

RESOLUTION
ANNUAL GENERAL MEETING OF SHAREHOLDERS
FOR THE FISCAL YEAR 2022 - 2023

(Regarding the approval on The Audit Committee for the year 2022 – 2023 and the operation plan for fiscal year 2023 – 2024)

- Pursuant to the Law on Enterprise No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June, 17th, 2020 and guiding documents ("**Law on Enterprise**") and documents on amendment and supplements of Law on Enterprise;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on 2019, November 26th and guiding documents ("**Law on Securities**" or "**LOS**");
- Pursuant to the Decree No.155/2020/ND-CP passed by the Government on 2020, December 31st on elaborating some Articles of the Law on Securities ("**Decree 155**");
- Pursuant to the Charter of organization and operation of Thanh Thanh Cong - Bien Hoa Joint Stock Company ("**Charter**");
- Pursuant to the Documentations of the General Meeting of Shareholders of Thanh Thanh Cong - Bien Hoa JSC in the fiscal year 2022-2023;
- Pursuant to The Minute of General Meeting of Shareholders No. 044/2023/BB-DHDCD dated Oct 26th, 2023

RESOLVE

Article 1. Approval on The Audit Committee Report for the year 2022 – 2023 and the operation plan for fiscal year 2023– 2024.

(The content of Report comply with the Appendix 01 – attached)

Article 2. The Resolution validates since the date signed.

The Board of Directors, the Board of Management take responsibility to execute, monitor and report the implementation this Resolution.

Recipient:

- Member of BOD;
- Member of BOM;
- Archived: Secretary & Assistant department.

FOR AND ON BEHALF OF GMS
THE CHAIRWOMAN

HUYNH BICH NGOC

APPENDIX I

FY 2022-2023 AUDIT COMMITTEE'S PERFORMANCE REPORT

PART 1- ACTUAL RESULTS OF FY 2022-2023

1. Remuneration, operation expense and other benefits of Audit Committee

Remuneration, operating expense of Audit Committee of FY 2022-2023 were under control within plan (detailed in audited finance statements)

Besides remuneration, operating expense; Not any other benefits were incurred in the period

2. Summary of Audit Committee's Meeting

In FY 2022-2023, Audit Committee organized 4 meetings. Audit Committee's members communicate and come to agreement about some operation issues of Audit committee and internal audit's implementation. Main contents were discussed and summarized as below:

Audit Committee's members discussed and came to agreement abouts some issues in operation of audit committee and implementation of internal audit, summarized as below:

- Review plan of biannual and annual financial statements.
- Supervision plan of asset/stock counting biannually and annually.
- Orientation towards FY 2022-2023 tasks of audit committee and internal audit function.
- Consider plan of Board of handling crisis risk under circumstances of forecast of new complicated situations after covid-19 pandemic, Russia and Ukraine war.
- Coordinate with BOM to consider and assess business performance of Subsidiaries/Sites/Business unit in preparation of new sugarcane harvesting season.
- Consider to revise internal audit plan.
- ERM implementation plan of business unit of Risk Management and Compliance Department.
- Heard of internal audit tasks from internal audit department. Direct internal audit towards FY 2023-2024 action plan.

3. Supervision results of company activities

a. Company Activities Status

Audit Committee agree with the Management performance report of BOD and the Company performance report of BOD about the company business activities.

In the context of difficult and complicated world economy as a whole and Vietnam economy separately within 2022 and half of 2023; with the fluctuation of exchange rate; interest rate increase; the increased expense of input resource; climate change and especially the prolonged Russia-Ukraine war resulted in inherent risks of stagnant inflation of world economy.

