

No: 2306.5/2023/KBC-CK

Bac Ninh, June 23rd, 2023

## EXTRAORDINARY INFORMATION DISCLOSURE

**To:**

- State Securities Committee;
- Ho Chi Minh Stock Exchange;
- Vietnam Securities Depository;
- Esteemed Shareholders.

1. Name of organization: KinhBac City Development Holding Corporation

- Securities code: KBC

- Address: Lot B7, Que Vo Industrial Park, Phuong Lieu Ward, Que Vo Town, Bac Ninh Province, Vietnam

- Tel: (0222) 3634034

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- E-mail: [info@kinhbaccity.vn](mailto:info@kinhbaccity.vn)

Website: <http://www.kinhbaccity.vn>

2. Content of disclosure:

Pursuant to the current regulations on information disclosure on the securities market, KinhBac City Development Holding Corporation (KBC) would like to disclose information on **the approval of the Resolution and Meeting Minutes of the 2023 Annual General Meeting of Shareholders** as below:

The General Meeting of Shareholders approved the issuance of: (i) Resolution No. 2306/2023/KBC/NQ-DHDCD of the 2023 Annual General Meeting of Shareholders and (ii) Meeting Minutes No. 2306/2023/KBC/BB-DHDCD dated 23/06/2023. The full text of the Resolution, Meeting Minutes of the General Meeting of Shareholders and Reports, Submissions approved at the General Meeting of Shareholders are attached to this official letter.

3. This information was published on the company's website on 23/06/2023 at the link <http://www.kinhbaccity.vn>.

We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.

**Attachments:**

*Full document of section 2*

**On behalf of KINH BAC CITY DEVELOPMENT  
HOLDING CORPORATION  
Authorized person to disclose informaion  
Deputy General Manager**

*(signed and stamped)*

**Pham Phuc Hieu**

No. 2306/2023/KBC/NQ-ĐHĐCĐ

Bac Ninh, June 23rd, 2023

## RESOLUTION

### THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS

***Persuant to:***

- *Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17<sup>th</sup> 2020, amended and supplemented by Law No. 03/2022/QH15 approved by the National Assembly of the Socialist Republic of Vietnam on January 11th, 2022 and guiding documents;*
- *Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam dated November 26<sup>th</sup>, 2019;*
- *Charter on organization and operation of Kinh Bac City Development Holding Corporation;*
- *2023 AGM's Meeting minutes of Kinh Bac City Development Holding Corporation No: 2306/2023/KBC/BB-ĐHĐCĐ dated 23<sup>rd</sup> June 2023.*

The 2023 Annual General Meeting of Shareholders (AGM) of Kinh Bac City Development Holding Corporation has discussed and voted on approval of these following issues:

**ARTICLE 1: APPROVING THE REPORT ON THE PERFORMANCE IN 2022 - PLAN FOR 2023 AND REPORTING ON THE IMPLEMENTATION THE RESOLUTIONS OF THE 2022 AGM.**

AGM approved the Report No. 01/2023/KBC/BC-HĐQT on the performance in 2022 - plan for 2023 and the Report No. 02/2023/KBC/BC-HĐQT on the implementation the Resolutions of the 2022 AGM which was proposed in the meeting and attached to this resolution.

**ARTICLE 2: APPROVING THE REPORT ON BUSINESS PERFORMANCE OF THE EXECUTIVE BOARD IN 2022 AND PLAN FOR 2023.**

AGM approved the Report No. 03/2023/KBC/BC-BTGD on the business performance in 2022 and the operating plan for 2023 of the Executive Board which was proposed in the meeting and attached to this resolution.

**ARTICLE 3: APPROVING THE REPORT ON THE SUPERVISORY ACTIVITIES OF THE SUPERVISORY BOARD IN 2022**

AGM approved the Report No. 04/2023/KBC/BC-BKS on supervisory activities in 2022 of Supervisory Board which was proposed in the meeting and attached to this resolution.

**ARTICLE 4: APPROVING ON THE 2022 FINANCIAL REPORTS OF KINH BAC CITY DEVELOPMENT HOLDING CORPORATION AUDITED BY ERNST & YOUNG VIETNAM CO., LTD.**

AGM approved the 2022 Financial Reports of Kinh Bac City Development Holding Corporation audited in accordance with the prescribed accounting standards by Ernst & Young Vietnam Limited at section IV, Submission No. 2306.1/2023/KBC/TT-HDQT which was proposed at the meeting and attached to this Resolution.

**ARTICLE 5: APPROVING THE SELECTION OF THE INDEPENDENT AUDITING COMPANY IN 2023**

AGM approved the selection of the independent auditing company to audit the 2023 financial statements at Section V Submission No. 2306.1/2023/KBC/TT-HDQT which was proposed at the meeting and attached to this Resolution.

**ARTICLE 6: APPROVING ON THE PLAN OF REMUNERATION, SALARY - BONUS AND OPERATION EXPENSES FOR BOD, BOS IN 2023**

AGM approved the plan of remuneration, the salary, bonuses and operating expenses for the Board of Directors, Supervisory Board and the Head of Supervisory Board in 2023 at Section VII Submission No. 2306.1/2023/KBC/TT-HDQT which was proposed at the meeting and attached to this Resolution.

**ARTICLE 7: APPROVING RELATED TRANSACTIONS IN 2022, APPROVING THE TRANSACTION POLICY BETWEEN RELATED PARTIES ARISING IN 2023 UNTIL THE NEXT GENERAL MEETING OF SHAREHOLDERS IN 2024**

AGM approved the related transactions arising in 2022 which were disclosed and presented in the Report on Corporate Governance in 2022 and the Audited Financial Statements in 2022 of the Corporation.

AGM approved the policy of transactions between related parties for the year 2023 to the next General Meeting of Shareholders in 2024 to ensure smooth governance and business activities of the Corporation, avoid omissions related to the implementation of business operation plans; development strategy; capital transfer plan, investment cooperation between companies in the same system; administrative activities; reporting and disclosure obligations on the stock market of the Corporation, detailed of which were approved by the 2<sup>nd</sup> Extraordinary General Meeting of Shareholders in 2022 in the Resolution No. 28121/2022/KBC/NQ-DHDCD of the General Meeting of Shareholders dated 28/12/2022.

**ARTICLE 8: APPROVING THE ADJUSTMENT OF THE CORPORATION'S CHARTER**

AGM approved the amendment and supplementation of the Charter of Organization at Section IX Submission No. 2306.1/2023/KBC/TT-HDQT which was proposed in the meeting and attached to this Resolution.

**ARTICLE 9: APPROVING THE PLAN TO DISTRIBUTE PROFIT AFTER TAX IN 2022**

AGM approved the plan for distribution of accumulated undistributed after-tax profit until December 31<sup>st</sup>, 2022 according to the Submission No. 2306.2/2023/KBC/TT-HDQT which was proposed at the meeting and attached to this Resolution.

The following Resolution takes effect from 23<sup>rd</sup>, June 2023. The AGM assigns the Board of Directors, the Executive Board and relating parties responsible for executing the Resolution.

**Recipients:**

- The shareholders;
- SSC, Stock Exchange;
- Members of Board of Directors;
- Members of Executive Board;
- Members of the Board of Supervisors;
- KBC's Admin.

**ON BEHALF OF GENERAL MEETING OF  
SHAREHOLDERS**

**CHAIRMAN**

*(signed and stamped)*

**NGUYEN THI THU HUONG**

No: 2306/2023/KBC/BB-DHDCD

*Bac Ninh, June 23<sup>rd</sup>, 2023*

**MEETING MINUTES**  
**THE 2023 ANNUAL GENERAL MEETING**  
**OF SHAREHOLDERS**

- Corporation Name** : **Kinh Bac City Development Holding Corporation**
- Address** : Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh Province
- Business registration certificate** : Business Registration Certificate No. 23.00.233993 first issued on March 27<sup>th</sup> 2002, the 19<sup>th</sup> change on April 21<sup>st</sup>, 2023, issued by Bac Ninh Department of Planning and Investment.
- Meeting time** : Starting at 09:00 AM, June 23<sup>rd</sup>, 2023
- Meeting location** : The 2<sup>nd</sup> floor, Kinhbac Club building – Lot B7, Que Vo Industrial Park, Phuong Lieu Ward, Que Vo Town, Bac Ninh Province
- Content of meeting** : According to the Agenda of the 2023 Annual General Meeting of shareholders (AGM) approved by the General Meeting of Shareholders.
- Participants** : **32,767** shareholders named in the list of shareholders finalized on May 29<sup>th</sup>, 2023 provided by Vietnam Securities Depository (VSD), representing **767,604,759** shares, being equivalent to **767,604,759** votes.
- Voter eligibility report** : Number of Attendees: **170** (including shareholders and their authorized representatives), included:
- Attend in person: **25**
  - Attend online meeting: **145**
  - Number of Shareholder authorized: **20**
- Representing: **488,227,850** shares, being equivalent to **488,227,850** votes, accounting for: **63.6041%** of the total number of votes of all Corporation's shareholders, included:
- Attend in person: **18,885,422**, accounting for **2.4603%** of the total number of votes of all Corporation's shareholders.
  - Attend online meeting: **469,342,428**, accounting for **61.1438%** of the total number of votes of all Corporation's shareholders.
- Chairman of the Meeting** : Mrs. Nguyen Thi Thu Huong – Member of BOD cum Chef Executive Officer
- Secretary of the Meeting** : Ms. Tran Thi Thu Ha – Head of the Secretary Committee

## PART A. MEETING OPENING

### I. Declaring the reason and the meeting opening

The Meeting performed the following procedures:

- Singing National Anthem;
- Declaring reasons for the opening;
- Introducing the participants of the Meeting:

#### Members of the BOD:

- + Mrs. Nguyen Thi Thu Huong - Member of the BOD, CEO
- + Mr. Huynh Phat - Member of the BOD
- + Mr. Le Hoang Lan - Independent Member of the BOD (attended online meeting)
- + Mrs. Dang Nguyen Quynh Anh - Member of the BOD

Mr. Dang Thanh Tam - Chairman of the BOD had reported to the BOD, BOS about being absent from the 2023 AGM because of personal reasons, and authorized Mrs. Nguyen Thi Thu Huong to be the Chairman of the Meeting, to manage the Meeting, on behalf of the BOD to report on the activities of the BOD and issue the Minutes and Resolutions of 2023 AGM, pursuant to Power of Attorney No. 1906/2023/KBC/UQ dated June 19<sup>th</sup>, 2023.

#### Supervisory Board:

- + Mrs. Nguyen Bich Ngoc - Head of the BOS
- + Mrs. The Thi Minh Hong - Member of the BOS

Mr. Tran Tien Thanh – Member of the BOS had reported to the BOD, BOS about not attending the 2023 AGM because of personal reasons.

#### Executive Board:

- + Mrs. Nguyen Thi Thu Huong - CEO
- + Mr. Pham Phuc Hieu - Deputy General Manager
- + Mrs. Nguyen Thi My Ngoc - Deputy General Manager

**Advisory partner** - FPT Securities Joint Stock Company

And all of shareholders of the Corporation.

### II. The legitimacy and validity of the Meeting

**Mr Nguyen Hong Quan - Head of Shareholders Eligibility Committee** announced the voter eligibility report at the meeting as follows:

Total number of shareholders named in the list of shareholders finalized on May 29<sup>th</sup>, 2023 provided by Vietnam Securities Depository (VSD) is **32,767** shareholders, representing **767,604,759** shares, being equivalent to **767,604,759** votes.

