

## LIST OF DOCUMENTS SUBMITTED TO SHAREHOLDERS AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023

No.	Content	Statement No./Report No.
0.	Agenda of the Shareholders' Meeting.	
1.	Organization Regulations of the Shareholders' Meeting	01/QC-ĐHĐCĐ.2023
2.	Business report in 2022 and Business proposals in 2023 of the Board of Directors	02/BC-ĐHĐCĐ.2023
3.	Report of the Board of Management.	03/BC-ĐHĐCĐ.2023
4.	Report of the Board of Supervisors.	04/BC-ĐHĐCĐ.2023
5.	Report on fund allocation in 2022, plan to use undistributed profit after tax and fund allocation in 2023.	05/TT-ĐHĐCĐ.2023
6.	Statement on approval of the Audited Consolidated Financial Statements in 2022.	06/TT-ĐHĐCĐ.2023
7.	Statement on the approval of the amendments and supplements of the company's registered business lines.	07/TT-ĐHĐCĐ.2023
8.	Statement on the modification of the current company's charter.	08/TT-ĐHĐCĐ.2023
9.	Statement on the modification of internal regulations of corporate governance	09/TT-ĐHĐCĐ.2023
10.	Statement on the modification of operating regulations of the BOMs.	10/TT-ĐHĐCĐ.2023
11.	Statement on the modification of operating regulations of the Board of Supervisors.	11/TT-ĐHĐCĐ.2023
12.	Draft of the Resolution of the General Meeting of Shareholders.	.../NQ-ĐHĐCĐ.2023



**HOA PHAT GROUP JOINT STOCK COMPANY**  
Head office: Pho Noi A Industrial Park – Giai Pham Commune – Yen My  
District – Hung Yen Province – Viet Nam  
Tel: (84)-24 3974 7751

## **AGENDA**

### **THE 2023 ANNUAL GENERAL SHAREHOLDER MEETING OF HOA PHAT GROUP JOINT STOCK COMPANY**

**Location: Meliã Hanoi Hotel, 44B Ly Thuong Kiet street, Tran Hung Dao Ward, Hoan Kiem District, Ha Noi, Viet Nam.**

**Time: 8:00am (Vietnam time), Thursday, 30<sup>th</sup> March 2023**

<b>Time (AM)</b>	<b>Content</b>
08:00-08:30	- Welcoming shareholders
08:30-08:45	- Opening the AGM
	- Report of Shareholder Attendance
	- Announcing AGM agenda
	- Introducing of the AGM Presidium Committee
	- Norminating the AGM Secretary
	- Introducing and electing Vote Counting Committee
	- Introducing and voting for approval of AGM Organizing Regulations
08:45-08:50	Introducing issues to be discussed at AGM and advising shareholders to read documents given when registering to attend the AGM
08:50-09:00	Document reading time
09:00-10:00	- Discussion on 2022 Financial statements. - Discussion on 2023 Bussiness plan. - Discussion on 2022 Funds, plan to use the undistributed profit after tax and 2023 Funds plan. - Discussion on the amendments and supplements to the company's registered business lines. - Discussion on the amendments of the company charter.

	<ul style="list-style-type: none"> <li>- Discussion on the amendments of internal regulations on corporate governance.</li> <li>- Discussion on the amendments of the operating regulations of the BOMs.</li> <li>- Discussion on the amendments of the operating regulations of the Supervisory board.</li> <li>- Discussion of other issues (if any).</li> </ul>
10:00-10:10	<ul style="list-style-type: none"> <li>- Voting on the Management Board and Supervisory Board Reports.</li> <li>- Voting on 2022 Financial Statements.</li> <li>- Voting on 2023 Bussiness Plan.</li> <li>- Voting on the 2022 Funds Plan, plan to use the undistributed profit after tax and 2023 Funds plan.</li> <li>- Voting on the amendments and supplements to the company's registered business lines.</li> <li>- Voting on the amendments of the company charter.</li> <li>- Voting on the amendments of internal regulations on corporate governance.</li> <li>- Voting on the operating regulations of the BOMs.</li> <li>- Voting on the amendments of the operating regulations of the Supervisory board.</li> <li>- Voting on other issues (if any).</li> </ul>
10:10-10:40	The Vote Counting Committee counts and makes the report.
10:40-10:50	The Vote Counting Committee announces the vote result.
10:50-11:00	The AGM Secretary approves the AGM Minutes and Decision.
11:00	The Chairman declares closing the AGM.

Note: The agenda can be changed according to the decision of BOMs.

**REGULATION  
ON ORGANIZATION OF THE ANNUAL GENERAL MEETING OF  
SHAREHOLDERS IN 2023**

**I. GENERAL PROVISIONS**

**Article 1. Scope of application**

This Regulation specifies conditions to organize the Annual General Meeting of Shareholders, rights and obligations of participants and formalities for organizing the Shareholders' Meeting.

**Article 2. Subjects of application**

Shareholders and participants in the Annual General Meeting of Shareholders in 2023 of Hoa Phat Group Joint Stock Company are responsible for complying with provisions of this Regulation.

**Article 3. Validity**

The Regulation is applicable for the organization of the Annual General Meeting of Shareholders in 2023 of Hoa Phat Group Joint Stock Company (hereinafter referred to as "Company").

**II. CONDITIONS FOR ORGANIZATION**

**Article 4. Conditions for organization of the Meeting**

The General Meeting of Shareholders is organized when the number of attending shareholders represents more than 50% of the voting shares according to the shareholder register of Hoa Phat Group Joint Stock Company closed by the Vietnam Securities Depository on February 27, 2023.

**III. RIGHTS AND OBLIGATIONS OF PARTICIPANTS**

**Article 5. Conditions for participation of the Meeting**

All shareholders holding shares of the Company according to the shareholder register closed by the Vietnam Securities Depository on February 27, 2023 or duly authorized representatives.

**Article 6. Regulations on authorization**

1. Shareholders and their duly authorized representatives being organizations may directly attend the Meeting or authorize one or other individuals, organizations to

attend the Meeting.

2. The authorization of a representative to attend the General Meeting of Shareholders shall be made in writing in the form approved by the Company and under provisions of the civil law, in which specifying names of the authorizing shareholder and authorized representative, the number of authorized shares, authorization contents and scope of authorization, term, signatures and stamps (if any) of the authorizer and authorized, as follows:
  - a. In case the shareholder is an individual:
    - The letter of authorization shall be signed by the authorizing shareholder and authorized representative;
    - The letter of authorization shall be signed by the authorizing shareholder and signed, sealed (if any) by the authorized organization's representative.
  - b. In case the shareholder is an organization:
    - The letter of authorization shall be signed, sealed by the legal representative of the authorizing organization under internal regulations and signed by the authorized individual;
    - The letter of authorization shall be signed, sealed by the legal representative of the authorizing organization under internal regulations and signed, sealed (if any) by the authorized organization's representative under internal regulations.
3. The authorized representative to attend the Meeting is allowed to re-authorize and shall submit the letter of authorization when registering to attend the Meeting. In case the authorized appoints an employee to attend the Meeting, such employee shall present the written letter of appointment and the shareholder's original letter of authorization.
4. If the letter of authorization is made in writing but not in the form as specified by the Company, the Chairman of the Meeting is entitled to decide the validity of that letter of authorization at its sole discretion.
5. An individual/organization may act as an authorized representative for one or more shareholders
6. The shareholder and his authorized party are responsible for their rights and obligations, validity of the letter of authorization and credentials for participants. The Company is not responsible for any complaint or appeal related to the shareholder's authorization.

## **Article 7. Rights and obligations of attending shareholders**

### **1. Rights of attending shareholders**

- To directly attend or authorize a representative to attend the Meeting;
- When directly attending the Meeting, each shareholder/representative attending the Meeting shall receive votes that clearly state the number of shares corresponding to the number of votes on issues to be discussed at the Meeting;
- To be entitled to discuss and vote for all matters under the authority of the Meeting under the Enterprise Law, other relevant legal documents and the Company's Charter. The Company has not supported the online discussion and voting at the Annual General Meeting of Shareholders in 2023;
- To be notified by the Organization Board about contents and agenda of the Meeting;
- To be provided documents on contents and agenda of the Meeting;
- Shareholders attending the Meeting late can register immediately and then participate, vote at the Meeting; however, the Chairman is not responsible for suspending the Meeting for shareholders' registration and the validity of conducted voting shall not be affected.

## **2. Obligations of attending shareholders**

- To strictly comply with provisions of the Enterprise Law, the Company's Charter and this Regulation;
- When attending the Meeting, shareholders and authorized representatives shall complete registration procedures to attend the Meeting with the Organization Board and present the following documents
  - + Meeting invitation (if any).
  - + ID Card/Passport and/or Business Registration Certificate.
  - + Valid letter of authorization (in case of being authorized to attend the Meeting).
  - + Credentials (in case the authorized organization appoints to attend the Meeting).
- Strictly comply with internal rules at the General Meeting of Shareholders and respect all results obtained at the Meeting. Shareholders shall be responsible for reading documents provided in the invitation, posted in the official website of the Company and directly provided at the Meeting;
- To directly make a speech under the management of the Chairman and make voting rights as instructed by the Organization Board as well as respect the Chairman's control rights at the Meeting;
- To publicize audio and video recordings at the Meeting which are approved by

the Chairman of the Meeting;

- To attend the Meeting at their own costs (such as transport vehicles, meals, accommodations etc.).

## **Article 8. Rights and obligations of the Chairman and Secretariat**

### **1. Rights and obligations of the Chairman**

- The General Meeting of Shareholders shall be presided over by the Chairman of Board of Management;
- The Chairman, based on actual situations, at his sole discretion, can decide to broadcast the meeting live via the Internet and/or interpret the contents discussed at the Meeting into English during the Meeting;
- Decisions made by the Chairman on the order, procedures or events arising out of the Meeting agenda shall be the highest judgment;
- The Chairman has the right to require all attendees to be subject to inspection or other lawful and reasonable security measures;
- The Chairman has the right to request the competent authority to maintain the order of the meeting; expel those who fail to comply with the Chairman's executive authority, intentionally disrupt order, prevent the normal progress of the meeting or fail to comply with the requirements of security checks from the General Meeting of Shareholders;
- The Chairman may not answer or only recognize contributions of shareholders if such contribution contents, proposals are out of the Meeting agenda;
- The Chairman appoints the Secretariat for the Meeting;
- The Chairman may postpone the General Meeting of Shareholders with a sufficient number of registered attendees for no more than 03 working days since the meeting is intended to open and may only postpone the meeting or change the meeting location in the following case:
  - + The meeting location fails to provide enough convenient seats for all attendees;
  - + The media at the meeting place fails to guarantee attendees to participate, discuss and vote;
  - + The attendee obstructs, disrupts order, and threatens to prevent the meeting from being conducted in a fair and lawful manner;

### **2. Rights and obligations of the Secretariat**

The Secretariat is responsible for preparing minutes of the Meeting and implementing

other works as assigned by the Chairman.

#### **Article 9. Voting Committee**

1. The Voting Committee consists of 01 leader and members nominated by the Chairman and approved by the Meeting by show of hands at the Meeting. Members of the Voting Committee may not be the Company's shareholder.
2. The Voting Committee is responsible for checking and supervising the voting of shareholders and organizing the vote counting.
3. The Voting Committee is responsible for preparing minutes of vote counting result and read loudly at the Meeting; handing over such minutes and all votes to the Chairman.
4. The Vote Counting Committee shall check, prepare the minutes and announce the vote counting result honestly and accurately and take responsibility for such results.

### **IV. CONDUCT OF THE MEETING**

#### **Article 10. Contents of the Meeting**

The Meeting shall discuss in order and approve the following contents:

1. Reports on business results in 2022 and business plans in 2023.
2. Reports of the Board of Management.
3. Reports on inspection of the operate and financial position in 2022 of the Board of Supervisors
4. Financial Statements in 2022 audited by KPMG Co., Ltd.
5. Reports on 2022 fund allocation, plan to use undistributed profit after tax and 2023 fund allocation
6. Amendments and supplements of the company's business lines.
7. Modification of the Group's Charter.
8. Modification of the internal regulations of the corporate governance.
9. Modification of the operating regulations of the BOMs.
10. Modification of the operating regulations of the Board of Supervisors
11. Others (if any)

#### **Article 11. Voting method through decisions made at the Meeting**

The voting for issues of the Meeting shall be implemented in the following forms, as the case may be:

1. **Ballot Vote**



- a. The voting of meeting contents shall be conducted on the principle that a voting share is corresponding to one vote and is conducted by the secret ballot directly at the Meeting. Voting contents as stated in the vote shall be voted by the Shareholder/Authorized Representative by selecting one (01) of the three following (03) options: Aye, No or Abstain.
- b. The voting is carried out by Shareholders on the basis of the following principles:
  - The voting is began at the order of the Chairman or Leader of the Voting Committee and finished when the last shareholder put the vote in a ballot box or after 30 minutes from the time of voting, whichever comes first. After the voting is completed, the ballot box is sealed and shareholders who don't vote shall be considered to waive their voting rights.
  - The vote counting is implemented immediately after the voting is completed and the ballot box is sealed.
- c. Invalid votes shall not be counted, including:
  - Votes are inconsistent with the form issued by the Board and have no stamp of the Company;
  - Votes are torn, deleted, erased or corrected;
  - Votes contain different opinions in the same voting contents;
  - Votes not signed by the shareholder or his authorized representative;
  - Votes submitted to the Vote Committee after the voting is over.
- d. The voting for a content to be approved as specified in the Vote is separated from each other and the validity of this voting content shall not affect the validity of other voting contents
- e. In case a shareholder makes a mistake in the process of writing down the Vote, provided that it has not been put in the ballot box, such shareholder has the right to directly meet the Leader of the Vote Committee to change the vote to ensure interests for shareholders.

