

**SONG BA**  
**JOINT STOCK COMPANY**

No.: 465/21/S3-P5

Re: Explanation for the business result differences between the first 6 months of 2021 and 2020.

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

Da Nang, 12 August 2021

To:

- The State Securities Commission;
- Ho Chi Minh Stock Exchange.

Pursuant to Circular No.96/2020/TT-BTC, dated 16<sup>th</sup> November 2020 by the Ministry of Finance on “Guiding the disclosure of information on the stock market”.

Song Ba Joint Stock Company (Stock Code: SBA) hereby reports the profit of the first 6 months of 2021 and the first 6 months of 2020 as follows:

- Profit after CIT of the first 6 months of 2021: 38,292,964,573 VND.
- Profit after CIT of the first 6 months of 2020: 8,812,610,528 VND.

Profit after CIT of the first 6 months of 2021 was increased compared to the the first 6 months of 2021 with an amount of **29,480,354,045 VND**.

Financial indicators are as follows (Extracted from the Financial Statement of the six-month period ended 30/06/2021):

No	Items	The first 6 months of 2021	The first 6 months of 2020	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	120,804,360,030	64,923,308,381	55,881,051,649	86.07
2	Cost of goods sold	54,493,498,303	29,613,927,984	24,879,570,319	84.01
3	Gross profit from sales of merchandise	66,310,861,727	35,309,380,397	31,001,481,330	87.80
4	Financial income	76,610,693	2,778,908	73,831,785	2,656.86
5	Financial expenses	17,882,359,852	20,273,996,049	(2,391,636,197)	-11.80
6	Administration expenses	6,811,238,268	4,581,495,448	2,229,742,820	48.67
7	Operating profit	41,693,874,300	10,456,667,808	31,237,206,492	298.73
8	Other income	151,377,152	157,564,990	(6,187,838)	-3.93
9	Other expenses	489,687,534	245,481,293	244,206,241	99.48
10	Other profit	(338,310,382)	(87,916,303)	(250,394,079)	284.81
11	Net Profit before CIT	41,355,563,918	10,368,751,505	30,986,812,413	298.85
12	Current corporate income tax expense	3,062,599,345	1,556,140,977	1,506,458,368	96.81
13	<b>Net profit after CIT</b>	<b>38,292,964,573</b>	<b>8,812,610,528</b>	<b>29,480,354,045</b>	<b>334.52</b>



The main reason leading to an increase in business result of the first 6 months of 2021 compared to the first 6 months of 2020 was as follows:

In the first 6 months of 2021, the weather was favorable, Capacity of water flowing to the Hydropower reservoirs of SBA was more than that the first 6 months of 2020, so quantity electricity generation and revenue increased respectively by 73.31% and 55.88 billion VND over the same period in 2020 (Revenue from selling electricity include Natural water resources tax, forest environment service fee and fees for granting rights to exploit water resources 12.97 billion VND)

From the above mentioned factors, profit after CIT of the first 6 months of 2021 has been increased **29.48** billion VND, compared to the first 6 months of 2020, which was equivalent to an increase rate of **334.52%**.

Song Ba Joint Stock Company hereby reports and pledges that the above explanations are true.

Best regards.

**Recipient:**

- As above;
- Website SBA;
- Save: P5, Documentary department.



**DINH CHAU HIEU THIEN**