

REPORT
ANNUAL GENERAL MEETING OF SHAREHOLDERS FY 2022
HO CHI MINH CITY SECURITIES CORPORATION

Subject: Activities in 2022 and Plan in 2023 of the Board of the Directors

The Board of Directors (“BOD”) would like to report to the Annual General Meeting of Shareholders (“AGM”) activities in 2022 and the plan in 2023 of the BOD.

A. REPORT ON ACTIVITIES IN 2022 OF THE BOARD OF DIRECTORS

I. Activities of the BOD in 2022

1. General activities of the BOD

The BOD fulfilled its commitment and responsibilities as all members participated in all BOD meetings and made important decisions in 2022.

In 2022, the BOD held thirty-three (33) meetings including regular meetings, extraordinary meetings and meetings in the form of written opinions. In the meetings, the BOD approved quarterly, six-month, and full-year business results, analyzed market conditions, reviewed strategic plans for the next quarters and approved other matters under its authority to ensure that the Company's businesses are managed properly.

Details of Resolutions/Decisions of the BOD in 2022

STT	Resolution No.	Date	Contents	Approved rate
1	01/2022/NQ-HĐQT	20 Jan 2022	<ul style="list-style-type: none">- Approved the 4Q 2022 and FY 2021 business results.- Approved the Risk Management Policy.- Approved the regulation on operations of the Investment Committee.- Approved the regulation on operations of the Credit Committee.- Approved the regulation on operations of the Asset Liability Committee.	100% 71,43% 100% 100% 100%
2	02/2022/NQ-HĐQT	22 Feb 2022 For seeking BOD's writing approval	<ul style="list-style-type: none">- Approved time, venue, and agenda of FY 2021 AGM- Approved the record date to finalize the list of shareholders who are eligible to attend the FY 2021 AGM	100% 100%
3	03/2022/NQ-HĐQT	24 Feb 2022 For seeking BOD's writing approval	Approved in principle for the BoM to sign contracts and execute transactions that are expected occur in 2022 between the Company and related parties with total value of less than 35% of the Company's total assets recorded in the latest financial statements.	71,43%
4	04/2022/NQ-HĐQT	24 Feb 2022	Approved total bank credit line, which is less than 10% of the Company's total assets recorded in the FY 2021 audited financial statements	100%
5	05/2022/NQ-HĐQT	17/03/2022	<ul style="list-style-type: none">- Approved the addition of additional contents to the agenda of FY 2021 AGM- Agreed in principle the plan to issue shares to existing shareholders and authorized the BoM to develop a and submit a detailed plan to the FY 2021 AGM for approval.- Agreed in principle the plan to pay dividends in form of share issuance and authorized the Board of Management to develop and submit a detailed plan to the FY 2021 AGM for approval.	100% 71,43% 71,43%

