**DID: Explanation of the reasons for profit fluctuations in the Audited Financial Statements 2023**

On March 30, 2024, DIC Dong Tien JSC announced Official Dispatch No. 3004/DID-TCKT on explaining the reasons for profit fluctuations in the Audited Financial Statements 2023 as follows:

1. Reasons for profit fluctuations:
	1. The profit after tax in the Financial Statements 2023 decreased by VND 200 million, equivalent to a 42.38% decrease compared to the same period of the previous year.

Reason:

* In 2023, the concrete consumption market faced difficulties due to the frozen real estate market and a sharp decrease in production volume. The gross profit decreased by VND 7 billion with a rate of 30.82% compared to that of the same period.
* Interest expenses increased by VND 446 million with a rate of 6.74% compared to that of the same period.
* General and administrative expenses decreased slightly by 2.94% compared to that of the same period, a decrease of VND 324 million.
	1. The profit after tax in the Financial Statements 2023 decreased by VND 43 million, equivalent to a 13.67% decrease compared to that of the Financial Statements before audit.

Reason:

* Adjust increase in general and administrative expenses by VND 47 million.
* Adjust increase in other expenses by VND 3 million.
* Adjust decrease in current corporate income tax expenses by VND 7 million.
1. The auditor's qualified opinion:

In 2023, the Company constructed and recognized an increase in fixed assets in the category of architectural structures with a value of about VND 15.04 billion. And there were construction expenses for unfinished projects with a value of about VND 67.13 billion. The audit company did not obtain sufficient appropriate evidence to assess the volume of work performed under the construction contracts and determine whether the recognition of the value of these assets was appropriate. The Financial Statement audit work is aimed at providing an opinion on the financial situation in accordance with the usual financial statement audit procedures and does not aim to provide an opinion on the value of the settlement of investment capital for completed construction projects. This can only be done when conducting specific audit procedures specifically applied to the settlement of investment capital for completed construction projects.