**MHL: Explanation of securities being put under alert**

On April 24, 2024, Minh Huu Lien Joint Stock Company announced Official Dispatch No. 18/2024/CV-MHL on explaining the situation of securities being put under alert as follows:

1. Regarding the negative undistributed profit after tax as of September 30, 2023:

Reason: In 2023, due to complicated developments in input material prices and the company's inability to continuously increase or decrease product costs, the cost of goods sold is higher than actual revenue, causing profits from production and business of the company to be negative. In addition, the Company still has to pay financial expenses arising from bank loans to serve the Company's production and business. At the same time, the Company must also increase provision for bad receivable debts from partners.

Solution: The Company's Board of Leaders is changing its sales policy to be more flexible to adapt to fluctuations in raw material prices. In addition, the Company will reevaluate bad receivables from partners and have a handling plan to collect debts completely.

1. Regarding the auditor's qualified opinion of auditing organization on the Financial Statements for the fiscal year ending September 30, 2023:

02 issues related to auditor's qualified opinion are stated in the Basis for the qualified opinion section in the Company's Audited Financial Statements 2023. The Company explained in writing and proposed solution in Official Dispatch No. 13/2024/CV-MHL dated April 1, 2024 on Explanation of auditor's qualified opinion in the Audited Financial Statements 2023 (hereinafter referred to as "Official Dispatch No. 13"). Official Dispatch No. 13 is attached to the Company's Audited Financial Statements 2023 and has been approved by the Hanoi Stock Exchange for posting on the information disclosure system on April 9, 2024. The Company would like to attach Official Dispatch No. 13 to this Official Dispatch to report to you.