At 09:00 am on June 23<sup>rd</sup>, 2023:

**Number of Attendees: 124** (including shareholders and their authorized representatives), included:

- Attend in person: **14**

- Attend online meeting: **110**
- Number of Shareholder authorized: **17**

Representing: **479,918,773** shares, being equivalent to **479,918,773** votes, accounting for: **62.5216%** of the total number of votes of all Corporation's shareholders, included:

- Attend in person: **18,730,724**, accounting for **2.4402%** of the total number of votes of all Corporation's shareholders.
- Attend online meeting: **461,188,049**, accounting for **60.0814%** of the total number of votes of all Corporation's shareholders.

Pursuant to the Law on Enterprises, the Charter on organization and operation of Kinh Bac City Development Holding Corporation, **the 2023 Annual General Meeting of Shareholders was eligible to proceed.**

### **III. Introducing the Presidium, Secretary Committee and voting on the members of the Voting Committee**

The Organizing Committee introduced the members of Chairman's Board:

#### **The Chairman's Board:**

Pursuant to Power of Attorney No. 1906/2023/KBC/UQ dated June 19<sup>th</sup>, 2023 of Mr. Dang Thanh Tam - Chairman of the Board of Directors authorized Mrs Nguyen Thi Thu Huong – Member of the BOD cum Chef Executive Officer, to be the Chairman, manage the General Meeting and issue the Minutes and Resolutions of the 2023 AGM.

Members of the Presidium included:

- Mrs Nguyen Thi Thu Huong - Member of the BOD, CEO
- Mr Huynh Phat - Member of the BOD
- Ms Dang Nguyen Quynh Anh - Member of the BOD
- Mrs Nguyen My Ngoc - Deputy General Manager
- Mr Pham Phuc Hieu - Deputy General Manager
- Mr Le Hoang Lan - Independent Member of the BOD (attended online meeting)

**Mrs Nguyen Thi Thu Huong – Chairman of the Meeting** introduced the members of the Secretary Committee and the Voting Committee:

#### **The Secretary of the Meeting:**

- Ms Tran Thi Thu Ha - Head of the Secretary Committee
- Ms Nguyen Thi Thuy Anh - Member
- Mr Luu Hai Vu - Member

#### **The Voting Committee:**

- Mrs Nguyen Bich Ngoc - Head of the Voting Committee
- Mr Nguyen Duc Giang - Member
- Mrs Luong Thi Tuyet - Member

**Mrs Nguyen Thi Thu Huong – Chairman of the Meeting** consulted with the Meeting to vote on the members of the Voting Committee.

**The Meeting approved on the members of the Voting Committee.**

## **PART B. THE MEETING PROGRESSION**

### **I Voting on the Agenda of the Meeting and the Regulations of operating and voting of the Meeting**

The Meeting listened to **Mr. Luu Hai Vu** presenting the Agenda of the meeting and the Regulations of operating and voting at the 2023 Annual General Meeting of Shareholders.

Details according to the document had been sent to shareholders/representatives of shareholders attending the meeting.

**The Meeting approved on the Agenda of the Meeting and the Regulations of operating and voting at the 2023 Annual General Meeting of Shareholders.**

### **II The reports and submissions at the Meeting**

1. The Meeting listened to representatives/ authorized representative of Board of Directors, Supervisory Board and Executive Board presenting reports and submissions at the meeting as follows:
  - Mrs. Nguyen Thi Thu Huong – Member of the Board of Directors cum CEO, on behalf of the BOD, reported on the business performance in 2022 and plans for 2023 of the Board of Directors according to Report No.: 01/2023/KBC/BC-HDQT, reported on the implementation of the Resolutions of the General Meeting of Shareholders (GMS) in 2022 according to Report No.: 02/2023/KBC/BC-HDQT.
  - Mrs. Nguyen Thi Thu Huong – Member of the Board of Directors, CEO reported about Business Results in 2022 and Business Plans for 2023 of Kinh Bac City Development Holding Corporation according to Report No.: 03/2023/KBC/BC-BTGD.
  - Mrs. Nguyen Bich Ngoc – Head of Supervisory Board reported on the supervising activities of the Supervisory Board in 2022 according to Report No.: 04/2023/KBC/BC-BKS.
  - Pursuant to Power of Attorney No.1906.1/2023/KBC/UQ dated June 19<sup>th</sup>, 2023 of Mr Dang Thanh Tam – Chairman of the BOD authorized Mrs. Tran Thu Ha – Member of Secretary to present the submissions in 2023 AGM, included:
    - + Submission No. 2306.1/2023/KBC/TT-HDQT of 2023 Annual General Meeting of Shareholders
    - + Submission No. 2306.2/2023/KBC/TT-HDQT about approving on the plan to distribute profit after tax in 2022.
2. Immediately after the presentation of submissions, Mrs. Nguyen Thi Thu Huong managed the 2023 AGM to conduct voting through online form (electronic voting) and voted directly into the ballot box.
3. At the meeting, **Mrs. Nguyen Thi Thu Huong - Chairman of the Meeting** managed the 2023 AGM to discuss issues related to the contents under the authority of the General Meeting of Shareholders:

The Presidium received questions from shareholders attending in person and online meeting. On behalf of the Presidium, Mrs. Nguyen Thi Thu Huong - Chairman of the Meeting and Mr. Pham Phuc Hieu - Deputy Chief Executive Officer answered some questions from shareholders related to business results, prospects of Corporation's implementing projects and other activities. The main contents are as follows:

- Regarding the plan of land fund developing in the future: KBC intends to continue expanding the industrial clusters to meet the land rental demand of large foreign investors.
- On the point of view of the Corporation about the Global minimum corporate tax: KBC is an investment attraction company, thus, always have a sense of control and calculate in advance of the policies and legal mechanisms that are required. The time the global minimum Corporate tax policy is applied depends on many elements: which country it applied and when it applied, the application also considers many factors to balance the investors advantaged. This tax applies globally and only applies to businesses with revenue over \$800 million a year. Considering this factor, only 20% of businesses in Vietnam are affected. KBC is fully aware of this and is still calculating to have appropriate suggestions and recommendations. However, application this policy now is only a research plan and has no determined when to apply in Vietnam.
- Regarding the orientation to expand more business lines into the field of high-tech manufacturing: The Corporation orients to expand its lines of business to match the trend and demand of cooperation with other corporations, major groups/partners in the world. However, at the moment, the Corporation does not have a specific plan, the Board of Directors will report to the General Meeting of Shareholders at an appropriate time.
- Regarding the plan to pay cash dividends and buy back treasury shares: In order to ensure the best interests of shareholders, the Board of Directors of the Corporation has submitted to the General Meeting of Shareholders on continuing to implement the plans approved by the General Meeting of Shareholders in the coming time.
- Regarding the implementation of industrial park projects in the South of Vietnam: In the South, typically Tan Phu Trung Industrial Park is doing well. The new projects all have prime locations and receive much attention from large corporations in the high-tech field.
- Regarding the influence of the revised Law on Land: The Corporation's Executive Board always focuses on understanding, analyzing and applying policies in accordance with changes in the law.
- Regarding the implementation of projects: Given the current growth rate and characteristics of KBC's business activities, the implementation of projects is influenced by many legal factors and the progress of administrative procedures to apply for a license, so the projects are performed independently and deployed parallelly.

In addition, the Chairman's Board also answered other questions from shareholders regarding loan balances in the Financial Statements, the bond repurchase and business plan for the upcoming 6 months of 2023, which were also presented by the Board of Directors and the Executive Board in the reports of the 2023 Annual General Meeting of Shareholders.

4. The vote counting results with each content were reported at the General Meeting by **Mrs. Nguyen Bich Ngoc - Head of the Voting Committee.**

The total number of shareholders attending the meeting (online, in person or authorizing) according to the results of Voter Eligibility Committee updated to 10h15am on June 23<sup>rd</sup>, 2023 was:

Number of Attendees: **166** (including shareholders and their authorized representatives), included:

- Attend in person: **25**
- Attend online meeting: **141**
- Number of Shareholder authorized: **20**

Representing: **487,948,184** shares, being equivalent to **487,948,184** votes, accounting for: **63.5676%** of the total number of votes of all Corporation's shareholders, included:

- Attend in person: **18,885,422**, accounting for **2.4603%** of the total number of votes of all Corporation's shareholders.
- Attend online meeting: **496,062,762**, accounting for **61.1073%** of the total number of votes of all Corporation's shareholders.

The voting results are as follows:

- Total voting ballots issued: **166** representing for: **487,948,184** votes, accounting for: **100.0000%** on total number of votes of attending shareholders.
- Total voting ballots counted: **153** representing for: **486,536,260** votes, accounting for: **99.7106%** on total number of votes of attending shareholders.
- Total shareholders did not cast the vote: **13** representing for: **1,411,924** votes, accounting for: **0.2894%** on total number of votes of attending shareholders.

## **5. Detailed vote counting results for each content:**

### **5.1. Approving Report on the business performance in 2022 and plans for 2023 of the Board of Directors according to Report No.: 01/2023/KBC/BC-HDQT Report on the implementation of the Resolutions of the General Meeting of Shareholders in 2022 according Report No.: 02/2023/KBC/BC-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **151** voting ballots, representing: **486,531,087** votes, accounting for: **99.9989%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **1** voting ballots, representing: **5,000** votes, accounting for: **0.0010%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved to the Report on the business performance in 2022 and plans for 2023 of the Board of Directors with 99.9989% approval.**

**5.2. Approving Report about Business Results in 2022 and Business Plans for 2023 of Kinh Bac City Development Holding Corporation according to Report No.: 03/2023/KBC/BC-BTGD**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **151** voting ballots, representing: **486,531,087** votes, accounting for: **99.9989%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots. representing: **0** votes. accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **1** voting ballots, representing: **5,000** votes, accounting for: **0.0010%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the Report about Business Results in 2022 and Business Plans for 2023 of Kinh Bac City Development Holding Corporation with 99.9989% approval.**

**5.3. Approving Report on the supervising activities of the Supervisory Board in 2022 according to Report No.: 04 /2023/KBC/BC-BKS**

**The AGM voted on the above content and the results are as follows:**

Valid: **151** voting ballots, representing: **486,535,987** votes, accounting for: **99.9999%** the total votes of all shareholders who attended and voted in the AGM.

Approval: **149** voting ballots, representing: **486,529,921** votes, accounting for: **99.9987%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **2** voting ballots, representing: **6,066** votes, accounting for: **0.0012%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **2** voting ballots, representing: **273** votes, accounting for: **0.0001%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the Report on the supervising activities of the Supervisory Board in 2022 with 99.9987% approval.**

**5.4. Approving on the 2022 financial reports of Kinh Bac City Development Holding Corporation audited by Ernst & Young Vietnam Co., Ltd according to Section IV Submission No.: 2306.1/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **150** voting ballots, representing: **486,528,687** votes, accounting for: **99.9984%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **2** voting ballots, representing: **7,400** votes, accounting for: **0.0015%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the 2022 financial reports of Kinh Bac City Development Holding Corporation audited by Ernst & Young Vietnam Co., Ltd with 99.9984% approval.**

**5.5. Approving the selection of the independent auditing company in 2023 according to Section V Submission No.: 2306.1/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **141** voting ballots, representing: **470,662,169** votes, accounting for: **96.7373%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **1** voting ballots, representing: **3,596,080** votes, accounting for: **0.7391%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **10** voting ballots, representing: **12,277,838** votes, accounting for: **2.5235%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved the selection of the independent auditing company in 2023 with 96.7373% approval.**

**5.6. Approving on the plan of remuneration, salary - bonus and operation expenses for BOD, Supervisory Board in 2023 according to Section VII Submission No.: 2306.1/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **148** voting ballots, representing: **468,116,507** votes, accounting for: **96.2141%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **4** voting ballots, representing: **18,419,580** votes, accounting for: **3.7859%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the plan of remuneration, salary - bonus and operation expenses for BOD, BOS in 2023 with 96.2141% approval.**

**5.7. Approving on the related transactions in 2022, the transaction policy between related parties arising in 2023 until the next General Meeting of Shareholders in 2024 according to Section VIII Submission No.: 2306.1/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **135** voting ballots, representing: **455,195,149** votes, accounting for: **93.5583%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **12** voting ballots, representing: **12,920,292** votes, accounting for: **2.6556%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **5** voting ballots, representing: **18,420,646** votes, accounting for: **3.7861%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the related transactions in 2022, the transaction policy between related parties arising in 2023 until the next General Meeting of Shareholders in 2024 with 93.5583% approval.**

**5.8. Approving on the amendment and supplementation of the Charter of Organization at Section IX**

**Submission No. 2306.1/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **150** voting ballots, representing: **486,530,021** votes, accounting for: **99.9987%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **2** voting ballots, representing: **6,066** votes, accounting for: **0.0012%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the amendment and supplementation of the Charter of Organization with 99.9987% approval.**

**5.9. Approving on the plan to distribute profit after tax in 2022 according to Section IX Submission No.: 2306.2/2023/KBC/TT-HDQT**

**The AGM voted on the above content and the results are as follows:**

Valid: **152** voting ballots, representing: **486,536,087** votes, accounting for: **100.0000%** the total votes of all shareholders who attended and voted in the AGM,

Approval: **151** voting ballots, representing: **48,531,087** votes, accounting for: **99.9989%** the total votes of all shareholders who attended and voted in the AGM.

