

REPORT
ANNUAL GENERAL MEETING OF SHAREHOLDERS FY2021
HO CHI MINH CITY SECURITIES CORPORATION

Subject: The Board of Directors' 2021 Performance

The Board of Directors (“BOD”) would like to report to the Annual General Meeting of Shareholders (“AGM”) the activities of the BoD in 2021 and the plan of the BoD in 2022.

I. Activities of the BoD in 2021

In 2021, the Board of Directors made strong efforts to further enhance corporate governance of HSC towards global best practices and in accordance with current regulations. In last year, Vietnam and perhaps most of other countries had to face unprecedented economic challenges and difficulties caused by the Covid-19 pandemic. However, the Vietnamese stock market in 2021 recorded exceptional performances when it continuously set new records and grew strongly in all aspects, from index level to liquidity and the number of securities accounts. In the midst of such profound challenges, the BoD closely coordinated with the Board of Management to help HSC maintain business activities uninterruptedly and retain talented team so that the Company was able to serve clients and create value to shareholders and other stakeholders.

1. General activities of the Board of Directors

Changes in structure of the BoD

The Board of Directors for the term V (2021 - 2025) is comprised of seven (07) members including the Chairman, two (02) independent members and four (04) non-executive members and follows the model that has the Board of Supervisors approved by the Annual General FY2020 held on April 22, 2021. Amongst the seven (07) members, there are three (03) re-elected members and four (04) newly-elected members. Amongst the four (04) newly elected members, there are two (02) independent members and two (02) non-executive members.

Having two (02) independent members in the Board of Directors for the term V (2021 - 2025) not only helps HSC comply with the current regulations but also allows the Company to benefit from new innovative ideas to be contributed by the seasoned independent members to its effective and sustainable development path. That also proves HSC’s ability and willingness to adopt best global practices in corporate governance.

Important decisions of the Board of Directors

The Board of Directors fulfilled its commitment and responsibilities as all members participated in all BoD meetings and made important decisions in 2021.

In 2021, the BoD held fifty-two (52) meetings including regular meetings, extraordinary meetings and meetings in the form of written opinions. In order to ensure the timeliness in decision making while still complying with regulations on prevention and control of the Covid-19, regular and extraordinary meetings of the Board of Directors were conducted online.



In the BoD meetings, the BoD approved quarterly, six-month and full-year business results, analyzed the market conditions, reviewed strategic plans for the next quarters and approved other issues under its authority to ensure that the Company's business activities are always well managed. In 2021, the BoD made important decisions on the Company's operations and development orientation including the followings:

- Implementing the decision to issue shares to the public according to the Certificate of Registration for Public Offering No.186/GCN-UBCK issued by the State Securities Commission on September 22, 2021.
- Completing the cash dividend payments approved by the Annual General Meeting of Shareholders - the second payment of 2020 dividend at the rate of 7% of par value and the first payment of 2021 dividend at the rate of 5% of par value.
- Amending and supplementing the Company's Charter and Internal Regulations on Corporate Governance as well as promulgating the Operational Regulations of the Board of Directors and the Operational Regulations of the Board of Supervisors in accordance with the current laws and regulations.
- Nominating independent members and non-executive members of the BoD to the Subcommittees under the BoD and amending and supplementing the operational regulations of these Subcommittees.
- Other important matters under the authority of the BoD.

2. Supervisory activities of the BoD

In 2021, the Board of Directors supervised activities of the Chief Executive Officer (“CEO”) and the Board of Management (“BoM”) in implementing the resolutions of the Annual General Meeting of Shareholders and of the BoD through inspecting and monitoring mechanism and via quarterly business result reports and daily operation reports of the Company as well as reports prepared on an ad-hoc basis.

The BoD acknowledged that the CEO and the BoM exercised their rights and assigned duties in accordance with relevant provisions of applicable laws and regulations as well as the Company's Charter and resolutions of the Annual General Meeting of Shareholders. The CEO and the BoM made their best efforts to accomplish and exceed the business guidance approved by the Annual General Meeting of Shareholders and to continue to build a business environment based on the foundation of sustainable development and to further enhance corporate governance and the role of risk management and control.

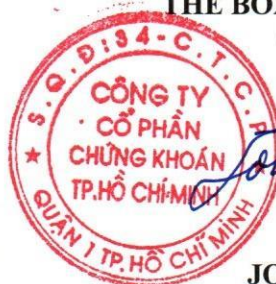
II. Work plan of the BoD in 2022

With the assessment that the Vietnamese stock market still has tremendous room to grow strongly in the future, the BoD prepared an action plan for 2022 as follows:

- Promoting the digital transformation throughout HSC towards complete digitalization of the trading system to offer investors convenient, reliable and value-added services and experiences when using services at HSC;
- Researching and developing new products and services to offer investors more investment options so that they can allocate their wealth based on their risk appetite as well as ease of access to the products and services;
- Standardizing the risk management process to identify and control risks effectively; and
- Training and developing talent.

The Board of Directors believes that with the endless efforts of HSC people and the trust of our shareholders, investors, clients and other stakeholders, HSC will continue to grow and accomplish its business plan in 2022.

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



Johan Nyvene

JOHAN NYVENE

To:

- *As mentioned above*
- *BoD's office for record*