## **2. Roll call vote**

Roll call vote is applied to cases other than ones as specified in Clause 1 of this Article. In case of roll call vote, the shareholder or the authorized representative shall vote on the issue to be consulted by holding up his/her Vote or by other means under the control of the Chairman. The Vote Committee will record the number of aye, no and abstain votes to announce the voting results to the Meeting.

## **3. Application of information technology in vote counting**

To guarantee the accuracy and timeliness in recording and summarizing all information

and data and to facilitate Shareholders, the registration of attendance, recognition of voting opinions and collection of information and data shall be made through computer systems and software that are designed in accordance with the voting principles.

## **Article 12. Provisions on vote counting in the form of ballot vote**

### **1. Organization of vote counting**

The vote counting must be conducted by the Vote Committee in a closed room upon the voting ends. The Vote Committee is not allowed to cross out or modify the vote. The Vote Committee will record the voting results in the Meeting's minutes, including::

- Number of “Aye; No; Abstain; Invalid” votes.
- Percentage (%) corresponding to the number of “Aye; No; Abstain; Invalid” votes of the total number of votes collected.
- In case of any question on the voting results by Shareholders/Authorized Representatives, the Chairman shall review and make the final decision right at the Meeting.

### **2. Announcement of the voting result**

- After the vote counting process is completed, the Voting Committee prepares a meeting minutes with signatures of all members of the Voting Committee
- On behalf of the Voting Committee, the Head of the Voting Committee shall read the voting results right at the Meeting

## **Article 13. Expression of opinions at the Meeting.**

Shareholders or their authorized representatives are entitled to express their opinions in discussions of the Meeting, and raise their votes when expressing opinions and must be approved by the Chairman of the Meeting. Shareholders or their authorized representatives can register contents of their speech at the Meeting with the Chairman via the Secretariat of the Meeting by questionnaire. When the Chairman appoints a shareholder or authorized representative, that shareholder or authorized representative is entitled to speak and the Chairman shall have the right to interrupt the presentation of that shareholder or authorized representative, if necessary. Shareholders shall not re-express opinions already expressed by other shareholders and only opinions in accordance with the agenda of the Shareholders' Meeting are recorded in the Meeting Minutes.

## **Article 14. Approval of decisions at the Meeting**

Issues of the Meeting shall be passed with the approval of the shareholders or authorized persons present at the Meeting at the rate specified in the Company's Charter and provisions of the Enterprise Law.

Shareholders or authorized representatives shall provide votes of Aye, No and Abstain

for issues that must be approved in the Shareholders' Meeting according to provisions of Article 11 of this Regulation.

If all contents of a vote are blank, that vote is deemed as "Abstain".

## **V. CLOSURE OF THE MEETING**

### **Article 15. Meeting Minutes of the General Meeting of Shareholders**

All contents of the General Meeting of Shareholders are made in writing by the Secretariat. The Meeting Minutes are read and approved before the closure of the Meeting and kept in meeting documents of the General Meeting of Shareholders of the Company.

### **Article 16. Resolutions of the General Meeting of Shareholders**

Based on the results of the Meeting, the Chairman shall issue a resolution for the General Meeting of Shareholders for issues approved by the Meeting

Shareholders, members of the Board of Management, Board of Supervisors, General Director are entitled to require the Court or Arbitration to review or cancel the whole or any part of any decision of the General Meeting of Shareholders in accordance with the Enterprise Law.

## **VI. OTHER PROVISIONS**

### **Article 17. Cases of unsuccessful organization of the General Meeting of Shareholders**

If the 1<sup>st</sup> meeting is not eligible to organize according to Article 4 of this Regulation, the 2<sup>nd</sup> meeting shall be convened within 30 days from the date the 1<sup>st</sup> meeting is expected to open. The 2<sup>nd</sup> meeting of the General Meeting of Shareholders shall be organized when the number of attending shareholders represents at least 33% of the voting shares.

In the case that the 2<sup>nd</sup> meeting is not eligible to organize according to Clause 1 of this Article, the 3<sup>rd</sup> meeting shall be convened within 20 days from the date the 2<sup>nd</sup> meeting is expected to open. In this case, the meeting of the General Meeting of Shareholders is conducted regardless of the number of attending shareholders.

### **Article 18. Other provisions**

After the meeting, the Chairman of the Board of Management undertakes to successfully implement production and business plans and other issues approved at the Shareholders' Meeting and declares the Meeting closed

## **VII. EXECUTIVE PROVISIONS**

### **Article 19. Validity**

This Regulation includes 7 Sections and 19 Articles and takes effect immediately when

approved at the Annual General Meeting of Shareholders dated March 30, 2023.

**FOR AND ON BEHALF OF THE BOARD OF  
MANAGEMENT**

No. 02/BC-DHDCD.2023

*Hanoi, February 22, 2023*

**REPORT ON PRODUCTION AND BUSINESS RESULTS IN 2022  
AND PLAN FOR 2023**

*To the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,*

I, on behalf of the Board of General Directors, would like to report to you on the production and business results in 2022 and the plan for 2023.

**I. SUMMARY OF THE PRODUCTION AND BUSINESS SITUATION IN 2022**

In 2022, after 3 years of being heavily affected by the Covid-19 wave, the world economy experienced post-Covid storms such as energy crisis, soaring inflation, credit crunch. The global economy faces the risk of recession from 5.5% growth in 2021 to 3.2% in 2022, as forecasted in the United Nations report. Vietnam continued to be one among countries with bright spots in economic growth with GDP increasing by 8.02% over the previous year and inflation was at 3.15%. The size of Vietnam's economy reached USD 409 billion GDP per capita reached over USd 4,110 per year, trade surplus of goods reached USD 11.2 billion and foreign exchange reserves reached USD 89 billion. Notably, a clear recovery is reflected in some signs such as: more enterprises were established or returned to the market; recovery of import and export market; recovery of tourism or better opportunities are opened for foreign investors. In the overall growth of the whole economy, the industry and construction sector increased by 7.78%, accounting for 38.24%. (Source: gso.gov.vn)

The year 2022 marked a difficult year for Vietnam's steel industry. Increasing price of raw materials for steel production led to an increase in production costs while the demand for steel sharply dropped. Total output of finished steel products reached 29.3 million tons, decreasing by 11.9% over the same period in 2021. Total sales of finished products reached 27.3 million tons, decreasing 7.2%, of which export of steel products reached 6.28 million tons, declining 19.1% over the same period last year.

The echo from a favorable year of the steel industry in 2021 only lasted until the end of the first quarter of 2022 when the Russia-Ukraine war broke out, causing a fuel price crisis and supply chain disruption. Additionally, post-Covid recession, soaring inflation and the

consequences of strict cash crunch policy have slowed down the growth of the entire steel industry in the remaining 3 quarters of 2022, especially the 3<sup>rd</sup> and 4<sup>th</sup> quarters. By the end of 2022, Hoa Phat recorded VND 142,770 billion in revenue, increasing by VND 8,095 billion, decreasing by 5% over the same period in 2021. Consolidated profit after tax reached VND 8,444 billion, increasing by VND 26,077 billion, accounting for 24% over the same period in 2021. And this year also witnessed negative quarterly gross profit margin for the first time since 2008. Revenue in 2022 reached 89% of the plan, decreasing 3% compared to 2021 and maintained sales of over USD 6 billion. Profit in 2022 is equal to 68% of the plan.

***Successive storms hit the steel industry during the year:***

**First**, the hot market at the beginning of the year, cooling down and freezing at the end of the year in real estate industry is the main reason for the decline in consumption and price of construction steel, leading to a gradual decrease in steel revenue in 2022. Vietnam's real estate market started excitedly at the beginning of 2022, then suddenly reversed in the middle of the second quarter and fell into a quiet state that lasted until the end of the year due to many unresolved difficulties in capital flow, resulting in a marked decrease in both demand and selling price of construction steel, one of Hoa Phat's current key products accounting for more than 70% of domestic consumption. Steel consumption of the whole Vietnamese market in general and Hoa Phat in particular only peaked in the first quarter and decreased in the following three quarters. Construction steel price sharply increased in the first quarter, by mid-May 2022, 19 corrections were made almost consecutively with a total fall of over VND 4.2 million/ton, equivalent to 25% of the price before decrease.

**Second**, raw material price escalation due to the crisis from geopolitical conflicts and impact of slow consumption and low selling prices due to weak demand put more pressure cost of goods sold. The energy crisis from the Russia-Ukraine war has pushed the price of coke, one of the two main raw materials of steelmaking by blast furnaces to 3 times higher than usual in the two peaks of March and May 2022 and the price for the rest of 2022 was maintained about 1.5 times higher than that in 2021. Therefore, gross profit margin reduced from 27% in 2021 to 12% in 2022.

**Third**, the USD price significantly and continuously increased during the year and suddenly reversed to deeply decrease at the end of the year. While the USD price remained at a fairly stable level in 2021, in 2022, the exchange rate began to rise right from March 2022 and caught up with the strong uptrend until the end of November 2022 to reach record level in

the last 20 years and only sharply decreased in the last weeks of December 2022. As the raw materials mainly come from imported sources while the main consumption market is the domestic market, and a certain proportion of foreign loans is maintained in the loan structure, Hoa Phat always has to pay net USD currency, leading to higher financial costs in relation to exchange rate risk. By the end of 2022, the net exchange rate loss (the profit and loss difference) is VND 1,858 billion, increasing 65 times compared to 2021.

**Fourth**, interest rates increased sharply in the last 6 months of the year. In 2022, the FED imposed 7 consecutive increases in operating interest rates to control inflation in the US, bringing this interest rate to the highest level in 15 years since 2007. The cash crunch policy in Vietnam was implemented with a rather long delay when maintaining VND interest rates at a comfortable level in the first 6 months of 2022 and only catching a strong increase in the remaining 6 months. At the end of the year, interest expense reached VND 3,084 billion, increasing 1.53 times over the same period in 2021.

***Details of activities in each segment:***

**Steel segment (including Iron and Steel and Steel Products)** continued to play a leading role and affirms itself as the core business of the Group. Revenue and profit after tax of this segment account for 93% and 95% of the whole Group, respectively. In 2022, the total sales volume of steel billet, construction steel, hot rolled steel coil was 7.2 million tons, decreasing 7% compared to 2021, of which construction steel accounts for 4,276,000 tons, increasing by 10% over the same period in 2021 and accounting for 59% of the total output of steel of all kinds, 375,000 tons of steel billet, 2,630,000 tons of hot-rolled steel, a slight increase over the same period in 2021. Hoa Phat construction steel continued to maintain its leading market share and has increased the market share from 32.6% at the end of 2021 to 34.8% at the end of 2022. Hoa Phat steel pipe output reached approximately 750,000 tons, increasing about 11% compared to 2021. Hoa Phat steel sheet products reached 328,000 tons, declining 23% in quantity over the same period, but sales volume in the domestic market increased about 21% compared to 2021. Steel pipe market share continued to lead the market and increased from 24.8% at the end of 2021 to 28.5% at the end of 2022. Hoa Phat Steel Sheet Co., Ltd stands firmly in the Top 5 enterprises with the largest market share.

In 2022, significant growth in export activities contributes an important part in total output. Revenue from export reached over VND 31,600 billion, accounting for 22% of total revenue in 2021 of the whole Group. Export markets are diverse including Canada, Australia, Japan,

Korea, China, etc. Steel pipes and galvanized steel products witnessed a brilliant year of export when reaching 190,000 tons, accounting for 52% of the total amount of Hoa Phat steel sheet supplied to the market .