Disapproval: **0** voting ballots, representing: **0** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

No-opinion: **1** voting ballots, representing: **5,000** votes, accounting for: **0.0010%** the total votes of all shareholders who attended and voted in the AGM.

Invalid: **1** voting ballots, representing: **173** votes, accounting for: **0.0000%** the total votes of all shareholders who attended and voted in the AGM.

**Thus, the Meeting approved on the plan to distribute profit after tax in 2022 with 99.9989% approval.**

**PART C. VOTING ON THE MINUTES AND RESOLUTION OF THE MEETING**

**Ms Tran Thi Thu Ha** – Head of the Secretary Committee presented the Minutes and Draft of Resolutions of the 2023 Annual General Meeting of Shareholders.

**The Meeting agreed and approved on the Meeting Minutes and Resolutions of the 2023 Annual General Meeting of Shareholders.**

This Minutes is drafted at 11.55 am on June 23<sup>rd</sup>, 2023.

The meeting concluded at 12.00 pm on the same day.

**ON BEHALF OF THE GENERAL MEETING  
OF SHAREHOLDERS  
CHAIRMAN**

*(signed and stamped)*

**NGUYEN THI THU HUONG**

**ON BEHALF OF  
SECRETARY COMMITTEE  
HEAD**

*(signed)*

**TRAN THI THU HA**

No.: 01/2023/KBC/BC-HDQT

*Bac Ninh, June 23<sup>rd</sup>, 2023*

## **REPORT TO THE GENERAL MEETING OF SHAREHOLDERS**

On the business performance in 2022 and plans for 2023 of the Board of Directors

**Dear Our Valued Shareholders!**

Hereafter, The Board of Directors (BOD) respectfully report to the shareholders about the operation results of the Corporation and the Board of Directors in 2022 as follow:

### **I. GENERAL ASSESSMENT OF KINH BAC CITY DEVELOPMENT HOLDING CORPORATION'S OPERATION RESULTS IN 2022**

#### **1. About business activities**

As you all know, in 2022, both domestic and foreign economies faced many difficulties and unpredictable situations. Although difficulties came from the capital market, stock market, real estate market, etc, Vietnam has recorded GDP growth in 2022 of 8.02% compared to the previous year.

The foreign direct investment (FDI) continues pouring into Vietnam, which makes Vietnam to get the better position than many other countries. Specifically, the total registered FDI capital into Vietnam in 2022 reached 27.72 billion USD, equals to 89% compared to the previous year, but the total disbursed FDI in 2022 reached 22.4 billion USD, increased 13.5% compared to 2021, and is the highest rate in the last 5 years. Thus, Vietnam is still a bright spot of attracting FDI in Southeast Asia. Therefore, Vietnam in general and KBC in particular have been preparing the necessary premises and factors to continue receiving a new wave of investment transformation, becoming an important production center of the world.

Specifically, KBC has been preparing a large-scale industrial park land fund and adequate infrastructure in strategic locations to meet the diverse needs of investors in terms of areas, locations, solutions including: Developing the existing land bank, establishing new industrial parks and urban areas in some provinces such as Long An, Hung Yen, Hai Phong, etc. In particular, after many years not being approved any projects, in 2022, KBC increased the industrial zone land fund to 1,255.8 ha in important locations due to being approved by the Government Decision on investment policy of projects and on Investors for KBC's

subsidiaries, for example:

- On March 18<sup>th</sup>, 2022, the Government approved Decision No. 361/QD-TTg: "Policy for investment and business in infrastructure of Tan Tap Industrial Park, Long An province, with a scale of 654 ha" with Long An Development Invest Joint Stock Company as the investor.
- On April 19<sup>th</sup>, 2022, the Government approved Decision No. 490/QD-TTg: "Policy for investment and business in infrastructure of Loc Giang Industrial Park, Long An Province, with a scale of 466 ha" with Northwestern Saigon City Development Corporation as the investor.
- On November 4<sup>th</sup>, 2022, the Government approved Decision No. 1320/QD-TTg: "Policy for investment and business in infrastructure of expanded Quang Chau Industrial Park, Bac Giang Province" with Sai Gon Bac Giang Industrial Park Corporation as the investor.

However, the Corporation's consolidated business results in 2022 did not meet the business plan, specifically as follows:

- Total consolidated revenue reached 3,498.07 billion VND, equals to 72.39% of 2021 and equals to 35.69% of the business plan.
- Consolidated profit after tax reached 1,576.56 billion VND, equals to 116.63% of 2021 and equals to 35.03% of the business plan.

The main reason why the business results set by the Corporation in 2022 did not meet the plan comes from the general economic situation facing many difficulties. In addition, the fact that foreign investors have not completed investment licensing procedures and have not received land handover has led to a series of Agreements in principle to sublease land with an area of 107 hectares and a large value of 3,540 billion VND that have not been able to record revenue in 2022.

Although the business plan did not achieve, the Board of Directors still considers investment attraction activities in 2022 to be quite positive, major investors in KBC's Industrial Parks are continuously expanding their business plans, which creates a good sign for the economy.

## **2. About investment activities**

In 2022, the total value of direct investment in industrial zones and urban areas of the Corporation is **1,768.89** billion VND, increasing 23.17% compared to 2021; Investment activities of the parent company's own capital contribution in subsidiaries and associates are **2,306.48** billion VND (Mainly contributing capital to Saigon - Da Nang Investment Corporation, Hung Yen Investment and Development Corporation, Saigon Telecommunications and Technologies Corporation); Investment activities to contribute capital of subsidiaries to other companies is **865.61** billion VND (Mainly cooperating and investing in Saigon - Nhon Hoi Industrial Park Corporation, and contributing capital to

Quang Yen Electronics Co., Ltd and Quang Yen Manufacturing Industry Co., Ltd., etc.)

### **3. About financial management**

2022 is a difficult year for most businesses in terms of cash flow due to the impact of macroeconomic policies (difficulty in issuing new stocks and bonds, difficulty in accessing to bank loans, shortage of cash flow from operating activities, etc.). However, the Board of Directors acknowledged the efforts of the Executive Board in generating cash flow from main business activities, arranging capital sources to fully pay debts and supplementing capital for investment activities. During the year, the Corporation paid **1,955.32** billion VND and collected from borrowing was **1,992.47** billion VND (*Mainly due to disbursement of signed capital financing contracts and bonds issued before 2022*).

As at December 31<sup>st</sup>, 2022, the total outstanding principal and interest of the Corporation was **9,398.81** billion VND, the ratio of actual debt/total assets was 26.93%, which is a very good debt ratio for a large-scale real estate business like KBC. Notably, KBC completed the repurchase at maturity and before maturity of all privately issued bonds of 2,400 billion VND and VND 342.72 billion VND of publicly issued bonds with outstanding balance as at December 31<sup>st</sup>, 2022.

### **4. About corporate governance**

- + KBC always reviews obligations and responsibilities to ensure complying with corporate governance regulations for listed companies. In order to improve corporate governance, the Corporation has developed detailed procedures for each job to make it easy to apply and avoid omissions, regularly updates the guidance of the management agency on the management activities/
- + KBC always proactively publishes information and updates on business activities on the Corporation's website, mass media and directly updates management and business activities for organizations and individuals interested in KBC; is always ready to respond and respond to concerns of Shareholders and Investors when required.

However, KBC also had some shortcomings in the presentation of income of the Supervisory Board on the audited financial statements of 2021 and transactions of treasury shares in 2022. Regarding these issues, the Company fully explained and submitted to the state management agencies.

### **5. About external affairs**

In 2022, the members of the Board of Directors and the Executive Board directly worked with agencies and departments of provinces such as Hung Yen, Hai Duong, Quang Ninh, Tay Ninh, Ba Ria - Vung Tau, Tien Giang, etc. to promote the establishment of new projects.

The members of the Board of Directors and the Executive Board participated in domestic and foreign seminars and conferences to promote trade and attract FDI into Vietnam in 2022 through face-to-face and online forms such as: Connecting cooperation between Vietnamese enterprises and Hong Kong - Guangdong – Macau seminar; ASEAN - US Summit (May 11<sup>th</sup> -17<sup>th</sup>, 2022); Meeting with Vietnamese - Korean Enterprises; APEC

2022 Summit Week; Webinar "Trends of Vietnam's real estate market"; The 48th Japan-ASEAN Economic Conference; Workshop "Embracing the wave of supply chain shift in the electronics industry", etc.

## II. ACTIVITIES OF BOARD OF DIRECTORS IN 2022

Pursuant to the provisions of law and the Corporation's Charter, the Board of Directors has properly performed its functions, duties and powers with respect to activities of supervision, direction and in conjunction with the Executive Board in making recommendations and decisions to resolve issues approved by the 2022 General Meeting of Shareholders. The following are the contents that the Board of Directors would like to report to shareholders.

### 1. Remuneration, operating expenses and other benefits of the Board of Directors

Details of remuneration, operating costs and other benefits of the Board of Directors and each member of the Board of Directors are presented as below:

No	Full name	Title	Remuneration of members of the BOD	Total income tax paid by KBC	Total expenses of the BOD
1	Dang Thanh Tam	Chairman of the BOD	0	0	0
2	Nguyen Thi Thu Huong	Member of the BOD cum CEO	100,000,000	11,111,111	111,111,111
3	Huynh Phat	Member of the BOD	100,000,000	11,111,111	111,111,111
4	Le Hoang Lan	Independent member of the BOD	100,000,000		100,000,000
5	Dang Nguyen Quynh Anh	Member of the BOD	100,000,000		100,000,000
<b>Total</b>					<b>422,222,222</b>

### 2. Meetings of the Board of Directors and Resolutions and Decisions of the Board of Directors

In 2022, the Board of Directors held 36 meetings and issued 45 Resolutions and Decisions approving issues on business plan, investment, treasury stock sale, stock issuance to increase capital from equity, related party transactions, corporate governance, etc.

Meetings of the Board of Directors are convened and organized in accordance with regulations and in the correct order, ensuring that the number of members of the Board of Directors participates and all contents reach 100% of the approval. The Resolutions were issued in a timely manner to create conditions for the Executive Board to implement to bring benefits to the Corporation.

### **3. Transactions between the Corporation and related parties**

All transactions between the Corporation and related parties were carried out in accordance with the provisions of the Enterprise Law, the Securities Law, the Corporation's Charter and other guiding documents.