STT	Resolution No.	Date	Contents	Approved rate
			<ul style="list-style-type: none"> - Agreed in principle employee stock ownership plan (ESOP) and authorized the Board of Management to develop and submit a detailed plan to the FY 2021 AGM for approval. - Approved the 1Q 2022 business results. - Approved the signing of a legal consultancy contract with Vision and Associates Company Ltd, which is owned by Mr. Pham Nghiêm Xuan Bac, the head of HSC's BOS. - Approved of HSC providing cash advance from sales of securities in accordance with relevant laws and authorized the BoM to carry out necessary procedures to obtain the license for this service. - Approved issuances of covered warrants: ACB-HSC-MET02, KDH-HSC-MET01, MBB-HSC-MET10, MSN-HSC-MET05, MWG-HSC-MET11, STB-HSC-MET05, TCB-HSC-MET08, VHM-HSC-MET08, VPB-HSC-MET09, VRE-HSC-MET09. - Agreed to submit the draft of the Company's Charter, internal regulations on corporate governance, regulations on organization and operation of the BOD and the BOS to the FY 2021 AGM for approval. 	71,43%
6	06/2022/NQ-HĐQT	30/03/2022	<ul style="list-style-type: none"> - Canceled the schedule of AGM FY 2021 supposed to be held on April 21st, 2022. - Canceled the record date of March 06, 2022, to determine which shareholders are eligible to attend AGM FY 2021. - Decided to extend the timing of the AGM FY 2021, no later than Jun 20th, 2022. 	100%
7	07/2022/NQ-HĐQT	06/04/2022	Approved the bank credit limit, which is less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
8	08/2022/NQ-HĐQT	18/04/2022	Approved a bank credit line of VND 5,000 billion, which is more than 10% of HSC's total assets in the FY 2021 audited financial statements (Information has been disclosed in Information Disclosure No. 49/2022/CV- CBTT on August 5, 2022).	100%
9	09/2022/NQ-HĐQT	18/04/2022	Approved the bank credit limit, which is less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
10	10/2022/NQ-HĐQT	04/05/2022	<ul style="list-style-type: none"> - Approved the time, venue, agenda of AGM FY 2021 - Approved the record date to determine which shareholders were eligible to attend the AGM FY 2021. - Approved the FY 2021 profit distribution plan and authorized the Board of Management to develop a detailed plan to be submitted to the AGM FY 2021 for approval. - Approved the share issuance plan to pay 2nd dividend of FY 2021 and authorized the Board of Management to develop a detailed plan to be submitted to the AGM FY 2021 for approval. - Approved the FY 2022 operational budget of the Board of Directors ("BOD") and Supervisory Board ("BOS") to submit to the FY 2021 AGM for approval. - Approved the FY 2022 business plan with profit before tax of VND 1,800 billion and authorized the Board of Management to develop detailed plan to be submitted to the AGM FY 2021 for approval. 	100%
11	11/2022/NQ-HĐQT	20/05/2022 For seeking BOD's writing approval	Processed to register new charter capital of VND 4,252,550,270,000, equivalent to 425,255,027 shares with the State Securities Commission and the Department of Planning and Investment of Ho Chi Minh City. The capital contribution of VND 459,162,760,000 of the Ho Chi Minh City State Financial Investment Company ("HFIC") will be	71,43%

STT	Resolution No.	Date	Contents	Approved rate
			considered after receiving direction from the Prime Minister on the HFIC participation to HSC capital raising issuance in 2021.	
12	13/2022/NQ-HĐQT	30/05/2022 For seeking BOD's writing approval	<ul style="list-style-type: none"> - Canceled the schedule of AGM FY 2021 supposed to be held on June 20, 2022. - Canceled the record date of May 24th, 2022, and the list of shareholders determined to be eligible to attend AGM FY 2021 as of May 24th, 2022. - Decided to delay the timing of FY 2021 AGM 	100% 100% 100%
13	14/2022/NQ-HĐQT	31/05/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
14	15/2022/NQ-HĐQT	31/05/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
15	16/2022/NQ-HĐQT	31/05/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
16	17/2022/NQ-HĐQT	20/06/2022	<ul style="list-style-type: none"> - Approve time, date, and agenda of FY 2021 AGM - Approved the record date to determine which shareholders were eligible to attend the AGM FY 2021. 	71,43% 71,43%
17	18/2022/NQ-HĐQT	28/06/2022 For seeking BOD's writing approval	Approved the covered warrant issuance: FPT-HSC-MET10, HPG-HSC-MET09, MSN-HSC-MET06, PNJ-HSC-MET06, POW-HSC-MET01, STB-HSC-MET06, TCB-HSC-MET09, VNM-HSC-MET08, VPB-HSC-MET10, VRE-HSC-MET10	100%
18	19/2022/NQ-HĐQT	04/07/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
19	20/2022/NQ-HĐQT	04/07/2022	Approved a bank credit line of VND 4,000 billion, which is more than 10% of HSC's total assets in the FY 2021 audited financial statements (Information has been disclosed in Information Disclosure No. 49/2022/CV- CBTT on August 05, 2022).	100%
20	21/2022/NQ-HĐQT	12/07/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
21	22/2022/NQ-HĐQT	14/07/2022	Approved the agenda and documents of the FY 2021 AGM.	100%
22	23/2022/NQ-HĐQT	14/07/2022	Approved a bank credit line of VND 5,000 billion, which is more than 10% of HSC's total assets in the FY 2021 audited financial statements (Information has been disclosed in Information Disclosure No. 49/2022/CV- CBTT on August 05, 2022).	100%
23	24/2022/NQ-HĐQT	14/07/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2021 audited financial statements.	100%
24	25/2022/NQ-HĐQT	01/08/2022 For seeking BOD's writing approval	Recorded the issuance results of the charter capital raising issuance in FY 2021.	100%
25	26/2022/NQ-HĐQT	13/09/2022 For seeking BOD's writing approval	Approved the covered warrant issuance: ACB-HSC-MET03, FPT-HSC-MET11, HPG-HSC-MET10, MBB-HSC-MET11, MSN-HSC-MET07, MWG-HSC-MET12, POW-HSC-MET01, STB-HSC-MET07, TCB-HSC-MET10, VHM-HSC-MET09, VIB-HSC-MET01, VNM-HSC-MET09, VPB-HSC-MET11, VRE-HSC-MET11, FPT-HSC-MET12, HPG-HSC-MET11, MBB-HSC-MET12, MWG-HSC-MET13, STB-HSC-MET08, TCB-HSC-MET11, VHM-HSC-MET10, VRE-HSC-MET12	100%

