



No: 01/2024/KBC/TT-HDQT

Bac Ninh, March ..., 2024

DRAFT

1st time: March 7th, 2024

SUBMISSIONS

THE 1ST EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS IN 2024

Persuant to:

- *Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17th, 2020, amended and supplemented by Law No. 03/2022/QH15 approved by the National Assembly of the Socialist Republic of Vietnam on January 11st, 2022 and guiding documents;*
- *Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26th, 2019 and guiding documents.*
- *Decree No. 155/2020/ND-CP passed by the Government on December 31st, 2020;*
- *Charter on organization and operation of Kinh Bac City Development Holding Corporation.*

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. BOD respectfully proposes to the General Meeting of Shareholders (GMS) for consideration and approval on the following issues at the 1st Extraordinary General Meeting of Shareholders in 2024 of the Corporation:

I. APPROVING ON THE BUSINESS OPERATION PLAN FOR 2024

Dear Shareholders,

As entering the year 2024, we anticipate continued challenges in the global and domestic economic landscape. Despite this, Vietnamese economy has begun to receive positive signals from the capital market and monetary policies at the start of 2024. Additionally, the government has initiated the implementation of legal policies to resolve obstacles and difficulties in the real estate market, as well as has made efforts to promote sustainable and long-term development of the stock market.

Facing numerous challenges throughout 2023, guided by the correct direction set by the GMS, the BOD and the Executive Board has successfully navigated KBC through a year filled with difficulties and challenges, achieving significant results compared to 2022. Among these accomplishments, several notable outcomes include:

Firstly, the Corporation successfully redeemed the entire bond debt, both matured and immature bond, totaling VND 3,900 billion in principal and VND 161.99 billion in accrued interest, which results in VND 0 in outstanding bond debt of the corporation before June 30th, 2023, leading the Debt/Equity ratio to only 18.12% (according to the forth quarter's Consolidated Financial Statements in 2023 of the Corporation). Therefore, right from the beginning of 2024, many credit institutions and investment funds have expressed interest in providing funding for the Corporation's ongoing projects.

Secondly, the business results of 2023 showed significant growth compared to 2022. According to the forth quarter's Consolidated Financial Statements in 2023, the consolidated total revenue of the corporation reached over VND 6,100 billion, equivalent to 175% compared to 2022, while the consolidated net profit after tax reached VND 2,218 billion, equivalent to 140.1% compared to 2022. The majority revenue came from land leasing and industrial park infrastructuring activities, totaling VND 5,644.7 billion, a sixfold increase compared to 2022. This represents the most impressive growth result in 2023 as well as in recent years of the Corporation.

However, in 2023, the completion of legal procedures for the Corporation's projects still encountered numerous challenges. Therefore, we anticipate that the resolute policies of the Government and the flexible mechanisms of local authorities where KBC implements projects recently, aimed at resolving difficulties for the real estate market, particularly the resolution of legal procedure obstacles, will propel the development of businesses in general and KBC in particular.

Aligned with market insights and investment promotion efforts, by the end of 2023, KBC welcomed numerous multinational corporations for discussing and inquiring the investment needs in KBC's industrial zones and subsidiaries. Additionally, the Board of Directors anticipates that KBC's projects which are lacking legal procedures will be completed and approved from the second quarter of 2024, such as Trang Due 3 Industrial Zone, Loc Giang Industrial Zone, Phuc Ninh Urban Area, Trang Cat Urban Area, etc. Therefore, the Executive Board has estimated that the leased land area in industrial zones in 2024 will be approximately 150 hectares, which comes from Nam Son Hap Linh Industrial Zone, Quang Chau Industrial Zone, Tan Phu Trung Industrial Zone, industrial clusters in Hung Yen, Long An, and especially Trang Due 3 Industrial Zone, etc. Furthermore, some of the Corporation's urban development projects are also expected to generate

revenue and profit in 2024.

Simultaneously, the Corporation is consistently preparing new industrial land reserves to meet investors' needs in the upcoming period. KBC is striving to complete necessary legal procedures to continue obtaining approvals for new projects in various locations such as Bac Ninh, Thai Nguyen, Hau Giang, Can Tho, Vung Tau, etc., with an estimated total area of 3,500 hectares of industrial land and 650 hectares of urban development land.

Therefore, based on the aforementioned prospects, the BOD submits the business operation plan for 2024 to the GMS as follows:

- ✓ Estimated total consolidated revenue in 2024: **VND 9,000 billion**
- ✓ Estimated total consolidated profit after tax in 2024: **VND 4,000 billion**

II. APPROVING ON THE LISTING OF BONDS

The BOD proposes to the GMS to approve on the listing of the bonds which are newly issued in 2024 by the Corporation that need listing in accordance with the law until the time of the nearest GMS in 2025 (including bonds approved by the BOD); and to authorize the BOD to carry out the necessary procedures to list bonds on the Stock Exchange in accordance with the law.

III. APPROVING ON THE SELECTION OF THE INDEPENDENT AUDITING COMPANY FOR 2024

Following the proposal and recommendation of the Board of Supervisors, to ensure smooth operation, progress, and quality of the audit reports in 2024, the BOD respectfully requests the GMS for the approval of the following list of audit firms:

- (1) Ernst & Young Vietnam Limited (E&Y)
- (2) KPMG Limited (KPMG)
- (3) Deloitte Vietnam Audit Co., Ltd (Deloitte)
- (4) PWC (Vietnam) Limited (PWC)
- (5) Grant Thornton (Vietnam) Limited
- (6) UHY Audit and Advisory Limited
- (7) International Audit and Valuation Limited
- (8) Vietnam Audit and Valuation Limited
- (9) Moore AISC Auditing and Informatics Services Limited

The BOD respectfully requests the GMS to authorize the BOD to select from the mentioned audit firms to perform the audit and review of the financial statements as follows:

- ✓ Audit the financial statements for the year 2024 and review the semi-annual financial statements for 2024;
- ✓ Review the financial statements at any time as requested by the Corporation.

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

Recipients:

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

DANG THANH TAM