not yet assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

**Financial risk management objectives**

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

**Market risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.



*Foreign currency risk management*

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

	<b>Assets</b>		<b>Liabilities</b>	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
USD	6,093,504	6,067,785	2,292,124,551,754	2,775,320,625,347
EUR	165,926	194,678	2,169,174,120,495	2,762,289,262,344

*Foreign currency sensitivity analysis*

The Company is mainly exposed to United States Dollar and Euro.

The following table details the Company's sensitivity to a 3% increase and decrease in Vietnam Dong against the relevant foreign currencies. 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 3% change in foreign currency rates. For a 3% increase/decrease in the following foreign currencies against Vietnam Dong, the profit before tax in the year would decrease/increase by the following amount as follows:

	Current year	Prior year
	VND	VND
USD	68,763,553,748	83,259,436,727
EUR	65,075,218,637	82,868,672,030
	<b>133,838,772,385</b>	<b>166,128,108,757</b>

*Interest rate risk management*

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favorable interest rates from appropriate lenders.

*Interest rate sensitivity*

The loan's sensitivity to interest rate changes which may arise at an appropriate level is presented as follows. Assuming all other variables were held constant and the loan balance at the balance sheet date were the outstanding amount for the whole year, if interest rates applicable to floating interest bearing loans had been 200 basis points higher/lower, the Company's profit before tax for the year ended 31 December 2016 would have decreased/increased by VND 89,225,973,445 (2015: VND 110,752,197,754).

*Gas price risk management*

The Company purchases natural gas from local suppliers for power production. Therefore, the Company is exposed to the risk of changes in selling prices of gas.

**Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At the balance sheet date, there is a significant concentration of credit risk arising on sales to Vietnam Electricity for year ended 31 December 2016. The maximum exposure to credit risk is represented by the outstanding receivables from related parties as presented in Note 34 and one specific major customer as presented in Note 6.

**Liquidity risk management**

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

31/12/2016	Less than 1 year VND	From 1-5 years VND	Total VND
Cash and cash equivalents	1,398,468,310,099	-	1,398,468,310,099
Trade and other receivables	3,491,993,035,090	202,139,261,947	3,694,132,297,037
	<b>4,890,461,345,189</b>	<b>202,139,261,947</b>	<b>5,092,600,607,136</b>
31/12/2016	Less than 1 year VND	From 1-5 years VND	Total VND
Borrowings	1,044,961,195,732	3,697,297,425,589	4,742,258,621,321
Trade and other payables	2,837,058,842,603	-	2,837,058,842,603
Accrued expenses	92,723,792,338	-	92,723,792,338
	<b>3,974,743,830,673</b>	<b>3,697,297,425,589</b>	<b>7,672,041,256,262</b>
<b>Net liquidity gap</b>	<b>915,717,514,516</b>	<b>(3,495,158,163,642)</b>	<b>(2,579,440,649,126)</b>
31/12/2015	Less than 1 year VND	From 1-5 years VND	Total VND
Cash and cash equivalents	1,108,501,344,977	-	1,108,501,344,977
Trade and other receivables	1,428,967,790,078	367,755,862,894	1,796,723,652,972
	<b>2,537,469,135,055</b>	<b>367,755,862,894</b>	<b>2,905,224,997,949</b>
31/12/2015	Less than 1 year VND	From 1-5 years VND	Total VND
Loans	1,053,664,813,698	4,811,731,814,220	5,865,396,627,918
Trade and other payables	658,706,074,481	-	658,706,074,481
Accrued expenses (restated)	99,659,094,829	-	99,659,094,829
	<b>1,812,029,983,008</b>	<b>4,811,731,814,220</b>	<b>6,623,761,797,228</b>
<b>Net liquidity gap</b>	<b>725,439,152,047</b>	<b>(4,443,975,951,326)</b>	<b>(3,718,536,799,279)</b>

The Board of Directors assessed the liquidity risk at high level. The Board of Directors believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.



**34. RELATED PARTY TRANSACTIONS AND BALANCES**

**List of related parties:**

<u>Related party</u>	<u>Relationship</u>
Petro Vietnam Power Corporation	Shareholder
Petro Vietnam Gas Joint Stock Corporation	PVN's company
Petro Vietnam Power Technical Services Joint Stock Company	PVN's company
Southern Management Board of PVC's project	PVN's company
Petro Vietnam Insurance Joint Stock Corporation	PVN's company
Petro Vietnam Nhon Trach Power Company	PVN's company
PV Oil Lubricant Joint Stock Company	PVN's company
Vietnam Petroleum Institute - The Research and Development Centre for Petroleum Safety and Environment	PVN's company
Petro Vietnam Oil and Gas Group	PVN's company
PVcomBank	PVN's company
Petroleum Power Property Joint Stock Company	PVN's company
Drilling Mud Corporation	PVN's company
Petrovietnam Maintenance and Repair Corporation (PVMR)	PVN's company