**Agriculture segment** contributes 5% and 1% to the Group's consolidated revenue and profit after tax, respectively. This is also a tumultuous year for the agricultural sector. At the beginning of the year, the prices of pigs, eggs and cows fell sharply, recovered in the 2<sup>nd</sup> and 3<sup>rd</sup> quarters and then turned down again in the 4<sup>th</sup> quarter. Notably, the Australian cow market sharply declined due to China's long closure of the border area, cows fell in competition in the consumer market in Vietnam, which was inherently small, making it difficult for Australian cows in the high-mid-price segment to stimulate consumer demand. The bran consumption nationwide was 332,000 tons (159,000 tons were internally used at Hoa Phat's farms, accounting for 48%), increasing 13% over the same period in 2021. In the pig breeding segment, the production output is nearly 404,000 pig heads (finished pigs of 352,000 heads, increasing 22% over the same period in 2021), production targets ranked in the top of the livestock industry. Hoa Phat has focused on supplying high-quality commercial breeding and hogs to the market from farms in Yen Bai, Hoa Binh, Thai Binh, Bac Giang, Vinh Phuc, Hai Phong, Hung Yen and Binh Phuoc . The cow segment consumed nearly 28,000 heads, decreasing 45% compared to 2021. During the year, nearly 265 million eggs chicken eggs were sold to the market and more than 850,000 eggs were produced per day, leading in supply of clean eggs in the North. Hoa Phat is supplying a quantity of 50,000-60,000 clean eggs to more than 100 supermarkets and stores of HPE and O'lala brands, specifying the origin and production by Hoa Phat Phu Tho Poultry One Member Limited Liability Company.

**Real estate segment** contributes 4% of the Group's profit after tax. During the year, Hoa Phat industrial parks handed over 14.6 hectares of land, continuously welcomed investors to lease land and expand factories. In addition to industrial park real estate, Hoa Phat is still actively seeking potential projects across the country, focusing on the center and large cities. Some residential real estate projects are in bidding procedure and going through legal procedures.

**Home appliance segment** contributes 1% of the Group's profit after tax. A home appliance factory in Ha Nam with an area of nearly 15 hectares has been put into operation since September 2022 and launched water purifiers and air conditioners. A factory in Phu My is under construction.

**- Regarding financial indicators (pre-audit indicators):**



+ *Equity* as of December 31, 2022 is VND 96,113 billion, increasing 6% compared to 2021.

+ *ROE and ROA* as of December 31, 2022 reached 5% and 8.8%, respectively.

+ *Total assets* of the Group as of December 31, 2022 were VND 170,336 billion, decreasing nearly 4% compared to 2021. In which, current assets were VND 80,515 billion, decreasing 14% compared to 2021 due to production output reduction in line with market developments; Non-current assets were VND 89,821 billion, increasing 6.8% compared to 2021 due to continuous investment in key projects.

+ *Total short-term and long-term loans* of the whole Group as of December 31, 2022 were VND 57,900 billion. Bank debt to equity ratio was at 0.6 times. However, Net bank debt to equity ratio is currently at 0.24 times, which is a low average in terms of leverage. The debt ratio continues to be controlled at a safe level, which leads Group to achieve its goals in the near future.

- *Total payment to the State budget in the year was VND 11,200 billion.* In particular, the most significant budget contributions of Hoa Phat were allocated to Quang Ngai, Hung Yen and Hai Duong. During the year, Hoa Phat Group was honored to rank 13<sup>th</sup> in the 50 best enterprises in Vietnam in 2022.

- Create jobs for more than 28,500 employees throughout the Group.

- During the year, Hoa Phat researched and applied modern management solutions namely ERP, human resource and salary project, electronic office and some other software for better management, orienting towards digital technology in the management of production and business activities of the whole Group.

**Besides the achievements, the Group also realizes many challenges:**

- As a result of armed conflict between Russia and Ukraine from the end of February 2022, the US and the EU continuously put strong sanctions against Russia, which caused increase in the prices of energy, food and essential commodities, rising inflation, weak consumer demand, significant impacts on the world economy and Vietnam's economy.

- Trade protection policy continues to increase in many regions and countries.

- Increasing competition in the Group's production segment, especially steel.

- Significant financial costs due to the common tendency to maintain high interest rates.

- The local steel market has not prospered because the real estate industry is in difficult time.

## **II. ASSESSMENT OF SITUATION AND ORIENTATION FOR 2023**

The Board of Management of the Group assesses that: In 2023, revenue is expected to slightly increase compared to 2022. Fuel prices tend to increase, selling prices increase disproportionately, and financial costs remain significant as interest rates are forecasted to remain high. The Group's leadership sets the following goals:

- ✓ To complete legal papers and continue to invest in construction for Hoa Phat Dung Quat 2 Iron and Steel Production Complex Project;

- ✓ To complete and carry out commissioning of Container Factory;
- ✓ To gradually increase production output in line with market developments and ensure the consumption of all manufactured products; continue to lead the national market share in construction steel and steel pipes - galvanized steel in the field of steel production and business.
- ✓ To ensure good inventory management, closely monitor the price of raw materials, deploy a reasonable regulation policy.
- ✓ To update the fluctuations of the world and local economic situation, especially the trend of exchange rates and interest rates to have a policy regulating a safe debt threshold, minimizing the risk of exchange rate fluctuations, and effective cash flow.
- ✓ To conduct in-depth research and development in each field of activity to promote resources and experience.
- ✓ To invest in digital transformation in corporate governance.

With the goal of maintaining the momentum and overcoming challenges in the difficult period, the Board of General Directors would like to submit to the General Meeting of Shareholders for approval the consolidated business plan of the whole Group in 2023 as follows:

Revenue plan: **VND 150,000 billion**

After-tax profit plan: **VND 8,000 billion**

***We kindly submit this plan to the General Meeting of Shareholders for consideration and approval.***

**FOR BOARD OF GENERAL DIRECTORS**

No. 03/BC-DHDCD.2023

*Hanoi, February 22, 2023*

## **REPORT OF THE BOARD OF MANAGEMENT**

***To the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

The Board of Management of Hoa Phat Group Joint Stock Company would like to send to Shareholders a report including the following sections:

- Assessment of the Board of Management on operations;
- Assessment of the Board of Management on operations of the Board of Directors;
- Activities of the Board of Management in 2022;
- Orientation plan of the Board of Management.

### **1. The Board of Management's assessment of operations**

*In 2022, Hoa Phat Group celebrated 30 years of construction and development. Hoa Phat has made encouraging progress despite facing unprecedented difficulties.*

#### **Iron and steel segment**

Declining demand at home and abroad, plunging selling prices and rising raw material prices (especially a sudden spike in coal prices due to the impact of the Russia-Ukraine war) has affected the operation of the iron and steel segment at Hoa Phat Group. Meanwhile, credit crunch, sharp increase of exchange rate and interest rates has greatly affecting the Group's production and business operations. This situation has been forecasted by the Board of Management in early 2022.

Based on accurate market assessment, Hoa Phat Group has adjusted its production and business operations accordingly. As a result, in 2022, the Group achieved sales volume of 7.2 million tons of steel of all kinds. Construction steel, which is a key product, continues to maintain the leading market share in the country, accounting for about 35%. Hot rolled coil (HRC) reached more than 2.6 million tons, accounting for 42% of HRC quantity produced in Vietnam.

Also, export markets have expanded across 5 continents. The exploitation of new export markets enables Hoa Phat to diversify its consumption markets, and contribute to increase in foreign currency revenue and maintain the trade balance of Vietnam.

In addition to the traditional steel product lines, Hoa Phat Group has promoted

research and development of high quality steel lines, especially technically sophisticated steel lines including steel coils for tire bead, screws, and coiled twisted steel bars.... This proves that Hoa Phat team has mastered the modern technology line, increasingly producing high-quality product lines in satisfaction of the diverse needs of the market.

### **Steel product segment**

The Group's downstream steel products such as steel pipes, galvanized steel, prestressed steel and drawing steel rods have achieved remarkable results in favorable market conditions. Hoa Phat steel pipe's accumulated output of the whole year recorded 750,000 tons, increasing about 11% compared to 2021. Hoa Phat steel pipe's market share increased from 24.7% (according to Vietnam Steel Association's statistics at the end of 2021) to nearly 29% (by the end of December 2022), affirming its leading position in Vietnam.

Featuring a wide range of high-quality products satisfying international standards and quick supply capacity, Hoa Phat steel pipes have been supplied to a series of large projects and works throughout the country, the most prominent of which is Long Thanh International Airport project.

Hoa Phat steel sheet market share is firmly positioned in Top 5 largest domestic manufacturers. Hoa Phat Steel Sheet Co., Ltd. is the first and only steel sheet manufacturer in Vietnam that is self-sufficient in hot rolled coil (HRC) materials from Hoa Phat Dung Quat Iron and Steel Production Complex. By leveraging this advantage, Hoa Phat can offer competitive prices while maintaining stable product quality.

With prestressed steel products, exports of PC Strand increased by 90% compared to last year. At the same time in 2022, the Company has launched to the market a new product line named PC Wire

### **Agriculture segment**

Entering the 7<sup>th</sup> year of engaging in Agriculture, the Group faces a lot of challenges due to the impact of the Covid-19 epidemic as well as economic and political instability at home and abroad. However, the farms raising Australian cows, poultry eggs, bio-safe pigs and animal feed factories still ensure output and meet market demand.

In 2022, despite difficulties, the annual output of Hoa Phat Hung Yen Animal Feed Company still reached over 90% of the target plan. In the coming years, Hoa Phat will exactly invest in more factories in Phu Tho to facilitate the internal farm system. This will enable it to expand its distribution agent system.

In the field of poultry production, Hoa Phat's daily output of clean chicken eggs is approximately 850,000, maintaining the No. 1 market share in egg supply in the North. Particularly at the beginning of November, 2022, the output of chicken eggs supplied to the market exceeded the milestone of more than 1 million eggs per day.

Hoa Phat Agriculture's hi-tech pig and beef farms continue to optimize processes and investment efficiency. Hoa Phat pig production in 2022 will reach 95% of the target plan. For beef cattle, Hoa Phat still maintains its leading position in supplying live Australian cows in Vietnam.

### **Real estate segment**

After 21 years of operation in the real estate sector, Hoa Phat Group has made steady contributions to the overall development over the years. In 2022, Hoa Phat Real Estate focused on promoting real estate development in Industrial Parks (IZs).

In Pho Noi A Industrial Park, the occupancy rate is about 87% with 125 enterprises renting land. Accordingly, Hoa Phat's industrial park system has been successful in attracting the wave of production investment in Southeast Asian countries. Many FDI enterprises come from such countries as the US, Japan, and Taiwan.

On May 27, 2022, Hoa Phat was approved to invest in the construction and infrastructure business project of Yen My II Industrial Park Estate in the province. The project has a scale of 216 ha with a total estimated investment of more than 2,682 billion. Yen My II Industrial Park is planned to attract investment in clean production fields and industries with little impact on the environment.

So far, Hoa Mac Industrial Park (Ha Nam) has attracted over 30 investment enterprises, reaching the occupancy rate of 100% of the area invested in technical infrastructure.

In addition to industrial park real estate, Hoa Phat strives to seek potential projects in many provinces and cities across the country. In 2022, Hoa Phat's member companies participated in bidding for housing construction investment projects in Bac Giang, Hung Yen and Phu Tho.

### **Home electrical appliances segment**

Since 2021, Hoa Phat Group has significantly invested in home electrical appliances. In particular, Hoa Phat Home Appliances Joint Stock Company invested in construction of 3 large production centers in Hung Yen, Ha Nam and Ba Ria-Vung Tau, aiming to reach the output of 1 million refrigeration and home electrical products every year.

Previously, Hoa Phat mainly distributed products through conventional dealer channels, but the very next day, Hoa Phat's refrigeration and electrical appliances have appeared on the shelves of large supermarket channels including Dien May Xanh, Cao Phong, HC, PICO, etc.

On September 26, 2022, Hoa Phat Home Appliances Factory in Ha Nam officially went into operation for production of household products with an investment over VND 1,000 billion within the project area of nearly 15 hectares. The factory has launched the first products bearing the imprint of Hoa Phat such as air coolers, water purifiers and plans

to launch induction cookers, infrared cookers, etc. in the coming time.

Along with multi-channel expansion, product development, marketing, human resources and warranty strategies, Hoa Phat Group aims to reach the revenue milestone of USD 1 billion by 2030 and become the largest home appliance manufacturer in Vietnam.

### **Responsibility to the environment and society**

Hoa Phat is the leading large-scale industrial production group in Vietnam, in which steel is the core segment. The consumption market is not limited to local market, Hoa Phat steel has been present in nearly 30 countries and territories across 5 continents of the world. Therefore, the Group always focuses on investing in environmental protection, ensuring strict compliance with current environmental regulations of Vietnam and the world.

Hoa Phat's steel production complexes and factories spend up to 30% of their fixed capital on environmental issues, application of the most modern closed-loop solutions, taking advantage of waste gas and residual heat for environmentally friendly power generation solution. In the field of agriculture, biosafety technology is applied in livestock farm system, ensuring satisfaction of environmental indicators in treatment of wastewater.

Entering the 30<sup>th</sup> year of operation, Hoa Phat deploys social activities in the direction of "Harmony for co-development", focusing on 3 main groups: Health - Education - Transport. By the end of 2022, Hoa Phat Group has spent nearly VND 30 billion for charity and social activities.

Some meaningful programs have been deployed including Heartbeat of Love (funding surgery for poor children with congenital heart disease), monthly support for orphans, and scholarship "Accompanying students" National Economics University, organizing screening tests for people in difficult circumstances in Son La province, etc. These programs will be continuously promoted in the coming years.

