**VE4: Explanation on and remedy for VE4 stock under supervision**

On April 5, 2024, VNECO4 Electricity Construction JSC announced Official Dispatch No. 04CV/VNECO4-HDQT on measures and roadmap to address VE4 stock under supervision as follows:

1. Regarding the profit after tax for 2022 and 2023 being negative of VND -3,919,399,180

Before 2022, the company had always been profitable. However, in 2022 and 2023, the profit targets after tax were negative. VND -3,919,399,180, due to the influence of the following factors:

* The revenue in 2023 increased, but the contractual unit price during the year were low, resulting in additional costs to accelerate the project schedule, prices of raw materials were scarce and higher compared to previous years.
* The interest expenses increased due to delays in payment from the investor and the general contractor.
* The expenses related to existing projects have been addressed and any losses have been carried forward in 2023.
* Increase provisions for bad debts according to regulations.
* A number of risks arising in production, business and corporate governance.

1. Solutions and roadmap:
2. Solutions:

* Promote production and business to increase revenue: In 2024, besides the amount of work transferred from 2023 being VND 64 billion, the Company will actively bid for jobs to increase revenue and thereby increase profits.
* Thoroughly implement savings and reduce costs in the production and business process.
* Closely follow the market to select Contracts to purchase Supplies and Materials at the most competitive prices to reduce input costs, and at the same time manage production and business to reduce costs at all stages.
* Strengthen management, especially management of Fuel, Materials, Spare Parts and do a good job of maintenance and preservation of fixed assets, tools and equipment to reduce spare parts replacement costs and repair expenses.
* Actively search for jobs, directly bid for project management boards, select projects with reasonable unit prices and merge good practices to make business profitable.
* Focus on sourcing projects from investors being project management boards of electrical industry to minimize credit risks and expedite capital recovery.

1. Roadmap:

With the above solutions plus the company's current capacity, VNECO4 Electricity Construction JSC believes in sustainable development and generating profits in the coming years. Accordingly, gradually reduce accumulated losses on Financial Statements in the shortest time.