

SONG BA
JOINT STOCK COMPANY

No.: **346**/23/S3-TCKT

Re: Explanation for the business result differences between the first 6 months of 2023 and 2022.

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Da Nang, **03** August 2023

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 the first 6 months of 2023 and the first 6 months of 2022 as follows:

- Profit after CIT of the first 6 months of 2023: 69,399,118,452 VND.
- Profit after CIT of the first 6 months of 2022: 90,939,519,339 VND.

Profit after CIT of the first 6 months of 2023 was decreased compared to the the first 6 months of 2023 with an amount of 21,540,400,887 VND.

Financial indicators are as follows (Extracted from the Interim financial statements For the six-month period ended 30/06/2023 have been reviewed by AAC Auditing and Accounting Co., Ltd):

No	Items	The first 6 months of 2023	The first 6 months of 2022	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	149,155,904,715	190,406,573,968	-41,250,669,253	-21.66
2	Cost of goods sold	51,335,634,069	68,830,287,977	-17,494,653,908	-25.42
3	Gross profit from sales of merchandise	97,820,270,646	121,576,285,991	-23,756,015,345	-19.54
4	Financial income	1,769,955,506	583,584,545	1,186,370,961	203.29
5	Financial expenses	12,558,618,100	14,885,993,471	-2,327,375,371	-15.63
6	Administration expenses	9,427,678,830	9,918,033,620	-490,354,790	-4.94
7	Operating profit	77,603,929,222	97,355,843,445	-19,751,914,223	-20.29
8	Other income	1,360,761,504	353,819,107	1,006,942,397	284.59
9	Other expenses	336,853,281	268,684,199	68,169,082	25.37
10	Other profit	1,023,908,223	85,134,908	938,773,315	1,102.69
11	Net Profit before CIT	78,627,837,445	97,440,978,353	-18,813,140,908	-19.31
12	Current corporate income tax expense	9,228,718,993	6,501,459,014	2,727,259,979	41.95
13	Net profit after CIT	69,399,118,452	90,939,519,339	-21,540,400,887	-23.69



The main reason for the decrease in business result of the first 6 months of 2023 compared to the first 6 months of 2022 was as follows:

In the first 6 months of 2023, the weather changed abnormally, the water flow to the hydroelectric reservoir of the Company was lower than that of the first 6 months of 2022, the electricity generation output decreased by 17.28% compared to the same period last year, so the revenue decreased was 41.25 billion dong, leading to a decrease in profit after tax of CIT by 21.54 billion dong, corresponding to a decrease rate of 23.69%.

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.



DINH CHAU HIEU THIEN