STT	Resolution No.	Date	Contents	Approved rate
26	27/2022/NQ-HĐQT	13/09/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2022 reviewed interim financial statements.	100%
27	28/2022/NQ-HĐQT	27/10/2022	- Approved the Q3.2022 business results. - Approved the Regulation on Information Disclosure.	100% 100%
28	29/2022/NQ-HĐQT	27/10/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2022 reviewed interim financial statements.	100%
29	30/2022/NQ-HĐQT	09/12/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2022 reviewed interim financial statements.	100%
30	31/2022/NQ-HĐQT	09/12/2022	Approved the bank credit limit, which was less than 10% of HSC's total assets in the FY 2022 reviewed interim financial statements.	100%
31	32/2022/NQ-HĐQT	29/12/2022 For seeking BOD's writing approval.	Approved the second dividend cash payment of FY 2021 and advanced 1 st cash dividend payment of FY 2022	100%
32	33/2022/NQ-HĐQT	29/12/2022 For seeking BOD's writing approval.	Approving the dossier and implementing the plans to issue shares to existing shareholders and pay dividend in form of share issuance as approved by the 2021 AGM on August 8, 2022.	71,43%

2. Activities of independent members of the BOD and independent members' evaluation of the activities of the BOD

The two independent members of the BOD of HSC are veterans in the banking and securities industries, in both domestic and international markets. Since joining the BOD, the two independent members have worked closely with the other members of the BOD, members of the Board of Supervisory ("BOS") and members of the Board of Management ("BOM") and actively made meaningful contributions to strategic decisions of HSC. The independent members evaluate, discuss and challenge business matters constructively and comprehensively to help HSC improve its corporate governance and operations. Particularly in 2022, with their skills and experience, independent members made significant contributions to strategic directions and risk management activities to help HSC proactively respond and overcome difficulties and manage risks effectively.

Independent BOD members acknowledged that the BOD worked with a strong sense of responsibility towards shareholders, investors, partners, employees, and other stakeholders. Besides, the BOD was transparent in corporate governance and fully complied with laws and regulations applicable for public companies and listed companies in 2022.

2022 was obviously a challenging year with many challenges including fluctuations of the stock market and geopolitical risks, but the BOD worked alongside with the BoM to help HSC not only overcome difficulties but also deliver encouraging business performance and complete the issuance of shares to increase shareholders' capital as approved by the AGM in 2021.

The BOD also regularly reviewed and evaluated issues related to strategy, business plan implementation, risk management, technology investment and management system and business process improvement in their meetings to make strategic decisions on a timely manner.

Meetings of the BOD were convened in a timely manner and conducted in accordance with the procedures specified in the Charter and internal regulations on corporate governance of HSC. Decisions of the BOD at the meetings are approved by the BOD on the principle of majority. Meeting minutes are fully prepared and signed by the members of the BOD attending the meeting.

3. Activities of committees under the BOD

The BOD has established three (03) sub-committees directly under the BOD, namely Risk Management Committee, Internal Audit Committee and Human Resources - Remuneration Committee.

The committees are responsible for advising and supporting the BOD in monitoring and strengthening the Company's internal control activities. Members of all three committees are non-executive members and the chairpersons of the Risk Management Committee and the Human Resources - Remuneration are independent members.