## **2. Assessment of the Board of Management on the operations of the Board of Directors**

Experiencing a year full of difficulties and challenges, the Board of Management highly appreciates the efforts and achievements that the Group's Board of Management and the Board of Directors of member companies have made in the past year.

All business segments have made a significant progress, laying the foundation for the development in the coming years. The Board of General Directors had deployed many flexible and timely management solutions in alignment with the complicated situation of the market while ensuring the implementation of the orientation policy of the Board of Management.

In compliance with the provisions of the Articles of Association, Rules and Regulations on Internal Governance and applicable laws, the Board of Management has carried out specific supervision activities as follows:

- Each member of the Board of Management is in charge of each segment, concurrently acting the director of member companies in charge of major investment projects of the Group.
- Regularly direct the Board of Management of member companies in investment in new projects, searching for new sales markets, supervising the implementation of the production and business plans, etc.
- Organize and direct the strict implementation of quarterly financial statements, semi-annual financial statements, annual financial statements and annual reports;
- Monitor and direct the implementation of disclosure with the goal of ensuring transparency and timeliness in accordance with regulations.
- Supervise the implementation of resolutions issued by the General Meeting of Shareholders and the Board of Management, inspect the management activities of the Board of Management in business activities.
- Prepare plan and capital for ongoing projects implemented by member companies in the Group.

### **3. Main activities of the Board of Management during the year**

In 2022, the Board of Management issued 10 Resolutions and approved many important contents:

- Approving the capital increase at Hoa Phat Real Estate Corporation;
- Approving the production and business plan, amending the articles of association, etc. to submit to the General Meeting of Shareholders for decision;
- Approving the detailed plan of cash and stock dividends;
- Promulgating the new Internal Audit Regulations, the development strategy of the Internal Audit Committee and the internal audit plan for the period 2023-2025;
- And many other important decisions.

### **4. Plan and direction**

In a multi-industry corporation like Hoa Phat, identifying difficulties or advantages must be based on the global context. The impact of the Russia-Ukraine war on energy and food has not been fully anticipated; China has opened its door since the beginning of 2023, the competition among major economies remains in doubt. Therefore, Hoa Phat determines that it will face many difficulties in 2023, at least in the first 6 months of the year. The positive outlook is that world inflation has shown signs of peaking and the exchange rate has been better controlled. There is no longer a “hibernation” period, as pessimism as in the early 2022 period, but confidence is now greater.

Hoa Phat’s Board of Management will always be ready to safely and flexibly adapt

to the economic and political situation at home and abroad to ensure efficient production and business and make good use of its internal resources that have been built over the past 30 years.

The mindset shapes a vision of the Groups' Board of Management in 2023 as follows:

1. To promote a number of digital transformation projects that have been strongly implemented in 2022 such as human resources and salary projects, operating the e-office system, etc. Continue to complete planned digital transformation projects and apply in the whole Group in 2023;
2. To concentrate all resources to complete legal procedures, investment and construction Hoa Phat Dung Quat 2 Iron and Steel Complex Project;
3. To strengthen the management of production and inventory to ensure flexible production and business activities in light of unpredictable economic developments;
4. To promote market domination for new home appliance products including water purifiers, air coolers, infrared cookers, induction cookers, etc.
5. To conduct in-depth research and development for current projects and categories in order to take advantage of available resources and experience, and conduct research and development of new products and new business lines.

*The above is the report of the Board of Management.*

*We kindly submit the report to the General Meeting of Shareholders for consideration and approval .*

**FOR BOARD OF MANAGEMENT**



No. 04/BC-ĐHĐCĐ.2023

*Hanoi, February 22, 2023*

## **REPORT OF THE BOARD OF SUPERVISORS**

***Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

*Pursuant to the Charter of Hoa Phat Group Joint Stock Company.*

*Pursuant to the Resolution of the Annual General Meeting of Shareholders 2022.*

*Pursuant to Consolidated Financial Statements 2022 of the Group.*

*Based on the results of inspection and supervision activities of the BOS in 2022.*

The Board of Supervisors (BOS) would like to report Shareholders the following contents

### **1. Operations of the BOS in 2022:**

#### **1.1 Number of members of the BOS**

Personnel of the BOS for the term 2021-2026 includes 04 members as follows:

Mrs. Bui Thi Hai Van – Head of the Board of Supervisors

Mrs. Ngo Lan Anh – Member

Mrs. Thai Thi Loc – Member

Mrs. Le Minh Thuy – Member

The members' 2022 remuneration is fifty million dongs/year

#### **1.2 Meetings of the BOS:**

In 2022, the Board of Supervisors held two meetings with the following contents:

- a. Supervise execution of Resolutions of the General Meeting of Shareholders, and Board of directors.
- b. Monitor completion of the Company's annual plans.
- c. Oversee the Company's compliance with regulations on environment, labor safety, etc.
- d. Review the Company's financial statements including:
  - Audited consolidated financial statements in 2021.

- Reviewed consolidated financial statements of first 6 months in 2022.
- Quarterly consolidated financial statements in 2022.

The members fully participated in meetings.

### **1.3 Operations of the BOS in 2022:**

- a. The BOS has performed the supervisory and management role in controlling activities, completing the Company's production and business plans and other tasks under the law and the Group's Charter.
- b. Control implementation of the Resolution of the General Meeting of Shareholders in 2022 and resolutions of the BOM.
- c. The BOS participated in all meetings of the BOM to grasp the situation of business activities, the situation of construction investment and to give opinions and make recommendations to the Board of directors within the scope of its responsibility and authority.
- d. Monitor the periodic disclosure of information, unusual information in a timely manner and verify their authenticity to the Company's shareholders.
- e. Review the Company's annual financial statements and costs of production and business activities, assess impacts of material issues mentioned in the audit report, and monitor implementation of recommendations made by the independent audit unit, thereby making appropriate recommendations and solutions for the Board of directors.
- f. Coordinate with the Internal Audit Board in 2022 (former name: Internal Control Board) to inspect and supervise implementation of the ongoing processes, and at the same time provide timely suggestions for the Company to adjust and comply with the set rules.
- g. Coordinate with the Group's Technology and Digital Transformation Department to build management applications for the whole Group.

### **2. Operational and financial situation of the Company:**

The report accurately reflects the Group's financial and business position as of December 31, 2022, in accordance with current accounting regulations, without any material errors in accounting.

*(Unit: VND billion)*

Items	2021	2022
Profit after tax from business operations	34,520	8,444
Revenue	150,865	142,771

Total assets	178,236	170,336
Equity	90,780	96,113
Net profit margin ratio	23.06%	6%
Return on Assets	19.37%	5%
Return on Equity	38.03%	8.8%

Through the appraisal, the BOS unanimously confirmed the results of the 2022 financial statements and assessed that the Company's 2022 financial statements was presented honestly, reasonably and under current regulations.

### **3. Comments on management of the Board of directors, Board of Directors and other managers in 2022**

Over the year, the BOS did not receive any recommendations from shareholders about violations of the BOM and BOD in performing their duties.

In 2022, due to fluctuations in the economy that significantly affect the Group's production and business activities, the Board of directors and Board of Directors have regularly and drastically directed business solutions to overcome difficulties and minimize adverse risks.

In addition, the Board of directors and the Board of General Directors evaluate the management system, direct the research to adjust and standardize the Governance Framework system in line with the Group's development and governance needs.

The BOS received absolute supports and coordination from the Board of directors and the leaders at subsidiaries during inspection and audit process.

### **4. Directions and tasks of the Board of Supervisors in 2023**

To successfully implement the inspection and supervision under the Enterprise Law and the Company's Charter, the BOS' plans in 2023 are as follows:

To develop and perfect regulations and operational processes of internal audit activities.

- To increase the scope of internal audit to provide independent assessments to the Board of directors, Executive Board and external stakeholders of the appropriateness and effectiveness of risk-oriented business governance processes, risk management and internal control of the Group.
- To coordinate with the Group's functional departments to review and perfect regulations and operational processes.
- To review and appraise the Company's quarterly, interim and annual financial statements.
- Other duties as prescribed by the Enterprises Law and the Company's Charter.

### **5. Recommendations:**

On the basis of monitoring activities, the BOS recommends to the Board of Directors and the Board of directors a number of key contents, including:

Promoting the training and development of human resources, and developing personnel policies under the current requirements of the Company.

Facilitating the BOS's operations under regulations on the principle of preventing and limiting errors in all activities, especially financial activities...

*Above is the Report of the Board of Supervisors.*

*It is respectfully submitted to the General Meeting of Shareholders for review and approval!*

**ON BEHALF OF BOARD OF  
SUPERVISORS  
Head of the Board**

**BUI THI HAI VAN**

No. 05/TT-ĐHĐCĐ.2023

*Hanoi, February 22, 2023*

**STATEMENT OF**  
**THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**  
*(On fund allocation)*

*Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,*

*Based on:*

- *Applicable Enterprises Law;*
- *Applicable Charter of Hoa Phat Group Joint Stock Company;*
- *Resolution of the Annual General Meeting of Shareholders of Hoa Phat Group Joint Stock Company number 01/NQ-ĐHĐCĐ.2022 held on May 24, 2022.*

Based on financial results in 2022 with revenue of **VND 142.771 billion**, profit after tax of **VND 8.444 billion**.

On behalf of the Board of Management, I would like to submit to the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company the contents related to making provisions as follows:

**1. Report on fund allocation in 2022**

*The Group's funds in 2022 are allocated according to the following details:*

No.	Items	Amount (VND billion)
1	Total profit before tax of 2022	9.923
2a	Current income tax expenses	1.004
2b	Deferred income tax expenses	(477)
3	<b>Profit after CIT (=1-2a - 2b)</b>	<b>8.444</b>
4	Fund allocation, in which:	<b>42.2</b>
a	<i>Development and investment fund</i>	0
b	<i>Bonus and welfare fund (0.5% of Profit after tax)</i>	42.2
c	<i>Remuneration for the BOM (1% x Profit after tax)</i>	0

<i>d</i>	<i>Bonus fund for the Executive Board (5% of the surplus of the year's profit after tax of 25.000 billion VND)</i>	<i>0</i>
<b>5</b>	<b>Remaining profit after deducting funds (=3-4)</b>	<b>8.402</b>

**2. The remaining of total undistributed Profit after tax accumulated at 31/12/2022, after deducting funds in Section 1 (deducting funds 42.2 billion VND) will be use for production and business activities of Hoa Phat Group.**

**3. Proposals on fund allocation plans in 2023**

- Development and investment fund: Authorize the Board of Directors to consider and decide on specific allocation and expenditure.
- Bonus and welfare fund: up to 5% of profit after tax. Authorize the Board of Directors to decide on specific allocation and expenditure.
- Remuneration for the BOM: up to 1% of profit after tax. Authorize the Chairman of the BOM to decide on the form and specific remuneration of the BOM's members and specific expenditures.
- Bonus fund for the Executive Board of Hoa Phat Group Joint Stock Company and subsidiaries: Up to 5% of the surplus of profit after tax of VND 8 trillion. Authorize the Board of Directors to consider and decide on specific bonus levels, forms and plans.

*This statement is respectfully submitted to the General Meeting of Shareholders for review and approval.*

**FOR AND ON BEHALF OF THE  
BOARD OF MANAGEMENT**

**No. 07/TT-ĐHĐCĐ.2023**

*Hanoi, February 22, 2023*

**STATEMENT**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**

*(On amending and supplementing business lines)*

***Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

In order to match the activities of member companies in the Group and update the Group's business registration code in the Vietnamese economic industry system promulgated with Decision No. 27/2018/QĐ-TTg, a number of contents related to the detailed amendment and supplementation of the Company's registered business lines are submitted to the would General Meeting of Shareholders for review and approval.

1. Detailed amendment and supplement of business lines as follows:

No.	Code	Before change	After change
1.	4661	Wholesaling solid, liquid, gas fuel and related products  Details: Wholesaling crude oil; Wholesaling petroleum and related products; Wholesaling coal and other solid fuels; Petroleum business agent	Wholesaling solid, liquid, gas fuel and related products  Details: <del>Wholesaling crude oil;</del> Wholesaling petroleum and related products; Wholesaling coal and other solid fuels; Petroleum business agent
2.	6810	Trading in real estate, land use rights as an owner, user or a tenant  Details: Trading in real estate (excluding consulting activities on land prices); Providing office and property lease services.	Trading in real estate, land use rights as an owner, user or a tenant  Details: Trading in real estate (excluding consulting activities on land prices, consulting activities on construction of burial grounds for transferring land us rights); Providing office and property lease services.

