**BMD: Explanation of the Financial Statements 2023**

On March 28, 2024, Binh Thuan Environmental Urban Service Joint Stock Company announced Official Dispatch No. 60/MTDT-KT as follows:

According to the provisions at Point b, Clause 1, Article 10, Chapter 2 of Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance on guiding the disclosure of information on the stock market: *“A public company must disclose information about the audited Annual Financial Statements, including the audit report on those Financial Statements and the company's explanation document in case the audit organization makes an unqualified opinion on the Financial Statements”.*

The auditor's opinion about the qualified opinion on the emphasized issues in the independent audit report on the Financial Statement 2023 of Binh Thuan Environmental Urban Service Joint Stock Company:

Emphasized issues:

*As presented at point (\*) of Footnotes No. 16, in the total payable cost of the Company, an amount of VND 4,664,932,536 is the advance appropriations of construction and installation costs. The honesty and rationality of this advance appropriations expense depends on the actual original receipt afterward.*

Regarding this issue, we explain as follows:

Short-term payable expenses related to the advance appropriations of the cost of construction expenses of previous years, with the accumulated advance appropriation amount as of December 31, 2023, is VND 4,664,932,536. This advance appropriation currently does not have sufficient invoices and documents as the basis for the Company's internal settlement, on the other hand, capital construction works are funded by the state budget and the settlements have not been approved by investors, hence the Company does not have a basis to pay construction costs to the Teams.