

SOCIALIST REPUBLIC OF VIETNAM

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SIMCO SONG DA JOINT STOCK COMPANY

No.:1006-1/2026/SIMCO-CBTT

Hanoi, June 10, 2026

Re: Explanation of the Causes and Remediation Roadmap for SDA Shares Being Placed under the Warning Category

To: Hanoi Stock Exchange

Song Da Simco Joint Stock Company (the “Company”) has received Decision No. 714/QĐ-SGDHN dated 29 May 2026 issued by the Hanoi Stock Exchange regarding the placement of SDA shares under the warning category on the grounds that: “The registered trading organization is a company subject to compulsory delisting due to its annual financial statements having received qualified audit opinions for three consecutive years.”

The Company hereby provides the following explanation of the causes as well as the corrective measures and remediation roadmap:

Regarding the qualified audit opinion on the 2025 financial statements:

- The Company’s investment in Cat Tuong Thien Tan Lac Joint Stock Company amounted to VND 37,050,000,000. Due to the prolonged implementation and delayed progress of the project, the Company made a 100% provision for impairment of this long-term financial investment in 2024. In 2025, the Company divested this investment as part of its investment portfolio restructuring plan to improve operating efficiency and economic returns. With respect to the receivable arising from this transaction, the Company is actively pursuing collection efforts and expects to complete the recovery of the outstanding amount during 2026.
- Advances provided to employees for the implementation of the Company's business and operational activities remain outstanding. The Company expects to complete the settlement and reconciliation of these advances during 2026.
- As of 1 January 2025, the balance of “Other Short-term Receivables” amounted to VND 58,163,618,000. Since these receivables were not secured by any payment guarantee arrangements, the Company, in accordance with the prudence principle, made a 100% provision for doubtful short-term receivables in 2024. During 2025, the Company successfully recovered a portion of these receivables. The remaining outstanding balance is VND 1 billion, which has not yet reached its payment due date. The Company expects to fully recover this receivable upon maturity.

The above constitutes the Company's explanation regarding the corrective measures and remediation roadmap for addressing the warning status of its securities.

The Company will continue to make every effort to fully remedy the circumstances giving rise to the warning status and to remove SDA shares from the warning category at the earliest practicable time.

We hereby confirm that the information disclosed above is truthful, and we take full responsibility before the law for the contents of this disclosure.

Yours sincerely

SIMCO SONG DA JOINT STOCK COMPANY



Mr. Le Quang Huy
Chairman of the Board Directors

Recipients:

- As addressed
- Archived at CBTT Office *file*