

Hanoi, January 15, 2025

**To: - State Securities Commission
- Hanoi Stock Exchange**

1. Company name: **SIMCO Songda Joint Stock Company**
2. Stock code: **SDA**
3. Address of the headquarters: Simco Song Da Building, Van Phuc Small Urban Sub-Area, Van Phuc Ward, Ha Dong District, Hanoi.
4. Tel: 02433.5520402 Fax: 02433.5520401
5. The person responsible for disclosing information:
Ms Phạm Thi Hieu Position: Chief Accountant of the Company
6. The content of the disclosed information: The explanation for the after-tax profit in Q4 2024 shifting from a loss to a profit compared to the same period last year
Specifically:

The after-tax profit for the fourth quarter of 2024 is: 6.248.329.518, VND

The after-tax profit for the fourth quarter of 2023 is: -28.250.922.399, VND

Turn from a loss to a profit compared to the same period last year

The reason is that during the period, the company has divested a portion of the value of its financial investment and reversed the provision for investment loss in another entity. In addition, the company has also implemented cost reductions in management compared to the same period last year, which has contributed to improving the business results for the period compared to the same period last.

We commit that the information disclosed here is true and we take full responsibility before the law for the content of the disclosed information.

Recipient:
- As addressed;
- Archive HO

The person responsible for
disclosing information



Phạm Thi Hieu

Ref.No : 2001 /SIMCO-CBTT
Subject: *Explain measures and roadmap
to overcome the situation of the stock
being under warning*

Hanoi, January 20, 2025

To: Hanoi Stock Exchange

On April 11, 2024, SIMCO Song Da Joint Stock Company received Decision No. 287/QD-SGDHN dated April 4, 2024, from the Hanoi Stock Exchange regarding: "Maintaining the warning status."

We would like to explain the measures taken to address this situation as follows:

1. The audit organization has issued a qualified opinion on the audited financial statements for the year 2023.

- Basis for the audit opinion with exceptions:

"As of December 31, 2023, under the "Investments in Other Entities" section of the consolidated balance sheet, the Company is monitoring two investments in HSX VINA Technology Investment Joint Stock Company with an investment value of 20,026,000,000 VND (benefit ratio of 19%) and Cat tuong Thien Tanlac Joint Stock Company has an investment value of 37,050,000,000 VND (benefit rate of 19%), The company is making a provision for the investment as of December 31, 2023, with values of 861,649,201 VND and 8,074,188 VND based on the unaudited financial statements of the invested companies. We do not have access to the documents and records of these companies. With the current information available, we do not have sufficient grounds to assess the impairment value of the above investments, and alternative audit procedures cannot be performed. Therefore, we cannot determine the necessary adjustments to the provision value that needs to be allocated for the above-mentioned investment, as well as their impact on the consolidated financial statements"

- **Explanation from the company:**

Due to the unit having made provisions based on the unaudited financial statements for the year 2023 of HXS VINA Technology Investment Joint Stock Company and Cat Tuong Thien Tan Lac Joint Stock Company. These are two businesses that are operating stably. In the near future, the company will propose that the above companies consider conducting an audit of the financial statements as a basis for evaluating the implementation of the provision for reserves by the unit.



2. The undistributed after-tax profit as of December 31, 2023, is a negative number:

The undistributed after-tax profit as of December 31, 2023, is a negative number. The reason is that the investments in the Company's affiliates over the past years have not been effective, leading to a significant increase in the provision for long-term investment asset losses, which directly affects the undistributed after-tax profit.

• **Remedial measures:**

The company is focusing on reviewing long-term financial investments with the aim of restructuring these investments to recover capital in order to concentrate resources on the company's production and business.

Above are the explanations for the reasons for maintaining the warning status. Besides the reasons the unit has overcome, there are still some reasons that have not been overcome. The unit will continue to make efforts to resolve the issue in order to remove SDA shares from the warning status as soon as possible.

Respectfully ,

Recipient: *TH*
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SIMCO SONGDA JOINT STOCK COMPANY



CHỦ TỊCH HĐQT
Lê Quang Huy