**DLR: Explanation on the Financial Statements 2023**

On March 30, 2024, Da Lat Real Estate JSC announced Official Dispatch No. 35/CV-DLR on explaining the "disclaimer of opinion" on the Financial Statements 2023 as follows:

Regarding the disclaimer of opinion

* As of December 31, 2023, the Company's accumulated loss was VND 68,947,647,709, exceeding owners’ equity by VND 16,712,182,212 and short-term debt exceeds short-term assets of the Company by VND 42,963,364,068. The Company does not have an effective plan to overcome its solvency as well as find a source of money to pay for debts and loans within the next 12 months under normal operating conditions. The Company's ability to continue operating depends on its future profitability, and on the extension of loan payments from commercial banks, credit institutions, and payments to suppliers.
* As of December 31, 2023, the Company recorded site clearance compensation costs of the Doi An Ton Residential Area Project invested by the Company with an original price of VND 16,851,649,407. Regarding this project, the People's Committee of Lam Dong Province promulgated Document No. 503/UBND-XD on January 21, 2022, regarding the termination of the project's activities. The Department of Planning and Investment of Lam Dong Province promulgated Decision No. 06/QD-KHDT on January 24, 2022, regarding the termination of the project's activities. The People's Committee of Lam Dong Province promulgated Decision No. 396/QD-UBND on March 10, 2022, regarding the retrieval of land allocated to the Company for the reason that the Doi An Ton Residential Area project has ceased its activities. The Company has filed a lawsuit with the People's Court of Lam Dong province to request the court to annul Document No. 503/UBND-XD dated January 21, 2022, of the People's Committee of Lam Dong Province, Decision No. 396/QD-UBND dated March 10, 2022, of the People's Committee of Lam Dong Province, Decision No. 06/QD-KHDT dated January 24, 2022, of the Department of Planning and Investment of Lam Dong Province, and related administrative documents and decisions. On January 18, 2024, the People's Court of Lam Dong Province promulgated Judgment No. 05/2024/HC-ST regarding "Complaints against administrative decisions in state management of land", ruling to reject the company's lawsuit. Due to disagreeing with the first-instance judgment of the People's Court of Lam Dong Province, on February 19, 2024, the Company filed an appeal to the Supreme People's Court in Ho Chi Minh City to review the first-instance judgment of the People's Court of Lam Dong Province. The lawsuit against the Company's administrative decisions in state management of land is awaiting consideration by the Supreme People's Court in Ho Chi Minh City according to the appeal process.