

**SONG DA INVESTMENT AND
CONSTRUCTION JOINT STOCK
COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Number: 16.4.1 /SDD- GTBCTC

Re: Explanation of profit after tax in the first quarter of 2025 being a loss and the loss difference increasing by more than 10% compared to the same period last year.

Hanoi, April 16, 2025

Dear:

- State Securities Commission
- Hanoi Stock Exchange

Issuer: Song Da Investment and Construction Joint Stock Company

Stock code: SDD Trading floor: UPCOM

Our company sends you the Financial Report for the first quarter of 2025. According to Circular 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance, our company must simultaneously explain the reasons for the following cases: Profit after tax in the first quarter of 2025 is a loss and the difference is over 10% compared to the same period last year.

In our Financial Report for Q1/2025 and Q1/2024, there are some indicators on Revenue and Profit after tax as follows:

T T	Target	Q1/ 2025	Q1/ 2024	Note (increase+) (decrease-)	Increase, decrease %
1	Revenue	1,107,394,594	2,270,955,677	(1,163,561,083)	-51%
2	Profit after tax	(4,099,944,742)	(3,655,283,880)	444,660,862	12%

1- The company explains that the company's after-tax profit in the first quarter of 2025 was a loss for the following reasons:

- The company's revenue from production and business activities in the first quarter of 2025 was low, with only revenue from electricity production activities at

Muong Sang 2 Hydropower Plant but only generating 10% of the designed capacity due to low rainfall in the area, no revenue from construction and other revenue.

- Meanwhile, business costs are high because they still have to pay depreciation, salaries, interest on loans and other expenses.

The combination of the above factors, low revenue and high costs, caused the company's profit after tax in the first quarter of 2025 to be at a loss.

2- The company explained that the company's profit after tax in the first quarter of 2025 increased by 12% compared to the same period last year for the following reasons:

- The company's Q1/2025 operating revenue decreased compared to Q1/2024 revenue: 51%, while the cost of goods sold decreased only: 23%, causing operating profit to decrease by 8% compared to Q1/2024.

- Other profits in Q1/2025 decreased by 100% compared to Q1/2024, equivalent to 4% of Q1/2024 profits.

Combining the above factors, the Company's profit after tax in the first quarter of 2025 increased by 12% compared to the first quarter of 2024.

The company explained to the State Securities Commission and the Hanoi Stock Exchange the reasons why the company's after-tax profit in the first quarter of 2025 was a loss and the loss difference increased by more than 10% compared to the same period last year.

Recipient:

- As above.
- Save VP.

COMPANY DIRECTOR



Nguyen Phuong Dong