**TA3: Explanation and proposal of measures for the securities being put under alert**

On April 15, 2024, 386 Thanh An Construction and Investment Joint Stock Company announced Official Dispatch No. 137/CTCP - TC386 on explaining Decision No. 324/QD-SGDHN of Hanoi Stock Exchange as follows:

1. Regarding some receivables and payables that had not had the confirmation at the time of the audit.

These above figures are the receivables and payables of investors and partners of the Company, the Company had sent confirmation letters to the objects of the receivables and payables of the Company. However, at the time the audit company audited the Financial Statements, the Company had not received all the Confirmation Reconciliation documents from the investors and partners. Therefore, the audit company had a qualified opinion on the Financial Statements.

Plan to overcome: Currently, the Company is actively working with investors and partners to continue to collect the Minutes of Debt Confirmation and send them to the Audit Company upon receiving the reconciliation results. All the figures about receivables and payables recorded in the Financial Statements as of December 31, 2021, December 31, 2022 and December 31, 2023 are complete and accurate.

1. Regarding overdue receivables and outstanding balances presented in the Financial Statements.

According to the assessment of the audit company of overdue receivables, there must be a provision for the remaining outstanding balances pn January 01 and December 31 to avoid the risk of unrecoverable debts. Faced with the difficulties of the economy and the impact of tightening lending credit for real estate in general and the construction industry in particular, the Company's customers and partners have not paid the debts according to the commitment, explaining the outstanding overdue receivables presented in the Financial Statements. On the other hand, the Company makes a provision based on assessing the recoverability of each debt. Even though the receivables are overdue, according to the Company's assessment and actual payment, these overdue receivables are still recoverable, hence the provisions have not been made. During the year, the Company worked with competent authorities and recovered a number of overdue receivables.

Plan to overcome: Currently, the Company is continuing to work with competent authorities to actively work with each individual and each debt to resolve and recover the debts. Regarding the remaining expenses from the previous year, according to the actual payment and settlement of the projects, the Company is continuing to work with the investors and partners to pay and settle the projects. Regarding the outstanding prepaid expenses, the Company is working with competent authorities as well as relevant individuals to distribute them.