**ACS: Explanation of the auditor’s qualified opinion in the Financial Statements 2023**

On April 17, 2024, Architects & Construction Service Corporation announced Official Dispatch No. 42/CV-ACSC.2024 on the explanation of the auditor’s qualified opinion in the Financial Statements 2023 as follows:

Content of the auditor’s qualified opinion: “Architects & Construction Service Corporation (hereinafter referred to as the Company) has not calculated deductions for interest expense exceeding 30% of EBIDA when determining the taxable income of the corporate income tax from production and business activities during the year due to uncertainty about the occurrence of related-party transactions in 2023. This may result in current corporate income tax expense being under-recorded by VND 1,208,752,158."

We would like to explain as follows:

The Company has 2 subsidiaries which are Econs Vietnam Construction Joint Stock Company and Fujinami Construction Consultant Company Limited. There were no transactions arising in 2023. In addition, we contributed capital to TNA Materials and Equipment Joint Stock Company but we had transferred the shares we owned to another subsidiary in 2023; Thus, we were not sure whether there had been any affiliated transactions in 2023 or not.

This leads to the auditor having a qualified opinion on our Audited Financial Statements 2023.