**VTQ: Explanation on the auditor’s qualified opinion**

On April 15, 2024, Viet Trung Quang Binh Joint Stock Company announced Official Dispatch No. 46/2024/CV-VTQ explaining the opinion of the audit company as follows:

1. Auditor’s opinion:

Basis for the auditor's qualified opinion:

The company has not transferred all incurred general and administrative expenses in 2023 to determine the results of production and business activities but has capitalized into the value of "Capital Construction in progress costs" with the amount of VND 1,882,298,224. Thus, the “general and administrative expenses” item on the Combined Income statement 2023 is reflected lower than the actual amount, while the “Profit after tax” item on this report is also reflected higher than the actual amount, both with an amount of VND 1,882,298,224. The items "Capital Construction in progress costs" and “Undistributed Profit after tax” on the Combined Balance sheet as of December 31, 2023, are being reflected higher than their corresponding values.

Auditor’s qualified opinion

In our opinion, excluding the impact of the issue stated in the "Basis for Auditor’s Qualified Opinion” section, the attached Consolidated Financial Statements have truthfully and reasonably reflected, on material aspects, the Company's financial status as of December 31, 2023, the combined results of its business activities, and its combined cash flows for the fiscal year ending on that date, in accordance with Vietnamese Accounting standards, enterprise accounting regulations, and relevant legal provisions governing the preparation and presentation of the Company's Consolidated Financial Statements.

1. The Company’s explanation

With regard to the qualified opinion from International Auditing Company Limited in the Company's Financial Statements 2023, we would like to provide the following explanation:

The Company has provided the relevant dossiers and papers related to the above expenses. However, due to the lack of consensus in accounting treatment, it resulted in a qualified opinion as follows: The company plants, cares for and exploits rubber latex. During the rubber planting and care stages, the company allocates salary expenses for certain management departments in the unit and related departments involved in rubber planting and care during the Vegetation phase (with a basic cycle of 1 year for planting and 7 years for care). However, the auditor disagrees with the accountant of these transactions, leading to the qualified opinion and modified opinion on the Financial Statements.