3.	4662	<p>Wholesaling metals and metal ores</p> <p>Details: Wholesaling iron and steel products, zinc ingots, other metals and alloys; Wholesaling stainless steel pipes, alloy steel pipes; Trading in aluminum products used for building materials and consumption.</p>	<p>Wholesaling metals and metal ores</p> <p>Details: Wholesaling iron and steel products, zinc ingots, other metals and alloys (Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/NĐ-CP); Wholesaling stainless steel pipes, alloy steel pipes; Trading in aluminum products used for building materials and consumption.</p>
4.	4620	<p>Wholesaling agricultural and forestry products (except wood, bamboo, neohouzeaua) and live animals</p> <p>Details:</p> <ul style="list-style-type: none"> <li>- Trading in processed agricultural, aquatic, seafood and forestry products;</li> <li>- Trading in agricultural and forestry products (including those permitted by the State);</li> <li>- Wholesaling feed and feed ingredients for livestock, poultry and aquatic products;</li> <li>- Wholesaling seeds.</li> </ul>	<p>Wholesaling agricultural and forestry products (except wood, bamboo, neohouzeaua) and live animals (Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/NĐ-CP)</p> <p>Details:</p> <ul style="list-style-type: none"> <li>- Trading in processed agricultural, aquatic, seafood and forestry products;</li> <li>- Trading in agricultural and forestry products (including those permitted by the State);</li> <li>- Wholesaling feed and feed ingredients for livestock, poultry and aquatic products;</li> <li>- Wholesaling seeds.</li> </ul>
5.	8299	<p>Other business support services n.e.c</p> <p>Details:</p> <ul style="list-style-type: none"> <li>- Entrusting export - import;</li> <li>- Buying, selling, importing and exporting minerals;</li> <li>- Buying, selling, importing and exporting business items.</li> </ul>	<p>Other business support services n.e.c which are not classified yet (Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/NĐ-CP)</p> <p>Details:</p> <ul style="list-style-type: none"> <li>- Entrusting export - import;</li> <li>- Buying, selling, importing and exporting minerals;</li> </ul>



			- Buying, selling, importing and exporting business items.
6.	4632	Wholesaling food	Wholesaling food (Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/NĐ-CP)
7.	4659	Wholesaling other machinery, equipment and spare parts Details: Trading in electrical, electronic, optical and medical equipment; Trading in and importing and exporting steel, materials and equipment for steel refining and rolling; Trading in and leasing gymnastics and sports equipment, competition costumes and souvenirs; Wholesaling equipment and spare parts for transportation and mining, and means of transport.	Wholesaling other machinery, equipment and spare parts Details: Trading in electrical, electronic, <del>optical and medical</del> equipment; Trading in and importing and exporting steel, materials and equipment for steel refining and rolling; Trading in and leasing gymnastics and sports equipment, competition costumes and souvenirs; Wholesaling equipment and spare parts for transportation and mining, and means of transport.
8.	3512	Power transmission and distribution	Power transmission and distribution (Excluding items in section 1, Profile A, Annex I, Decree No. 31/2021/NĐ-CP)

2. To authorize the General Director to adjust the detailed contents of the business lines after the change to comply with requirements of the competent state agency. In case of other requirements, General Director has the right to make changes accordingly.
3. To authorize the General Director to carry out procedures for changing the registered business lines of Hoa Phat Group Joint Stock Company at a competent state agency. The General Director is entitled to delegate his authority.

***Kindly request the General Meeting of Shareholders to review and approve.***

**FOR THE BOARD OF DIRECTORS**

**HOA PHAT GROUP JOINT  
STOCK COMPANY**

---

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom - Happiness**

---

No. 08/TT-ĐHĐCĐ.2023

*Hanoi, February 22, 2023*

**STATEMENT OF  
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**

*(On modifying a number of articles of the Company's Charter)*

***Attention to General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

The current charter of Hoa Phat Group Joint Stock Company was approved by the 2022 Annual General Meeting of Shareholders on May 24, 2022.

During the Group's operation, there were inappropriate provisions in the Charter. Therefore, it is necessary to modify the Company's Charter to make the Company run smoothly.

Therefore, we would like to submit to the General Meeting of Shareholders for approval the amendments and supplements to the Company's Charter. Details of amendments and supplements are attached to this report.

***This statement is respectfully submitted to the General Meeting of Shareholders for review and approval.***

**FOR AND ON BEHALF OF THE  
BOARD OF MANAGEMENT**

# AMENDMENTS TO THE CHARTER – HOA PHAT GROUP JOINT STOCK COMPANY

(Enclosed with Statement No. 08/TT-DHĐCĐ.2023 dated February 22, 2023 of the Board of directors)

ARTICLE	CURRENT PROVISIONS	TO BE AMENDED	REASONS
Introduction	This Charter is amended pursuant to Resolution No.01/NQ – ĐHĐCĐ.2022 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company approved at the annual meeting on May 24, 2022.	This Charter is amended pursuant to Resolution No. .../NQ – ĐHĐCĐ.2023 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company approved at the annual meeting on _____, 2023.	Updating the actual time according to the date of the GMS and the number of Resolutions of the GMS approving the amendments to the Charter
<b>ARTICLE 4 - OBJECTIVES OF THE COMPANY</b>			
4.1	Wholesaling solid, liquid, gas fuel and related products Details: Wholesaling crude oil; Wholesaling petroleum and related products; Wholesaling coal and other solid fuels; Petroleum business agent	Wholesaling solid, liquid, gas fuel and related products Details: <del>Wholesaling crude oil</del> ; Wholesaling petroleum and related products; Wholesaling coal and other solid fuels; Petroleum business agent	
4.1	Trading in real estate, land use rights as an owner, user or a tenant Details: Trading in real estate (excluding consulting activities on land prices); Providing office and property lease services.	Trading in real estate, land use rights as an owner, user or a tenant Details: Trading in real estate (excluding consulting activities on land prices, <u>consulting activities on construction of burial grounds for transferring land us rights</u> ); Providing office and property lease services.	

4.1	Wholesaling metals and metal ores Details: Wholesaling iron and steel products, zinc ingots, other metals and alloys; Wholesaling stainless steel pipes, alloy steel pipes; Trading in aluminum products used for building materials and consumption.	Wholesaling metals and metal ores Details: Wholesaling iron and steel products, zinc ingots, other metals and alloys ( <u>Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/ND-CP</u> ); Wholesaling stainless steel pipes, alloy steel pipes; Trading in aluminum products used for building materials and consumption.	
4.1	Wholesaling agricultural and forestry products (except wood, bamboo, neohouzeaua) and live animals Details: - Trading in processed agricultural, aquatic, seafood and forestry products; - Trading in agricultural and forestry products (including those permitted by the State); - Wholesaling feed and feed ingredients for livestock, poultry and aquatic products; - Wholesaling seeds.	Wholesaling agricultural and forestry products (except wood, bamboo, neohouzeaua) and live animals ( <u>Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/ND-CP</u> ) Details: - Trading in processed agricultural, aquatic, seafood and forestry products; - Trading in agricultural and forestry products (including those permitted by the State); - Wholesaling feed and feed ingredients for livestock, poultry and aquatic products; - Wholesaling seeds.	
4.1	Other business support services n.e.c Details: - Entrusting export - import;	Other business support services n.e.c which are not classified yet ( <u>Excluding items in section</u>	

	<p>- Buying, selling, importing and exporting minerals;</p> <p>- Buying, selling, importing and exporting business items.</p>	<p><b>16, Profile A, Annex I, Decree No. 31/2021/ND-CP)</b></p> <p>Details:</p> <ul style="list-style-type: none"> <li>- Entrusting export - import;</li> <li>- Buying, selling, importing and exporting minerals;</li> <li>- Buying, selling, importing and exporting business items.</li> </ul>	
4.1	Wholesaling food	Wholesaling food ( <u>Excluding items in section 16, Profile A, Annex I, Decree No. 31/2021/ND-CP)</u>	
4.1	<p>Wholesaling other machinery, equipment and spare parts</p> <p>Details: Trading in electrical, electronic, optical and medical equipment; Trading in and importing and exporting steel, materials and equipment for steel refining and rolling; Trading in and leasing gymnastics and sports equipment, competition costumes and spare parts for transportation and mining, and means of transport.</p>	<p>Wholesaling other machinery, equipment and spare parts</p> <p>Details: Trading in electrical, electronic, <b>optical and medical equipment</b>; Trading in and importing and exporting steel, materials and equipment for steel refining and rolling; Trading in and leasing gymnastics and sports equipment, competition costumes and souvenirs; Wholesaling equipment and spare parts for transportation and mining, and means of transport.</p>	
4.1	Power transmission and distribution	Power transmission and distribution ( <u>Excluding items in section 1, Profile A, Annex I, Decree No. 31/2021/ND-CP)</u>	
<b>ARTICLE 5 – AUTHORIZED CAPITAL AND SHARES</b>			

5.1	<p>Authorized capital of the Group: VND 44,729,227,060,000 (In words: Forty four thousand seven hundred twenty nine billion two hundred twenty seven million sixty thousand Vietnam dong).</p> <p>Total authorized capital of the Group is divided into <b>4,472,922,706</b> shares (In words: Four billion four hundred seventy two million nine hundred twenty two thousand seven hundred and six shares) with par value of VND 10,000 (ten thousand)/share.</p>	<p>Authorized capital of the Group: VND <b>58,147,857,000,000</b> (In words: Fifty eight thousand one hundred and forty seven billion eight hundred fifty seven million Vietnam dong).</p> <p>Total authorized capital of the Group is divided into <b>5,814,785,700-shares</b> (In words: <b>Five billion eight hundred and fourteen million seven hundred eighty five thousand seven hundred shares</b>) with par value of VND 10,000 (ten thousand)/share.</p>	Amended in line with Business Registration Certificate No. 35 of the Group.
<b>ARTICLE 19 - AUTHORITY AND PROCEDURES FOR COLLECTION OF SHAREHOLDERS' WRITTEN OPINIONS IN ORDER TO PASS DECISIONS OF THE GENERAL MEETING OF SHAREHOLDERS</b>			
19.1	<p>Except for the cases specified in Clause 2, Article 147 of the Law on Enterprises, the BOD has the right to collect shareholders' written opinions in order to pass all contents under the deciding authority of the GMS if considered necessary in the interests of the Company;</p>	<p><del>Except for the cases specified in Clause 2, Article 147</del> of the Law on Enterprises, the BOD has the right to collect shareholders' written opinions in order to pass all contents under the deciding authority of the GMS if considered necessary in the interests of the Company;</p>	<p>Bỏ để có thể lấy ý kiến cổ đông đối với mọi vấn đề thuộc thẩm quyền của ĐHĐCĐ.</p> <p>Delete to collect shareholders' opinions on all matters in scope of authority of the General Meeting of Shareholders.</p>
<b>ARTICLE 24 - STRUCTURE AND TENURE OF MEMBERS OF THE BOARD OF DIRECTORS</b>			
24.1	<p>The minimum number of the BOD is five (05) and the maximum is eleven (11).</p>	<p>The minimum number of the BOD is <b>three (03)</b> and the maximum is eleven (11).</p>	<p>Reduce number of directors in accordance</p>

			with the applicable law.
<b>ARTICLE 46. TRANSACTIONS BETWEEN THE PARENT COMPANY AND RELATED PERSONS, SHAREHOLDERS, MANAGERS AND THEIR RELATED PERSONS</b>			
46.2	<p>The Group may not provide loans or guarantees to related persons of shareholders being organizations, unless the Group and organizations being related persons of shareholders being companies in the same group or companies operating in groups of companies, including parent companies - subsidiaries, economic groups, and <u>this transaction must be approved by the GMS or the BOD in accordance with Clause 3 and Clause 4 hereto</u>;</p>	<p>The Group may not provide loans or guarantees to related persons of shareholders being organizations, unless the Group and organizations being related persons of shareholders being companies in the same group or companies operating in groups of companies, including parent companies - subsidiaries, economic groups, and <u>this transaction must be approved by the GMS or the BOD in accordance with Clause 3 and Clause 4 hereto</u>;</p>	<p>This provision is not in Charter in accordance with Circular No. 116/2020/TT-BTC</p> <p>As specified in Article 293 of Decree No. 155/2020/NĐ-CP and Article 167 Law on Enterprises.</p>
46.3	<p>The Group may only perform the following transactions after they have been approved by the GMS:</p> <p>a. Granting loans or guarantees to members of the BOD, members of the BOS, the General Director, other managers who are not shareholders and related individuals and organizations of these people;</p> <p>In case of granting loans or guarantees to related organizations of members of the BOD, members of the BOS, the General Director, and other managers of which the Group and that organization are companies operating in the same Group or companies operating in group of companies, including parent companies - subsidiaries, economic group, GMS or BOD approved in accordance with the Group's Charter;</p> <p>b. Contracts, transactions with a value of 35% or more or transactions leading to the total value of</p>	<p>The Group may only perform the following transactions after they have been approved by the GMS:</p> <p>a. Granting loans or guarantees to members of the BOD, members of the BOS, the General Director, other managers who are not shareholders and related individuals and organizations of these people;</p> <p>In case of granting loans or guarantees to related organizations of members of the BOD, members of the BOS, the General Director, and other managers of which the Group and that organization are companies in the same Group or companies operating in group of companies, including parent companies - subsidiaries, economic group, <u>transaction with value of 35% or more in total asset value as specified in the updated Financial</u></p>	<p>Corrected for more clarification</p>