In which, all transactions between the Corporation and related parties approved by the Board of Directors were disclosed in accordance with regulations and listed in the Report on Corporate Governance in 2022 and explained in the 2022 Audited financial statements.

### **4. Activities of independent members of the Board of Directors and assessment of independent members of the Board of Directors on the activities of the Board of Directors**

Based on the evaluation report No. 0102/2023/KBC/BC-HDQT of the independent member of the Board of Directors in 2022 dated February 1<sup>st</sup>, 2023 by Mr. Le Hoang Lan - Independent member of the Board of Directors, the Board of Directors would like to report the contents of the General Meeting of Shareholders to the General Meeting of Shareholders as follows:

- Mr. Le Hoang Lan was elected as an independent member of the Board of Directors for the term 2022 – 2027 at the 1<sup>st</sup> Extraordinary General Meeting of Shareholders (GMS) in 2022 on February 10<sup>th</sup>, 2022.
- The independent member participated in 30 meetings of the Board of Directors, the opinions of the independent member all ensured independence, controlled conflicts of interest, and protected the interests of the Corporation and Shareholders.
- The independent member participated in activities to connect KBC with domestic and international partners, and at the same time, also met and listened to the major shareholders being KBC's foreign financial institutions and financial partners and potential foreign parties.
- The independent member gave comments on the management and operation of the Corporation in general, internal governance and risk management in particular.
- The independent member highly appreciates the activities of the Board of Directors in 2022 with the spirit of responsible work, prompt and timely direction, and close supervision of the implementation of the resolutions of the General Meeting of Shareholders and the Board of Directors' resolutions.
- Other related issues: The independent member agreed with the Board of Directors and Executive Board.

### **5. Supervision activities for the Board of Directors and managers**

The Board of Directors supervised the Executive Board and other managers in the implementation of the resolutions of the General Meeting of Shareholders and the Board of Directors, and in the administration of daily operations. Thereby, the Board of Directors highly appreciated the efforts of the Executive Board in implementing business plans in 2022, implementing investment and development projects, balancing cash flow for the

Corporation.

The Board of Directors suggested that the Executive Board need to develop a breakthrough strategy in 2023 to implement the projects that the Corporation is managing, create available products to promptly meet the needs of investors, establish investment promotion programs, directing departments to promote the establishment of new projects in the provinces of Hung Yen, Hai Duong, Quang Ninh, Tay Ninh, Ba Ria - Vung Tau, Tien Giang, etc.

The Board of Directors recognizes the successful completion of the following important tasks that the Executive Board has implemented in accordance with the resolutions and directions of the Board of Directors.

- Investment in infrastructure of industrial zones in which the Corporation is doing business; Completing legal procedures, putting the expanded Quang Chau Industrial Park into business; Carrying out legal procedures in parallel with planning compensation and attracting clients for established projects.
- Successfully organized 03 General Meetings of Shareholders in 2022.
- Completed the transaction to sell all 5,950,978 treasury shares with average trading price of 56,246 VND/share and 01 share issuance to increase share capital from equity with the total number of shares after the issuance is 767,604,759 shares, increasing KBC's charter capital from **5,757,111,670,000 VND** to **7,676,047,590,000 VND**.
- Organized and supervised the strict implementation of the financial reporting regime; Supervised the implementation of resolutions issued by the Board of Directors and the General Meeting of Shareholders.
- Closely supervised the risk management of investment and business activities, cash flow management and appropriate financial planning.

### **III. ACTIVITIES PLANS FOR 2023**

Based on the proposed business plan for 2023 approved by the 2<sup>nd</sup> Extraordinary General Meeting of Shareholders in 2022 on December 28<sup>th</sup>, 2022:

- ✓ Total expected consolidated revenue in 2023: 9,000 billion VND
- ✓ Total expected consolidated profit after tax in 2023: 4,000 billion VND

The Board of Directors continues the development orientations for the Corporation as follows:

- Approve and supervise investment and business plans for key projects such as Nam Son - Hap Linh Industrial Park, Quang Chau Expanded Industrial Park, Tan Phu Trung Industrial Park, Trang Due 3 Industrial Park, Long An Industrial Park and Cluster, Hung Yen, Trang Due Urban Area, Phuc Ninh Urban Area, Trang Cat Urban Area and social housing projects.
- Lead the implementation to establish new projects in Hung Yen, Hai Duong, Quang

Ninh, Tay Ninh, Ba Ria - Vung Tau, Tien Giang, etc.

- Assign the Executive Board of the Corporation to make plans to balance cash flows, mobilize capital, develop appropriate and balanced financial plans for investment activities and pay debts.
- Strengthen supervision of risk management, ensure safe and improved financial indicators.
- Maintain and build a team of experts to regularly update news, macro-economic situation, financial situation, changes in policies so that the Board of Directors and the Executive Board promptly make strategies, new policy in line with the actual situation.
- Strengthen advertising and trade promotion, welcome and work with foreign investment corporations.
- Assign the Executive Board to focus on implementing shareholder relations, regularly monitor changes in ownership of major shareholders. Always review and comply with timely and accurate information disclosure to authorities, shareholders and investors.
- Build and develop a team of professional, qualified, experienced and enthusiastic personnel who actively participate in training courses to improve corporate governance capacity according to the standards of listed companies. Continue to develop salary and bonus policies and improve remuneration regimes for employees, create a professional, safe and comfortable working environment, and encourage employees' creativity.

Above is the report on activities in 2022 and operation plan in 2023 of the Board of Directors of Kinh Bac City Development Holding Corporation. The Board of Directors submit to the General Meeting of Shareholders for discussion and approval!

**Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Executive Board;
- Members of Supervisory Board;
- Stored: Admin

**ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRMAN OF THE BOARD**

*(Signed and stamped)*

**DANG THANH TAM**

No.: 02/2023/KBC/BC-HDQT

Bac Ninh, June 2<sup>nd</sup>, 2023

## REPORT TO THE GENERAL MEETING OF SHAREHOLDERS

Reporting on the implementation of the Resolutions of the General Meeting of Shareholders (GMS) in 2022

### Dear Our Valued Shareholders!

In 2022, the Corporation's Board of Directors held three General Meetings of Shareholders to promptly come up with business and corporate governance plans to ensure the best interests of Shareholders. Hereafter, the Board of Directors (BOD) would like to report to the Shareholders on the implementation of the contents to be implemented in the Resolutions of the General Meeting of Shareholders in 2022 as follows:

No.	Content of approval	Performance
<b>I</b>	<b>Resolution of the First Extraordinary General Meeting of Shareholders in 2022 No.: 1002/2022/KBC/NQ-DHDCD dated 10/02/2022</b>	
1	Approving the business plan in 2022 - Total expected revenue: 9,800 billion VND - Total expected profit after tax: 4,500 billion VND	Revenue and profit after tax according to the audited financial statements of 2022 - Total revenue: 3,498.07 billion VND - Total NPAT: 1,576.53 billion dong
2	Approving the altering, supplementing the Corporation's Charter	Promulgating the 24 <sup>th</sup> Corporation's Charter on February 10 <sup>th</sup> , 2022
3	Approving the adjustment and supplement of the plan on Charter capital increase by issuing shares from Equity followed Resolution of the 2021 Annual General Meeting of Shareholders No. 1004/2021/KBC/NQ-DHDQT, Submission No. 1004-2/2021/KBC/TT-HDQT, Resolution	On June 22 <sup>nd</sup> , 2022, the Board of Directors completed the plan to issue 191,893,592 shares from equity to existing shareholders (Share issuance plan in 2022). The number of shares after the issuance and outstanding is 767,604,759 shares.

	No. 0612/2021/KBC/NQ-HDQT	<p>The Board of Directors made the report "Share issuance plan in 2022" at the 2022 Annual General Meeting of Shareholders on June 25<sup>th</sup>, 2022.</p> <p>The Board of Directors made the 26<sup>th</sup> altering to the Corporation's Charter on July 2<sup>nd</sup>, 2022, the 18<sup>th</sup> change of the Business Registration Certificate on July 5<sup>th</sup> 2022 due to a change in charter capital from 4,757,111,670,000 VND to 7,676,047,590,000 VND.</p>
4	Approving the electing members of BOD and BOS in term 2022 – 2027	The General Meeting of Shareholders elected members of the Board of Directors and Supervisory Board for the term 2022-2027
5	Approving the listing bonds that need to be listed	There are no bonds needed to be listed in 2022
6	Approving the issuing 150 million shares in Private placement of stock for charter capital increasement	The General Meeting of Shareholders approved the cancellation of the Private placement of shares to increase charter capital in the Resolution of the General Meeting of Shareholders No. 28121/2022/KBC/NQ-DHDCD dated December 28 <sup>th</sup> , 2022.
<b>II</b>	<b>Resolution of the 2022 Annual General Meeting of Shareholders 2022 No: 2506/2022/KBC/NQ-DHDCD dated June 25<sup>th</sup>, 2022</b>	
1	Approving to keep the consolidated business plan intact for 2022 which had already submitted at the 1st Extraordinary General Meeting of Shareholders in 2022 on February 10 <sup>th</sup> , 2022.	
2	Approving the selection of the independent auditing company in 2022	On July 5 <sup>th</sup> , 2022, KBC announced the signing of an audit contract for the 2022 financial statements with Ernst & Young Vietnam Limited, which is the audit company approved by the GMS.
3	Approving remuneration payment for Board of Directors, Supervisory Board, the salary -	Total expenses of the Board of Directors and Supervisory Board in 2022 are:

	bonus of the Head of Supervisory Board and the salary report of the Executive Board	796,461,569 VND, equal to 15.9% of the limit approved by the General Meeting of Shareholders.
4	Approving the altering, supplementing the Corporation's Charter; Internal regulation on Corporate governance; Regulation of the BOD	On June 25 <sup>th</sup> , 2022, KBC issued and disclosed the Corporation's Charter and the following regulations: The 25 <sup>th</sup> Amendment of the Corporation's Charter; Regulation of the BOD; Internal regulation on Corporate governance
5	Approving the transaction policy between related parties	Disclosed the resolutions of the Board of Directors for transactions between related parties under the authority of the Board of Directors in accordance with the law.
<b>III</b>	<b>Resolution of the 2<sup>nd</sup> Extraordinary General Meeting of Shareholders in 2022, No. 28121/2022/KBC/NQ- DHDCD and No. 28122/2022/KBC/NQ- DHDCD dated December 28<sup>th</sup>, 2022</b>	
1	Approving the Corporation's business plan in 2023 - Total expected revenue: 9,000 billion VND - Expected total profit after tax: 4,000 billion dong	Continue implementing these plans in 2023
2	Approving the listing bonds	
3	Approving the plan of paying cash dividends for shareholders in 2023	
4	Approving the transaction policy between related parties arising in 2023 until the next General meeting of shareholders in 2024	
5	Approving the 100,000,000 share repurchase plan to reduce charter capital, and at the same time authorize the Board of Directors to decide all issues related to the share repurchase.	

Above is the Report on the implementation of the Resolutions of the GMS of Kinh Bac City Development Holding Corporation, the Board of Directors reports to the General

Meeting of Shareholders for information.

**Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Executive Board;
- Members of Supervisory Board;
- Stored: Admin.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRMAN OF THE BOARD**

**(Signed)**

**DANG THANH TAM**

No. 03/2023/KBC/BC-BTGD

Bac Ninh, June 23<sup>rd</sup>, 2023

## REPORT TO THE GENERAL MEETING OF SHAREHOLDERS

About Business Results in 2022 and Business Plans for 2023 of  
Kinh Bac City Development Holding Corporation (**KBC**)

### Dear Our Valued Shareholders!

Hereafter, the Executive Board would like to report to all Shareholders on the business performance in 2022 and the business plan for 2023 of the Corporation as follows:

#### I. BUSINESS PERFORMANCE IN 2022

##### 1. Evaluation of annual business results 2022

##### + Business results of the Corporation

*Unit: Billion VND*

Items	2021 <i>Re- presentation</i>	2022	Changes
<b>Net revenue from sales of goods and rendering of services</b>	<b>4,245.82</b>	<b>950.27</b>	22.38%
Revenue from long-term lease of land	3,035.93	656.98	21.4%
Revenue from real estate transfers	514.58	353.33	68.66%
Sales of factories	310.6	-	0.00%
Revenue from clean water supply, wastewater treatment, service fees, warehouse rental, etc.	384.71	387.17	100.64%
<i>Revenue deducted from real estate transfer (*)</i>	-	<i>-447.21</i>	-
<b>Revenue from financial activities</b>	<b>169.54</b>	<b>339.65</b>	200.34%
<b>Other income</b>	<b>5.37</b>	<b>21.33</b>	397.21%
<b>Profits in associates</b>	<b>411.67</b>	<b>2,186.82</b>	531.21%
<b>Total revenue</b>	<b>4,832.40</b>	<b>3,498.07</b>	72.39%
<b>Total profit after tax</b>	<b>1,351.69</b>	<b>1,576.53</b>	116.63%
<b>Profit after tax of parent company</b>	<b>1,094.88</b>	<b>1,526.35</b>	139.41%

*(\*) Subsidiaries of the Corporation have recorded a deduction from revenue related to the transaction of returning land plots of Trang Due urban area from the previous year.*

The Corporation's total consolidated revenue in 2022 reached **3,498.07** billion VND, equals to 72.39% of 2021, equals to 35.69% of the plan. In which, revenue from core business activities includes: Land leasing, factory leasing, sale of real estate and related services reached **957.27** VND, equals to 22.38% of 2021, accounting for **957.27** billion VND, accounting for 27.17% of the Corporation's total revenue. Profit in associates reached **2,186.82** billion VND, 5.3 times higher than in 2021, accounting for 62.52% of total revenue. Consolidated profit after tax in 2022 of the Corporation reached **1,576.53** billion VND, equals to 116.63% of 2021, equals to 35.03% of the plan. Profit after tax of the parent company reached 1,526.35 billion VND, equals to 139.41% of 2021.

**+ Revenue – Profit of parent company and the consolidated corporation**

Total revenue of the Corporation in 2022 reached 35.69% of the plan, profit after tax of the Corporation reached 35.03% of the plan. The reason is that most of the land lease agreements signed in 2022 have not yet recorded revenue, specifically:

In 2022, KBC signed agreement principles to lease land up to 107 ha in Quang Chau Industrial Park and Nam Son Hap Linh Industrial Park with a total value of nearly 3,540 billion VND. However, the land plots have not been handed over to customers to record business results in 2022 because foreign investors have not completed the procedures for granting Investment Registration Certificates. Therefore, despite not meeting the plan, 2022 is still a remarkable year when KBC made great efforts to successfully negotiate a series of large value contracts to bring in cash flow and record significant revenue for 2023.

*Unit: Billion VND*

Items	Parent company	Consolidated Corporation
<b>Net revenue from sales of goods and rendering of services</b>	<b>145.16</b>	<b>950.27</b>
Revenue from long-term lease of land	9.81	1,010.31
Revenue from water supply, wastewater treatment, service fees, warehouse rental, factory sale, etc.	135.35	387.17
<i>Revenue deducted from real estate transfer</i>	-	(447.21)
<b>Cost of goods sold and services rendered</b>	<b>96.83</b>	<b>684.52</b>
<b>Gross profit from sales of goods and services rendered</b>	<b>48.33</b>	<b>265.75</b>
<b>Gross profit margin (%)</b>	<b>0.33</b>	<b>0.28</b>
<b>Revenue from financial activities</b>	<b>1,473.19</b>	<b>339.65</b>
<b>Other income</b>	<b>0.34</b>	<b>21.33</b>
<b>Profits in associates</b>	-	<b>2,186.82</b>
<b>Total revenue</b>	<b>1,618.69</b>	<b>3,498.07</b>
<b>Total profit after tax</b>	<b>610.75</b>	<b>1,576.53</b>
<b>Profit attributable to shareholders of parent company</b>		<b>1,526.35</b>

In 2022, considering the revenue structure of the Corporation, the following factors are

considered noteworthy:

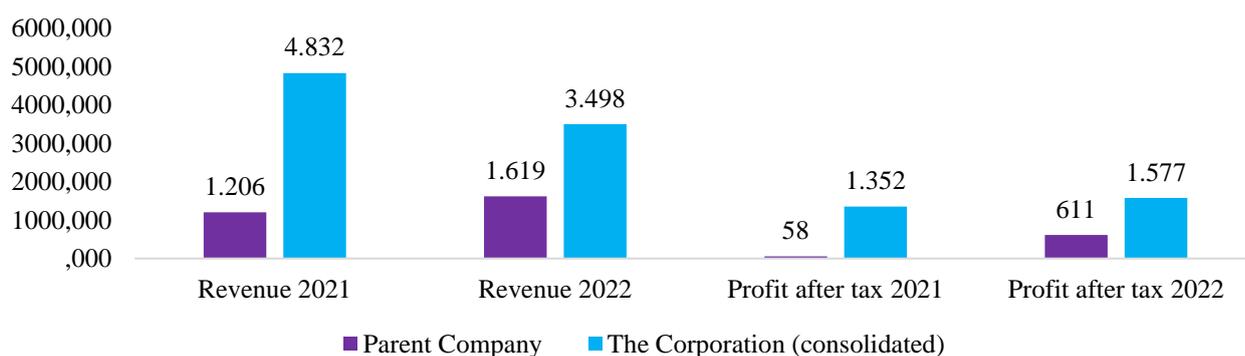
Revenues from main business activities, finance, and profits from associates fluctuated strongly. In which, revenue from services of providing clean water, treating wastewater, and leasing warehouses are stable sources of income. Specifically, revenue from these services reached 387.17 billion VND, accounting for 11.07% of total revenue, equivalent to 2021. It is expected that this revenue will increase sharply in the coming years when businesses in the industrial parks is no longer free for infrastructure and a number of new clean water supply plants come into operation. KBC does not have to buy outside clean water supply services, which will generate significant growth in revenue compared to the current one.

Considering the parent company, the parent company's revenue in 2022 reached 1,618.69 billion VND, equals to 134.18% of 2021, profit after tax reached 610.75 billion VND, which is 10.52 times higher than the 2021. The reason for this sudden profit growth is mainly due to the fact that in the period KBC recorded dividend income distributed from subsidiaries.

#### + Cost factors

In 2022, KBC's total financial, selling and administrative expenses were 1,105.77 billion VND, decreased 54.10 billion VND and equals to 95.24% of 2021. Of which interest expense was 522,86 billion VND, increased 8.79% of 2021; selling expenses and other related expenses were 57.10 billion VND, equals to 17.74% of 2021, this cost decreased sharply, confirming that KBC used the cash flow economically and effectively; In addition, administrative expenses increased by 8.38% of 2021 due to the Corporation's salary increase for employees. Thus, in 2022, it can be seen that KBC always managed its cash flow well, still ensured a better life for its employees, and continued to share social responsibilities in the context of macroeconomic difficulties.

*Unit: VND Billion*



### Chart of Revenue – Profit of Parent Company and the Corporation in 2021 -2022

#### 2. Project investment activities in 2022

As at December 31<sup>st</sup> 2022, the Corporation was owning and co-managing projects with a total land fund of 6,386.54 ha of industrial park land, 1,262.8 ha of urban area land and 78.9 ha of housing projects, machinery, factories and social housing concentrated in all three regions of the North - Central - South. In which, in 2022, the Corporation's industrial park land fund increased by 1,255.8 hectares, an increase of 23.37% of 2021, mainly concentrated in Long An and Bac Giang.

In 2022, the total value of direct investment in KBC's projects was 1,768.89 billion VND, increasing by 23.17% of 2021, the key investments are as follows:

- Nam Son - Hap Linh Industrial Park has invested 247.51 billion VND to invest in infrastructure, build a clean water factory and a wastewater treatment plant.
- Quang Chau Industrial Park has invested 222.4 billion VND to build infrastructure, perform land compensation, build a clean water plant phase 3 with a capacity of 10,000m<sup>3</sup>/day and night, build a clean water plant phase 4 with a capacity of 12,000m<sup>3</sup>/day and a wastewater treatment plant phase 3 with a capacity of 10,000m<sup>3</sup>/day.
- Trang Due Industrial Park and Urban Area have invested 70.32 billion VND to complete the infrastructure.
- Tan Phu Trung Industrial Park has invested 171.57 billion VND to perform land compensation and build infrastructure (ground levelling, road construction, water supply and drainage, lighting electricity, trees, etc.).
- Joint venture with Evergreen Bac Giang Investment Sustainable Development Joint Stock Company to implement the Nenh Town Social Housing Project, which has invested 348.59 billion VND.
- Trang Cat Urban Area has increased investment costs by 434.35 billion VND including interest capitalization and leveling of about 80 ha.
- Tan Tap Industrial Park has invested 128.15 billion VND in project establishment costs and other expenses.

### **3. Implementation of investment attraction in 2022 and prospects in 2023**

#### **+ Implementation in 2022**

The total area of industrial land for lease in 2022 and recorded revenue was 43.44 ha. In which, it was mainly recorded from Tan Phu Trung Industrial Park for 16.9 ha, Nhon Hoi A Industrial Park for 16.6 ha, etc.

In particular, the Corporation increased its ownership rate in Saigon - Da Nang Investment Corporation from 19.5% to 48%. After the transaction, KBC recorded the difference between the net asset value and the original cost of this investment as 2,182.34 billion VND. This was the strategy of the Board of Directors with the goal of increasing the ownership ratio to create added value for shareholders as well as expand the investment and development prospects in the central Vietnam.

#### **+ Investment attraction prospect in 2023**

A series of land lease agreements up to 107 ha in Quang Chau Industrial Park and Nam Son- Hap Linh Industrial Park with a total value of nearly 3,540 billion VND signed in 2022 were officially signed Land lease contracts in early 2023 to record and collect revenue right at the beginning of 2023, helping the Corporation to ensure cash flow for business activities, make payment on time and buy back all outstanding bonds as at December 31<sup>st</sup> 2022, including the land sublease contract for an area of 45.1 ha in Quang Chau Industrial Park with the newly legal entity to invest in Vietnam of Foxconn Group.

KBC had a good start in 2023, on February 15<sup>th</sup> 2023 KBC continued to sign a memorandum of understanding on the sublease of 62.7 ha of land in Nam Son - Hap Linh Industrial Park with Goertek Group. Currently, KBC is also working with a number of large investors who want to invest in the Corporation's projects in Long An (Phuoc Vinh Dong 1~4, Loc Giang Industrial Park), Hung Yen (Kim Dong - Chinh Nghia - An Thi industrial clusters), Hai Phong (Trang Due 3 Industrial Park).

In addition, in the first months of 2023, KBC continuously co-organized, chaired, and participated in a series of investment promotion conferences and seminars including: China Electronic Industries Investment Promotion Conference in Bac Ninh on March 28<sup>th</sup> 2023; Conference on investment connection of Chinese electronics (telephone) industries in Bac Ninh on April 12<sup>th</sup>, 2023; Investment promotion conference with Taiwanese electronic enterprises in Bac Ninh on April 17<sup>th</sup>, 2023; Participating in the event "Meet Korea in the North of Vietnam in 2023" in Bac Ninh on May 17<sup>th</sup> -18<sup>th</sup>, 2023 and a series of investment events held in Vietnam by agencies and central ministries to promote Vietnam's investment environment and attract investment from China, Taiwan, India, France, the Netherlands, Australia, etc.

