

## **REPORT ON ACTIVITIES OF THE INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS IN THE AUDIT COMMITTEE IN 2023**

**Respectfully to: General Meeting of Shareholders of Masan Group Corporation**

- Pursuant to Law on Securities No. 54/2019/QH14 dated 26/11/2019;
- Pursuant to Law on Enterprises No. 59/2020/QH14 dated 17/6/2020;
- Pursuant to the Charter of Masan Group Corporation (“Company”) dated 30/08/2023;
- Pursuant to the audited financial statement in 2023.

The independent member of Board of Directors (“**BOD**”) in the Audit Committee (the “**AC**”) would like to report the performance in 2023 as follows:

### **I. ACTIVITIES OF THE AUDIT COMMITTEE IN 2023**

#### **1. Organizational structure**

The Audit Committee’s organizational structure in 2023 consists of:

<b>Full name</b>	<b>Position</b>	
Mr. Nguyen Doan Hung	Independent Board Member	Chairman of the Audit Committee
Ms. Nguyen Thi Thu Ha	Non-executive member	Board Member of the Audit Committee

#### **2. Audit Committee Meetings in the year**

In 2023, the Audit Committee held 02 meetings to review the Company's financial position, internal control system and risk management with the following contents:

- Discussed and agreed on the targets and action plans for the Audit Committee in 2023.
- Assessed the implementation of the Resolution of the Board of Directors in 2023.
- Assessed and commented on the transactions with related parties.
- Supervised the honesty of financial statement and the operating situation of Company.
- Supervised the internal control system based on the internal audit result.

## **II. 2023 PERFORMANCE RESULTS**

### **1. Supervision of the operation of the Board of Directors and Management Team**

Through the Audit Committee's supervision on the performance of the Board of Directors and Management Team in the financial year 2023, the Audit Committee acknowledged the following results:

- a. The Board of Directors has fulfilled its governance and management responsibilities in compliance with laws. The Board of Directors have duly executed two Resolutions No. 218/2023/NQ-ĐHĐCĐ ("Resolution 218") and Resolution No. 487/2023/NQ-ĐHĐCĐ of the General Meeting of Shareholders. However, there are two matters in Resolution 218 that have not been completely finished, namely:
  - a) *Matter 1: "New share issuing including offering ordinary share and/or offering preferred shares" (Article 12 of Resolution 218)*
    - The Company did not issue new original shares;
    - The Company is on the processing of issuing the dividend preference shares issuance with the number of offered preferred shares of 75,000,000 shares, representing 5.242% of the total number of outstanding shares of the Company (or 4.981% upon completion of the offering). The offering dossier approved by the State Securities Commission. The Company is completing offering procedures and will announce information according to regulations.
  - b) *Matter 2: "Issuance of convertible bonds to the international market and issuing shares to convert bonds and increasing the post-issued charter capital (Article 14 of Resolution 218)*
    - The issuance of convertible bonds to the international market has not been carried out due to unfavourable market conditions and adverse economic influences
- b. Board of Directors meetings were organized according to the procedures specified in the Charter and Internal Regulations on corporate governance. The matters under the authority of the Board of Directors is evaluated and approved in accordance with the direction and best interests of the Company.

In 2023, the Board of Directors passed 26 Resolutions under their mandate via in-person meetings and written ballots. The Resolutions are complying with the Resolutions of General Meeting of Shareholders, Law on Enterprises, Law on Securities, Company's charter, and the other provisions of the Law. The main issues in 2023 discussed and approved by the members of the Board include:

- ✓ Approve the increase of our charter capital due to issue of ESOP;
- ✓ Convened the Annual General Meeting of Shareholders;
- ✓ Approved the internal audit plan in 2023;
- ✓ Issued new shares under the ESOP;
- ✓ Approved the changes of CFO;
- ✓ Issued approvals related to dividend preference shares;
- ✓ Increased capital and changes of subsidiaries;

- ✓ Implemented other transactions of Masan Group and its subsidiaries.
- c. The Management Team have properly and fully implemented the function of development orientation for the Group and its subsidiaries by approving the strategic plans, controlling the implementation of the Group's investment and business programs, projects. The Management Team assigned the tasks to its members in a clear and specific manner.
- d. The Chief Executive Officer (CEO) have operated Company's business activities with with high efficiency, carries out the responsibility to report and explain the situation of business activities transparently and in compliance with the Resolutions of Board of Directors and General Meetings of Shareholders.

