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No: 07- 2023/BBH-GAC

**MINUTES OF 2023 ANNUAL GENERAL SHAREHOLDERS’  
MEETING OF AN CUONG WOOD - WORKING JOINT STOCK  
COMPANY**

**A. TIME AND VENUE**

On April 26<sup>th</sup>, 2023, An Cuong Wood - Working JSC has Business Registration No. 3700748131 issued the first time on September 20<sup>th</sup>, 2006, by Binh Duong Province of Department of Planning and Investment; Headquarter is located at Land Lot 681, Map sheet 05, DT 747B Street, Phuoc Hai Quarter, Thai Hoa Ward, Tan Uyen City, Binh Duong Province, the 2023 Annual General Shareholders’ Meeting (hereinafter referred to as “AGM” or “*the Meeting*”) by online form at website <https://acg.bvote.vn/>.

Venue of operating: Office at 702/3E Su Van Hanh, Ward 12, District 10, Ho Chi Minh City.

**B. ATTENDANTS**

**Board of Directors (“BOD”) includes:**

- 1) Mr. Le Duc Nghia - Chairman of BOD.
- 2) Mr. Masao Kamibayashiyama - Deputy Chairman of BOD.
- 3) Mr. Nguyen Minh Tuan - Member of BOD.
- 4) Mr. Le Thanh Phong - Member of BOD.
- 5) Ms. Nguyen Thi Dieu Phuong - Member of BOD.
- 6) Mr. Nguyen Thanh Quyen - Independent member of BOD.
- 7) Mr. Phan Quoc Cong - Independent member of BOD.

**Supervisory Board (“SB”) includes:**

- 1) Ms. Tran Thi Ngoc Tue - Head of Board.
- 2) Ms. Mai Thi Phuong Thao - Member.

**Guests include:**

Mr. Quach Thanh Chau - Representative of the audit firm PwC (Vietnam) Limited.

And members of the Board of Management, Shareholders, Shareholders' representatives of An Cuong Wood - Working JSC attended the Meeting in the form of online.

## **C. THE MEETING OPENING PROCEDURES**

### **I. Report of verifying Shareholders' eligibility and the validity of AGM**

Ms. Nguyen Thanh Hong presents Report of verifying Shareholders' eligibility and the validity of AGM in 2023 as follows:

At as 8:45 am on April 26<sup>th</sup>, 2023, the total number of shareholders and their proxy attending the AGM is 44 shareholders, representing 126,850,282 shares, accounting for 93.3845% of the Company's total voting share.

Pursuant to Term 1, Article 145 of Law on Enterprises 2020, and the Company's Charter, the 2023 AGM of An Cuong Wood - Working JSC is legally and lawfully convened and will continue.

### **II. Approval members of the Presidium, Secretariat Committee and Voting Committee**

#### **1. The Presidium includes:**

- Mr. Le Duc Nghia - Chairman of BOD - Chairman of Meeting.
- Mr. Masao Kamibayashiyama - Deputy Chairman of BOD.

#### **2. Chairman appoints the Secretariat Committee includes:**

- Ms. Nguyen Binh Phuong Thuy - Head of Committee.
- Ms. Nguyen Thi Thuy Phuong - Member.

#### **3. The Voting Committee includes:**

- Ms. Nguyen Thi Hong Nhung - Head of Committee.
- Ms. Pham Nguyen Lien Hao – Member.

As the Chairman of the Meeting, Mr. Le Duc Nghia announces the opening of the AGM and confirms the Meeting Agenda, the Regulation on organization of the 2023 AGM.

The Meeting voted and approved all the above contents by electronic voting, specifically as follows:

- Approving the Presidium, the Secretariat Committee, and the Voting Committee with 100% of the votes.
- Approving the Meeting Agenda and Regulations on the organization of the 2023 AGM with 100% of the votes.

## **D. THE MAIN CONTENT OF THE MEETING**

### **1. The Reports and Issues to be approved at the AGM**

Mr. Tran Luong Thanh Tung presents the Reports and Issues at the AGM, including:

- Report of the Board of Directors.
- Result of 2022 Business Performance and 2023 Business Plan (Issue No. 01).
- The 2022 Audited Reports and Selection of Auditors for auditing the 2023 Financial Statements of the Company (Issue No. 02).
- The Dividend payment of 2022, the dividend payment plan of 2023 and provision of Funds (Issue No. 03).
- The plan to issue shares under the Employee Stock Ownership Plan by allocating treasury shares (Issue No. 04).
- The resignation and election of an additional member of the Supervisory Board in term 2022-2027 (Issue No. 05).
- The amendment of Company's Charter (Issue No. 06).

On behalf of SB of the Company, Ms. Tran Thi Ngoc Tue presents the Report of the Supervisory Board.

## **2. Discussion section**

The Meeting starts Q&A session on the contents presented earlier.

Mr. Le Duc Nghia - Chairman moderates the discussion and answers queries from shareholders.

The content of the Q&A session is presented in the document attached to the Minutes of the Meeting.

