

No.: 32/CV-TCKT

(Re: Explanation of differences between the audited financial statements and the previously disclosed financial statements; profit in 2025 differs by more than 10% compared to 2024; qualified audit opinions)

Hanoi, March 26, 2026.

**To: - STATE SECURITIES COMMISSION OF VIETNAM  
- HANOI STOCK EXCHANGE**

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance providing guidance on information disclosure on the securities market;

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

Pursuant to the financial statements for 2025 audited by UHY Audit and Advisory Services Limite.

Song Da 6 Joint Stock Company hereby provides explanations regarding the differences in financial indicators after the 2025 audit compared to the figures presented in the financial statements as at December 31, 2025 prior to the audit; the profit in 2025 differing by more than 10% compared to 2024; and the qualified audit opinions stated in the audited financial statements for the fiscal year ended December 31, 2025, as follows:

**A. Explanation of differences in financial indicators after the 2025 audit compared to the figures in the financial statements as at December 31, 2025 prior to the audit**

**• Differences in figures in the 2025 Cash Flow Statement**

No.	Items	Code	Previously disclosed figures	Audited figures	Difference
			Current year	Current year	Current year
A	B	C	1	2	36=2-1
<b>I</b>	<b>Cash flows from operating activities</b>				
<b>1</b>	<b>Profit/(loss) before tax</b>	<b>01</b>			
-	Unrealized foreign exchange gains/losses	04	(2,328,432,125)	(336,547,012)	1,991,885,113
-	Gain/ Loss from investment	05	(1,813,326,734)	(1,856,529,903)	(43,203,169)
<b>2</b>	<b>Operating profit before changes in working capital</b>	<b>08</b>	<b>(40,815,654,515)</b>	<b>(38,866,972,571)</b>	<b>(1,948,681,944)</b>
-	Increase/ (decrease) in account receivables	09	117,238,002,295	117,441,759,297	203,757,002
-	Increase/ (decrease) in inventories	10	48,258,759,497	48,260,447,131	1,687,634
-	Increase/ (decrease) in account payables	11	(24,302,378,911)	(26,456,505,491)	(2,154,126,580)
-	Increase (decrease) in trading securities	13	(3,032,909,589)		3,032,909,589
	<b>Net cash flows from operating activities</b>	<b>20</b>	<b>78,605,699,429</b>	<b>81,638,609,018</b>	<b>3,032,909,589</b>
<b>II</b>	<b>Cash flows from investing activities</b>				
<b>1</b>	<b>Loans given and purchases of debt instruments of other entities</b>	<b>23</b>		(3,032,909,589)	(3,032,909,589)
	<b>Net cashflows from investing activities</b>	<b>30</b>	<b>2,047,339,539</b>	<b>(985,570,050)</b>	<b>(3,032,909,589)</b>



**Cause of the difference:**

• **CASH FLOW STATEMENT 2025**

**Cause of the difference:**

1. Item 04 – Unrealized foreign exchange gains/losses from the revaluation of monetary items denominated in foreign currencies increased by VND 1,991,885,113 due to adjustments to foreign exchange revaluation differences.
2. Item 05 – Gains/Losses from investing activities decreased by VND 43,203,169 due to adjustments to investment gains/losses in accordance with the auditor's opinion.
3. Item 08 – Operating profit before changes in working capital decreased by VND 1,948,681,944 due to adjustments to Item 04 and Item 05 above.
4. Item 09 – Increase/(Decrease) in accounts receivable increased by VND 203,757,002 due to adjustments to short-term receivables from customers in accordance with the auditor's opinion.
5. Item 10 – Increase/(Decrease) in inventories increased by VND 1,687,634 due to adjustments to inventory balances in accordance with the auditor's opinion.
6. Item 11 – Increase/(Decrease) in accounts payable decreased by VND 2,154,126,580 due to adjustments to short-term payables to suppliers, accrued expenses, and other short-term liabilities in accordance with the auditor's opinion.
7. Item 13 – Increase/(Decrease) in trading securities increased by VND 3,032,909,589 due to the reclassification from Item 13 to Item 23 in accordance with the auditor's opinion.
8. Item 20 – Net cash flows from operating activities increased by VND 3,032,909,589 due to adjustments to the above items.
9. Item 23 – Loans given and purchases of debt instruments of other entities decreased by VND 3,032,909,589 due to the reclassification from Item 13 to Item 23 in accordance with the auditor's opinion.
10. Item 30 – Net cash flows from investing activities decreased by VND 3,032,909,589 due to adjustments to Item 23.

**B. Profit in 2025 differed by more than 10% compared to 2024:**

In 2025, Song Da 6 Joint Stock Company completed the construction works of the Thac Ba 2 Hydropower Project in Lao Cai Province. The project has entered the finalization phase, concluding the construction activities. Meanwhile, the Ha Sekong A Hydropower Project in Laos has not resumed construction as the Investor has not yet mobilized funds for payment.

The Company continued to relocate its construction workforce, machinery, and equipment in preparation for construction activities at the Bac Ai Pumped Storage Hydropower Project.