In 2022, the committees under the BOD completed their tasks and duties in providing effective advice on important issues for the BOD.

Name	Position	Risk Management Committee	Internal Audit Committee	Remuneration Committee
Johan Nyvene	Chairman Non-executive Board member	√		√
Le Anh Minh	Vice Chairman Non-executive Board member	√	√	√
Le Hoang Anh	Member Non-executive Board member	√	√	
Andrew Colin Vallis	Member Independent Board member	Chairman	√	
Nguyen Thi Hoang Lan	Member Independent Board member			Chairman
Dang Nguyet Minh	Member The Board of Supervisors		Chairman	

The Risk Management Committee

In 2022, HSC highly focused on risk management at all activities of the Company, especially key activities to further strengthen risk control and enhance the overall risk management system.

Particularly, the Risk Management Committee approved regulations and policies before submitting them to the BOD for final approval. The Committee also regularly reviewed risk and compliance reports, risk portfolios and material risks of major businesses and assessed the overall business environment and material factors that might affect HSC's operations.

The Internal Audit Committee

In 2022, the Internal Audit Committee inspected the interim and annual financial statements of the Company, supervised operations of the Internal Audit department and approved the 2022 audit plan in accordance with the risk management direction for the 2023 – 2025 period. The committee also coordinated with the BOS to carry out its activities and explained the monitoring results of the Internal Audit Committee in 2021 to report to shareholders.

The Nomination and Remuneration Committee

In 2022, the Nomination and Remuneration Committee advised and proposed salary, bonus, and other benefits of each member of the BOD and the BOS. The committee also reviewed the annual employee budget of HSC.

4. Remuneration, expenses and other benefits of the BOD and BOS and of each member of the BOD and BOS

The BOD and BOS's remuneration and operating expenses in 2022

Contents	Amount (VND)
BOD & BOS Budget 2022	17,205,935,716
BOD remuneration	4,608,205,129
BOS remuneration	1,146,666,667
BOD & BOS bonus	0
Other operating expenses	11,451,063,920

Details of remuneration of each member of the BOD in 2022

No.	Name	Position	Remuneration (VND)
1	Mr. Johan Nyvene	Chairman	1,301,538,462
2	Mr. Le Anh Minh	Vice Chairman	706,666,667
3	Mr. Le Hoang Anh	Member	573,333,333
4	Mr. Nguyen Hong Van	Member	306,666,667
5	Mr. Tran Quoc Tu	Member	306,666,667
6	Mr. Andrew Colin Vallis	Independent Member	773,333,333
7	Mrs. Nguyen Thi Hoang Lan	Independent Member	640,000,000
	Total		4,608,205,129

Details of remuneration of each member of the BOS in 2022

No.	Name	Position	Remuneration (VND)
1	Mr. Pham Nghiem Xuan Bac	Chairman	493,333,333
2	Mrs. Dang Nguyet Minh	Member	426,666,667
3	Mrs. Nguyen Thi Thu Thanh	Member	226,666,667
	Total		1,146,666,667

Remuneration of Chief Executive Officer in 2022

No.	Name	Position	Remuneration (VND)
1	Mr. Trinh Hoai Giang	Chief Executive Officer	9,000,000,000

Other benefits offered to members of the BOD and BOS

Members of the BOD and BOS are entitled to management liability insurance and travel expenses and allowances. Health check-ups, car and phone allowances and other benefits and allowances according to the Company's policy are only offered to the chairman of the BOD.

5. Supervisory activities of the BOD

In 2022, the BOD supervised activities of Chief Executive Officer and the BoM in implementing the resolutions of the AGM and the BOD through monitoring and inspecting daily operations of the Company and reviewing quarterly business result reports as well as ad-hoc reports.

The BOD acknowledged that the Chief Executive Officer and the BoM have exercised their assigned rights and duties in accordance with provisions of current laws and regulations as well as HSC's Charter and resolutions of the AGM. The Chief Executive Officer and the BoM tried their best to overcome market's fluctuations and difficulties in 2022 to achieve encouraging business results and at the same time, continued to deliver strong performances in enhancing corporate culture and working environment towards sustainable development and further improve corporate governance and risk management.

