**SDA: Explanation of the warning status of shares:**

On April 16, 2024, SIMCO Song Da JSC announced Official Dispatch No. 1604/SIMCO-CBTT explaining measures and the remedy for the warning status of the shares as follows:

1. The audit company has issued an auditor’s qualified opinion on the Audited Financial Statements 2023.

* Basis of auditor’s qualified opinion:

"As of December 31, 2023, under the item 'Investment in other entities' in the Consolidated Balance Sheet, the Company is monitoring two investments in HSX VINA Technology Investment Joint Stock Company with an investment value of VND 20,026,000,000 (19% benefit rate) and Cat Tuong Thien Tan Lac Joint Stock Company with an investment value of VND 37,050,000,000 (19% benefit rate). The Company has made provisions for investment as of December 31, 2023, with respective values of VND 861,649,201 and VND 8,074,188 based on the unaudited Financial Statements of these invested companies. The auditors did not have access to the documents and records of these companies. Based on the available information, the auditors do not have sufficient basis to assess the value impairment of these investments, and alternative audit procedures could not be performed. Therefore, the auditors cannot determine the necessary adjustments to the provision for the above-mentioned investment and their impact on the combined Financial Statements.”

* Explanation from the Company:

The Company has made provisions based on the Unaudited Financial Statements 2023 of HSX VINA Technology Investment Joint Stock Company and Cat Tuong Thien Tan Lac Joint Stock Company. These are two stable operating businesses, and in the future, the company will propose that these companies consider conducting audits of the Financial Statements as a basis for evaluating the implementation of provisions by the Company.

1. Regarding the negative undistributed profit after tax as of December 31, 2023:

Regarding the negative undistributed profit after tax as of December 31, 2022: The reason is that the investments in joint ventures of the company in recent years have been ineffective, leading to a significant increase in the provision for long-term investment losses, directly affecting the undistributed profit after tax.

Remedy:

The company is currently reviewing long-term financial investments with the aim of restructuring these investments to recover capital and concentrate resources on the company's production and business activities.