**VHL: Explanation of causes and solutions to overcome the securities situation**

On February 29, 2024, Viglacera Ha Long JSC announced Official Dispatch No. 35/TB – VHL on the explanation according to Official Dispatch No. 86/QD-SGDHN dated February 23, 2024 from the Hanoi Stock Exchange as follows:

1. Explanation of the reason:

In 2023, the economy continues to face many difficulties and challenges, strategic competition between major countries becomes increasingly fierce and comprehensive, increasing geopolitical tensions. The complicated conflict between Russia and Ukraine and fighting in the Middle East has negatively impacted the domestic economic recovery process after the Covid-19 pandemic.

In the context that the real estate market has not yet recovered, very few civil construction projects have started, greatly impacting the construction materials production area, leading to a decline in production scale, selling prices and low consumption output since 2020 until now. Besides, although input raw material prices have tended to decrease, they are still at a high level, which affects the Company's production and business results.

Clearly identifying the difficulties, right from the beginning of the year, the Company proactively grasped and focused on closely following production and business activities, looking for solutions, drastically and flexibly operating many solutions. Accordingly, the entire Company can basically maintain operations and prevent revenue decline and limit losses.

Insufficient selling prices to offset expenses resulted in a loss in the Company's profit for the year, specifically as follows:

* Profit after tax in the Consolidated Financial Statements 2023 is negative: VND (69,477,533,188).

1. Remedy plan:

To address this situation, Viglacera Ha Long JSC has implemented the following solutions:

* Strictly control implementation results compared to planned targets, especially monthly revenue and profit targets; the whole year 2024 will reach or exceed the planned profit.
* Control production and business expenses according to plan; influencing factors that are difficult to control such as the market and finished product prices; price of input fuel factors. The Company must develop a timely response plan to strive to achieve profit targets.
* Proactively implement production and business plans to adapt to the new situation.
* Focus on expanding the market for product consumption to increase revenue and reduce inventory.
* Minimize expenses, lower the product prices to enhance the efficiency of the Company's production and business process.
* Actively negotiate with partners to reduce input material prices.

With these solutions, Viglacera Ha Long JSC believes that the production and business results will gradually improve. The Company will overcome the challenging period and promptly overcome the situation of securities put under alert for VHL shares.