Members of the BOD, the BoM and the BOS did not have any transactions with the Company in 2022.

In 2022, insiders and related parties of insiders of HSC did not have any transactions, in which they bought shares or subscribed rights to buy shares of the Company, that are subject to information disclosure as required by laws.

In 2022, HSC had the following transactions with its related parties:

No.	Organization	Relationship with HSC	Content (*)
01	Dragon Capital Vietfund Management Company (DCVFM)	Organization related to insiders	Transactions on fund certificates of E1VFN30, FUEVFNVD, FUEDCMID under management of DCVFM
02	Vision and Associates Company Ltd.	Organization related to insiders	Provide of legal consultation services

(*) Details are presented in HSC's 2022 Corporate Governance report.

In 2022, the BOD directed the implementation of relevant contents of the resolution No. 01/2022/NQ-ĐHĐCD dated August 8, 2022 of the FY 2021 AGM.

The BOD worked alongside the BoM to implement the 2022 business plan as approved by the FY 2021 AGM. In the last year, HSC achieved VND 2,854 billion in revenue and VND 1,068 billion in pre-tax profit, down by 15% and 25% YoY respectively and achieving 71% of the approved profit guidance. However, that is considered a very encouraging performance given the high volatility of the stock market in 2022.

Based on the authorization of the FY 2021 AGM and on actual performances, the BOD issued the resolution No. 32/2022/NQ-HĐQT dated December 29, 2022 on paying the second 2021 cash dividend and advancing the first 2022 cash dividend with details as below:

- The second 2021 cash dividend at rate of 2.5% on par value was paid on February 8, 2023; and
- The first 2022 cash dividend at the rate of 2.5% of par value was paid on February 8, 2023.

After approved by the FY 2021 AGM, the BOD directed the amendment and supplementation the Company's Charter, internal regulations on corporate governance, regulations on organization and operation of the BOD and the BOS and promulgated the regulation on information disclosure.

Completed the issuance of shares to the public in accordance with the certificate of public offering registration No. 186/GCN-UBCK issued by the State Securities Commission on September 22, 2021

and the approval of the FY 2021 AGM as stated in the Resolution No. 01/2021/NQ-ĐHĐCD dated March 31, 2021.

The BOD is implementing the share issuances in accordance with the Resolution No. 01/2022/NQ-ĐHĐCD dated August 8, 2022 of the FY 2021 as follows:

- The dossier for issuing shares to existing shareholders and issuing shares to pay the second 2021 dividend was submitted to the State Securities Commission (SSC) on January 3, 2023.
- After receiving the approval from the SSC on the issuances, the BOD will continue to submit the application for issuing shares to employees (ESOP).

B. OPERATION PLAN OF THE BOD IN 2023

Based on the view that the Vietnamese stock market remains challenging in 2023, the BOD will focus on the following activities:

- Continue to enhance core strengths including human resources to constantly improve HSC's competitiveness and its ability to capture market opportunities;
- Accelerate the digital transformation progress and apply advanced technology to processes and products to digitize all activities of the Company. The ultimate goal is to build a business development strategy that leverages digital transformation, the development trend that is expected to emerge in the stock market in the future;
- Provide new solutions and investment products to further enhance the current product and service portfolio to offer clients exceptional experiences;
- Improve corporate governance and risk management. Enhance the capabilities and role of the committees under the BOD and independent members of the BOD; and
- Develop a social responsibility plan to improve the effectiveness of these activities to continue to make meaningful contributions and positive spill-over effect to the community.

The Board of Directors of HSC would like to submit the above report on activities in 2022 and plan in 2023 of the BOD to the Annual General Meeting of Shareholders.

On behalf of the Board of Directors of HSC, we would like to thank our shareholders, investors, clients, employees and other stakeholders for their continuing trust and support. The Board of Directors believes that with the endless efforts of our people and the trust of our shareholders, investors, clients and other stakeholders, HSC will continue to deliver exceptional performances in 2023 and beyond and reaffirm its position as a leading institution and most trusted partner in the capital markets in Vietnam.

**ON BEHALF OF
THE BOARD OF DIRECTORS
CHAIRMAN**



JOHAN NYVENE

To:

- As aforementioned
- BOD's office for record