

SONG BA
JOINT STOCK COMPANY

No.: **80** /24/SBA-TCKT

Re: Explanation for the business result
differences between the year of 2023
and 2022.

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Da Nang, **04** March 2024

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 year of 2023 and of the year of 2022 as follows:

- Profit after CIT of the year of 2023: 175,330,608,797 VND.

- Profit after CIT of the year of 2022: 244,548,056,764 VND.

Profit after CIT of the year 2023 was increased compared to the year 2022 with an amount of **69,217,447,967 VND**.

Financial indicators are as follows (Extracted from the Financial Statements For the year ended 31/12/2023):

No	Items	Year 2023	Year 2022	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	375,994,952,103	495,630,568,017	-119,635,615,914	-24.14
2	Cost of goods sold	138,817,006,491	178,248,248,235	-39,431,241,744	-22.12
3	Gross profit from sales of merchandise	237,177,945,612	317,382,319,782	-80,204,374,170	-25.27
4	Financial income	1,869,336,825	1,274,252,467	595,084,358	46.70
5	Financial expenses	22,124,072,335	27,955,749,065	-5,831,676,730	-20.86
6	Administration expenses	21,840,017,026	25,670,115,521	-3,830,098,495	-14.92
7	Operating profit	195,083,193,076	265,030,707,663	-69,947,514,587	-26.39
8	Other income	1,587,644,262	712,348,209	875,296,053	122.87
9	Other expenses	396,587,154	6,099,279,196	-5,702,692,042	-93.50
10	Other profit	1,191,057,108	(5,386,930,987)	6,577,988,095	-122.11
11	Net Profit before CIT	196,274,250,184	259,643,776,676	-63,369,526,492	-24.41
12	Current corporate income tax expense	20,943,641,387	15,095,719,912	5,847,921,475	38.74
13	Net profit after CIT	175,330,608,797	244,548,056,764	-69,217,447,967	-28.30



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

In the year 2023, capacity of water flowing to the hydroelectric reservoir of the Company was lower than that of the year 2022, the electricity generation output decreased by 18.93% compared to the same period last year, so the revenue decreased was 118.17 billion VND. However, expenses in the year 2023 decreased by 48.95 billion VND (Mainly due to cost of goods sold by 39.43 billion VND), leading to just decrease Net profit after CIT **69.22** billion VND, corresponding to the rate of decrease **28.30%**.

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