Thus, it can be said that although the macroeconomic context of 2023 has not clearly reflected positive signs, within KBC's business area, we also can see many positive signals. Provinces such as Bac Ninh, Long An, etc are all committed to strong administrative reform, building a safer, more attractive, transparent and favorable investment environment; At the same time, it is expected that FDI enterprises are willing to share information, strategic vision, enrich themselves and contribute to the sustainable development of the province. Therefore, KBC forecasts that 2023 is a promising year in attracting FDI of Vietnam in general and of KBC in particular.

#### **4. Financial situation**

The indicators of short-term liquidity ratio and quick payment ratio decreased sharply compared to 2021 due to a significant increase in debts transferred from long-term to short-term (mainly bonds due in the first 6 months of 2023 with a total value of 2,900 billion VND). Meanwhile, 2022 is a difficult year in terms of cash flow from all channels for most businesses due to the influence of macroeconomic policies (difficulty in issuing new shares, bonds, difficulty in accessing to financial resources, bank loans, shortfall in cash flow from operating activities, etc.). However, KBC still ensures short-term debt repayment capacity and cash flow from business activities of signed land lease agreements ensures the ability to pay debts due in the first 6 months of 2023. As at the end of May 2023, KBC has completed the payment on time and repurchased all the outstanding private placement bonds with a total value of 2,400 billion VND, and early redeemed a part of the publicly issued bonds with a value of 342.72 billion VND out of a total of 750 billion VND that KBC offered to buy back before maturity.

As at December 31<sup>st</sup>, 2022, KBC's total assets were structured as: 48.88% debt and 51.12% equity. The capital structure ratio in 2022 did not change much compared to 2021, this is a fairly balanced structure ratio between Debt - Capital - Assets. Particularly, KBC's Debt/Total Asset ratio was only 21.88%, which is a very good debt ratio compared to other companies

in the same industry.

Other financial indicators all reflect a stable financial situation, below are details of key financial indicators of KBC.

+ **Key Financial indicators:**

<b>Indicators</b>	<b>2021</b> <i>Re-presentation</i>	<b>2022</b>
<b>1. Liquidity</b>		
+ Short-term liquidity ratio <i>(Current assets/Current liabilities)</i>	3.94	2.59
+ Quick ratio <i>(Current assets - Inventory)/Current Liabilities</i>	2.18	1.44
<b>2. Capital structure</b>		
+ Debt/Total assets ratio (%)	46.55%	48.88%
+ Debt/Equity ratio (%)	87.11%	95.60%
+ Loan debt/Total assets ratio (%)	22.75%	21.88%
<b>3. Operational capacity</b>		
+ Inventory turnover <i>(Cost of goods sold/Average inventory)</i>	0.15	0.06
+ Net revenue/Total assets	13.07%	2.74%
<b>4. Profitability</b>		
+ Profit after tax/Net revenue	31.83%	165.90%
+ Profit after tax/Total revenue	27.97%	45.07%
+ Profit after tax/Equity	8.16%	8.83%
+ Profit after tax/Total assets	4.36%	4.52%
+ Profit from business activities/Net revenue	44.47%	177.47%

+ **Debt Situation**

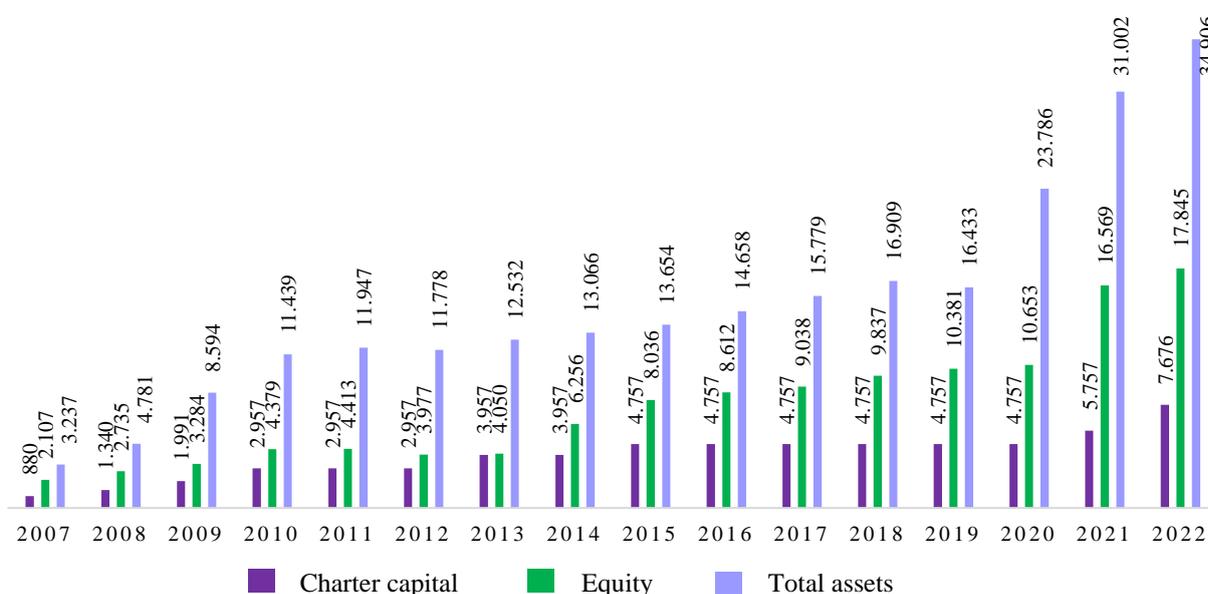
- As at December 31<sup>st</sup> 2022, KBC's total liabilities was **17,060.99** billion VND, increasing **2,628.37** billion VND compared to 2021. Of which, prepaid customers accounted for 47.7%, borrowing from banks accounted for 22.2%, payable to suppliers accounted for 11.4%, payable accounted for 8.4% of the total increase in liabilities. This is an optimistic Debt structure, largely due to customer prepayment.

- In **17,060.99** billion VND of liabilities, the real debt and interest of the whole Corporation was **9,398.81** billion VND, increasing 10.8% compared to 2021. Mainly of which was **3,900** billion VND in Bond, **3,356.92** billion VND in Bank loan, **1,760.35** billion VND in interest payable to PVcombank.
- Total Actual debt of the Corporation including principal and interest was **9,398.81** billion VND, the ratio of Actual debt to total assets was **26.93%**; Actual debt/equity ratio was **52.67%**. This is a safe debt ratio for a large-scale real estate business like KBC and was almost unchanged compared to 2021.
- During 2022, KBC made repayment of principal and interest up to 1,955.32 billion VND in the context of difficulty in accessing credit sources and did not issue bonds and shares to raise capital. Until the end of 2022, the Corporation only acquired a few small-scale bank loans.
- The Corporation has no bad debt; is unaffected by exchange rate differences; and is unaffected by interest difference (all KBC's loan interests are in line with the general rate of real estate lending interest rate in the market). The current loan interest rate is from 8.9% to 14%, of which some loans incurred at the end of 2022 have an interest rate of 14% because the general interest rate level in the market has increased quite strongly at the end of the year.

#### + Size of capital and assets

As at **December 31<sup>st</sup>, 2022**, the Corporation's total assets/ capital resources reached 34,906.51 billion VND, a net increase of 3,904.67 billion VND equaling 11.26% compared to 2021. The net growth in total assets mainly due to prepayment of deposits by KBC's customers in Quang Chau Industrial Park, Nam Son Hap Linh Industrial Park by 1,254.31 billion VND, net debt increased by 584.1 billion VND, payable expenses increased by 329 0.8 billion VND and equity increased by 1,276.29 billion VND due to profit after tax.

#### Growth chart of Equity and Assets since listing in the stock market



## II. CORPORATE MANAGEMENT & SOCIAL RESPONSIBILITIES

## **1. Corporate Governance**

KBC always complies with the regulations on corporate governance for listed companies, the information provided on the stock market is transparent, clear and timely. KBC regularly participates in programs to exchange and update information from competent state management agencies such as the State Securities Commission, the Ho Chi Minh City Stock Exchange, Tax Department, Ministry of Finance, etc.

Regarding investor relations, KBC always actively publishes updated information about the company's operation on the Corporation's website and other mass media. KBC is always ready to provide information accurately, in accordance with the law and in a timely manner at the specific request of investors who are individuals/organizations by online and in person.

## **2. Personnel**

### **+ Number of employees**

- The total number of employees as at December 31<sup>st</sup>, 2022 of the parent company was 210 people, a net increase of 6 people compared to 2021.
- The total number of employees of the Corporation as at December 31<sup>st</sup>, 2022 was 554 people, a net increase of 6 people compared to 2021.

### **+ Policy on recruitment and use of personnel**

Issued based on the principles of efficiency and fairness, the policy of KBC aims to ensure the right person for the right job with the highest efficiency. The Corporation's recruitment motto is to attract talented people, recruit the right people according to prescribed standards and arrange the right jobs to promote the capacity and forte of employees. KBC always creates all conditions for each individual to develop their career and develop a professional workforce for the Corporation.

### **+ Salary, bonus and allowance regime**

Salary, bonus and welfare regimes are built in balance with the development of the business. KBC fully implements the payment of social insurance, health insurance and unemployment insurance for all employees. The total average income of KBC's staff in 2022 reached 21.8 million VND/person/month, increasing 15.6% compared to 2021.

Employees are entitled to leave according to the Labor Code. The Company's employees are entitled to allowances depending on the nature of their work such as: Responsibility allowance, part-time allowance, travel allowance, monthly phone subscription fee, etc.

The Corporation organizes a kitchen at the office, periodical health check-up at a reputable hospital for all employees; The Corporation has a football field, tennis court, basketball court, gymnasium, equipped with a treadmill, and has Yoga and Jumba teachers to improve the health of employees. Every year, KBC often organizes a vacation trip for all employees as well as many other team-building activities that play a role in connecting and building the solidarity of all employees of the Corporation.

The Corporation always ensures to maintain the salary and bonus policy, adequate welfare regimes for employees. Especially, in the difficult period of the 2020-2022 economy,

KBC still ensured that no one had a salary reduction and no staff reduction. Every year, the bonus level that the company rewards its employees is from 3 to 5 months' salary.

### **3. Social responsibilities**

In 2022, the Corporation spent 80.3 billion VND to implement and support social activities in the provinces of Bac Ninh, Bac Giang, Hai Phong, Quang Ninh, and Ho Chi Minh City such as: Bac Ninh Provincial Disaster Prevention Fund; Fund for the poor; Study Promotion Fund in Bac Ninh; The Foundation hopes to support orphans, disabled, terminally ill children, etc.

## **III. BUSINESS PLAN FOR 2023**

### **1. Tasks to implement business investment plans in key projects in 2023**

- + Nam Son - Hap Linh Industrial Park: Continue to compensate and complete the infrastructure (108.3 ha), complete the clean water supplying plant, wastewater treatment plant, etc. to hand over the land to the investor signed a memorandum of understanding and ready the land fund to attract new investors.
- + Expanded Quang Chau Industrial Park: Focus on completing compensation and infrastructure with the remaining 38.1 ha and attracting investment to reach 100% occupancy rate.
- + Tan Phu Trung Industrial Park: Continue to compensate 100% of the project area (33.2 ha), with the advantage of available land fund, limited supply in the area, large investor demand, so This industrial park will take its advantages to attract high-quality customers with high profitability, create a solid financial foundation - experience - high reputation to continue implementing new projects in Long An.
- + Trang Due Industrial Park 3: Complete procedures for approval of investment policy for the project expected in the third quarter of 2023; Prepare financial resources to be ready to immediately implement the compensation plan when the project is approved.
- + Trang Due Urban Area: Continue to complete 28 villas and hand over the last 83 villas equivalent to 1.27 ha in 2023.
- + Trang Cat urban area: Focus on ground leveling and building infrastructure to be ready for business or business cooperation.
- + Phuc Ninh urban area: Focus on completing legal procedures to hand over to investors who have booked, and record revenue in 2023; Continue to compensate, deploy investment and build technical infrastructure of the project.
- + For social housing projects and resettlement areas: Implement construction investment plans and arrange capital for social housing projects in Trang Due urban area of 3.13 ha; Tan Phu Trung residential area; Resettlement Areas in Long An; Management and development of social housing project in Nenh town, Bac Giang by a Subsidiary Company named Saigon - Hai Phong Industrial Park Corporation which is a joint venture partner of the project.

