

**SONG DA CAO CUONG  
JOINT STOCK COMPANY**

**THE SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

No.: 275/GT-SCL

Hai Duong, March 8, 2025

*Re.: Explanation of business results  
for 2024*

**To:**

- **The State Securities Commission;**
- **The Hanoi Stock Exchange**

Name of company: Song Da Cao Cuong Joint Stock Company

Stock symbol: SCL

Address of headoffice: Km 28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong Province      Tel.: 02203 580 414

Information announcer: Bui Thi Thanh Ngan

Content of the announced information: The Financial Statements for 2024 of Song Da Cao Cuong Joint Stock Company, is prepared including: Balance Sheet, Statement of Comprehensive Income, Statement of Cash Flows, and Notes to the Financial Statements.

In 2024, the Company's business after-tax profit reached VND 26,566,151,200, a 39% decrease compared to 2023. The details are as follows:

**1. 2024 Financial Data:**

No.	Indicators	2024 (VND)	2023 (VND)	Increase/Decrease (+/-)	Percentage Change (%)
1	Total Revenue	431.065.752.700	481.682.691.627	-50.616.938.927	-11%
2	Total Expenses	397.463.325.197	425.972.489.107	-28.509.163.910	-7%
3	Pre-Tax Profit	33.602.427.503	55.710.202.520	-22.107.775.017	-40%
4	After-Tax Profit	26.566.151.200	43.887.554.527	-17.321.403.327	-39%

**2. Explanation of the Decline:**

The 39% decrease in after-tax profit in 2024 compared to 2023 was mainly due to the following reasons:

The real estate market continued to face significant difficulties in 2024 and had not yet recovered as expected. Song Da Cao Cuong Joint Stock Company (SCL Company)

operates primarily in the construction materials sector, which was inevitably affected by industry-wide challenges. The Company's total revenue in 2024 reach VND 431 billion (decreased by 11% compared to 2023), mainly due to lower market demand, delays, and extended timelines for large construction projects. This led to a sharp decline in product sales volume. The Company also faced fierce competition from industry peers, forcing it to reduce selling prices multiple times to maintain market share.

In 2024, the Company also faced difficulties due to rising costs of raw materials (such as electricity, cement, and labor ...), further pressured the Company's profit margins, while it was unable to increase product selling prices accordingly. The Company was also affected by Typhoon No. 3, which caused damages and forced a temporary halt in factory operations for repairs and recovery. Additionally, bank loans for project investments led to increased financial costs, while those projects had not yet been put into operational use. The above reasons lead to a decrease in the Company's after-tax profit in 2024 compared to 2023.

Recovery Measures: Continue implementing signed contracts and expand its domestic market presence. Besides supplying materials to projects, it will target the residential market, enhance marketing and sales efforts, and build a comprehensive distribution system in all three regions (northern, central, and southern Vietnam). Maintain exports to Southeast Asian countries under existing contracts and expand into Asian, Middle Eastern, and American markets. Invest in technological innovation to improve production efficiency and reduce costs, including automation in various production stages. Optimize financial, sales, and administrative costs to enhance overall business efficiency.

This document provides a full explanation regarding the decline in after-tax profit in the audited 2024 Financial Statements compared to 2023.

The full Financial Statements is available on the Company's website: [www.songdacaocuong.vn](http://www.songdacaocuong.vn)

We hereby commit that the announced information above is truthful, and we take full legal responsibility for the content of this announced information.

**Recipients:**

- As above.
- Filed./.

**LEGAL REPRESENTATIVE**

**General Director**



**Vu Van Chien**