Some financial indicators are as follows:

No.	Items	2024	2025	Ratio
A	B	1	2	$3=(2-1)/1$
1	Total revenue	147,141,343,225	43,857,083,918	(70)%
2	Total expenses	144,231,316,475	110,904,031,902	(23)%
3	Net profit before tax	2,910,026,750	(67,046,947,984)	(2,404)%
4	Profit after tax	2,690,793,682	(67,046,947,984)	(2,592)%

Profit after tax in 2025 decreased by 2,592% compared to 2024, and shifted from a profit in 2024 to a loss in 2025, due to the following reasons:

- The Thac Ba 2 Hydropower Project in Lao Cai Province has completed the final settlement with the Investor; however, the settlement value did not meet expectations. As a result, the 2025 business results recorded a loss, although overall, the Thac Ba 2 Hydropower Project remains profitable cumulatively.

- In 2025, the Company faced a shortage of work but still had to maintain a minimal management structure to ensure business operations. At the same time, the Company was seeking and recruiting labor to prepare for the construction phase of the Bac Ai Pumped Storage Hydropower Project and the resumption of construction at the Ha Sekong A Hydropower Project in Laos (with administrative expenses accounting for 34% of total revenue in 2025).

- In recent years, the Company's financial situation has been very challenging, leading to delayed interest payments on state budget obligations and principal loans from credit institutions, which affected the Company's business results (with financial expenses accounting for 54% of total revenue in 2025).

- In 2025, due to a lack of new projects, the Company mainly focused on completing and finalizing several finished projects, such as the Pac Ma Hydropower Plant and Nam Cum 4 Hydropower Plant under Hung Hai Group, as well as completing the handover and final settlement of the Thac Ba 2 Hydropower Plant in Lao Cai Province. With total annual revenue reaching only VND 43.857 billion, while total financial expenses (VND 23.784 billion) and administrative expenses (VND 15.076 billion) amounted to VND 38.860 billion, accounting for 88% of total revenue for the year.

- Meanwhile, Meanwhile, the Company carried out the final settlement of completed work volumes for the Pac Ma Hydropower Project and the Nam Cum 4 Hydropower Project under Hung Hai Group; however, the finalized values did not meet expectations; In addition, due to costs incurred at the final stage of the projects, the cost of goods sold for the Pac Ma and Nam Cum 4 Hydropower Projects in 2025 amounted to VND 42.682 billion (out of the total COGS of VND 66.250 billion for 2025), which also adversely affected the Company's business performance and resulted in a loss in 2025.

- The Company continues to urge the completion and settlement of handover works with Investors for projects such as Nam Luc Hydropower Project, Dak Mi 1 Hydropower Project, Xekaman 3 Hydropower Project, and Xekaman 1 – Sanxay Hydropower Project in the Lao People's Democratic Republic.

In 2026, as the Company begins construction of the Bac Ai Pumped Storage Hydropower Project and resumes construction of the Ha Sekong A Hydropower Project in Laos, it is expected to partially recover the cumulative losses incurred in previous years.



**C. Explanation regarding the auditor's qualified opinion on the 2025 financial statements:**

1. According to the auditor's assessment, as at December 31, 2025, the Company's short-term receivables from customers that were overdue amounted to VND 178,752,028,479 (as at January 1, 2025: VND 291,301,535,413). Of this, receivables related to Song Da Corporation Joint Stock Company and its affiliated companies totaled VND 176,740,571,521 (including VND 47,357,234,181 recorded by the Company as receivables from the Xekaman – Sanxay Hydropower Project and Xekaman 3 Hydropower Project and recognized as other income in 2024) (as at January 1, 2025: VND 187,411,446,279). Regarding this matter, the Company believes that these receivables mainly relate to projects pending final settlement with project owners, and customers have confirmed the outstanding balances with Song Da 6 Joint Stock Company. Currently, the Company is coordinating with relevant parties to work with Song Da Corporation Joint Stock Company and project owners to expedite the final settlement and collection of outstanding receivables as soon as possible.

The auditor, however, stated that it was unable to determine whether any adjustment to the "Allowance for doubtful short-term receivables" was necessary, nor could it estimate the potential impact (if any) on the related items presented in the financial statements; therefore, a qualified opinion was issued.

2. Regarding accounts receivable from customers: Song Da 6 regularly contacts customers, prepares reconciliation minutes, and follows up on debt collection. However, some projects are still in the settlement phase, so the Investors have not fully settled outstanding receivables.

As at the date of issuance of the audit report, the balances of trade receivables and trade payables that had not been confirmed as of December 31, 2025 amounted to VND 108,079,337,847 and VND 26,015,067,881, respectively. This was due to certain customers' lack of cooperation in signing balance confirmation letters as requested by the Company, and the auditor was unable to obtain sufficient confirmation responses sent to Song Da 6 Joint Stock Company's customers. Accordingly, the auditor concluded that it was unable to determine the impact of this matter on the related items presented in the Company's financial statements.

The auditor concluded that, due to the inability to obtain sufficient appropriate audit evidence regarding the matters described above, a qualified opinion was issued on the Company's financial statements.

**Respectfully!**

**Recipients:**

- As addressed above;
- Filed: F&A Dept, Office. *NAM*

**Representative of the Organization**  
Legal Representative / Authorized Person  
(Sign, full name, title, and company seal)



*Lê Tiến Thu*