**DDG: Explanation of shares being put under alert**

On April 10, 2024, Indochine Import Export Investment Industrial Joint Stock Company announced Official Dispatch No. 1004.01/2024/DDG/CV on measures and roadmap to overcome the situation of securities being put under alert as follows:

Pursuant to Decision No. 300/QD-SGDHN of the Hanoi Stock Exchange dated April 04, 2024 on the inclusion of DDG shares being put under alert, Indochine Import Export Investment Industrial Joint Stock Company would like to explain the reasons and propose measures and roadmaps to overcome the securities being put under alert as follows:

1. Reason for DDG shares being put under alert

Pursuant to Points b, c, Clause 1, Article 37 of Decision No. 17/QGG-HDTV dated March 31, 2022 of the Board of Members of the Vietnam Stock Exchange:

“Article 37. Alert

1. Securities are put under alert when one of the following cases occurs:
2. Undistributed profit after tax in the Audited Financial Statements of the listed organization is negative (taking into account the influence of the audit unit's qualified opinion (if any) related to the target of undistributed profit after tax). In case the listed organization is a superior accounting unit with an accounting subsidiary, the undistributed profit after tax target is considered based on the Combined Financial Statements. In case a listed organization has a subsidiary, the undistributed profit after tax target is considered in the Consolidated Financial Statements.
3. The auditing organization has auditor's qualified opinion on the Audited Annual Ainancial Statements of the listed organization. In case the listed organization has a subsidiary or is a superior accounting unit with accounting subsidiary, the qualified opinion is determined according to the Consolidated/ Combined Financial Statements.”

Pursuant to the Consolidated Financial Statements 2023 of Indochine Import Export Investment Industrial Joint Stock Company, audited by Southern Auditing & Accounting Financial Consulting Services Company Limited, undistributed Profit after tax as of December 31, 2023 was negative and the auditing organization had an auditor's qualified opinion. The Company would like to explain the reasons as follows:

Reasons for negative profit after tax: Due to a sharp decrease in revenue in 2023 (mainly from Biomass commercial activities) and the Company must make compensation payments of more than VND 155 billion to shareholders whose shares were sold as collateral for the loan at Mirae Asset Finance Company (Vietnam) Limited, leading to large financial costs of the Company and the Company suffered a loss during the period.

Reasons for the auditing organization to have auditor’s qualified opinions: As of the date of this report, the auditing organization has not yet collected Confirmation Letters of loans and finance lease debt recorded on the Consolidated Financial Statement data as of December 31, 2023 of the Company with a value of VND 162,060,076,832. After having the working documents and comparing them with relevant parties, the differences (if any) will be adjusted by the Company in the Report according to current regulations.

1. Solutions and roadmap to overcome the situation of shares being put under alert

Determine the reason for the Company's losses, the Board of Directors met to discuss and agree on solutions:

* Authorize the Company's Board of Leaders to proactively conduct negotiations to minimize property compensation and receive the consent of shareholders (Third Parties) to support the Company through difficult times.
* Reduce outstanding loans at credit institutions, optimize loan interest expense and other expenses.
* Build the right business strategy, proactively handle factors that negatively impact the Company's business activities in a timely manner.
* Continue to exploit and develop the product distribution network.

Regarding the Solution for auditor's qualified opinion: On April 08, 2024, the Company collected the Confirmation Reconciliation Letter of BIDV Bank's loans and lease debts dated April 03, 2024 with the amount of VND 142,888,570,000 (attached), and adjusted to the Report in accordance with current regulations.

The company expects that in the first 6 months of the year, the situation of production and business results will be improved, profitable, reduce accumulated losses, strive for revenue to reach VND 550 billion in 2024; profit after tax reaching VND 4 billion.