



**SONGHONG JOINT STOCK
CORPORATION**

SOCIALIST REPUBLIC OF VIET NAM
Independence – Freedom – Happiness

No: 423/CV-TCT

Hanoi, May 22, 2025

Re: Explanation regarding to
Audited consolidated 2024 financial statements

To: Hanoi Stock Exchange (HNX)

Song Hong Joint Stock Corporation would like to thank the Hanoi Stock Exchange for its cooperation in the past time!

Song Hong Joint Stock Corporation would like to explain the contents of the Corporation's audited 2024 Consolidated Financial Statements to the Department as follows:

1. Explanation in case the auditing organization gives an opinion that is not a fully approving opinion

CPA Vietnam Auditing Company Limited has issued an unqualified audit opinion on the 2024 Consolidated Financial Statements of Song Hong Corporation as follows:

- Regarding the fact that the Corporation has not yet collected the confirmation letter of the Corporation's receivables and payables at December 31, 2024 with the amounts of 127.7 billion and 355 billion, respectively: These debts have arisen for a long time, many customers have stopped operating, cannot be contacted, and have not signed the debt confirmation reconciliation with the Corporation and some merged member units, so the reconciliation ratio at December 31, 2024 is not complete according to regulations. However, this content does not significantly affect the 2024 consolidated financial statements.

- Regarding the auditor's inability to witness the inventory count as of December 31, 2024 of the subsidiaries with a value of VND 207.7 billion: Due to some companies making losses and ceasing operations, it was not possible to conduct the inventory count.

- The Corporation has not yet collected the Financial Statements ending on December 31, 2024 of Song Hong Da Nang Joint Stock Company, a subsidiary of the Corporation, and a number of other associated companies and long-term investment companies: Because most of the companies are losing money, have stopped operating, and do not have a Director and Chief Accountant, the Corporation has not collected the Financial Statements for the accounting period ending on December 31, 2024.

- The balance of unfinished construction costs of Vung Ang 1 Thermal Power Plant as of December 31, 2024 is VND 166.71 billion: Up to now, the project has not been approved by competent authorities for the value of unforeseen arising volume

and final settlement of the project. Therefore, the Corporation has no basis to transfer the unfinished costs at the end of the period.

2. Explain the reason why the profit after corporate income tax differs by >10% compared to the same period last year

- The difference in profit after tax in the 2024 Consolidated Financial Statement of the Corporation (loss of VND 1.086.950.949) compared to the Financial Statement of the same period last year (loss of VND 70.379.580.222) is due to the following main reasons: In the 2024 fiscal year, Trieu Chau One Member Co., Ltd. agreed to write off the debt for part of the THA obligation that the Corporation had to pay to Trieu Chau One Member Co., Ltd. the amount of VND 101.041.288.373 and income from some other sources.

3. Explanation of the loss in profit after tax in the reporting period:

The loss in profit after tax in the 2024 Consolidated Financial Statement of the Corporation is VND 1.086.950.949 due to:

- Total revenue of the Corporation: VND 118.264.978.472
- Total operating expenses of the Corporation: VND 119.351.929.421

The above is the information explaining the relevant contents as requested by the Hanoi Stock Exchange. Song Hong Joint Stock Corporation would like to respectfully submit to the Department and disclose information to investors as prescribed.

Thanks a lot!

Recipients:

- As above;
- BOD, SB CORP;
- Filed in: FC, AO CORP



SONGHONG CORPORATION

LEGAL REPRESENTATIVE



Dang Minh Quang