## **2. Supervision of preparation of the financial statement**

- a. Company has fully observed the requirements of applicable Vietnamese accounting standards and corporate accounting regimes in organizing financial and accounting functions and preparing quarterly, biannual, and annual financial statements with accuracy, honesty and legality.
- b. The financial data in the financial statements of the Company truthfully reflected the Company and relevant Companies' current financial situation.

## **3. Supervision of the independent audit service**

- a. The selected independent auditor ensures honesty, reliability and objectivity.
- b. The independent auditor provided mid-year and annual report audit services for the Company. The scope, content, method and period of the audit were performed in accordance with the signed contract by the independent auditor.
- c. Audit Committee highly appreciated the quality of audit within Company to ensure its reliability, honesty and compliance with code of practice, ensuring its independence, objectivity on auditing comments.

## **4. Assessment results of the Company's internal control and risk management**

- a. The Company issued and strictly implemented the internal audit and risk management procedures in compliance with legal regulations and international practices.
- b. Through the reports and updates of the Company's Internal Audit Team (established in April 2021), the Management Team immediately took specific action to ensure that Company's activities were strictly controlled and complied with legal regulations.

## **5. Supervision of the internal transactions**

Transactions between the Company, subsidiaries, other companies with at least 50% of its charter capital controlled by the Company with its members of the Board of Directors, the CEO, other executives of Company and other related persons of such members; transactions between the Company and a company in which a member of the Company's Board of Directors, the CEO, other executives is its founding member or manager within the latest 3 years that are inspected and supervised by the Audit Committee to ensure their compliance with the relevant regulations. These transactions are internal transactions within the Group between the Company and its subsidiaries, those whose members of the Board of Directors and the CEO are also managers. The purpose of

these transactions between the Company and its subsidiaries is to utilize the shared operation platforms of the entire Masan Group to bring about economic and strategic benefits to the Company and its Shareholders. These transactions were approved under the Resolutions of the Board of Directors of the Company and of its subsidiaries as prescribed by Law.

**6. Assessment results of the cooperation between the Audit Committee and the Board of Directors, the CEO and Shareholders**

During its operation, the Audit Committee has closely cooperated with the Board of Directors and the CEO. The Audit Committee was not interfered during performance of its duties, created favorable conditions to access documents related to the Company’s operations, discuss with other members of the Board of Directors, the CEO, the Chief Financial Officer, Chief accountant to collect information serving the operation of the Audit Committee. Any arising issue was discussed and addressed in a timely manner.

**7. Remuneration, operating costs and other benefits of the Audit Committee and each member of the Audit Committee**

Remuneration, operating costs and other benefits for the Audit Committee and its member were compliant to the Law on Enterprise and Company’s Charter. The members of the Audit Committee did not receive remuneration and other benefits. The further detail was provided in the Company’s consolidated financial statements 2023.

**III. RECOMMENDATIONS AND ACTION PLAN OF THE AUDIT COMMITTEE IN 2024**

To achieve operational goals, the Audit Committee would like to outline recommendations and action plans in 2024 with the following focuses:

- c. The Board of Directors shall continue to update and perfect the documentation of governance, risk management and internal management, operating procedures of the Company’s departments/functions in order to standardize operations and improve the efficiency of the internal control system.
- d. Perform the function of supervision and review of the validity, legality, transparency and due diligence in the management of the Board of Directors and Management Team.
- e. Support the Board of Directors in ensuring that the corporate governance was in line with the legal regulations and Company’s charter.
- f. Supervise the service quality of the independent auditor during the audit periods for 2024.
- g. Supervise the operation of the Internal Audit Committee in 2024.
- h. Perform other tasks as provided in the working Regulations of the Audit Committee.

Above is the Report on Activities of Audit Committee in 2023 and Plan for 2024. 2024 is the first year of new term 2024 – 2019 of the the Board of Directors and Audit Committee, therefore, the selected Audit Committee may have direction and adjusted activities plan when necessary.

*Ho Chi Minh City, 04 April 2024*

**INDEPENDENT BOARD MEMBER  
CHAIRMAN OF THE AUDIT COMMITTEE**

*[signed]*

**NGUYEN DOAN HUNG**