

SONG BA
JOINT STOCK COMPANY

No.: 444/21/S3-P5

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Da Nang, 06th August 2021

Re: Explanation for the business result
differences between quarter 2/2021 and
quarter 2/2020.

To:

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

Pursuant to Circular No.96/2020/TT-BTC, dated 16th 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 quarter 2/2021 and quarter 2/2020 as follows:

- Profit after CIT of quarter 2/2021: 9,628,171,234 VND.
- Profit after CIT of quarter 2/2020: 2,688,970,283 VND.

Profit after CIT of quarter 2/2021 was increased compared to the quarter 2/2020 with an amount of **6,939,200,951 VND**.

Financial indicators are as follows (Extracted from the Financial Statement of quarter 2/2021):

No	Items	Q2/2021	Q2/2020	Difference	
				Value	% [(Decrease (-), Increase (+))]
1	Gross sales of merchandise	47,012,188,902	31,420,444,403	15,591,744,499	49.62
2	Cost of goods sold	24,953,717,839	15,630,854,855	9,322,862,984	59.64
3	Gross profit from sales of merchandise	22,058,471,063	15,789,589,548	6,268,881,515	39.70
4	Financial income	75,288,989	1,181,543	74,107,446	6,272.09
5	Financial expenses	8,568,375,654	10,051,008,282	-1,482,632,628	-14.75
6	Administration expenses	2,746,420,761	2,390,418,068	356,002,693	14.89
7	Operating profit	10,818,963,637	3,349,344,741	7,469,618,896	223.02
8	Other income	84,342,803	75,754,747	8,588,056	11.34
9	Other expenses	211,210,954	108,927,283	102,283,671	93.90
10	Other profit	(126,868,151)	(33,172,536)	-93,695,615	282.45
11	Net Profit before CIT	10,692,095,486	3,316,172,205	7,375,923,281	222.42
12	Current corporate income tax expense	1,063,924,252	627,201,922	436,722,330	69.63
13	Net profit after CIT	9,628,171,234	2,688,970,283	6,939,200,951	258.06



The main reason leading to an increase in business result of quarter 2/2021 compared to quarter 2/2020 was as follows:

In quarter 2/2021, the weather was favorable, Capacity of water flowing to the Hydropower reservoirs of SBA was more than that of the quarter 2/2020, so quantity electricity generation and revenue increased respectively by 19.50 % and 15.59 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 6.09 billion VND)

From the above mentioned factors, profit after CIT of quarter 2/2021 has been increased **6.94** billion VND, compared to quarter 2/2020, which was equivalent to an increase rate of **258.06%**.

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