

No.: 03/2024/KBC/BC-HDQT

Bac Ninh, March ..., 2024

**DRAFT**

1<sup>st</sup> time: March 7<sup>th</sup>, 2024

## REPORT TO THE GENERAL MEETING OF SHAREHOLDERS

Reporting on the contents approved by the General Meeting of Shareholders (GMS) but not yet implemented in 2023

### Dear Our Valued Shareholders!

The Board of Directors (BOD) of Kinh Bac City Development Holding Corporation would like present to the Shareholders the outstanding implementation of the Resolutions from the General Meeting of Shareholders in 2023 as follows:

No.	Approved contents	The implementation
1	According to the Resolution of the Annual General Meeting in 2023, No. 2306/2023/KBC/NQ-DHDCD dated 23/06/2023 and the Resolution No. 28121/2022/KBC/NQ-DHDCD dated 28/12/2022, the GMS has approved the plan for distributing accumulated undistributed after-tax profit at December 31 <sup>st</sup> , 2022, to paying cash dividends at a rate of 20% for existing shareholders in 2023.	As of December 31 <sup>st</sup> , 2023, the Board of Directors has not been able to implement the plan for cash dividend payment to existing shareholders as approved in the resolutions of the GMS. The reason is that in 2023, the BOD prioritized allocating all financial resources to fully redeem both matured and immature bonds, totaling VND 3,900 billion in principal and VND 161.99 billion in interest, reducing the company's bond debt into zero before June 30 <sup>th</sup> , 2023. Additionally, the BOD had to strategically manage financial resources to ensure the financial capacity for the implementation and expansion of project scales.  Therefore, the BOD has been unable to execute the cash dividend payment plan in 2023. The BOD proposes to the GMS the cancellation of Cash dividend payment plan approved in the Resolutions No. 2306/2023/KBC/NQ-DHDCD

		dated 23/06/2023 and the Resolution No. 28121/2022/KBC/NQ-DHDCD dated 28/12/2022. The BOD is going to present an alternative profit distribution plan at the Annual General Meeting of Shareholders (AGM) in 2024.
2	According to the Resolution of the GMS No. 28122/2022/KBC/NQ-DHDCD dated 28/12/2022, the GMS has approved the plan of repurchasing 100,000,000 shares to reduce the charter capital, concurrently has authorized the Board of Directors to decide on all issues related to the share repurchase.	<p>Immediately after the GMS's Resolution has approved, the Board of Directors issued the Resolution No. 0401.1/2023/KBC/NQ-HDQT dated 04/01/2023, to implement the share buyback plan, and the Resolution No. 1004/2023/KBC/NQ-HDQT dated 10/04/2023 to adjust and approve for the share buyback plan. Upon submitting the share repurchase report to the State Securities Commission (SSC), the Board of Directors observed that the documentation was incomplete. Consequently, the Board of Directors issued the Resolution No. 1704/2023/KBC/NQ-HDQT dated 17/04/2023, to withdraw the share repurchase report.</p> <p>However, during the ongoing process of completing the documentation, the stock market exhibited positive trends, KBC's stock prices maintaining a favorable level above VND 30,000 per share. Therefore, the BOD decided not to proceed with the share repurchase in 2023.</p> <p>Additionally, many KBC's projects are experiencing an acceleration in investment. Consequently, to ensure the financial capacity of the Corporation for expansion and participation in new projects, the BOD proposes to the GMS the cancellation of the share repurchase plan to reduce the charter capital approved in the GMS's Resolution No. 28122/2022/KBC/ND-DHDCD dated 28/12/2022.</p>

Above is the Report on the contents approved by the General Meeting of Shareholders but not yet implemented in 2023. The Board of Directors of Kinh Bac City Development Holding Corporation reports to the GMS for information 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)**

**DANG THANH TAM**