**KKC: Measures and roadmaps to overcome the status of security**

On April 19, 2024, Thanh Thai Group Joint Stock Company announced Official Dispatch No. 19045/TTC-CV on measures and roadmaps to overcome the situation of securities being put under alert as follows:

1. The reason why KKC shares were put under alert

Pursuant to Point b, 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. The charter capital contributed recorded on the latest Financial Statements of the listed organization decreased by less than VND 30 billion.
3. Undistributed profit after tax in the audited Financial Statements of the listed organization is negative (taking into account the effect of the qualified opinion of audit company (if any) related to the undistributed profit after tax target). In case the listed organization is a superior accounting unit with an affiliated accounting unit, the undistributed profit after tax target is considered based on the Combined Financial Statements. In case the listed organization has a subsidiary, the undistributed profit after tax target is considered based on the Consolidated Financial Statements.”

Based on the Financial Statements 2023 audited by UHY Auditing and Consulting Company Limited, the undistributed profit after tax in the Financial Statements 2023 of Thanh Thai Group Joint Stock Company is negative, specifically VND -14,248,422,827.

Reason: In 2022, under the impact of conflicts around the world, the wave of monetary policy tightening took place massively, the inflation level increased rapidly, leading to a decrease in steel consumption and steel prices. Therefore, the Company's revenue in 2022 decreased sharply over the same period. In addition, due to the impact of the global economic recession on the Vietnamese stock market, the Company recorded a loss from securities investment activities, causing the Company's profit after tax in 2022 to lose VND 32,301,033,873, causing the Company's undistributed profit after tax to record VND -14,248,422,827. In 2023, the Company's business activities were profitable but still not enough to offset the accumulated losses on the Financial Statements, so the Company’s share is still under alert.

1. Measures and roadmaps to overcome the situation of stocks

Quarterly, semi-annual and annual, the Company has reported on the situation of overcoming securities that are periodically warned and published information.

Thanh Thai Group Joint Stock Company would like to report on the situation of overcoming the status of overcoming securities being put under periodic alert in 2023 as follows: Based on the audited Financial Statements 2023 of Thanh Thai Group Joint Stock Company, Profit after tax in 2023 was VND 330,371,952, recorded a shift from loss to profit over the same period. In the new year, the company continues to implement corrective measures and roadmaps as follows:

* Continue to exploit and develop the product distribution network.
* Grasp market trends to build appropriate business plans, minimize business losses and maximize profits for the company.
* Build the right business strategy, proactively handle factors that negatively impact the Company's business activities in a timely manner.

With these directions on production and business activities, the Company expects that in the first 6 months of the year, the production and business results will be improved, profitable, reduce accumulated losses, striving to reach VND 250 billion of revenue in 2024; profit after tax reaches VND 0.8 billion.