**GTD: Explanation on Financial Statements 2023**

On March 30, 2024, Thuongdinh Footwear Joint Stock Company announced Official Dispatch No. 09/GTD explaining the auditor's qualified opinion on the Audited Consolidated Financial Statements 2023 as follows:

1 Auditor's qualified opinion:

As stated in the Footnotes 5.2, 5.3, and 5.5 - Combined Financial Statement Footnotes, as of December 31, 2023, the Company has certain outstanding debts with a book value of VND 14,638,460,016 (as of January 1, 2023, it was VND 13,801,682,141), including the debts from the Trading Service Labor Protection Footwear Clothing Type Company Limited amounting to VND 11,362,576,868 (as of January 1, 2023, it was VND 11,364,083,868). With the documents provided by the company, the auditors were also unable to gather sufficient appropriate audit evidence regarding the existence and recoverability of these debts. Therefore, the auditors could not determine if these figures needed to be adjusted or not.

The Company’s explanation:

Regarding certain outstanding debts, including the VND 11,364,083,868 owned by the Trading Service Labour Protection Footwear Clothing Type Company Limited, Thuongdinh Footwear Joint Stock Company has conducted multiple meetings to find solutions to expedite the collection of these debts. The company has submitted a request to the Execution Department of the People's Court of Thanh Xuân District to enforce the court's judgment against the Trading Service Labour Protection Footwear Clothing Type Company Limited. Additionally, the company has invited Ms. Do Thi Hoa (former Manager of the Trading Service Labour Protection Footwear Clothing Type Company Limited) to the company's headquarters for direct discussions, and Ms. Hoa has committed to continuing the sale of products to settle the debts. Trading Service Labour Protection Footwear Clothing Type Company Limited has submitted a request to continue trading the products of Thuongdinh Footwear Joint Stock Company, and they have agreed to pay an additional VND 1,500 per pair on the quantity purchased each time to repay the debt. From October 1, 2017, to December 31, 2023, the company has recovered VND 1,030,007,300. The Company is still making efforts and remains confident that in the near future, it will be able to recover the outstanding debt: VND 11,364,083,868.