**VE4: Explanation on and remedy for VE4 stock under alert**

On July 19, 2024, VNECO4 Electricity Construction JSC announced Official Dispatch No. 194CV/VNEC04-HDQT on measures and roadmap for VE4 stock under alert as follows:

1. Undistributed profits after tax on December 31, 2024, are negative:

In previous years, the company's business always had interest. However, in 2022 and 2023, the business results did not have interest, leading to, on December 31, 2023, the target of undistributed profit after tax being: VND(5,103,212,987), due to the influence of the following factors:

* Revenue in 2023 increased, but the unit prices of bidding packages in the year were low, many expenses arose to support the acceleration of construction progress, and the price of input materials was scarce and increased compared to the previous years.
* Interest expenses increased due to late payment by the investor and total B.
* The expenses of existing constructions before and in 2023 have been processed and losses carried forward.
* Increase provisions for bad debts according to regulations.
* Some risks arise in production, business and corporate governance.

1. Measures and routes to overcome:
   1. Measures:

* Promote production and business to increase revenue: In 2024, in addition to the amount of work transferred from 2023 to VND64 billion, the Company will actively bid for jobs to increase revenue and thereby increase profits.
* Implementation thoroughly saves and reduces expenses in the production and business processes.
* Closely follow the market to select Contracts to purchase Supplies and Materials at the most competitive prices to reduce input costs, and at the same time manage production and business to reduce expenses at all stages.
* Strengthen management, especially the management of Fuel, Materials, and Spare parts, and good work in the maintenance and preservation of fixed assets and tools to reduce spare parts replacement expenses and repair expenses.
* The company actively searches for jobs, directly bids with A departments, selects projects with reasonable unit prices, and combines good management to create business profit.
* Concentrate work sources from investors who are A departments in the electricity industry to minimize debt risks and quickly recover capital.

2.2 Remedy route:

With the above solutions plus the company's current capacity, VNECO4 Electricity Construction JSC believes in sustainable development and generating profits in the coming years. From there, gradually reduce accumulated losses on Financial Statements as soon as possible.

Currently, according to the Financial Statements for Q2/2024, the company has recorded a profit. The next route, the company will gradually tackle odds towards sustainable company development.