	<p>transactions arising within 12 months from the date of first transaction with a value of 35% or more of the total value of assets recorded in the latest consolidated financial statements or a smaller percentage or value as prescribed in the Group's Charter between the Group and one of the following entities:</p> <ul style="list-style-type: none"> <li>- Members of the BOD, members of the BOS, the General Director, other managers and their related persons;</li> <li>- Shareholders and their authorized representatives owning more than 10% of the total ordinary share capital of the Group and their related persons;</li> <li>- Enterprises that members of the BOD, Supervisors, the General Director and other managers of the Group must declare according to the provisions of Clause 2, Article 164 of the Law on Enterprises;</li> </ul> <p>c. Contracts and transactions of borrowing and selling assets with a value greater than 10% of the total value of assets recorded in the most recent financial statements between the Group and shareholders owning 51% of the total number of voting shares or more or related persons of such shareholders.</p>	<p><u><b>Statements of the Group are approved by the GMS or BOD:</b></u></p> <p>b. Contracts, transactions with a value of 35% or more or transactions leading to the total value of transactions arising within 12 months from the date of first transaction with a value of 35% or more of the total value of assets recorded in the latest consolidated financial statements or <del>a smaller percentage or value as prescribed in the Group's Charter</del> between the Group and one of the following entities:</p> <ul style="list-style-type: none"> <li>- Members of the BOD, members of the BOS, the General Director, other managers and their related persons;</li> <li>- Shareholders and their authorized representatives owning more than 10% of the total ordinary share capital of the Group and their related persons;</li> <li>- Enterprises <i>having a relationship with above people as in Clause 2, Article 164 of the Law on Enterprises</i>;</li> </ul> <p>c. Contracts and transactions of borrowing and selling assets with a value greater than 10% of the total value of assets recorded in the most recent financial statements between the Group and shareholders owning 51% of the total number of voting shares or more or related persons of such shareholders.</p>
<b>ARTICLE 65 – EFFECTIVE DATE</b>		
65.1	This Charter has 22 Sections, 65 Articles and is fully ratified by the GMS of Hoa Phat Group Joint Stock	This Charter has 22 Sections, 65 Articles and is fully ratified by the GMS of Hoa Phat Group Joint Stock



	Company on May 24, 2022 in Hanoi and jointly approved for the full effect of this Charter.	Company <i>on ...</i> in Hanoi and jointly approved for the full effect of this Charter.	
--	--	--	--

**HOA PHAT GROUP JOINT  
STOCK COMPANY**

---

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom - Happiness**

---

No. 09/TT-DHĐCĐ.2023

*Hanoi, February 22 , 2023*

**STATEMENT**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**

*(On amending a number of articles of Internal Governance Regulations)*

***Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

Internal governance regulations of Hoa Phat Group Joint Stock Company were approved by 2021 Annual General Meeting of Shareholders on April 22, 2021.

During its operation, some provisions in the Regulation come to be inappropriate. Therefore, it is necessary to amend the Internal Regulations on corporate governance to ensure smooth operations of the Company.

Therefore, kindly submit to the General Meeting of Shareholders to approve the amendments and supplements of the Internal Governance Regulations. Details of the amended and supplemented contents are attached to this statement.

***Kindly request the General Meeting of Shareholders to review and approve.***

**FOR THE BOARD OF DIRECTORS**

# AMENDMENTS TO INTERNAL GOVERNANCE REGULATION – HOA PHAT GROUP JOINT STOCK COMPANY

(Enclosed with Statement No. 09/TT-DHĐCĐ.2023 dated February 22, 2023 of the Board of directors)

ARTICLE	CURRENT PROVISIONS	TO BE AMENDED	REASONS
<b>ARTICLE 3 – RIGHTS AND OBLIGATIONS OF SHAREHOLDERS</b>			
3.1	Rights, obligations and responsibilities of shareholders are specified in Articles 11 and 12 of the Company's Charter and rights of shareholders in accordance with the Law on Enterprises, especially:	Rights, obligations and responsibilities of shareholders are specified in <u>Article 9 and 10</u> of the Company's Charter and rights of shareholders in accordance with the Law on Enterprises, especially:	In accordance with the Charter
<b>ARTICLE 4 – SEQUENCE, PROCEDURE OF IN-PERSON GENERAL MEETING OF SHAREHOLDERS</b>			
4.1	The General Meeting of Shareholders must hold an annual meeting once every year. The BOD will hold an annual General Meeting of Shareholders within a time-limit of four (4) months from the end of a financial year. Extraordinary General Meeting of Shareholders may be conducted in accordance with the Charter.	<u>The annual GMS shall be held once every year within a time-limit of four months after the end of financial year. The BOD decides to extend the annual GMS if necessary but no later than 06 months after the end of financial year. The GMS can hold an extraordinary meeting in addition to the annual meeting. The location of GMS is where the chair participates in and must be within Vietnam's territory.</u>	Recorrected in accordance with the Charter.
<b>ARTICLE 5 – LIST OF SHAREHOLDER WITH PARTICIPATING RIGHTS</b>			
5.3	Shareholders are entitled to request adjustment to incorrect information or addition of necessary information about themselves to the list. The company's manager must promptly provide information about in the shareholder register, adjust incorrect information at the	<ul style="list-style-type: none"> <li>- For shareholders without share depository: Shareholders are entitled to request adjustment to incorrect information or addition of necessary information about themselves to the list.</li> <li>- For shareholders with share depository:</li> </ul>	

	request of shareholders.	Shareholders must contact the securities company where their accounts are opened to submit their request.	
<b>ARTICLE 6 – INVITATION LETTER AND AUTHORIZATION TO PARTICIPATE IN-PERSON GENERAL MEETING OF SHAREHOLDERS</b>			
6.4	<p>The convenor of the General Meeting of Shareholders must perform the following tasks:</p> <p>e. Post information on the electronic bulletin of the Stock Exchange, publish the securities investment newspaper and upload to the Company's website.</p>	<p>The convenor of the General Meeting of Shareholders must perform the following tasks:</p> <p>e. Post information on the electronic bulletin of the Stock Exchange, <u><del>publish the securities investment newspaper</del></u> and upload to the Company's website.</p>	
<b>ARTICLE 7 – REGISTRATION METHOD TO PARTICIPATE IN-PERSON GENERAL MEETING OF SHAREHOLDERS</b>			
7.2	<p>Confirmation on attendance: in principle, shareholders have the right to attend all Annual or Extraordinary General Meetings; However, in order to assist the Board of Directors to organize thoughtfully and minimize waste, shareholders will confirm in advance their attendance at the AGM by one or more forms: phone, email to the company, direct registration with the Board of Directors at least 6 days before the date of the General Meeting of Shareholders.</p>	DELETED	Deletion of regulations on request for shareholder participation
7.3	<p>Shareholders can register to attend the meeting directly by phone with the Shareholders' Management Department - Company Administration Department or the Company Secretary, but must fax or send a confirmation of attendance by post to the Company</p>	DELETED	Deletion of regulations on request for shareholder participation

	within 8 days before the meeting date based on the postmark.		
7.4	<p>If a shareholder may not attend the meeting, he/she may:</p> <p>a. Authorize his/her representative to attend; This authorization to attend the General Meeting of Shareholders must be made in writing in the Company's form. The authorization to attend the General Meeting of Shareholders shall comply with Article 15 of the Company's Charter.</p>	<p>If a shareholder may not attend the meeting, he/she may:</p> <p>a. Authorize his/her representative to attend; This authorization to attend the General Meeting of Shareholders must be made in writing in the Company's form. The authorization to attend the General Meeting of Shareholders shall comply with <u>Article 13</u> of the Company's Charter.</p>	<p>Recorrect in accordance with Charter</p>
<p><b>ARTICLE 9 – SEQUENCE AND PROCEDURE OF VOTE COUNTING RECORD THROUGH RESOLUTION OF GENERAL MEETING OF SHAREHOLDERS</b></p>			
9.1	<p>To decide on issues to be consulted, the form and content of the vote counting record (the vote counting record must include the following contents: (i) name, address of the head office, number and date of issuance of the Certificate. receive business registration of the Company, (ii) the purpose of vote counting, (iii) Full name, contact address, legal document number of individual shareholders; business code or legal document number of the organization, head office address for shareholders being organizations or full name, contact address, nationality, legal document number of individuals, representatives of shareholders being organizations; number of shares of</p>	<p>To decide on issues to be consulted, the form and content of the vote counting record (the vote counting record must include the following contents: (i) name, address of the head office, number and date of issuance of the Certificate. receive business registration of the Company, (ii) the purpose of vote counting, (iii) Full name, contact address, nationality, legal document number of individual shareholders; business code or legal document number of the organization, head office address for shareholders being organizations or full name, contact address, nationality, legal document number of individuals, representatives of</p>	<p>Recorrecting</p>

	each type and votes of shareholders; (iv) issues to be consulted and attached documents; (v) time limit for delivering opinions to the Company; and (vi) voting options "agree", "disagree", "no opinion"; (vii) Full name and signature of the Chairman of the Board of Directors and the legal representative of the company.	shareholders being organizations; number of shares of each type and votes of shareholders; (iv) issues to be consulted and attached documents; (v) time limit for delivering opinions to the Company; and (vi) voting options " <u>approve</u> ", " <u>disapprove</u> ", "no opinion"; (vii) Full name and signature of the Chairman of the Board of Directors and the legal representative of the company.	
9.6	The minutes of the GMS shall be sent to all shareholders within 15 days from the ending date of the meeting. The vote counting record may be uploaded to the company's website within 24 hours from the ending date of the meeting;	The minutes and <u>resolutions of the GMS shall be</u> sent to all shareholders within 15 days from the ending date of the meeting. The vote counting record may be uploaded to the company's website within 24 hours from the ending date of the meeting;	Delete regulations on sending to shareholders.
<b>ARTICLE 13 – VOTING, VOTE COUNTING RECORD AND RESULT NOTICE IN ONLINE GENERAL MEETING OF SHAREHOLDERS</b>			
13.6	A resolution shall be passed in the online meeting if it is approved by the number of shareholders holding more than 50% of the total votes of all voting shareholders and has the same validity as the resolution approved by the General Meeting of Shareholders. approved at the General Meeting of Shareholders.	A resolution shall be passed in the online meeting if it is approved by the number of shareholders holding more than 50% of the total votes of all shareholders <u>attending and voting in the online meeting</u> and has the same validity as the resolution approved by the General Meeting of Shareholders. approved at the General Meeting of Shareholders.	Corrected to comply with Amended Law on 10 laws
<b>ARTICLE 14: SEQUENCE AND PROCEDURE OF IN-PERSON AND ONLINE GENERAL MEETINGS OF SHAREHOLDERS</b>			
14.4	A resolution shall be passed in the in-person and online meeting if it is approved by the number of shareholders holding more than 50% of the total votes of all voting shareholders and has the same validity as the resolution approved by the General Meeting of Shareholders. approved at the General Meeting of Shareholders.	A resolution shall be passed in the in-person and online meeting if it is approved by the number of shareholders holding more than 50% of the total votes of all shareholders <u>attending and voting in the in-person and online meeting</u> and has the same validity as the resolution approved by the General	Corrected to comply with Amended Law on 10 laws

		Meeting of Shareholders. approved at the General Meeting of Shareholders.	
<b>ARTICLE 19 – TENURE AND NUMBER OF BOARD OF DIRECTORS</b>			
19.3	The minimum number of the BOD is five (05) and the maximum is eleven (11).	The minimum number of the BOD is <u>three (03)</u> and the maximum is eleven (11).	Amended in accordance with Law on Enterprises
<b>ARTICLE 22 – METHOD TO ELECT MEMBER OF BOARD OF DIRECTORS</b>			
22.3	A candidate to be a member of the Board of Directors must obtain a vote ratio of at least 65% of the total votes of the voting shareholders and the authorized representatives with voting rights attending the General Meeting of Shareholders.	DELETED	
<b>ARTICLE 24 – CHAIRMAN OF BOARD OF DIRECTORS</b>			
24.1	<p>The Chairman of the Board of Directors is the person who is authorized to represent the Board of Directors to perform all tasks of the Board of Directors as prescribed in this Regulation. The Chairman has the following rights and duties:</p> <ul style="list-style-type: none"> <li>- Responsible for regular communication with shareholders;</li> <li>- Monitoring the activities of the General Director;</li> </ul>	<p>The Chairman of the Board of Directors is the person who is authorized to represent the Board of Directors to perform all tasks of the Board of Directors as prescribed in this Regulation. The Chairman has the following rights and duties:</p> <ul style="list-style-type: none"> <li><del>- Responsible for regular communication with shareholders;</del></li> <li><del>- Monitoring the activities of the General Directors;</del></li> </ul>	Deleted two points
<b>ARTICLE 25 – MEMBER OF BOARD OF DIRECTORS</b>			
25.2	Executive members of the Board of Directors are responsible for the activities of the company in a part and report to the General Director, then the General Director reports to the Board of Directors. Non-executive members are accountable to the Board of Directors and	<del>Executive members of the Board of Directors are responsible for the activities of the company in a part and report to the General Director, then the General Director reports to the Board of Directors.</del> Non-executive members are accountable to the	Deleted for no logics

	shareholders for ensuring that executive members comply with company policy and direction.	Board of Directors and shareholders for ensuring that executive members comply with company policy and direction.
<b>ARTICLE 26 – OPERATION OF BOARD OF DIRECTORS</b>		
26.3	A meeting of the Board of Directors shall be conducted by the Chairman when it is participated in by at least three fourths (3/4) of the members, and is fully recorded in the record book to archive in the Company.	A meeting of the Board of Directors shall be conducted by the Chairman when it is participated in by at least three fourths (3/4) of the members, and is fully recorded in <del>the record book</del> to archive in the Company.
<b>ARTICLE 28 – MEETING OF BOARD OF DIRECTORS</b>		
	No information	<p>To add:</p> <p><u>Passing a Resolution in an online meeting:</u></p> <p><u>A meeting of the Board of Directors may be held in the form of an online conference or other forms in which one or all members of the Board of Directors are in different locations, provided that each participating member of the Board of Directors can:</u></p> <p><u>(i) Listen to other members of the Board of Directors speaking at the meeting; and</u></p> <p><u>(ii) If desired, a member may speak to all other attending members simultaneously;</u></p> <p><u>(iii) Members participating in such a meeting are deemed to be “present” at such meeting. The venue of the meeting held in accordance with this regulation is the place with the largest collection of members, or where the Chairman of the meeting is present in case of no collection;</u></p>



