

**HUONG GIANG TOURIST
JOINT STOCK COMPANY****SOCIALIST REPUBLIC OF VIETNAM**
Independence - Freedom - Happiness

Hue City, April ..., 2024

Draft

**REPORT OF THE BOARD OF MANAGEMENT
AT ANNUAL GENERAL MEETING OF SHAREHOLDERS 2024
(FISCAL YEAR 2023)****A. Performance report in 2023:****I. Assessment on implementation of tasks assigned by General shareholders meeting (“GSM”):**

The Annual General Meeting of Shareholders of Huong Giang Tourist Joint Stock Company held on April 26th, 2023 voted and approved on 11 contents. The results of some resolutions are as follows:

1. Regarding business results in 2023:**a. According to the resolution approved by the GSM:**

(1) Profit after tax 2023 (loss): (2,867) million dong.

2) Plan to set up funds

- Welfare and reward fund: 0,0 %

- Remuneration of the BOM, BOS and Secretary: 0,0 %

(3) Average dividend payout for shareholders/ 1 share: 0 dong

b. According to the result of the audited financial statement in 2023:

According to the business results report, the target of profit after tax in 2023 made a profit of VND 1,002 million, increased profit compared to plan by VND 3,869 million (the plan for 2023, the loss was VND 2,867 million).

The reasons for affecting the company's profit after-tax target in 2023 are explained in detail in the report of the Board of Directors.

2. Plan of dividend for 2023:

According to the results of implementing business targets in 2023, the profit target in 2023 is VND 1,002 million. However, due to having to make up for accumulated losses from previous years, so it is recommended to the General Meeting of Shareholders: **“Non distribute dividends to shareholders and non remuneration is paid by the Board of Management, and Board of Supervisors of year 2023”.**

3. Garden restaurant upgrade project - 11 Le Loi

Completed upgrading service facilities, investing in expanding the garden restaurant at 11 Le Loi and additional investment in a Japanese BBQ restaurant at 11 Le Loi Hue.

Total investment: VND 1.587 billion.

4. Upgrade project at Le Cercle Sportif Restaurant 11 Le Loi.

After many efforts to overcome difficulties, Huong Giang Tourist Joint Stock Company has completed the investment in upgrading Le Cercle Sportif Restaurant (including 2 phases), handing it over to the receiving unit, which is Azerai La Residence to serve tourists in early 2023.

Total investment: VND 27,896 billion.

5. The NAMA project:

Currently, the People's Committee of Thua Thien Hue province has not yet approved the detailed zoning plan for the Hue citadel area. In recent times, the Provincial People's Committee has made many efforts to promote and guide related procedures to prepare for project implementation. The Company regularly monitors, captures and coordinates with relevant authorizations and departments of Thua Thien Hue Province to complete related procedures according to the provisions of law. After the detailed zoning plan for the Hue capital area is approved, the Provincial People's Committee will direct the authorization and departments to provide guidance for the investor to start the project.

6. Monitor status of joint venture contract at Saigon Morin Hue Co., Ltd.

The 2023 General Meeting of Shareholders of Huong Giang Tourist Joint Stock Company has a resolution to assign the Board of Management to carry out tasks related to the operations of Saigon Morin Hue Co., Ltd. The Member Council of Saigon Morin Hue Co., Ltd. has issued a resolution to extend operations until June 30th, 2024.

Implementing the direction of the People's Committee of Thua Thien Hue province on continuing the joint venture at Saigon Morin Hue Co., Ltd., HGT and SGT are in the process of exchanging and negotiating to implement related procedures. The Board of Management assigned responsibility to HGT's capital representative at the joint venture to continue discussing and negotiating with SGT to complete the draft of the new joint venture contract between the two parties.

7. Expansion project of Hotel De La Cite Imperiale Co., Ltd - 5 Le Loi Hue (Azerai La Residence)

Hotel De La Cite Imperiale Co., Ltd. has completed relevant procedures to start construction of the expansion project. However, at the request of the People's Committee of Thua Thien Hue province, the project must redo the land leasing process from the beginning. Specifically, the project's land use rights auction is being carried out by authorizations and departments.

In November 2023, the Company carried out procedures and participated in the auction of land use rights of this project. Despite trying very hard to mobilize financial resources for the auction, Hotel De La Cite Imperiale Co., Ltd. did not win the auction for land use rights for this project. The main reason is because the winning bid price is too high, is not feasible in terms of investment efficiency and affects the financial situation of Hotel De La Cite Imperiale Company Limited.

II. Executive management:

1. Organization and personnel:

In 2023, the Board of Management held 06 meetings, including 01 direct meeting session, 05 indirect meeting sessions (obtaining written opinions).

Some resolutions that the Board of Management issued in 2023 include:

- Resolution No. 02/23/NQ-BOM dated February 24th, 2023 on approval the plan to organize the Annual General Meeting of Shareholders in 2023, fiscal year 2022;

- Resolution No. 03/23/ NQ-BOM dated March 30th, 2023 on approval the contents of documents serving the General Meeting of Shareholders of Huong Giang Tourist Joint Stock Company in 2023;

- Resolution No. 04/23/NQ-BOM dated April 26th, 2023 regarding the Resolution of the 2023 Annual General Meeting of Shareholders;

- Decision No. 05/23/QD-BOM dated April 26th, 2023 on promulgation of the 8th amended and supplemented HGT Charter;

- Resolution No. 06/23/NQ-HĐQT dated May 31st, 2023 on the dismissal and appointment of the position of Chief Accountant of HGT.