During the year, the Company entered into the following transactions with related parties:

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
<b>Purchases goods and services</b>		
Petro Vietnam Gas Joint Stock Corporation	3,957,414,414,638	4,046,563,551,733
Petro Vietnam Power Technical Services Joint Stock Company	282,317,453,755	341,324,572,554
Petro Vietnam Insurance Joint Stock Corporation	72,663,643,810	65,264,878,222
Petrovietnam Maintenance and Repair Corporation (PVMR)	2,178,824,300	-
Drilling Mud Corporation	91,368,000	2,261,358,000
Petro Vietnam Nhon Trach Power Company	837,361,000	898,081,000
Petro Vietnam Power Corporation	121,673,105	731,762,418
Petro Vietnam Oil and Gas Group	12,018,097,405	15,909,632,366
PVcomBank	245,130,127	802,618,812
	<u>                    </u>	<u>                    </u>
<b>Financial income</b>		
Interest income from time deposits at PVcomBank	<u>8,635,391,039</u>	<u>10,013,162,193</u>

Remuneration paid to the Company's Chairman, Board of Directors and Head of Supervisors Board during the year was as follows:

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Salaries and benefits in kind	<u>8,011,028,468</u>	<u>6,862,077,706</u>

Related party balances at the balance sheet date were as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
<b>Trade Receivables</b>		
Petro Vietnam Power Technical Services Joint Stock Company	<u>67,088,178</u>	<u>33,544,089</u>
<b>Advances to suppliers</b>		
Drilling Mud Corporation	-	35,405,100
Petrovietnam Maintenance and Repair Corporation (PVMR)	360,360,000	-
Petro Vietnam Power Technical Services Joint Stock Company	<u>112,673,620,800</u>	<u>144,260,091,974</u>
<b>Other receivables</b>		
Interest receivable from PVcomBank	<u>32,222,222</u>	<u>225,194,443</u>
<b>Trade payables</b>		
Petro Vietnam Gas Joint Stock Corporation	2,587,804,650,220	559,158,374,502
Petro Vietnam Power Technical Services Joint Stock Company	51,658,974,760	38,809,164,052
Southern Management Board of PVC's project	454,403,426	454,403,426
Petroleum Power Property Joint Stock Company	1,140,250,000	1,140,250,000
Petrovietnam Maintenance and Repair Corporation (PVMR)	787,743,000	-
Petro Vietnam Insurance Joint Stock Corporation	<u>75,000,000</u>	<u>75,000,000</u>
<b>Other payables</b>		
Petro Vietnam Gas Joint Stock Corporation	<u>39,278,284,374</u>	<u>39,278,284,374</u>
<b>Financial investments</b>		
Time deposit in PVcomBank	<u>80,000,000,000</u>	<u>200,000,000,000</u>

### **35. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

#### **Supplemental non-cash disclosures**

Interest earned during the year excludes an amount of VND 2,343,486,110 (2015: VND 620,472,220), representing additional uncollected interest income during the year that has not yet been received. Consequently, changes in accounts receivable have been adjusted by the same amount.

Interest paid during the year excludes an amount of VND 10,435,851,361 (2015: VND 11,549,037,820) representing interest expenses have not yet been paid. Consequently, changes in accounts payable have been adjusted by the same amount.

Loan paid during the period excludes an amount of VND 31,627,754,516 (2015: nil) representing a decrease in loan principal in the year. Consequently, changes in prepayment have been adjusted by the same amount.

Dividends and profits paid during the year excludes an amount of VND 145,862,287,505 (2015: VND 8,473,879,395) representing dividends and profits have not yet been paid fully to shareholders. Consequently, changes in accounts payable have been adjusted by the same amount.



### 36. COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's figures to enhance their comparability with the current year's presentation. Details are as follows:

#### BALANCE SHEET

ITEMS	Codes	Reported amount as at 31/12/2015 VND	Reclassification under Circular 200 VND	After reclassification as at 31/12/2015 VND
1. Short-term accrued expenses	315	118,285,481,506	(18,626,386,677)	99,659,094,829
2. Long-term provisions	342	-	18,626,386,677	18,626,386,677

#### CASH FLOW STATEMENT

ITEMS	Codes	Reported amount for 2015 VND	Reclassification under Circular 200 VND	After reclassification for 2015 VND
1. Provisions	03	8,137,037,220	(8,137,037,220)	-
2. Increase in payables	11	(301,490,370,277)	(6,602,443,627)	(308,092,813,904)



Le Van Tu  
Preparer



Nguyen Huu Minh  
Chief Accountant



Hoàng Xuân Quốc  
Director  
14 February 2017