		<p><u>(iii) Voting to approve the content of the meeting shall be conducted in the vote direct form. The voting results will be recorded by the meeting secretary;</u></p> <p><u>(iv) Based on the voting results, the Chairman on behalf of the Board of Directors will sign and release the Resolution of the Board of Directors on the issues approved by the members of the Board of Directors.</u></p> <p><u>This resolution has the same effect and validity as a resolution passed by the members of the Board of Directors at a properly convened and organized in-person meeting.</u></p>	
<b>ARTICLE 31 – TENURE, QUANTITY AND STANDARDS OF SUPERVISORS</b>			
31.4	<p>The Chief Controller shall be elected by the Board of Controllers among the Controllers. The Chief Controller shall be elected and dismissed under the majority rule. Rights and obligations of the Chief Controller shall be specified in the company's charter. More than half of the Controllers shall have permanent residences in Vietnam. The Chief Controller shall have a bachelor's degree in economics, finance, accounting, audit, law, business administration or a major that is relevant to the enterprise's business operation, unless higher standards are prescribed in the company's charter. The Head of Supervisors should be an accountant or auditor and be in charge of professional tasks of the Company.</p>	<p>The Chief Controller shall be elected by the Board of Controllers among the Controllers. The Chief Controller shall be elected and dismissed under the majority rule. Rights and obligations of the Chief Controller shall be specified in the company's charter. More than half of the Controllers shall have permanent residences in Vietnam. The Chief Controller shall have a bachelor's degree in economics, finance, accounting, audit, law, business administration or a major that is relevant to the enterprise's business operation, unless higher standards are prescribed in the company's charter. <del>The Head of Supervisors should be an accountant or auditor and be in charge of professional tasks of the Company.</del></p>	<p>In controversy with the preceding paragraph.</p>

ARTICLE 36 – CRITERIA FOR BEING GENERAL DIRECTOR, DEPUTY GENERAL DIRECTOR, CHIEF ACCOUNTANT			
36.1	<p>Criteria for General Director and conditions for becoming General Director:</p> <p>- Not concurrently working as Director/General Director in another company</p>	<p>Criteria for General Director and conditions for becoming General Director:</p> <p>- <del>Not concurrently working as Director/General Director in another company</del></p>	
ARTICLE 44 – LOYALTY AND AVOID CONFLICTS OF INTERESTS OF MEMBERS OF THE BOARD OF DIRECTORS, GENERAL DIRECTORS			
44.3	<p>The Company is not permitted to grant loans or guarantees to individual shareholders and related persons of individual shareholders.</p> <p>Unless otherwise provided by the General Meeting of Shareholders, the Company may not grant loans, guarantees or credits to members of the Board of Directors, General Director, managers and their families or legal entities that have financial interest, except where the Company and the organization related to this member are companies in the same group or companies operating in groups of companies, including parent company - subsidiary, and economic group otherwise prescribed the applicable laws.</p>	DELETED	In accordance with Company's Charter
44.4	<p>A member of the Board of Directors may not vote on transactions in which such member or a person related to such member is a party, even if the interests of the member of the Board of Directors in this transaction have not been determined and whether material or not. The above transactions must be presented in the Notes to the financial statements of the same period and disclosed in the Annual Report.</p>	DELETED	In accordance with Company's Charter

## ARTICLE 49 – PENALTY

	A company that breaches or fails to comply with the provisions of this Regulation without disclosing information and reporting to the State Securities Commission in accordance with this Regulation will be administratively sanctioned in accordance with the provisions of Decree on administrative sanctions in the field of securities and securities market.	DELETED	In accordance with the applicable law
--	--	---------	---------------------------------------

## ARTICLE 50 – EXECUTION PROVISIONS

	The internal operation regulation of Hoa Phat Group Joint Stock Company includes 50 articles and takes effect from April 22, 2021.	<p>The internal operation regulation of Hoa Phat Group Joint Stock Company includes [...<i>articles</i>] and takes effect from <u>date.....month.....year 2023</u>.</p> <p><u><i>This Regulation replaces:</i></u></p> <p><u>- Internal Governance Regulation approved in Resolution No. 01/NO-DHDCD.2018 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company dated March 22, 2018</u></p> <p><u>- Internal Governance Regulation approved in Resolution No. 01/NO-DHDCD.2021 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company dated April 22, 2021</u></p>	
--	--	--	--

**HOA PHAT GROUP JOINT  
STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom - Happiness**

**No. 10/TT-ĐHĐCĐ.2023**

*Hanoi, February 22, 2023*

**STATEMENT**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**

*(On amending a number of articles of Operation Regulations of Board of directors)*

***Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

Operation regulations of Hoa Phat Group Joint Stock Company were approved by 2021 Annual General Meeting of Shareholders on April 22, 2021.

During its operation, some provisions in the Regulation come to be inappropriate. Therefore, it is necessary to amend the Internal Regulations on corporate governance to ensure smooth operations of the Company.

Therefore, kindly submit to the General Meeting of Shareholders to approve the amendments and supplements of the Internal Governance Regulations. Details of the amended and supplemented contents are attached to this statement.

***Kindly request the General Meeting of Shareholders to review and approve.***

**FOR THE BOARD OF DIRECTORS**

# AMENDMENTS TO OPERATION REGULATIONS OF BOARD OF DIRECTORS – HOA PHAT GROUP JOINT STOCK COMPANY

(Enclosed with Statement No. 10/TT-DHĐCĐ.2023 dated February 22, 2023 of the Board of directors)

ARTICLE	CURRENT PROVISIONS	TO BE AMENDED	REASONS
<b>ARTICLE 5 – TENURE AND NUMBER OF BOARD OF DIRECTORS</b>			
5.1	The minimum number of the BOD is five (05) and the maximum is eleven (11).	The minimum number of the BOD is <u>three (03)</u> and the maximum is eleven (11).	Amended in accordance with Law on Enterprises
<b>ARTICLE 11. POWER AND DUTIES OF THE BOARD OF DIRECTORS</b>			
11.2	<p>The rights and obligations of the Board of directors are determined by the law, the Charter, the internal regulations of the Company and the resolutions of the General Meeting of Shareholders. Specifically, the Board of directors has the rights and obligations as follows:</p> <p>h. To approve sale contracts, purchase contracts, borrowing contracts, lending contracts, other contracts and transactions that are worth at least 35% of the total assets written in the latest financial statement, unless another ratio or value is specified in the company's charter; contracts and transactions within the jurisdiction of the GMS as prescribed in Point d Clause 2 Article 138, Clause 1 and Clause 3 Article 167 of this Law</p>	<p>The rights and obligations of the Board of directors are determined by the law, the Charter, the internal regulations of the Company and the resolutions of the General Meeting of Shareholders. Specifically, the Board of directors has the rights and obligations as follows:</p> <p>h. <u>To approve</u> contracts for sales, loan, pledge, <u>mortgage, security, other security transactions, indemnity</u> and other contracts and transactions that are worth at least 35% of the total assets written in the latest financial statement, <u>except</u> contracts and transactions within the jurisdiction of the GMS <u>as prescribed in Point d Clause 2 Article 138, Clause 1 and Clause 3 Article 167 of this Law.</u></p>	Amended in accordance with Company's Charter
<b>ARTICLE 12 – POWER AND DUTIES OF THE BOARD OF DIRECTORS IN APPROVAL AND CONCLUSION OF TRANSACTION CONTRACTS</b>			

12.1	Contracts, transactions with a value of 35% or more or transactions leading to the total value of transactions arising within 12 months from the date of first transaction with a value of 35% or more of the total value of assets recorded in the latest consolidated financial statements or a smaller percentage or value as prescribed in the Group's Charter between the Group and one of the following entities:	Contracts, transactions with a value of 35% or more or transactions leading to the total value of transactions arising within 12 months from the date of first transaction with a value of 35% or more of the total value of assets recorded in the latest consolidated financial statements or <del>a smaller percentage or value as prescribed in the Group's Charter</del> between the Group and one of the following entities:	Amended in accordance with Company's Charter
12.2	The Company's representative in charge of signing a contract or transaction must notify the Board of directors and the Supervisory Board about the subjects related to such contract or transaction and enclose it with the draft contract or the main content of the transaction. The Board of directors shall decide on the approval of the contract or transaction within 15 days from its receipt of the notice, unless otherwise provided for in the Company's Charter; members of the Board of Directors who have interests related to the parties in the contract or transaction do not have voting right.	DELETED	Amended in accordance with Company's Charter
<b>ARTICLE 22 – EXECUTION PROVISIONS</b>			
	The operation regulation of the Board of directors of Hoa Phat Group Joint Stock Company includes 7 chapters and 22 articles and takes effect from April 22, 2021.	The operation regulation of the Board of directors of Hoa Phat Group Joint Stock Company includes 7 chapters and 22 articles and takes effect from <u>date.....month.....year 2023.</u> <u>This Regulation replaces the Regulation on operation of the Board of Directors approved in Resolution No. 01/NO-DHDCD.2021 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company dated April 22, 2021.</u>	

No. 11/TT-DHĐCĐ.2023

*Hanoi, February 22, 2023*

**STATEMENT**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS IN 2023**

*(On amending a number of articles of Operation Regulations of Board of Supervisors)*

***Attention to: General Meeting of Shareholders of Hoa Phat Group Joint Stock Company,***

Internal governance regulations of Hoa Phat Group Joint Stock Company were approved by 2021 Annual General Meeting of Shareholders on April 22, 2021.

During its operation, some provisions in the Regulation come to be inappropriate. Therefore, it is necessary to amend the Operation Regulation of Board of Supervisors to ensure smooth operations of the Company.

Therefore, kindly submit to the General Meeting of Shareholders to approve the amendments and supplements of the Operation Regulation. Details of the amended and supplemented contents are attached to this statement.

***Kindly request the General Meeting of Shareholders to review and approve.***

**FOR THE BOARD OF DIRECTORS**

# AMENDMENTS TO OPERATION REGULATION OF BOARD OF SUPERVISORS – HOA PHAT GROUP JOINT STOCK COMPANY

(Enclosed with Statement No. 11/TT-ĐHĐCĐ.2023 dated February 22, 2023 of the Board of Supervisors)

ARTICLE	CURRENT PROVISIONS	TO BE AMENDED	REASONS
<b>ARTICLE 5 – TENURE AND MEMBERS OF BOARD OF SUPERVISORS</b>			
5.1	The Board of Supervisors consists of 3 members: The Head will be responsible for controlling the financial and accounting activities of the Company. Two supervisors will be responsible for monitoring all professional activities directly related to interests of shareholders and are responsible for checking any arising transaction to ensure the accuracy, legality and validity of such activities.	<p>The Board of Supervisors consists of <u>3-5 members</u>. The Head will be responsible for controlling the financial and accounting activities of the Company.</p> <p>The Two supervisors will be responsible for monitoring all professional activities directly related to interests of shareholders and are responsible for checking any arising transaction to ensure the accuracy, legality and validity of such activities.</p>	Amended in accordance with the Company's Charter and Internal Governance Regulation.
<b>ADDING ARTICLE 6 – STANDARDS AND CONDITIONS TO BE A MEMBER OF BOARD OF SUPERVISORS</b>			
	No information	A member of Board of Supervisors must meet the standards and conditions as prescribed in the Charter and Internal Regulations on corporate governance.	
<b>ADDING CHAPTER V – REPORTING REGIME</b>			
	No information	<p>Article 13: Annual report submittal</p> <p>The reports of the Board of Supervisors at the Annual General Meeting of Shareholders include the following contents:</p> <ol style="list-style-type: none"> <li>1. Income Statement of the Company, report on performance of the Board of Directors, the General Director.</li> </ol>	



		<p>2. Report on performance of the Board of Supervisors and its members in accordance with the provisions of the Internal Governance Regulations.</p> <p>3. Remuneration, operating expenses and other benefits of the Board and each member.</p> <p>4. Summary of meetings of the Board and its conclusions and recommendations; results of overseeing the operational and financial situation of the Company.</p> <p>5. Results of evaluation of the coordination between the Board and the Board of Directors, General Director and shareholders.</p> <p>6. Proposal and recommendation to the General Meeting of Shareholders to approve the list of approved auditing organizations to inspect the Company's activities if necessary.</p>	
<b>ARTICLE 14 – EFFECTIVE DATE</b>			
	<p>The operation regulation of Hoa Phat Group Joint Stock Company includes 5 chapters and 12 articles and takes effect from April 22, 2021.</p>	<p>The operation regulation of Hoa Phat Group Joint Stock Company includes 6 chapters and 14 articles and takes effect from <u>date.....month.....year 2023</u>.</p> <p><u><i>This Regulation replaces the Regulation approved in Resolution No. 01/NQ-DHĐCD.2021 of the General Meeting of Shareholders of Hoa Phat Group Joint Stock Company on April 22, 2021.</i></u></p>	<p>Add 1 chapter, 2 Articles.</p> <p>The remaining articles remain unchanged except for ordering number to match with addition of 2 new articles.</p>

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom - Happiness**

-----\*\*\*-----

# **OPERATION REGULATIONS BOARD OF SUPERVISORS**

Hung Yen, date      month      year 2023

## **Chapter I**

### **GENERAL PROVISION**

#### **Article 1. Scope and subject of application**

1. Scope of application: The Operational Regulations of the Board of Supervisors specify the organizational structure, human resources, standards, conditions, rights and obligations of the Board of Supervisors and its members in accordance with the Law on Enterprises and the Company's Charter as well as other relevant regulations.
2. Subject of application: This Operational regulations of the Board of Supervisors are applicable to the Board of Supervisors and its members.

