**VPC: Explanation on shares put under trading restriction**

On June 18, 2024, V- Power Investment and Development announced Official Dispatch No. 04/VPC on explaining the reason and providing a remedy plan on shares put under trading restriction as follows:

Reason for trading restriction on the Upcom trading system: The audit company gave a disclaimer of opinions on the Financial Statements 2023; have negative owners’ equity in the Financial Statements 2023.

1. Reason:

In 2023, the Company's operating segments faced many difficulties:

* The number of students in the driving training and testing services segment has decreased significantly compared to that in 2022 (motorcyclist learners decreased by 2,583 students, car driver learners decreased by 5,874 students compared to that in 2022). The main reason is due to new regulations applied in training such as applying tracking devices for driving time and distance on the road, electronic cabins (for driver training purposes), increasing testing content, etc. making students afraid to learn.
* The number of tests of other units this year increased compared to that in 2022 mainly because another test center in the same area of ​​Hoa Binh province suspended operations, causing all tests of other centers held at the Company's Testing Center.
* The wood pellet production segment had to stop operating, causing no revenue obtained from this segment while depreciation costs were still incurred.
* Interest expenses were high because overdue loans were subject to late payment interest for both the overdue loan principal and unpaid interest.

1. Remedy plans:

To ensure the proposed production and business plan, the Company will synchronously implement the following solutions:

* Strengthen the recruitment of additional theory teachers and practice teachers, specifically:
* Recruit at least 1 additional qualified theory teacher to teach Road Traffic Law and 1 teacher to teach common structure and repair.
* For driving teachers, it is necessary to recruit trained teachers to quickly have the number of teachers qualified to participate in teaching immediately. In addition, increase the opening of more training classes for teachers teaching driving practice, especially grade C teachers.
* Coordinate and urge teachers to cooperate with the School to invest in more driving practice vehicles, especially the limited number of grade C vehicles.
* Enhance the cabin class schedule by recruiting more managers or working overtime to have students complete the cabin class as quickly as possible. At the same time, consider the investment plan to add 1 to 2 additional cabins.
* Consider the actual situation and demand to consult the Board of Directors for permission to invest in expanding the driving range to serve students.
* Build an additional department in charge of professional enrollment and customer service combined with building a coordination mechanism with enrollment focal points to attract students.