**L43: Explanation on the possibility of the delisting of L43 share**

On April 08, 2024, Lilama 45.3 JSC announced Official Dispatch No. 272/CV-LILAMA 45.3 on explaining the possibility of the delisting of L43 share as follows:

In recent years, due to the impacts of the pandemic, the general economic status has encountered a lot of difficulties, the working environment is highly competitive, input expenses increase sharply while low revenue cannot compensate for fixed expenses such as: loan interest, depreciation and management expense, leading to the loss in production and business activities for 3 consecutive years:

* Loss in 2021: VND 8,533,077,124
* Loss in 2022: VND 8,905,413,767
* Loss in 2023: VND 13,164,806,585
* Accumulated loss as of December 31, 2023: VND 22,070,220,352

The main reason leading to the loss in production and business of the Company is that the Company has encountered many business risks. Many constructions have been completed but the capital has not been recovered from the investors (receivables as of December 31, 2023 are over VND 100 billion), a number of projects have been stopped for years without a solution plan. For example, the dossiers of Thai Nguyen Iron and Steel project, with the receivables of VND 34 billion and the completed volume of VND 26 billion, has not yet been signed. The most recent is the project to resolve tidal flooding in Ho Chi Minh City. Our Company signed a construction contract worth nearly VND 1,000 billion, as the contract has been completed more than 90%, the construction also got suspended from August 2020 until now and has not re-deployed nor paid for the remaining completed volume. Capital recovery is stagnant, projects are temporarily stopped without payment; hence, debts cannot be reduced, leading to high arising interest expense, management expense and depreciation are still high while low revenue cannot compensate.

Solution for the loss:

* Boost the recovery of accrued liabilities, cut the management expense, control loan interest expense and arising expenses at the project, and be drastic in the settlement and debt recovery of completed projects, closely monitor lawsuits related to debt recovery to have sources of money to reduce payables.
* Based on the Company's actual operations to review personnel, streamline the apparatus, clearly assign tasks, promote marketing and job searching to ensure work during the year.
* Review existing equipment, liquidate those damaged, outdated equipment that do not operate effectively and require huge repair costs to reduce financial pressure.
* Continue to work with the investor and Ho Chi Minh City People's Committee to solve the obstacles in the project on resolving tidal flooding in Ho Chi Minh City.
* Continue to work with the investor of the Thai Nguyen Iron and Steel expansion project to have measures to solve the problems and pay for the constructed volume.