- + In addition, KBC also has 2 projects: Quang Yen Electronic Factory, Agricultural Machinery Spare Parts Factory in Quang Ninh with a total scale of more than 60.7 ha. The project is in progress of site clearance compensation and leveling, which is expected to be the Corporation's new business strategy based on industrial park development.

## **2. Capital arrangement plan:**

Currently, KBC has a series of industrial parks, urban areas in Long An, Hung Yen, Hai Phong, etc. should be put into construction. However, the Board of Directors of KBC has implemented a strategy of prioritizing financial resources to pay on time and buy back all outstanding Bonds as at December 31<sup>st</sup>, 2022, and invest in New large industrial zones approved for KBC and its subsidiaries. With the prestige of the Corporation when always ensuring benefits for Investors, partners, especially Banks and Bondholders, therefore, in the first quarter of 2023, banks, investment funds and a number of financial institutions continuously raised the issue of arranging capital for KBC in the context of the difficult economic situation while the monetary policy has not been eased. Currently, KBC is also implementing appropriate capital arrangement plans to put projects into investment and construction.

## **3. Plan for revenue and profit in 2022:**

The Corporation's consolidated business plan for 2023 has been approved by the second Extraordinary General Meeting of Shareholders in 2022 on December 28<sup>th</sup>, 2022 and the Board of Directors has no plan to change, specifically as follows:

- + Total consolidated revenue is expected to be: **9,000** billion VND.
- + Total consolidated profit after tax is expected to be: VND **4,000** billion VND.

### **Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Executive Board;
- Members of Supervisory Board;
- Stored: Admin.

**KINH BAC CITY DEVELOPMENT  
HOLDING CORPORATION  
CHIEF EXECUTIVE OFFICER**

*(Signed and stamped)*

**NGUYEN THI THU HUONG**

No. 04 /2023/KBC/BC-BKS

*Bac Ninh, June 23<sup>rd</sup>, 2023*

## **REPORT TO THE GENERAL MEETING OF SHAREHOLDERS**

Reporting on the supervising activities of the Supervisory Board in 2022

**Dear Our Valued Shareholders!**

The Supervisory Board would like to report to the Annual General Meeting of Shareholders in 2023 on the activities of the Supervisory Board in 2022 and some recommendations as follows:

### **I. ACTIVITIES OF THE SUPERVISORY BOARD IN 2022**

#### **1. Activities of the Supervisory Board in 2022**

In 2022, the Supervisory Board performed the main tasks including:

- Examining and reviewing data of transactions related to production and business activities and corporate governance activities; reviewing the contents and plans approved by the General Meeting of Shareholders and the Board of Directors. On that basis, the Supervisory Board also made recommendations for the Board of Directors and the Board of Directors.
- Supervising financial management activities and preparing financial statements to ensure the truthfulness and reasonableness of the presented financial data; Actively exchanging information with the Independent Auditor during the audit of financial statements when deemed necessary.
- Reviewing and evaluating the operation and internal management of the Board of Directors, members of the Board of Directors, members of the Executive Board, and leaders based on the criteria of the interests of shareholders and the Corporation.
- Reviewing and evaluating the coordination activities of departments in the business management and administration process.
- Supervising the implementation of the Resolutions of the General Meeting of Shareholders and the Resolutions of the Board of Directors; Closely supporting the Board of Directors and Board of Directors in implementing the Resolutions.

#### **2. Meetings of the Supervisory Board and self-assessment reports of the Supervisory Board members:**

In 2022, the Supervisory Board held 06 meetings on the following contents:

- Approving the end of the term 2017-2022 of the Corporation; Preparing reports on inspection and supervision of business activities and financial management of the Corporation for the fourth quarter of 2021 and the content of the report to submit to the 2022 Annual General Meeting of Shareholders; preparing reports on inspection and supervision of business activities and financial management in the first quarter, second quarter and third quarter of 2022. At the same time, in January 2023, the Supervisory Board also reviewed and supervised the Corporation's activities arising in the fourth quarter of 2022.
- Under the direction and assignment of the Head of the Supervisory Board, the members of the Supervisory Board all attended all the meetings during the year, each member according to their professional field, actively implemented the task of supervision and inspection for the activities of the Board of Directors, Executive Board and specialized departments of the Corporation. The Supervisory Board members self-assessed that they have fulfilled their functions and duties in accordance with the provisions of law and the Corporation's Charter.

### **3. Remuneration, operating expenses of the Supervisory Board and salary, bonus and allowance expense of the Head of Supervisory Board**

The details of remuneration, operating expenses of the Supervisory Board and salary, bonus and allowance expenses of Head of Supervisory Board in 2022 are as follows:

<b>No</b>	<b>Full name</b>	<b>Title</b>	<b>Remuneration of members of the SB and salary and bonus of Head of the SB</b>	<b>Total income tax paid by KBC</b>	<b>Total expenses of the SB</b>
1	Nguyen Bich Ngoc	Head of the SB	252,459,000	10,669,235	263,128,235
2	The Thi Minh Hong	Member of the SB	50,000,000	5,555,556	55,555,556
3	Tran Tien Thanh	Member of the SB	50,000,000	5,555,556	55,555,556
<b>Total</b>					<b>374,239,347</b>

## **II. SUPERVISION AND ASSESSMENT OF THE OPERATION OF THE CORPORATION**

### **1. Business results and key financial indicators as of December 31<sup>st</sup>, 2022**

#### **1.1. Business activities of the Parent Company:**

- Total revenue: **1,618.68 billion VND**, equals to **134.18%** of 2021.
- Total profit after tax: **610.75 billion VND**, equals **1,051.75%** of 2021.

- Total assets: **22,727.07 billion VND**, equals to **112.5%** of 2021.
- Total equity: **11,470.86 billion VND**, equals to **108.98%** of 2021

### **1.2. Consolidated business results of the Corporation:**

- Total revenue: **3,498.07 billion VND**, equals to **72.39 %** of 2021, equals to **35.69%** of the business plan.
- Total profit after tax: **1,576.53 billion VND**, equals **116.63%** of 2021, equal to **35%** of the business plan.
- Benefits for shareholders of the Parent company: **1,526.35 billion VND**, equals to **139.41%** of 2021.
- Total assets: **34,906.51 billion VND**, equals to **112.59%** of 2021.
- Equity: **17,845.52 billion VND**, equals to **107.7 %** of 2021.

The Board of Supervisors confirms that the above business results of the Corporation have been checked for correctness, legitimacy and in accordance with the current financial reporting regime. The data is guaranteed to be truthful and accurate.

### **2. Results of monitoring the financial performance of the Corporation**

- Financial activities of the Corporation in 2022 were transparent and fully complied with the provisions of law and the Corporation's Charter.
- The process of managing cash flow, capital and assets of the enterprise ensured the highest safety and minimized risks for the business.
- The financial statements (with or without the assessment of independent auditors) reflected the financial position of the Corporation in a transparent, correct and reasonable manner.
- The financial statements were issued and disclosed periodically in accordance with regulations.

### **3. Monitoring results for members of the Board of Directors, members of the Executive Board and Managers.**

- The Board of Directors during the year conducted business management activities as planned. The members of the Board of Directors and the Executive Board were all clearly assigned tasks to ensure the work progress. The work results were promptly organized by the Board of Directors and Executive Board to report or adjust in accordance with reality.
- Managers properly and fully performed their functions, tasks and assigned powers, ensuring professionalism and efficiency in their work. Based on the results of the implementation of the plan, the managers regularly reported periodically or irregularly to the Board of Directors, promptly asking for solutions.

#### **4. Assessment on the coordination between the Supervisory Board, the Board of Directors and the Executive Board**

- The Board of Directors, Supervisory Board, and Executive Board worked closely together in the spirit of building cooperation. The resolutions of the Board of Directors were considered by the Supervisory Board for the correctness in the implementation process.

#### **5. Other problems**

- The Supervisory Board reviewed and responded to the draft documents submitted to the 2023 Annual General Meeting of Shareholders.
- For the transactions between the Corporation and related parties, the Supervisory Board has no opinion different from the transactions with related parties detailed in the corporate governance report and audited financial statement.

#### **6. Some suggestions**

- The Supervisory Board recommended the Board of Directors and the Board of General Directors to direct relevant departments to speed up investment in infrastructure construction and complete legal procedures for projects such as Nam Son - Hap Linh Industrial Park, Trang Due 3 Industrial Park, Phuc Ninh Urban Area, Trang Cat Urban Area, and at the same time promoting the establishment of new projects as planned by the Board of Directors and Board of Directors.
- The Supervisory Board recommends and proposes to the General Meeting of Shareholders to approve the list of independent auditing organizations mentioned in the Report of the Annual General Meeting of Shareholders in 2023 to implement the 2023 audited financial statements for the Corporation.

The above is the report on activities of the Supervisory Board in 2022. Supervisory Board submit to the General Meeting of Shareholders for consideration and approval. The Board of Supervisors would like to thank the General Meeting of Shareholders, the Board of Directors, the Executive Board for their support and cooperation with the Supervisory Board during the last term.

#### **Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Executive Board
- Members of Supervisory Board;
- Stored: Admin.

**ON BEHALF OF THE SUPERVISORY**

**HEAD OF THE BOARD**

**(Signed)**

**NGUYEN BICH NGOC**



THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness



No. 2306.1/2023/KBC/TT-HDQT

Bac Ninh, June 23<sup>rd</sup>, 2023

## SUBMISSIONS THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS

### *Pursuant to:*

- *Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17<sup>th</sup>, 2020, amended and supplemented by Law No. 03/2022/QH15 approved by the National Assembly of the Socialist Republic of Vietnam on January 11<sup>th</sup> 2022 and guiding documents;*
- *Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam dated November 26<sup>th</sup>, 2019;*
- *Charter on organization and operation of Kinh Bac City Development Holding Corporation passed by the General Meeting of Shareholders on July 2<sup>nd</sup>, 2022;*
- *2022 Audited Financial Statements of Kinh Bac City Development Holding Corporation audited by Ernst & Young Vietnam Limited.*

### **Dear Our valued Shareholders!**

The Board of Directors (BOD) of Kinh Bac City Development Holding Corporation would like to send our respectful greetings to Shareholders.

The Board of Directors submits to the General Meeting of Shareholders (GMS) for consideration and approval on the following issues at the Corporation's Annual GMS 2023:

### **I. APPROVING THE REPORT ON THE PERFORMANCE IN 2022 - PLAN FOR 2023 AND THE REPORT ON THE IMPLEMENTATION THE RESOLUTIONS OF THE 2022 AGM.**

The Report on the performance in 2022 - plan for 2023 and The Report on the implementation the resolutions of the 2022 AGM are kindly submitted to the GMS for approval.

### **II. APPROVING THE REPORT ON BUSINESS PERFORMANCE OF THE EXECUTIVE BOARD IN 2022 AND PLAN FOR 2023.**

The Report on the business performance of the Executive Board in 2022 and plan for 2023 are kindly proposed to the GMS for approval.

