

**SIMCO SONG DA
JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Ref: 1508-1 /SIMCO-CBTT
Re: Explanation of the Reviewed
Interim Financial Statements for 2026

Hanoi, August 15, 2026

**To: - State Securities Commission
- Hanoi Stock Exchange**

1. Company name: **SIMCO Songda Joint Stock Company**
2. Stock code: **SDA**
3. Address of the headquarters: Simco Song Da Building, Van Phuc Small Urban Sub-Area, Ha Dong Ward, Hanoi.
4. Tel: 02433.5520402 Fax: 02433.5520401
5. The person responsible for disclosing information:
Ms Phạm Thi Hieu Position: Chief Accountant of the Company
6. Contents of the Disclosure:

6.1 Explanation of the change in after-tax profit of 5% or more between the reviewed semi-annual financial statements for 2026 and the cumulative after-tax profit in the Q2/2026 financial statements:

- Cumulative after-tax profit in the Q2/2026 financial statements: **VND 2,415,767,718**
- After-tax profit in the reviewed semi-annual financial statements for 2026: **VND 2,167,238,584**
- Decrease: **VND 248,529,134**, equivalent to a **decrease of 11%**

Reason:

The primary reason is that the reviewed semi-annual financial statements for 2026 reflected an increase in provisions for financial investments in associated companies, together with additional provisions for doubtful receivables relating to amounts advanced to suppliers.

6.2 Explanation of the change in after-tax profit in the reviewed semi-annual financial statements for 2026 from loss to profit compared to the same period of the previous year:

- After-tax profit in the reviewed semi-annual financial statements for 2025: **VND -2,999,652,256**
- After-tax profit in the reviewed semi-annual financial statements for 2026: **VND 2,167,238,584**
- Change: **From loss to profit**



Reason:

The primary reason is that, in 2025, the Company made provisions for financial investments in companies receiving the Company's contributed investment capital, as well as provisions for doubtful receivables, which adversely affected the after-tax profit in that period.

6.3 Explanation regarding the qualified audit opinion in the reviewed semi-annual financial statements for 2026:

During the six-month accounting period ended 30 June 2025, the Company transferred the entire investment contributed to **An Vien Lac Son Joint Stock Company**. Due to delays in the project implementation, the Company had made a **100% provision for impairment of this long-term financial investment**. Following the transfer of this investment, the Company has been reviewing and developing plans to restructure its investment portfolio with a view to improving economic efficiency.

With respect to the receivable from **Mr. Do Tuan Duong**, in accordance with the prudence principle, the Company made a provision for doubtful short-term receivables once the receivable became overdue. The Company continues to actively pursue the collection of this receivable. The amount recovered from this receivable during the period was recognized as a reversal of the provision in accordance with applicable accounting regulations.

During the six-month accounting period ended 30 June 2026, the Company entered into certain **unsecured lending transactions**. The Company has reviewed, considered and assessed the recoverability of these loans in order to ensure compliance with the terms and conditions of the respective contracts.

We commit that the information disclosed here is true and we take full responsibility before the law for the content of the disclosed information.

Recipient:

- As addressed;
- Archive HO

The person responsible for
disclosing information



Phạm Thị Hieu