**ICI: Explanation on auditor’s qualified opinion on Financial Statements 2023**

On April 17, 2024, Industrial Construction and Investment Joint Stock Company announced Official Dispatch No. 57/ICIC-TCKT on the explanation of the Financial Statements 2023 as follows:

1. Explanation of the auditor's opinion on the qualified opinion on the Financial Statements 2023
2. For receivables and payables that do not fluctuate: These are receivables and payables that have not yet incurred receivable or payable obligations or debts of unfinished or outstanding projects that have not been settled with the Investor, Teams and other subcontractors.
3. For the unfinished expenses that do not fluctuate during the year and amount VND 26.63 billion: These are unfinished works that have not been accepted and settled by the Investor due to many objective reasons, hence, the unit does not have enough grounds to issue revenue invoices for unfinished expenses as prescribed.

4. For the provisioning of financial investment: Due to low business results in 2023, the Company has not made additional provision for financial investment in joint ventures.

1. Measures to overcome in the near future:

* Expand and exploit more markets, prioritizing works/projects with clear capital sources, projects where investors have financial capacity, and avoiding misappropriation of capital and outstanding debts leading to low project efficiency and contingencies;
* Coordinate with the Investor and related units to inspect and review to complete the procedures for legal dossiers and to completely settle outstanding and unfinished projects; Only then will there be a basis to make internal settlement with subcontractors/teams when the project/work is settled by the Investor;
* Strengthen the work of debt reconciliation and debt clearing; Evaluate and classify debt to have recovery measures and plans for each debt;
* Improve the efficiency of production activities, reduce expenses and accumulate resources to handle financial shortcomings and fully make provisions (if any).
* Evaluate the efficiency of business activities at units with contributed capital to take measures to handle and improve the efficiency of capital use.