**NOS: Explanation on the Financial Statements**

On March 12, 2024, Oriental Shipping and Trading Joint Stock Company announced Official Dispatch No. 33/PD-TCKT on explaining Combined Financial Statements 2023 as follows:

1. About the auditor’s qualified opinion:
2. Regarding Công ty CP TM và vận tải Bắc (tentatively translated as Bac Trading and Transport Joint Stock Company) and Nosco Shipyard Joint Stock Company (joint ventures) not having prepared the Financial Statements 2023.

Our company has 02 joint ventures: Bac Trading and Transport Joint Stock Company and Nosco Shipyard Joint Stock Company

Bac Trading and Transport Joint Stock Company currently has a Bankruptcy Decision from the People's Court of District 3, Ho Chi Minh City, and the Company is currently completing procedures to handle the investment.

Nosco Shipyard Joint Stock Company is still operating, however at the time of releasing the Audit Report, Nosco Shipyard Joint Stock Company has not completed the Financial Statements 2023.

1. About the Nosco Victory ship loan at Southeast Asia Commercial Joint Stock Bank - Hai Phong Branch.

The Company's Nosco Victory ship was funded by loans from Southeast Asia Commercial Joint Stock Bank - Hai Phong Branch with co-sponsorship from Vietnam Public Joint Stock Commercial Bank and International Commercial Joint Stock Bank - Saigon Branch. The above loan was sold by banks to Vietnam Asset Management Company (VAMC).

In 2016, the Company handed over the Nosco Victory ship to VAMC and credit institutions to auction assets to recover credit loans. At the time of ship handover, the remaining value on the books was; VND 637,171.11 million. Therefore, the Company reduced the value of the Nosco Victory ship loan at the Bank corresponding to the remaining value on the books

1. About the Hong Linh ship loan at Maritime Joint Stock Commercial Bank and Vietnam Development Bank.

The Company's Hong Linh ship was funded by loans from the Maritime Joint Stock Commercial Bank - Hanoi Branch and Vietnam Development Bank – Transaction Office 1. In 2018, the Company handed over the Hong Linh ship to auction assets to recover credit loans. According to the 3-party Minutes on the handling of the Hong Linh ship asset, Vietnam Maritime Joint Stock Commercial Bank will write off the principal and interest after completing the handling of the secured assets. Therefore, in 2023, the Company did not calculate the interest payable on the Hong Linh ship.

1. Regarding the investment in Công ty CP TM và vận tải thủy Nosco Quảng Ninh (tentatively translated as Nosco Quang Ninh Trading and Transport Joint Stock Company).

Subsidiaries: Nosco Quang Ninh Trading and Transport Joint Stock Company has now stopped operations and the Quang Ninh tax agency has closed its tax code. The provision for investment in the Subsidiary was made at 100% of contributed capital.

1. About profit after tax in the period being a loss and changing:
2. The profit after tax changed by 10% or more over the same period last year.
* Profit after tax in 2022 (audited by TTP Auditing Company Limited): Loss of VND 247,236.31 million;
* Profit after tax in 2023 (audited by TTP Auditing Company Limited): Loss of VND 299,150.77 million;

Business results in 2023 had an increase in losses compared to 2022 of VND 51,914.45 million; This change is due to: The ship freight market in 2023 facing many difficulties due to the impact of the world market, causing the Company's shipping fleet revenue in 2023 to reach 54% compared to 2022.

1. Profit in the reporting period being a loss

Because the Company's fleet was invested at a time when the ship freight market was developing, ship investment prices were high, leading to high depreciation costs and interest expenses.

The main reasons for the loss of VND 299,150.77 million in business results in 2023 were as follows:

* Due to interest expenses payable: VND 79,859.23 million;
* Due to depreciation of ships: VND 140,885.83 million;
* Difference in the exchange rate: VND 74,622.35 million;

Our company believes that in 2023 and the following years, with the efforts of the Board of Directors as well as all employees and crew members of the Company, the above difficulties will be remedied.