#### **Article 2. Organizational principle and operations**

1. The Board of Supervisors is an internal inspection committee and each member shall independently fulfill his/her own tasks. The Head of the Board shall not be concurrently responsible for the management of the company.
2. The Board of Supervisors is entitled to independently assess, conclude and make recommendations in inspection and control activities.
3. The Board of Supervisors fulfill its obligations based on the collective principle. Its members are particularly responsible for their work and collectively responsible before the General Meeting of Shareholders and the law for their works and decisions.

#### **Article 3. Interpretation and abbreviations:**

1. **Group:** Hoa Phat Group Joint Stock Company
2. **BOD:** Board of Directors
3. **BOS:** Board of Supervisors

## **Chapter II**

### **MEMBERS OF THE BOARD**

#### **Article 4. Rights, obligations and responsibilities of members**

1. Comply with regulations of law, the company's charter, decisions of the state ownership representative body and the code of ethics in performance of their rights and obligations.
2. Exercise and perform their rights and obligations in an honest and prudent manner to protect the lawful interests of the State, the company the parties.
3. Be loyal to the interests of the Group; do not abuse their power and position or use the enterprise's information, secrets, business opportunities and assets for personal gain or serve any other organization's or individual's interests;
4. Promptly, fully and accurately notify the Board of Directors of their potentially conflicting interests in other economic organizations, transactions or individuals and only develop such opportunities upon BOD's review and approval.

5. Other responsibilities prescribed by the company's charter.

#### **Article 5. Tenure and members of Board of Supervisors**

1. The Board of Supervisors consists of 3-5 members. The Head will be responsible for controlling the financial and accounting activities of the Company. The supervisors will be responsible for monitoring all professional activities directly related to interests of shareholders and are responsible for checking any arising transaction to ensure the accuracy, legality and validity of such activities.
2. The term of office of a member of the Board of Directors shall not exceed 05 years without term limit.
3. In case the term of office of all members of the Board of Directors ends at the same time, they shall remain members of the Board of Directors until new members are elected and take over their jobs unless otherwise prescribed by company's charter.

#### **Article 6. Standards and conditions to be a member of Board of Supervisors:**

A member of Board of Supervisors must meet the standards and conditions as prescribed in the Charter and Internal Regulations on corporate governance.

#### **Article 7. Dismissal of Supervisors**

1. The GMS shall dismiss a Controller from office in the following cases:
  - a. He/she does not fully satisfy the standards and requirements specified in Article 169 of this Law;
  - b. He/she hands in a resignation and is accepted;
2. The GMS shall dismiss a Controller in the following cases:
  - a. He/she fails to perform his/her duties;
  - b. He/she fails to perform his/her rights and obligations for 06 consecutive months, except in force majeure events;
  - c. He/she commits multiple, serious violations of Controller's duties prescribed by this Law and the charter;
  - d. Other cases specified in resolutions of the GMS

### **Chapter III**

#### **BOARD OF SUPERVISORS**

#### **Article 8. Rights, obligations and responsibilities of Board of Supervisors**

1. Supervise the Board of Directors and the General Director in managing the company; Take responsibility before the GMS for all assigned tasks.
2. Inspect the rationality, legitimacy, truthfulness and prudence in business administration; systematic organization, uniformity and appropriateness of accounting works, statistics

and preparation of financial statements.

3. Validate the adequacy, legitimacy and truthfulness of the income statements, annual and biannual financial statements, reports on performance of the Board of Directors.
4. Review contracts and transactions with related persons subject to approval by the Board of Directors or the GMS and offer recommendations.
5. Propose changes or improvements to the company's organizational structure and administration to the Board of Directors or the GMS.
6. Promptly submit a written notification to the Board of Directors whenever a member of the Board of Directors, the Director/General Director is found to be violating Article 119 of this law, request the violator to stop the violations and implement remedial measures.
7. Perform their rights and obligations prescribed by this Law, the company's charter and resolution of the GMS.
8. Employ independent counsels and internal audit unit of the company to perform their tasks.
9. May discuss with the Board of Directors before submitting reports and proposals to the GMS.

#### **Article 9. Rights to information of the Board of Supervisors**

1. Documents and information shall be sent to Supervisors in the same manner as those being sent to members of the Board of Directors, including:
  - a. Meeting invitations, questionnaires and enclosed documents;
  - b. Resolutions, decisions and meeting minutes of the General Meeting of Shareholders, the Board of Directors;
  - c. Reports of the Director/General Director to the Board of Directors or other documents issued by the company.
2. Supervisors are entitled to access the company's documents at the headquarters, branches and other locations; enter the executives' and employees' workplace during working hours.
3. The Board of Directors, members of the Board of Directors, the Director/General Director and other executives shall fully and promptly provide information and documents about the company's administration as requested by Supervisors or the Board of Supervisors.

#### **Article 10. Salaries, bonuses and other benefits of Supervisors**

Unless otherwise prescribed by the company's charter, the salaries, bonuses and other benefits of Supervisors shall be paid as follows:

1. Salary, remuneration, bonus and other benefit shall be paid under the GMS's decision. Supervisors' salaries, bonuses, other benefits and operating budget shall be decided by

the GMS.

2. Reasonable costs of food, stay, travel, independent counseling services of Supervisors shall be reimbursed. The total salaries and costs must not exceed the annual operating budget of the Board of Supervisors which has been approved by the GMS, unless otherwise prescribed by the GMS;
3. Salaries and operating costs of the Board of Supervisors shall be recorded as the company's expenses in accordance with regulations of law on corporate income tax and relevant laws and placed in a separate section in the company's annual financial statements.

## **Chapter IV**

### **MEETING OF THE BOARD**

#### **Article 11. Meeting of the Board**

Meetings of the Board must be held at least two (02) times a year with quorum of at least two thirds (2/3) of members.

#### **Article 12. Minutes of the meeting**

Minutes of the Board's meeting are detailed and clear. The meeting minutes have full names, signatures of the minute taker and all participating members.. The minutes of meetings of the Board of Supervisors must be kept in order to determine the responsibilities of each member of the Board of Supervisors.

## **Chapter V**

### **REPORTING REGIME**

#### **Article 13: Annual report submittal**

The reports of the Board of Supervisors at the Annual General Meeting of Shareholders include the following contents:

1. Income Statement of the Company, report on performance of the Board of Directors, the General Director.
2. Report on performance of the Board of Supervisors and its members in accordance with the provisions of the Internal Governance Regulations.
3. Remuneration, operating expenses and other benefits of the Board and each member.
4. Summary of meetings of the Board and its conclusions and recommendations; results of overseeing the operational and financial situation of the Company.
5. Results of evaluation of the coordination between the Board and the Board of Directors, General Director and shareholders.

Proposal and recommendation to the General Meeting of Shareholders to approve the list of approved auditing organizations to inspect the Company's activities if necessary.

**Chapter VI**  
**EXECUTION PROVISION**

**Article 14. Effective date**

The operation regulation of Hoa Phat Group Joint Stock Company includes 6 chapters and 14 articles and takes effect from date.....month.....year 2023.

**FOR THE BOARD OF SUPERVISORS**  
**HEAD**

**BUI THI HAI VAN**

No. /NQ-DHĐCĐ.2023

Hanoi, March 30, 2023

**DRAFT**

**RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS**

- Pursuant to the Charter of Hoa Phat Group Joint Stock Company;
- Pursuant to contents of the Meeting Minutes No...../BB-DHĐCĐ.2023 dated March 30, 2023 of the Annual General Meeting of Shareholders in 2023 of Hoa Phat Group Joint Stock Company;
- Pursuant to the Minutes of Counting Votes at the Annual General Meeting of Shareholders in 2023,

**HEREBY RESOLVES:**

**Article 1.** The General Meeting of Shareholders approves the following contents

**1.1.** Approval of business and production plans in 2023 of the Group

- The Group's revenue is estimated at **VND 150 trillion**.
- The Group's after-tax profit plan is estimated at **VND 8 trillion**.

**1.2.** Approval of the Report of the BOM according to Statement No. 03/BC-DHĐCĐ.2023 dated February 22, 2023.

**1.3.** Approval of reports of the Board of Supervisors according to Statement No. 04/BC-DHĐCĐ.2023 dated February 22, 2023.

**1.4.** Approval of the report on fund allocation and the use of undistributed profit after tax as below:

**a.** Approval of fund allocation 2022:

*The Group's fund allocation in 2022 is made as follows (data after audit):*

No.	Items	Amount (VND billion)
1	Total profit before tax of 2022	9.923
2a	Current income tax expenses	1.004
2b	Deferred income tax expenses	(477)
3	Total profit before tax (=1-2a-2b)	8.444



4	Fund allocation, in which:	42.2
a	<i>Development and investment fund</i>	0
b	<i>Bonus and welfare fund (0.5% of Profit after tax)</i>	42.2
c	<i>Remuneration for the BOM (1% x Profit after tax)</i>	0
d	<i>Bonus fund for the Executive Board (5% of the surplus of the year's profit after tax of 25.000 billion VND)</i>	0
5	<b>Remaining profit after deducting funds (=3-4)</b>	<b>8.402</b>

b. The remaining of total undistributed Profit after tax accumulated at 31/12/2022, after deducting funds in Point a Account 1.4 Article 1 (deducting funds 42.2 billion VND) will be used for production and business activities of Hoa Phat Group.

c. Approval of the expected fund allocation plans in 2023, in details:

- Development and investment fund: Authorize the Board of Directors to consider and decide on specific allocation and expenditure.
- Bonus and welfare fund: up to 5% of profit after tax. Authorize the Board of Directors to decide on specific allocation and expenditure.
- Remuneration for the BOM: up to 1% of profit after tax. Authorize the Chairman of the BOM to decide on the form and specific remuneration of the BOM's members and specific expenditures.
- Bonus fund for the Executive Board of Hoa Phat Group Joint Stock Company and subsidiaries: Up to 5% of the surplus of profit after tax of VND 8 trillion. Authorize the Board of Directors to consider and decide on specific bonus levels, forms and plans.

1.5. Approval of the audited consolidated financial statements 2022 according to Statement No. 06/TT-ĐHĐCĐ.2023 dated , 2023.

1.6. Approval of amendment, supplement of the company's business lines according to Statement No. 07/TT-ĐHĐCĐ.2023 dated February 22, 2023.

1.7. Approval of amendment of the company's charter according to Statement No. 08/TT-ĐHĐCĐ.2023 dated February 22, 2023.

1.8. Approval of amendment of internal regulations of corporate governance according to Statement No.09/TT-ĐHĐCĐ.2023 dated February 22, 2023.

1.9. Approval of amendment of operating regulations of BOMs according to Statement No.10/TT-ĐHĐCĐ.2023 dated February 22, 2023.

**1.10.** Approval of amendment of operating regulations of the Board of Supervisors according to Statement No.11/TT-ĐHĐCĐ.2023 dated February 22, 2023.

**Article 2.** The Board of Management, Board of Directors and relevant departments, divisions shall be responsible for the implementation of this Resolution. The Resolution takes full force and effect from the date of signing.

**Recipients:**

- *As Article 2;*
  - *Relevant organizations and agencies;*
- Archived./.*

**FOR AND ON BEHALF OF THE GENERAL  
MEETING OF SHAREHOLDERS  
Chairman of the Board of Management**

**TRAN DINH LONG**