**HFX: Explanation on Financial Statements 2023**

On March 28, 2024, Thanh Ha Production Export - Import Joint Stock Company announced Official Dispatch No. 01/HFX-UBCK/24 as follows:

As presented in Note 07 and Note 16, as of January 1, 2023 and December 31, 2022, the balance of prepayments for sellers and prepayments by buyers of TST Joint Stock Company are respectively VND 14,857,379,398 and VND 8,239,233,111. The above balances relate to contracts signed between the company and AG company and the contract signed between the company and TST company in 2008. Regarding abnormalities between the parties to this transaction, the police agency collected investigation information but did not come to an official conclusion.

The balance of inventory deposited at the warehouse of processing units valued at 1,889,653,260 of Thanh Ha Production Export - Import Joint Stock Company (subsidiary company) was not reconciled and confirmed the full balance as of December 31, 2023. Some debts of the Subsidiary company that were not reconciled include Advanced payment from buyers at VND 331,658,164 and Payables to sellers at VND 3,014,539,097 because the seller and the buyer are no longer active.

Over the year, UHY has also given similar qualified opinions in its audit reports for the years 2015, 2016, 2017, 2018, 2019 and 2020.