

**SONG DA
CORPORATION - JSC**

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

No: 572/TCT-TCKT
V/v: Explanation of the qualified
opinion on the interim
consolidated financial statements
for 2025.

Hanoi, 29th August 2025

To: - State Securities Commission of Vietnam
- Hanoi Stock Exchange

- 1. Company name : Song Da Corporation - JSC**
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2. Explanation of the auditor's qualified opinion:

2.1 Impact on the consolidated financial statements arising from Song Da 4 Joint Stock Company – a subsidiary of Song Da Corporation – JSC

As at 30 June 2025, the Company's short-term trade receivables and other short-term receivables that were overdue and deemed difficult to recover amounted to VND 135,492,597,971 and VND 5,537,427,315, respectively, while the corresponding provision recognised was VND 7,667,847,557. We were unable to obtain sufficient appropriate evidence to assess the recoverability of the aforementioned receivables. Accordingly, the Auditor is unable to determine whether it is necessary to adjust the item "Provision for doubtful short-term receivables" or to estimate the potential impact (if any) on the related items presented in the interim financial statements.

As at the date of issuance of the review report for the accounting period from 01 January 2025 to 30 June 2025 of Song Da 4 Joint Stock Company, the balances of trade receivables, advances, and payables as at 30 June 2025 had not yet been confirmed by counterparties, amounting to VND 186,304,127,964, VND 7,673,589,155, and VND 134,528,596,650, respectively. The Auditor has performed all necessary review procedures but was still unable to obtain sufficient appropriate evidence regarding the existence of these items. Therefore, the Auditor is unable to determine the impact, if any, on the related items presented in the Company's interim financial statements.

We are unable to assess whether any adjustments or other impacts (if any) relating to the aforementioned matters are required for the related items presented in the consolidated financial statements for the accounting period from 01 January 2025 to 30 June 2025 of Song Da Corporation.



2.2 Impact on the consolidated financial statements arising from Song Da 6 Joint Stock Company – a subsidiary of Song Da Corporation – JSC

As at 30 June 2025, the short-term trade receivables of Song Da 6 Joint Stock Company that were overdue amounted to VND 178,752,028,479 (as at 01 January 2025: VND 291,301,535,413), with a corresponding provision recognised of VND 32,395,065,507 (as at 01 January 2025: VND 32,395,065,507). The Auditor was unable to obtain sufficient appropriate evidence to assess the recoverability of the aforementioned receivables. Accordingly, the Auditor is unable to determine whether it is necessary to adjust the item “Provision for doubtful short-term receivables” or to estimate the potential impact (if any) on the related items presented in the interim financial statements.

As at the date of issuance of the review report for the accounting period from 01 January 2025 to 30 June 2025 of Song Da 6 Joint Stock Company, the balances of trade receivables and trade payables as at 30 June 2025 had not yet been confirmed by counterparties, amounting to VND 123,797,027,789 and VND 46,157,822,363, respectively. We have performed all necessary review procedures but were still unable to obtain sufficient appropriate evidence regarding the completeness and existence of these items. Therefore, we are unable to determine the impact of this matter on the related items presented in the interim financial statements of Song Da 6 Joint Stock Company.

We are unable to assess whether any adjustments or other impacts (if any) relating to the aforementioned matters are required for the related items presented in the consolidated financial statements for the accounting period from 01 January 2025 to 30 June 2025 of Song Da Corporation.

Explanation of the qualified opinion on the financial statements of Song Da 4 Joint Stock Company:

Regarding the opinion on accounts receivable and provision for doubtful short-term receivables: These receivables are overdue in accordance with contractual terms. Due to the nature of construction and installation projects with multiple components and extended implementation periods, certain projects are simultaneously under construction, completion, and settlement. Therefore, the confirmation of receivable balances reaching maturity only provides a basis for payment. In addition, Song Da 4 Joint Stock Company is in the process of assessing the recoverability of each receivable based on the payment schedules stipulated in the contracts signed with the EPC contractors. The settlement of such projects is dependent on the payment mechanism between the project owner and the EPC contractor, as well as the finalization of projects subject to State mechanisms and policies. Consequently, the collection of these receivables cannot be carried out until these issues are resolved.

For the receivables, advances, and payables for which confirmation replies have not been received, the reason is that customers are in the process of reviewing and finalizing project settlements. In addition, certain amounts have

been unilaterally offset/cleared among units or project management boards without reaching consensus for execution. The Company is actively working with project owners and suppliers, implementing various measures to recover receivables, and expects to achieve collection in the near future and provide further information to the auditor.

Explanation of the qualified opinion on the financial statements of Song Da 6 Joint Stock Company:

For the trade receivables, Song Da 6 frequently contacts customers, prepares reconciliation minutes, and urges collection. However, certain projects are still in the settlement stage, and therefore the project owners have not fully settled the outstanding receivables.

In addition, certain uncooperative customers refused to sign the debt confirmation letters as requested by the auditor. Accordingly, as of the date of preparing the interim financial statements for the financial year ended 31 December 2025, and as at 31 December 2024, the auditor was unable to obtain sufficient confirmation replies sent to Song Da 6's customers. The auditor therefore concluded that it was unable to determine the impact on the line items related to trade receivables of Song Da 6.

The above constitutes the explanation of Song Da Corporation - JSC regarding the qualified opinion of the auditor on the interim consolidated financial statements for 2025. The Corporation hereby affirms that the foregoing explanation is true and accurate, and assumes full responsibility for the disclosed information.



Recipients:

- As directed;
- Board of Management of Corporation (b/c);
- Board of Supervisors of Corporation (b/c);
- To be filed at Finance Accounting
Department of Song Da Corporation – JSC;



TỔNG GIÁM ĐỐC



Trần Anh Đức