Abovementioned context, the company business activities face great challenges resulted in that FY 2022-2023 outcomes underperformed some main targets which the Annual General Meeting of Shareholder approved, as detail:

Item (Separated FS)	Planned (BVND)	Actual (BVND)	Actual/Planned (%)
Net sales of goods and services	8.045	12.262	52,4
Profit before tax	625	604	-3,4
Item (Consolidated FS)	Planned (BVND)	Actual (BVND)	Actual/Planned (%)
Net sales of goods and services	17.017	24.743	45,4
Profit before tax	850	719	-15.4

b. Financial Status

Audit Committee reviewed the separate FS and consolidated FS of FY 2022-2023 audited by EY, Audit Committee' assessment was as below:

- Consistent with the assessment of external audit about the truth and fairness of Financial Statement
- Financial Statements were prepared and presented in compliance with the Vietnamese Accounting Standard; the data on year-end Financial statement for FY 2022-2023 reflected value of current assets of the Company completely.
- The financial ratio is relevant with current condition of the Company, not any abnormal fluctuation of financial ratio.
- No fraud or any material errors;
- Accounting policies and accounting estimations were unchanged compared to the previous period

4. Assessment of related parties transactions

- a. Regarding the transactions between the company, subsidiaries, other companies which the Company owned > 50% chartered capital and BOD's member, BOM and other related persons:

Above the transactions which related to remuneration, salary and other benefits approved by Annual general shareholder's meeting, BOD's authorization and other company regulations, The Audit committee realized that Not any other significant transactions have occurred between the company, subsidiaries, other companies which the Company owned > 50% chartered capital and BOD's member, BOM and other related persons.

- b. Regarding transactions between the Company and company which BOD's members, BOM's members was founder or manager within 3 latest year before transactions.

Related Companies were listed and approved by FY 2021-2022 annual general shareholder's meeting about agreement of signing contracts and transactions with related companies. Transactions are mainly used for the business, finance activities and no abnormal transactions, no violation of company regulations or current statutory requirements

5. Results of assessment on internal control system and risk management

- a. **Assessment of internal control system**

*** Control environment:**

Control environment is still under positive changing progress.

BOD and BOM aggressively directed and implemented the completion of company regulations system related to industry activities' sector based on changed statutory regulations and gradually closer to best practice about corporate governance. Especially, Pay great attention to orient towards renovating the company regulation systems in an systematic manner, ensure risk management, upgrade procedures/ work flows under the progress of changing business model.

Regularly update and grant the delegation and separate responsibility of each BOD's member, BOM in proportion with their assignment and authorization's limit, ensure the transparency, no overlapping of right and responsibility between any level of advisor/reviewer or approval.

Activities of audit committee, internal audit department ensure independence, are separate from managing the company; Above the competencies, professional ethics is always top quality requirement for internal auditor to ensure objectivities, not governed by other interest and interest conflict in completing tasks.

Human policy interest the development and solidate the team to ensure to attract best talent.

*** Risk assessment:**

Risk management is more and more taken into consideration by BOD and BOM; under the circumstances of Russia-Ukraine war which affect the global supply chain and threaten world economy to stagnant inflation, The Company activated the board of handling crisis to enhance the risk assessment and risk control, proactive risk identification, adjustment of risk management regulation, procedures for assessment of enterprise risk management, build up strategy, risk reponse in order to minimize influence of risk to business.

*** Control Activities:**

With the support of ERP, the error is diminished compared to control system by human

Clear job assignment and specialization between departments and employee through operation management system ensure to diminish fraud and error during operation.

Ensure principles of segregation of duties to be applied in job assignment.

Arising task is done and approved fully, correctly based on power of attorney and internal regulations

*** Information and Communication systems:**

Information and Communication systems were established and kept going on consistently; include to communicate information within company in a timely and accurately manner, ensure all employee receive necessary information and access the messages from leaders.

The right of access internal and external information is clearly classified into specific function, duties of departments.

*** Monitoring system:**

- In aspect of operation, BOM have implemented the overseeing of all company activities, via function/duties of risk management and compliance department or from directly involved personnel

- Risk supervision system firstly laid the foundation and gradually became more perfect via periodic and non-periodic risk supervision of risk management and compliance department. From that, the warning of outperformed key risks indicators was paid fully attention in periodic report
- With function of governance, via inspection of audit committee/internal audit department, BOD timely required to overcome the shortcomings, weakness in process as well as directed to improve the internal control system.

b. Assessment of Risk Management Task

Audit Committee assessed that the company still maintain an effective and framework of risk management and internal control systems.

