**SP2: Explanation on the Audited Financial Statements 2023**

On March 30, 2024, Su Pan 2 Hydropower Joint Stock Company announced Official Dispatch No. 26/SP2-TCKT on explaining auditor's qualified opinions in the Financial Statements 2023 as follows:

Auditor’s qualified opinion:

* Regarding the loan, Son Lac Vien Company Limited has been complying with the terms of the contract and contract appendix signed between the two parties. However, in the auditor's opinion, the documents collected during the audit process are not enough basis to evaluate the possibility of recovering this loan. Therefore, the audit company gave the auditor’s qualified opinion as above. The company is adding necessary documents to secure the loan as well as documents proving the ability to recover the loan to supplement the audit unit in the near future.

On March 30, 2024, Su Pan 2 Hydropower Joint Stock Company announced Official Dispatch No. 24/SP2-TCKT on explaining profit difference before and after audit of the Financial Statements 2023 as follows:

In accordance with Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance,, Su Pan 2 Hydropower Joint Stock Company explains the difference in profit after tax in 2023 before and after audit as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Target | In 2023 before audit | In 2023 after audit | Rate(%) |
| 1 | Total revenue and other incomes | 160,073,914,166 | 156,243,821,302 | (2.39) |
| 2 | Total expenses | 130,054,165,608 | 130,046,110,507 | (0.01) |
| 3 | Total profit before tax | 30,019,165,608 | 26,197,710,795 | (12.73) |
| 4 | Total profit after tax: | 27,596,954,173 | 23,972,171,711 | (13.13) |

Explanation on the difference: Profit after tax in 2023 after audit decreased compared to before audit at VND 3.62 billion. The main reason is due to the auditor's adjustment to reduce other income.

On March 30, 2024, Su Pan 2 Hydropower Joint Stock Company announced Official Dispatch No. 25/SP2-TCKT on explaining profit difference in 2023 compared to 2022 as follows:

In accordance with Circular No. 96/2020/TT-BTC, dated November 16, 2020 of the Ministry of Finance, Su Pan 2 Hydropower Joint Stock Company explains the difference in profit after tax in 2023 compared to 2022 as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Target | 2022 | 2023 | Rate (%) |
| I | Total revenue and other incomes | 197,859,264,569 | 156,243,821,302 | (21.03) |
| 2 | Total expenses | 137,901,977,888 | 130,046,110,507 | (5.7) |
| 3 | Total profit before tax | 59,957,286,681 | 26,197,710,795 | (56.31) |
| 4 | Total profit after tax: | 55,835,584,131 | 23,972,171,711 | (57.07) |

Explanation on the difference: Profit after tax in 2023 decreased compared to 2022 at VND 31.86 billion. The main reason is poor hydrological conditions and reduced rainfall, causing electricity output to decrease in 2023.