**PIS: Explain and propose solutions for securities status**

On April 16, 2024, Binh Dinh Pisico Corporation JSC announced Official Dispatch No. 109/TCT-TC-KT explaining the reasons for the PIS shares being put under alert and the remedy measures as follows:

1. Explanation of the reason:
2. Regarding the auditor's qualified opinion: “The retroactive adjustment made by the Group to the Consolidated Financial Statements for the fiscal year ending December 31, 2022 resulted in the undistributed profit after tax of the Group as of December 31, 2022 being negative VND 41,661,865,977 (compared to negative VND 1,693,755,164 as of December 31, 2021). Therefore, the distribution of profits after tax by the Corporation for 2022 and 2021 is not in compliance with the current legal regulations."
* At the Annual General Meeting of Shareholders 2022 and 2023, in order to distribute the profits for 2021 and 2022 based on the Audited Financial Statements 2021, 2022 of the Holding Company, Binh Dinh Pisico Corporation JSC had not collected the consolidated financial data for 2021 and 2022 of Binh Dinh Industry - Agriculture Trading Joint Stock Company.
* At the time of distributing the profits for 2021 and 2022:
* Binh Dinh Pisico Corporation JSC had fulfilled its obligations regarding taxes and other financial requirements according to the legal regulations, appropriation for funds from profits after tax, and ensured the full payment of debts and other asset obligations even after paying dividends. By the end of the Financial Statements period on December 31, 2023, Binh Dinh Pisico Corporation JSC's profits remained positive, ensuring the fulfillment of tax and other financial obligations, full payment of debts and obligations, and sufficient cash flow for production and business activities.
* The retroactive adjustment of the Consolidated Financial Statements for the fiscal year 2022: When consolidating the data from Binh Dinh Industry - Agriculture Trading Joint Stock Company, the negative profit was caused by Binh Dinh Industry - Agriculture Trading Joint Stock Company reflecting the unrealized exchange rate difference by reevaluating the year-end balances and the exchange rate difference of the Financial Statements of Lao BIDINA Company Limited (established in the Lao People's Democratic Republic with 100% capital from Binh Dinh Industry - Agriculture Trading Joint Stock Company). This exchange rate difference did not affect the cash flow distribution of Binh Dinh Pisico Corporation JSC's profits.
* As of December 31, 2023, Binh Dinh Industry - Agriculture Trading Joint Stock Company had reflected the reduction of interest expenses by VND 123 billion due to interest waivers and reductions from the bank after fulfilling commitments with the bank. The audited Consolidated Financial Statements as of December 31, 2023, of Binh Dinh Pisico Corporation JSC fully reflected the exchange rate difference and the reduction of interest expenses from Binh Dinh Industry - Agriculture Trading Joint Stock Company. Therefore, Binh Dinh Pisico Corporation JSC's profits after tax remained positive after consolidation (the accumulated profit after tax for 2023 in the audited Consolidated Financial Statements was VND 27,828,213,575, and the profit after tax of the Financial Statements (Holding Company) was VND 31,106,752,756).
1. Regard the auditor's qualified opinion: “The Consolidated Financial Statements of the Group recorded a profit from Binh Dinh Industry - Agriculture Trading Joint Stock Company in the consolidated business results for 2023 with an amount of VND 30,817,380,411 (a loss of VND 48,706,108,475 in 2022). Due to the unaudited Consolidated Financial Statements of Binh Dinh Industry - Agriculture Trading Joint Stock Company and the auditors’ inability to audit or review the Consolidated Financial Statements of Binh Dinh Industry - Agriculture Trading Joint Stock Company, auditors cannot determine whether the investment figures in Binh Dinh Industry - Agriculture Trading Joint Stock Company on the Consolidated Financial Statements of the Group are appropriate or not."
* The lack of information in the audit was because the Consolidated Financial Statements of Binh Dinh Industry - Agriculture Trading Joint Stock Company had not been audited. Binh Dinh Pisico Corporation JSC has proposed that Binh Dinh Industry - Agriculture Trading Joint Stock Company sign a contract to hire FAC Auditing Company Limited to audit the Consolidated Financial Statements 2023 and 2024, and engage an independent audit company to audit and review the Financial Statements 2023 of Lao BIDINA Company Limited.
1. Remedy:
2. Regarding the auditor's qualified opinion on the distribution of profits after tax for 2021 and 2022:
* Binh Dinh Pisico Corporation JSC has explained as stated above that the cumulative distribution of profits into the productions, business and financial activities after deducting tax liabilities to the State was implemented at the time of distributing the audited Consolidated Financial Statements 2023. Binh Dinh Pisico Corporation JSC had fulfilled all tax and financial obligations, ensured the payment of debts, and had positive profits after tax (the accumulated profit after tax for 2023 in the audited Consolidated Financial Statements was VND 27,828,213,575, and the profit after tax of the Financial Statements (Holding Company) was VND 31,106,752,756). At the same time, to ensure financial safety, Binh Dinh Pisico Corporation JSC has presented to the Annual General Meeting of Shareholders 2024 that it will not distribute dividends from the 2023 profits.
1. Regarding the audit opinion on Binh Dinh Industry - Agriculture Trading Joint Stock Company not being audited:
* Binh Dinh Pisico Corporation JSC has proposed and Binh Dinh Industry - Agriculture Trading Joint Stock Company has hired an independent audit company to audit the Consolidated Financial Statements 2023 and 2024. This is done to ensure that the information reflected in Binh Dinh Industry - Agriculture Trading Joint Stock Company's Financial Statements is accurate and that the data related to Binh Dinh Pisico Corporation JSC's investment in Binh Dinh Industry - Agriculture Trading Joint Stock Company has been audited.