- The company finished the revision of updating framework of risk management including Regulations and Procedures of Risk management; Significant risk register was updated, built up and adjusted in compliance with risk management regulations.
- The company already set up Report on risk revision monthly and Periodic Risk Management News; installed tool for overseeing, operating and warning risk management on sharepoint online for risk owners.
- In FY 2022-2023, The company implemented to build up ERM at phase 2, updated at each BU, branches; from that; set up significant risk register, focus on highlighting activities with inherent risks such as digital transformation-change management-expansion into new industry sector-foreign investment etc to consider influenced factors from outside and inside in order to anticipate risk and control risk congruously.

6. Results on supervision of BOD and BOM

*** Activity of BOD:**

- Audit Committee realized that the corporate governance of BOD complied with current law, Company charter, Annual General Shareholder's Meeting's Resolution, Resolutions on organization and operation of BOD.
- Governance was implemented and closely pursued to target, orientation which annual general meeting of shareholders have already resolved to assign into specific tasks.
- BOD members have competencies and ensure the company/shareholders interest.

*** Operation of CEO and BOM**

- CEO and Deputy CEO managed the company in compliance with their function, duties, current statutory requirement and internal corporate governance rules.
- Resolutions, Decisions of BOD were implemented by BOM timely and relevantly. Managing daily tasks have flexibility as well as necessarily professional due care.
- Do all duties for state and ensure welfare and benefits policy for employee.

7. Results of assessment on coordination between Audit Committee and BOD, BOM and Shareholders

*** Coordination between Audit committee and BOD, BOM:**

- Audit Committee already set up close coordination with BOD, BOM in monitoring and internal audit.
- BOD and BOM facilitate Audit Committee to do their duties, function and Audit committee was supplied with full documents and materials related to company activities.

- Audit Committee/Internal audit actively took part in periodic meeting, adhoc meeting of BOD, BOM arising in the period.
- Regarding FY 2022-2023 audit plan, Audit committee inspected and coordinated with departments in controlling, monitoring the company's business operation.

*** Coordination between Audit Committee and Shareholders:**

Audit committee always maintain "ready status" to receive, handle and feedback requirements, recommendations of shareholders in accordance with law and company charter related to inspection, overseeing of BOD, BOM or any aspects of company activities as required.

PART 2- FY 2023-2024 ACTION PLAN

1. Objectives

- Ensure internal control system and risk management effectively. Enhance internal audit function towards risk-orientation, deep focus and high quality
- Promote to optimize centralized management and risk management
- Maintain frameworks of comprehensive control
- Ensure the existence of policy and procedures of risk management
- Oversee the integrity of accounting and financial report
- Supervise information announcement related to finance and non-finance
- Assess important accounting policy and estimation
- Ensure the process of changing business model to be set up fully and effectively with enough internal control system and to be built up framework of risk management of new business model

2. Solutions

- Focus on risks and solutions to control risks at each level
- Oversee continually: develop and promulgate framework of risk management (including Risk appetite announcement; measure of risk; KRIs and Risk acceptance threshold) at Business unit on phase 2; implement to develop Procedures for Business Continuity Plan (BCP); implement and instruct BU in using tool of supervising risk management at site.
- Enhance competencies of consultancy to improve regulations, policy and procedure (design, operation)
- Take priorities for audit plan in important risk area with the objective that every risk is under screening and managing relevantly. Build up audit plan aligned with significant risk register at each BU/function, allocate audit resource based on significant risk register.
- Focus resource into operation procedures, company activities which have high risk level, allocate resource based on last year audit results. Regarding human resource, ensure enough internal auditor competently and align with orientation and scale. Enhance inhouse training and self-development.
- Set up additional control procedures in order to ensure efficient supervision.

