

No: /CV/VTN

V/v: Explanation of Audit Opinion on
2024 Audit Report

Quang Nam, March 29, 2025

**To: STATE SECURITIES COMMISSION
HANOI STOCK EXCHANGE**

Viet Trung Nam Investment and Development Joint Stock Company would like to send our respectful greetings and cooperation to your Agency.

The financial statements for the fiscal year ending December 31, 2024 of Viet Trung Nam Investment and Development Joint Stock Company have been audited, with qualified audit opinion and emphasis of matter. Regarding these contents, we would like to explain as follows:

1. Qualified Audit Opinion on the 2024 Independent Audit Report of Viet Trung Nam Investment and Development Joint Stock Company.

Basis for Qualified Opinion:

"As of December 31, 2024, the provision for financial investments related to the investment in the associated company, Tay Ba Na Joint Stock Company, was recorded in the financial statements at a value of VND 77,810,148,258 (as of January 1, 2024, it was VND 75,761,968,798). Based on the information and documents available at the Company, we were unable to obtain sufficient and appropriate audit evidence regarding the provision for impairment of the investment in Tay Ba Na Joint Stock Company as of January 1, 2024, and December 31, 2024. Therefore, we could not determine whether any adjustments to these figures in the financial statements for the financial year ended December 31, 2024, were necessary."

Explanation of the company:

At Tay Ba Na Joint Stock Company (renamed from Quang Nam Rubber Industry Joint Stock Company) - an affiliated company, the investment and construction activities for the project of planting new rubber trees and taking care of them in Dong Giang district have not been completed, so Tay Ba Na JSC has not been able to allocate investment costs for the land area in the rubber tree planting project that has been recovered. Accordingly, Tay Ba Na JSC has adjusted down this area but has not allocated the investment costs of the project corresponding to the adjusted down area, so the undistributed profit of Tay Ba Na JSC has not recorded the above allocated investment costs. This leads to the provision for investment losses at Tay Ba Na JSC - an affiliated company not including the allocated investment costs of the project.

2. Emphasis of Matter on the 2024 Independent Audit Report of Viet Trung Nam Investment and Development Joint Stock Company

Emphasis of Matter

"We draw attention to Note 4.1 of the financial statements, which states that the Company has incurred an accumulated loss of VND (1,389,511,274,423), accounting for 92.63% of its charter capital. Additionally, as of December 31, 2024, the Company has overdue tax liabilities payable to the State Budget amounting to VND 8,611,346,786 (as disclosed in Note 5.9 of the financial statements). These conditions

indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements, however, have been prepared on the assumption of the Company's going concern."

Explanation of the company:

In 2024, the Company will continue to carry out financial restructuring. The Company has also prepared a cash flow plan and a business plan for 2024 to ensure the Company's business continuity.

Above is the explanation of Viet Trung Nam Investment and Development Joint Stock Company about the Qualified audit opinion and the Emphasis of Matter on the 2024 Independent Audit Report.

Best regards!

CHAIRMAN OF THE BOARD OF DIRECTORS



VU ANH TUAN

