

**SONG BA
JOINT STOCK COMPANY**

No.: 492/22/S3-TCKT

Re: Explanation for the business result differences between quarter 3/2022 and quarter 3/2021.

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

Da Nang, 04 November 2022

To:

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

Pursuant to Circular No.96/2020/TT-BTC, dated 16th 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 quarter 3/2022 and quarter 3/2021 as follows:

- Profit after CIT of quarter 3/2022: 53,859,845,398 VND.

- Profit after CIT of quarter 3/2021: 15,272,509,080 VND.

Profit after CIT of quarter 3/2022 was increased compared to the quarter 3/2021 with an amount of **38,587,336,318 VND**.

Financial indicators are as follows (Extracted from the Financial Statement of quarter 3/2022):

No	Items	Q3/2022	Q3/2021	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	109,016,687,445	51,685,057,270	57,331,630,175	110.92
2	Cost of goods sold	40,140,418,173	24,961,452,909	15,178,965,264	60.81
3	Gross profit from sales of merchandise	68,876,269,272	26,723,604,361	42,152,664,911	157.74
4	Financial income	474,542,467	46,068,064	428,474,403	930.09
5	Financial expenses	6,939,430,148	8,264,648,295	-1,325,218,147	-16.03
6	Administration expenses	5,693,708,502	2,458,846,311	3,234,862,191	131.56
7	Operating profit	56,717,673,089	16,046,177,819	40,671,495,270	253.47
8	Other income	278,420,947	173,245,511	105,175,436	60.71
9	Other expenses	178,758,458	128,410,583	50,347,875	39.21
10	Other profit	99,662,489	44,834,928	54,827,561	122.29
11	Net Profit before CIT	56,817,335,578	16,091,012,747	40,726,322,831	253.10
12	Current corporate income tax expense	2,957,490,180	818,503,667	2,138,986,513	261.33
13	Net profit after CIT	53,859,845,398	15,272,509,080	38,587,336,318	252.66

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The main reason leading to an increase in business result of quarter 3/2022 compared to quarter 3/2021 was as follows:

In quarter 3/2022, the weather was favorable, Capacity of water flowing to the Hydropower reservoirs of SBA was more than that of the quarter 3/2021, so quantity electricity generation and revenue increased respectively by 101.28% and 57,33 billion VND over the same period in 2021. Although the cost of goods sold increased by 15.18 billion VND (Mainly due to the increase in depreciation expense based by quantity electricity generation), but profit after CIT of quarter 3/2022 has been increased **38.59** billion VND, compared to quarter 3/2021, which was equivalent to an increase rate of **252.66%**.

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

Best regards,

Recipient:

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

GENERAL DIRECTOR



DINH CHAU HIEU THIEN