**DWC: Explaining and proposing a plan to overcome the situation of DWC shares being put under alert**

On April 4, 2024, DakLak Water Supply Joint Stock Company announced Official Dispatch No. 69/CV-DWC on explaining and proposing a plan to overcome the situation of DWC shares being put under alert as follows:

1. Explaining the reason:

According to the Company's Audited Financial Statements 2023, the auditing organization provided an auditor's qualified opinion: “By the end of the fiscal year, the Company has not accounted the equitization expenses and determined the value of the State capital to hand over to the joint stock company due to the financial problems...”. This content has been given an auditor's qualified opinion by the auditing organization for 03 consecutive years or more, the reasons are:

* The Company began operating as a joint stock company on June 27, 2019, but by December 31, 2023, there was still no official Decision on approving capital transfer settlement between One Member Limited Company and Joint Stock Company. Therefore, the Company has no basis to confirm figures such as equitization expenses; receivables and payables having not been reconciled or confirmed; expenses for unfinished production and business and unfinished capital construction.
* Regarding this issue, the Company has repeatedly sent reports on problems and recommendations for settlement of capital handover to the People's Committee of Dak Lak Province and the Equitization Steering Committee of Công ty TNHH MTV Cấp nước và Đầu tư xây dựng Đắk Lắk (tentatively translated as Dak Lak Water Supply and Construction Investment Company Limited) but up to now the handover settlement has not been processed.

1. Remedy plan:

This is an objective cause, the Company cannot proactively resolve it unilaterally. Therefore, the Company will continue to coordinate with the People's Committee of Dak Lak Province and the Equitization Steering Committee of Dak Lak Water Supply and Construction Investment Company Limited to soon complete the financial settlement of remaining problems to receive approval for capital handover settlement between the One Member Limited Liability Company and the Joint Stock Company from the competent authority.