

**SONG BA**  
**JOINT STOCK COMPANY**

No.: 157/22/S3-TCKT

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

Da Nang, 14<sup>th</sup> April 2022

Re: Explanation for the business result differences between the year of 2021 and 2020.

To:

- The State Securities Commission;
- Viet Nam Exchange;
- Ho Chi Minh Stock Exchange.

Pursuant to Circular No.96/2020/TT-BTC, dated 16<sup>th</sup> November 2020 by the Ministry of Finance on “Guiding the disclosure of information on the stock market”.

Song Ba Joint Stock Company (Stock Code: SBA) hereby reports the profit of the year of 2021 and 2020 as follows:

- Profit after CIT of the year of 2021: 117,159,016,258 VND.
- Profit after CIT of the year of 2020: 101,876,453,169 VND.

Profit after CIT of the year 2021 was increased compared to the year 2020 with an amount of **15,282,563,089 VND**.

Financial indicators are as follows (Extracted from the Financial Statements For the year ended 31/12/2021):

No	Items	Year 2021	Year 2020	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	314,881,037,813	298,214,988,810	16,666,049,003	5.59
2	Cost of goods sold	136,226,925,331	133,759,499,247	2,467,426,084	1.84
3	Gross profit from sales of merchandise	178,654,112,482	164,455,489,563	14,198,622,919	8.63
4	Financial income	222,717,668	22,466,935	200,250,733	891.31
5	Financial expenses	34,321,369,248	39,680,667,265	-5,359,298,017	-13.51
6	Administration expenses	17,858,007,752	15,733,465,838	2,124,541,914	13.50
7	Operating profit	126,697,453,150	109,063,823,395	17,633,629,755	16.17
8	Other income	953,999,577	459,004,397	494,995,180	107.84
9	Other expenses	3,709,549,399	593,963,386	3,115,586,013	524.54
10	Other profit	(2,755,549,822)	(134,958,989)	(2,620,590,833)	1,941.77
11	Net Profit before CIT	123,941,903,328	108,928,864,406	15,013,038,922	13.78
12	Current corporate income tax expense	6,782,887,070	7,052,411,237	(269,524,167)	-3.82
13	Net profit after CIT	<b>117,159,016,258</b>	<b>101,876,453,169</b>	<b>15,282,563,089</b>	<b>15.00</b>

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The main reason leading to an increase in business result of the year 2021 compared to the year 2020 was as follows:

In 2021, SBA operated and generated electricity at Khe Dien Hydropower Plant to expand its generating capacity to 6MW and good used water to generate electricity during peak hours according to the avoidable cost tariff, so the electricity price increased by 9.75%. At the same time, the weather was favorable at the end of the year, capacity of water flowing to the Hydropower reservoirs of SBA was more than that the year 2020, the power output increased compared to the same period in 2020, so the revenue increased by **16.67** billion VND.

From the above mentioned factors, profit after CIT of the year 2021 has been increased **15.28** billion VND, compared to the year 2020, which was equivalent to an increase rate of **15.00%**.

Song Ba Joint Stock Company hereby reports and pledges that the above explanations are true.

Best regards.

*Recipient:*

- As above;
- Website SBA;
- Save: Financial Accounting department, Documentary department.



GENERAL DIRECTOR

DINH CHAU HIEU THIEN