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

On February 29, 2024, GiaiPhong Motor JSC announced Resolution No. 2903/2024/GTBCTC as follows:

According to the Financial Statements dated March 29, 2024 announced by the Company itself and the review report of Nhan Tam Viet Auditing Company Limited, there are difference in figures. The Company hereby explains this issue as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Target | Code | Audited figures | Disclosed figures | Difference |
| Balance sheet |  |  |  |  |
| Short-term assets | 100 | 22,674,989,163 | 22,961,679,291 | (286,690,128) |
| Inventory | 140 | 21,076,930,273 | 21,363,620,398 | (286,690,125) |
| Provision for devaluation of inventory | 149 | (286,690,108) | - | (286,690,108) |
| Total assets | 270 | 46,871,445,525 | 47,158,135,654 | (286,690,129) |
| Payables | 300 | 78,505,296,021 | 78,507,871,190 | (2,575,169) |
| Long-term payables | 330 | 24,568,402,708 | 24,570,977,882 | (2,575,174) |
| Long-term loans and finance lease debts | 338 | 24,568,402,708 | 24,570,977,882 | (2,575,174) |
| Owners’ equity | 400 | (31,633,850,496) | (31,349,735,536) | (284,114,960) |
| I. Owners’ equity | 410 | (31,633,850,496) | (31,349,735,536) | (284,114,960) |
| Income Statement |  |  |  |  |
| 4. Cost of goods sold | 11 | 7,828,960,237 | 6,363,685,565 | 1,465,274,672 |
| 5. Gross profit from goods sold and services provided | 20 | (5,438,785,691) | (3,973,511,019) | (1,465,274,672) |
| - In which: Interest expense | 23 | 6,415,484,237 | 6,418,423,411 | (2,939,174) |
| 10. General and administrative expense | 26 | 2,606,284,821 | 3,784,845,262 | (1,178,560,441) |
| 11. Net profit from business activities | 30 | (15,708,552,736) | (15,424,437,779) | (284,114,957) |
| 15. Total profit before tax | 50 | (15,708,552,736) | (15,424,437,779) | (284,114,957) |
| 18. Profit after tax | 60 | (15,708,552,736) | (15,424,437,779) | (284,114,957) |

The Company hereby explains the difference, specifically as follows:

1. Balance sheet
2. The "short-term assets” target Code 100, decreased by VND 286,690,128 due to:
* Inventory target decreased by VND 286,690,108 due to accounting for provisions for devaluation of inventory (target No. 149)
1. Long-term debts (target No. 330) decreased by VND 2,575,174 accounting for the reduction of loan interest by Mr. Nguyen Ha Duc
2. Owner's equity (410) decreased by VND 284,144,960 due to an increase in loss of VND 286,690,128 (provision for devaluation of inventory) and a decrease in loan interest of VND 2,575,174
3. Income Statement:
4. Cost of goods sold (11) increased by VND 1,465,274,672 due to the provision for devaluation of inventory and accounting of VND 1,178,560,441 from general and administrative expense (26) to cost of goods sold.
5. Targets 30, 50, 60 decreased by VND 284,114,957 due to the provision for inventory write-down and reduction of long-term loan interest.