**NAU: Explanation of the cause and offering solution**

On April 8, 2024, Nghe An Urban Works & Environment Joint Stock Company announced Official Dispatch No. 48/ CV – CT on explaining the cause and offering solutions as follows:

The reason for not having an accurate ground to determine the cost of goods sold corresponding to revenue:

- Currently, the cost of transferring the right to use personal grave corresponding to the revenue is temporarily estimated to be about 80% because the competent authorities have not yet decided on the specific transfer price while cemetery projects are still unfinished. Therefore, our company have not have an accurate ground to determine the cost of goods sold corresponding to revenue.

Solution:

Currently, our company is waiting for a decision to approve the transfer price of the right to use personal grave from the competent authorities. After receiving the decision, the Company will consider adjusting the revenues and cost of goods sold accordingly.