In particular, the Board of Directors issued Resolution No. 0106.2/2023/KBC/NQ-HDQT dated January 1<sup>st</sup>, 2023 on the approval of the Business Plan for 2023 of the Board of Directors.

In which, the plan of consolidated revenue and consolidated profit of the Corporation is maintained as the Resolution No. 28121/2022/KBC/NQ-DHDCD of the second Extraordinary General Meeting of Shareholders in 2022 dated December 28<sup>th</sup>, 2022 as follows:

- ✓ Estimated consolidated revenue: **9,000** billion VND
- ✓ Estimated consolidated profit after tax: **4,000** billion VND

### **III. APPROVING THE REPORT ON THE SUPERVISORY ACTIVITIES OF THE SUPERVISORY BOARD IN 2022**

Proposal to the GMS for approval of the Report on supervising activities in 2022 of Supervisory Board.

### **IV. APPROVING ON THE 2022 FINANCIAL REPORTS OF KINH BAC CITY DEVELOPMENT HOLDING CORPORATION AUDITED BY ERNST & YOUNG VIETNAM LIMITED.**

The 2022 Financial Statements of Kinh Bac City Development Holding Corporation were audited in accordance with the prescribed accounting standards by Ernst & Young Vietnam Limited, including:

- (1) Report of the Executive Management Board;
- (2) Independent audit report;
- (3) The consolidated balance sheet as at December 31<sup>st</sup>, 2022;
- (4) Consolidated income statement in 2022;
- (5) Statements of cash flows;
- (6) Notes to the financial statements.

The BOD submits the above Financial Statements audited by Ernst & Young Vietnam Limited to the GMS for approval.

### **V. APPROVING THE SELECTION OF THE INDEPENDENT AUDITING COMPANY IN 2023**

To ensure the efficiency of the administration and management, the Board of Directors respectfully requests that the GMS authorize the Board of Directors selecting from the following auditing companies to audit the annual financial statements and review the semi-financial statements:

- (1) Grant Thornton (Vietnam) Limited
- (2) Ernst & Young Vietnam Limited (E&Y)
- (3) KPMG Limited (KPMG)
- (4) Deloitte Vietnam Audit Co., Ltd. (Deloitte)
- (5) PWC (Vietnam) Limited (PWC)

## VI. REPORT THE REMUNERATION PAYMENT FOR BOARD OF DIRECTORS, SUPERVISORY BOARD, THE SALARY - BONUS FOR THE HEAD OF SUPERVISORY BOARD AND THE EXECUTIVE BOARD IN 2022

The Board of Directors reports to the GMS on the remuneration payment, total income, total taxed income for the **Board of Directors (BOD), Supervisory Board (SB) and Executive Board (EB) in 2022**. In which, the total remuneration for the Board of Directors, the Supervisory Board and the salary, bonuses, allowances for the Head of Supervisory Board in 2022 was: **796,461,569 VND** (*Seven hundred and ninety-six million, four hundred and sixty-one thousand, five hundred and sixty-nine VND*), equal to 15.9% of the limitation approved by the 2022 AGM: **5,000,000,000 VND** (*Five billion VND*). Details as follows:

No	Name	Position	Remuneration of member of the SB/BOD (VND)	Total Income of the Head of SB, members of EB (VND)	Total Income Tax (VND)	Total expenses of the Board of Directors and the Supervisory Board
1	Nguyen Thi Thu Huong	Member of the BOD, CEO	100,000,000	6,567,001,000	3,280,139,000	11,111,111
2	Huynh Phat	Member of the BOD	100,000,000		11,111,111	11,111,111
3	Le Hoang Lan	Independent Member of the BOD	100,000,000			100,000,000
4	Dang Nguyen Quynh Anh	Member of the BOD	100,000,000			100,000,000
5	Pham Phuc Hieu	Deputy General Manager, Chief Accountant, Person authorized to disclose information		2,365,000,000	1,020,538,462	
6	Nguyen My Ngoc	Deputy General Manager		1,665,001,000	643,615,923	
7	Phan Anh Dung	Deputy General Manager		1,181,782,000	383,421,077	
8	Nguyen Bich Ngoc	Head of the SB	50,000,000	202,459,000	10,669,235	263,128,235
9	The Thi Minh Hong	Member of the SB	50,000,000		5,555,556	55,555,556
10	Tran Tien Thanh	Member of the SB	50,000,000		5,555,556	55,555,556
<b>Total</b>						<b>796,461,569</b>

## **VII. APPROVING ON THE PLAN OF REMUNERATION, SALARY - BONUS AND OPERATION EXPENSES FOR BOD, BOS IN 2023**

The Board of Directors would like to submit to the General Meeting of Shareholders for approval of the plan to pay remuneration, salary, bonus and operating expenses to the Board of Directors, Supervisory Board and Specialized Head of Supervisory Board in 2023 as follows:

1. Number of members of the Board of Directors and Supervisory Board in 2023:
  - Board of Directors: 05 members
  - Supervisory Board: 03 members
2. The total cost of salary, bonus, remuneration and operating expenses of the Board of Directors and Supervisory Board for 2023 is: VND 5,000,000,000/year (*Five billion VND/year*)
3. The General Meeting of Shareholders authorizes the Board of Directors to base on the actual situation to decide on remuneration, salaries, bonus payments and other expenses for members of the Board of Directors/Supervisory Board to ensure that they would not exceed the total budget approved by the General Meeting of Shareholders and concurrently report to the Annual General Meeting of Shareholders in 2024.

## **VIII. APPROVING RELATED TRANSACTIONS IN 2022, APPROVING ON THE TRANSACTION POLICY BETWEEN RELATED PARTIES ARISING IN 2023 UNTIL THE NEXT GENERAL MEETING OF SHAREHOLDERS IN 2024**

The Board of Directors would like to propose the GMS to approve the related transactions arising in 2022 which were disclosed and presented in the Report on Corporate Governance in 2022 and the Audited Financial Statements in 2022.

The Board of Directors retains the full text of the detailed content of “**Policies for transactions with related parties for the year 2023 to the next General Meeting of Shareholders in 2024**” approved by the second Extraordinary General Meeting of Shareholders in 2022 in the Resolution of the General Meeting of Shareholders No. 28121/2022 /KBC/NQ-DHDCD dated December 28<sup>th</sup>, 2022.

## **IX. APPROVING THE ADJUSTMENT OF THE CORPORATION’S CHARTER**

The Board of Directors would like to propose the GMS to approve the amendment and supplementation of the Charter of Organization, as follows:

Implementing Resolution No. 723/NQ-UBTVQH15 dated February 13<sup>th</sup>, 2023 of the National Assembly Standing Committee on the establishment of Que Vo town and wards of Que Vo town, Bac Ninh province; Accordingly, Que Vo district officially went to Que Vo town from April 10<sup>th</sup>, 2023. On the basis of the change of administrative boundaries, the Corporation carried out the procedure to update the address of the head office and was granted the 19<sup>th</sup> business registration certificate by the Business Registration Office of Bac Ninh province on April 21<sup>st</sup>, 2023. **Accordingly, the head office address is: Lot B7 Que Vo Industrial Park, Phuong Lieu Ward, Que Vo Town, Bac Ninh Province, Vietnam.**

Therefore, the Board of Directors would like to propose the GMS to approve the amendment of Clause 3, Article 2 of the Corporation's Charter on organization and operation to match the above change.

**Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Supervisory Board;
- SSC, Stock Exchange;

**ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRMAN OF THE BOARD**

*(Signed and stamped)*

**DANG THANH TAM**

No. 2306.2/2023/KBC/TT-HĐQT

Bac Ninh, June 23<sup>rd</sup>, 2023

## SUBMISSIONS

### THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS

About: Approving on the plan to distribute profit after tax in 2022

***Pursuant to:***

- *Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17<sup>th</sup>, 2020, amended and supplemented by Law No. 03/2022/QH15 approved by the National Assembly of the Socialist Republic of Vietnam on January 11<sup>th</sup> 2022 and guiding documents;*
- *Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam dated November 26<sup>th</sup>, 2019;*
- *Charter on organization and operation of Kinh Bac City Development Holding Corporation passed by the General Meeting of Shareholders on July 2<sup>nd</sup>, 2022;*
- *2022 Audited Financial Statements of Kinh Bac City Development Holding Corporation audited by Ernst & Young Vietnam Limited.*

**Dear Our Valued Shareholders!**

The Board of Directors would like to submit to the Annual General Meeting of Shareholders (AGM) to consider and approve the following issues at the 2023 Annual General Meeting of Shareholders of the Corporation:

**I. REPORT ON BUSINESS RESULTS IN 2022**

As at December 31<sup>st</sup>, 2022, based on the audited financial statements of Kinh Bac City Development Holding Corporation audited by Ernst & Young Vietnam Limited, the business result in 2022 of the Corporation was recorded as follows:

***According to the consolidated financial statements:***

Total revenue in 2022:	<b>3,498,070,377,998</b>	VND
Net revenue from business activities in 2022:	<b>950,266,163,499</b>	VND
Profits in associates:	<b>2,186,822,799,809</b>	VND
Profit after corporate income tax in 2022:	<b>1,576,529,040,527</b>	VND
<i>Profit after tax of shareholders of parent company:</i>	<i>1,526,351,079,824</i>	VND
Undistributed after-tax profit:	<b>5,646,308,490,449</b>	VND

***According to the separate financial statements:***

Total revenue in 2022:	<b>1,618,685,993,363</b>	VND
Net revenue from business activities in 2022:	<b>145,157,767,002</b>	VND
Revenue from financial activities:	<b>1,473,191,834,566</b>	VND
Profit after corporate income tax in 2022:	<b>610,746,429,457</b>	VND
Undistributed after-tax profit:	<b>1,049,588,371,879</b>	VND

**II. APPROVING ON THE PLAN TO DISTRIBUTE PROFIT AFTER TAX IN 2022**

Based on the above business results of the Corporation, the Board of Directors would like to propose the General Meeting of Shareholders to approve the Plan on distribution of accumulated undistributed profit until December 31<sup>st</sup>, 2022 to pay dividends in cash to shareholders in 2023 according to the plan approved by the 2<sup>nd</sup> Extraordinary General Meeting of Shareholders in 2022 in the Resolution No. 28121/2022/KBC/NQ-DHDCD & Submission No. 2812-3/2022/KBC/TT-DHDCD dated December 28<sup>th</sup>, 2022. The basic contents are clarified as follows:

- Cash dividend payout ratio is 20% (one common share will receive 2,000 VND)
- The capital source for paying dividends to shareholders is determined based on the accumulated undistributed after-tax profit as at December 31<sup>st</sup>, 2022 of the Corporation and ensures that there is enough capital to pay dividends by cash in accordance with current law.
- Time of payment: In 2023, authorize the Board of Directors to decide to ensure compliance with current laws.
- Number of payment installments: one or more installments.
- Submit to the General Meeting of Shareholders to authorize the Board of Directors to develop a detailed plan and pay dividends in cash to shareholders (in one or more installments) according to the above plan. In case of necessity and/or at the request of the management agency (if any), submit to the General Meeting of Shareholders approving the Board of Directors to proactively adjust and supplement the contents of the after-tax profit distribution plan in 2022 to ensure in compliance with the provisions of law and to ensure the completion of dividend payment to shareholders according to the payment rate approved by the General Meeting of Shareholders (including the contents not mentioned in this plan).

**Your sincerely./.**

**Recipients:**

- The shareholders;
- Members of Board of Directors;
- Members of Supervisory Board;
- SSC, Stock Exchange;
- Stored: Admin.

**ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRMAN OF THE BOARD**

*(Signed and stamped)*

**DANG THANH TAM**