

SONG DA CORPORATION-JSC
SONG DA 6 JSC

No.: 189 /CV-TCKT

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness

Hanoi, August 14, 2025.

(Re: Explanation of differences between the reviewed interim financial statements and the previously disclosed financial statements; profit after corporate income tax for the first six months of 2025 differing by more than 10% compared to the same period in 2024; Qualified opinion)

To: - State Securities Commission (SSC)
- Hanoi Stock Exchange (HNX)

Pursuant to Circular 96/2020/TT-BTC dated 11/16/2020 of the Ministry of Finance guiding the disclosure of information on the stock market.

Pursuant to the Charter of organization and operation of Song Da 6 Joint Stock Company.

Pursuant to the reviewed interim financial statements for 2025 by UHY Auditing and Consulting Co., Ltd.

1. Explanation of differences between the reviewed interim financial statements and the Previously disclosed financial statements for the first six months of 2025:

Differences in the figures on the Statement of Cash Flows

No.	Items	Code	Previously disclosed figures	Reviewed figures	Difference
			Cumulative for six months of 2025	Cumulative for six months of 2025	Cumulative for six months of 2025
A	B	C	1	2	3=2-1
I	CASH FLOWS FROM OPERATING ACTIVITIES				
-	Gain/ Loss from investment	05	(1.704.235.825)	(1.706.976.940)	(2.741.115)
1	Operating profit before changes in working capital	08	(32.924.897.170)	(32.927.638.285)	(2.741.115)
-	Increase/ (decrease) in account receivables	09	59.907.756.198	61.681.114.657	1.773.358.459
-	Increase/ (decrease) in account payables	11	(19.262.594.112)	(21.035.952.571)	(1.773.358.459)
	<i>Net cash flows from operating activities</i>	20	43.568.713.986	43.565.972.871	(2.741.115)
II	CASH FLOWS FROM INVESTING ACTIVITIES				
-	Interest, dividends and profit distribution received	27		2.741.115	2.741.115
	<i>Net cashflows from investing activities</i>	30	1.978.905.996	1.981.647.111	2.741.115

Reason for the difference:

- Item 05 - Gain/Loss from investment: decreased by 2.741.115 VND due to the auditing firm's adjustment to decrease Item 05 and increase Item 27 – Interest, dividends and profit distribution received.
- Item 08 - Operating profit before changes in working capital: decreased by 2.741.115 VND due to the adjustment to Item 05.
- Item 09 - Increase/ (decrease) in account receivables: an increase of 1.773.358.459 VND due to the auditing firm's adjustment to increase the item "Short-term trade receivables from customers" and, at the same time, adjust to decrease Item 11 – Increase/ (decrease) in account payables.
- Item 11 – Increase/ (decrease) in account payables: decreased by 1.773.358.459 VND, due to the auditing firm's adjustment to increase the above-mentioned Item 09 and decrease Item 11.
- Item 27 – Interest, dividends and profit distribution received: an increase of 2.741.115 VND, due to the auditing firm's adjustment to decrease Item 05 - Gain/Loss from investment and increase Item 27.
- Item 30 – Net cashflows from investing activities: an increase of 2.741.115 VND due to the adjustment to Item 27.

2. Explanation of the profit after corporate income tax for the first six months of 2025 differing by more than 10% compared to the same period in 2024:

In the first six months of 2025, Song Da 6 Joint Stock Company completed the construction of the Thac Ba 2 Hydropower Project in Lao Cai Province. The project has entered the finishing phase, marking the completion of construction and installation work. Meanwhile, the Ha Sekong A Hydropower Project in Laos has not resumed construction due to the investor's failure to secure payment funding.

The Company continues to relocate construction personnel and equipment in preparation for construction at the Bac Ai Pumped Storage Hydropower Project.

Some item:

No.	Item	Cumulative for six months of 2024	Cumulative for six months of 2025	Proportion
A	B	1	2	3=(2-1)/1
1	Total Revenue	60.661.930.986	31.356.967.304	(48)%
2	Total cost	72.401.150.773	77.174.752.627	7%
3	Profit before corporate income tax	(11.739.219.787)	(45.817.785.323)	290%
4	Profit after corporate income tax	(11.958.452.855)	(45.817.785.323)	283%

The profit after corporate income tax in the first six months of 2025 decreased by more than 283% compared to the same period in 2024, resulting in a loss. The main reasons are as follows:

- The Thac Ba 2 Hydropower Project in Yen Bai Province has entered the completion stage and finished construction and installation works, resulting in low actual revenue.
- The Company has experienced a shortage of work but still has to maintain a minimum management apparatus to ensure business and production activities (with administrative expenses accounting for up to 25% of revenue).
- The Company finalized the value of completed work for the Pac Ma Hydropower Project and the Nam Cum 4 Hydropower Project under Hung Hai Group; however, the finalized value did not meet expectations. The additional work performed beyond the approved budget was not accepted for payment by the Investor, significantly affecting the business performance for the first six months of 2025.
- Debts to the State budget and principal loans from credit institutions have incurred late payment interest, significantly affecting the Company's business performance (with financial expenses accounting for up to 42% of revenue).
- The Company continued finalizing and settling works with the investors for several projects, including: Nam Luc Hydropower Project, Xekaman 3 Hydropower Project, and Xekaman 1 – Sanxay Hydropower Project in the Lao People's Democratic Republic.

3. Qualified opinion on the reviewed financial statements for 2025:

The receivables from customers have been regularly monitored by Song Da 6 JSC through frequent contact, preparation of debt reconciliation minutes, and follow-up for debt collection. However, as some construction projects are still in the final settlement stage, the investors have not fully settled the outstanding debts.

In addition, some uncooperative customers did not sign the debt confirmation letters as requested by the auditing firm. As a result, at the time of preparing the interim financial statements for the fiscal year ending 31/12/2025, and for the fiscal year ending 31/12/2024, the auditing firm was unable to obtain all the confirmation letters sent to Song Da 6 JSC's customers. The auditing firm stated that it could not determine the impact on the related items presented in the Company's financial statements.

Accordingly, the auditing firm expressed a qualified opinion regarding the assessment of the recoverability of Song Da 6 JSC's receivables from customers.

Respectfully submitted!

Recipients:

- SSC, HNX;
- Archived: Office, Financial Accounting Department.

ORGANIZATION REPRESENTATIVE



TỔNG GIÁM ĐỐC

Lê Tiến Chủ