- Decision No. 07/23/QD-HĐQT dated May 31st, 2023 on the dismissal of the position of Chief Accountant of HGT Company.

- Decision No. 08/23/QD-HĐQT dated May 31st, 2023 on appointing the position of Chief Accountant of HGT Company.

- Resolution No. 25/23/NQ-HĐQT dated October 31st, 2023 on approving the policy allowing Saigon Morin Hue Co., Ltd. to operate until June 30, 2024.

- Resolution No. 26/23/NQ-HĐQT dated December 12th, 2023 on agreement on implementing business results in 2023 and business plan in 2024 of Huong Giang Tourist Joint Stock Company.

2. Salary and remuneration of the Board of Management, Board of Supervisors and Board of Directors of the Company

Although the business result in 2023 made a profit of VND 1,002 million, it is not enough to offset the accumulated losses of previous years, the Company does not pay remuneration to the members of the Management Board and the Supervisory Board.

The total salary (NET) of the Board of Directors in 2023 is: VND 1,305,000,000/year.

3. Regarding the selection of an auditing company to audit financial statements in 2023, the Annual General Meeting of Shareholders approved a list of 03 companies. At the request of the Supervisory Board, the Management Board approved the selection of AASC Auditing Firm Co., Ltd. to audit the financial statements in 2023.

4. Evaluation of the activities of the independent members of the BOM and the implementation of the BOM resolutions:

In 2023, the Board of Management has implemented the Resolutions approved by the General Meeting of Shareholders.

The Company's activities are in accordance with the content of the Business Registration Certificate, the Company's Charter and comply with the provisions of law and the State's management regime on financial accounting and taxes;

The Board of Management and Board of Directors of the Company always make correct and effective decisions in the fields of finance, human resources, business and investment. The BOM and BOD of the Company are ready to receive comments from members of the BOM who do not participate in the management of the Company's activities as well as the Company's development plans and strategies.

Meetings of the Board of Management are organized, discussed and voted on contents in accordance with the law and within the authority of the BOM. Contents that are voted on in the form of written opinions are subject to procedures in accordance with regulations.

The contents of the BOM meeting or in voting slip that obtaining BOM Members' opinion are reported, discussed and fully evaluated in the spirit of openness, fairness, transparency and carefulness to provide best directions and solutions for the Company;

Members of the BOM fulfill their roles and responsibilities, fully attend meetings and vote to contribute to building and developing the Company's operations and development orientation.

The BOM and the BOD have strictly complied with the regulations on periodic financial reporting information disclosure and periodic corporate governance reports.

B. Operation orientation of the Board of Management in 2024:

Fully implement the resolutions of the General Meeting of Shareholders and the resolutions of the Board of Management to ensure that the Company achieves its goals and complies with the provisions of law, requirements of authorization and internal management regulations of the Company. ty.

Monitor and supervise the Board of Directors in managing daily business activities, deciding to organize and implement investment and repair projects according to decisions, resolutions, business plans and operating directions assigned by the Board of Management and the General Meeting of Shareholders.

Focus on managing and orienting business activities and providing timely direction to improve business efficiency and ensure the proposed plan; Strengthen risk control and cost control to improve efficiency;

Regularly direct the Representatives of the Company's capital at other enterprises to exercise their rights and obligations in accordance with the provisions of law and the Charter of that enterprise on the principle of not harming the interests of other enterprises and shareholders.

Maintain complete, accurate and timely information disclosure according to law. Proactively disclose other information related to the Company's activities.

I. Projects of the Company:

1. NAMA Project:

Regularly capture planning information from the Provincial People's Committee and departments to proactively prepare necessary steps to implement the project.

2. Saigon Morin Hue Co., Ltd.

Following the direction of the People's Committee of Thua Thien Hue province on continuing the joint venture at Saigon Morin Hue Co., Ltd., HGT continues to discuss and negotiate with SGT to complete the draft of a new joint venture contract between the two parties.

3. Monitor the performance of contributed capital in the uncontrolled joint venture companies:

To identify suitable partners to plan the transfer and/or enhance of part or all of HGT's capital contribution in non-dominant Joint Venture Companies with ineffective business operations. The recovered capital will be reinvested in potential future projects

4. Implement business targets in 2024:

The Board of Management believes that business activities in 2024 will continue to face difficulties due to the economic recession, price slippage and unpredictable inflation. Based on the proposal of the General Director and functional departments, the business plan targets for 2023 are developed as follows:

(1) Expected profit after tax of the Company in 2024 (loss): (3,410) million VND

(2) Plan for setting up funds: No setting aside funds and no remuneration of the Board of Management and Board of Supervisors;

(3) Not paying dividends;

II. Executive management

1. Maintain Board of Management meetings once a quarter to evaluate the business performance of the Board of Directors as well as monitor the implementation of resolutions of the General Meeting of Shareholders and resolutions of the Board of Management has issued.

2. Continue to strengthen the management at the joint venture companies, improve the service quality at the affiliated units, focus on completing the unfinished investment projects to soon put them into operation, increase the scale and revenue for the Company. Seeking investment cooperation opportunities in the future to enhance the position and develop the brand of the Company.

3. Improve the capacity and responsibility of managers at all levels; strengthen training, human resource development, rationally restructure the labor force, improve labor productivity.

Dear valued Shareholders!

The Board of Management would like to thank the shareholders for your cooperation and sharing with the Board of Management over the past time. The Board of Management always aims at perfecting the management method, continuing to make more efforts to improve the business performance of the Company./.

**For. BOARD OF MANAGEMENT
CHAIRMAN**

Toshihiko Takahashi