## **E. VOTING AND ELECTION RESULT**

### **1. Voting result in the Meeting**

#### **Content 1. Approval of the Report of the Board of Directors.**

##### **Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

#### **Content 2. Approval of the Report of the Supervisory Board.**

##### **Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.

- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 3. Approval of the Result of 2022 Business Performance and 2023 Business Plan (Issue No. 01).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 4. Approval of the 2022 Audited Reports and Selection of Auditors for auditing the 2023 Financial Statements of the Company (Issue No. 02).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 5. Approval of the Dividend payment of 2022, the dividend payment plan of 2023 and provision of Funds (Issue No. 03).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 6. Approval of the plan to issue shares under the Employee Stock Ownership Plan by allocating treasury shares (Issue No. 04).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 7. Approval of the resignation and election of an additional member of the Supervisory Board in term 2022-2027 (Issue No. 05).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**Content 8. Approval of the amendment of Company's Charter (Issue No. 06).**

**Voting:**

- Agree: 127,711,275 votes, representing 99.9998% the total number of votes of shareholders attending and voting at the Meeting.
- Disagree: 0 votes, representing 0% the total number of votes of shareholders attending and voting at the Meeting.
- Abstention: 300 votes, representing 0.0002% the total number of votes of shareholders attending and voting at the Meeting.

**2. Electing result in the Meeting**

The Meeting elected 01 (one) additional SB member in the term 2022-2027 by cumulative voting. The shareholders voted through electronic voting with the following results:

| No | Candidate             | Votes       | Ratio (%) | Result  |
|----|-----------------------|-------------|-----------|---------|
| 1  | Nguyen Thi Thuy Trang | 127,591,704 | 99.9962%  | Elected |

**F. APPROVAL OF AGM'S MINUTES AND RESOLUTIONS OF AN CUONG WOOD - WORKING JSC.**

Ms. Pham Nguyen Lien Hao reads the full text of the 2023 AGM Minutes and Resolutions which the Meeting voted and approved, representing 99.9997% attendant shareholders.

The Meeting ended at 11:15 am on the same day./.

**ON BEHALF OF SECRETARIAT  
COMMITTEE**

(Signed)

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**NGUYEN BINH PHUONG THUY**

**CHAIRMAN OF THE MEETING**

(Signed)

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**LE DUC NGHIA**  
Chairman of BOD

**Q&A SESSION AT THE 2023 ANNUAL GENERAL SHAREHOLDERS' MEETING  
OF AN CUONG WOOD – WORKING JOINT STOCK COMPANY  
(Attached to the Minutes No. 07-2023/BBH-GAC dated April 26<sup>th</sup>, 2023)**

| NO. | QUESTION   | ANSWER  |
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| 1   | <p><b>Shareholder number ACG00884:</b></p> <p>2023 would be a challenging year, and it is quite positive as the Company still set the plan to grow both net revenue and profit. However, for Q1, the company only completed about 10% of full year plan, so whether the 2023 plan is still achievable?</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>2023 is expected to be a tough year and performance for the first quarter already demonstrated that review. The situation not only happened to An Cuong but also to most businesses around the globe. Almost all enterprises in footwear, apparel, machinery and equipment, wood-processing, securities, real estate... have showed weak performance.</p> <p>However, An Cuong will not change our 2023 business plan as the Company has secured big contracts with export clients in the US market, as well as developed intensive distribution network in domestic market.</p> <p>Higher selling expenses (increased by VND 35 billion compared to last year) negatively affected our results in Q1 2023, including (1) some expenses didn't report last year and (2) cost incurred for expansion plan. The business has showed sign of recovery in April when we have recorded a preliminary growth of 10% yoy. Therefore, An Cuong is still confident in 2023 full year plan, and I believe the market will heat up from Q2.</p> |

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| 2 | <p><b>Shareholder number ACG00868:</b></p> <p>How has the partnership with Sumitomo Forestry contributed to revenue and profit of An Cuong?</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>We have not evaluated the effect of this partnership in terms of business figures. But until now, I affirm this is an excellent cooperation. Sumitomo Forestry (SFC) has supported An Cuong in production technology, corporate governance, vision, strategies as they are long-standing Japanese corporation with tens of billions of dollars in revenue. Last year, An Cuong signed strategic cooperation with the US housing arm of SFC to provide furniture to SFC's housing projects and their partners in US market. The deal contributed USD 3 - 4 million of revenue last year and is expected to bring another USD 3 - 5 million of revenue in 2023.</p> <p>An Cuong will implement some projects partnership with SFC such as operating An Cuong's outlet in US, etc. In brief, to evaluate the partnership with SFC, I would rather concentrate on their reputation, experience and what they have supported An Cuong. Again, this is an excellent partnership.</p> |
| 3 | <p><b>Shareholder number ACG00868:</b></p> <p>Please share the Company's assumption to set the plan for 2023.</p>                               | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>We set 2023 plan based on the 2022 actual performance of VND 615 billion in profit. Last year was extremely tough, most of companies in wood industry in the world reported a decrease of 30% - 40% in term of profit, even within the wood association, 70% of the enterprises made loss but An Cuong delivered strong performance last year as we have our own approach.</p> <p>Based on 2022 actual result, we set the plan to achieve around VND 700 billion in profit. The growth rate of net profit is not much and we are still confident about the feasibility of this plan. We have already</p>   |



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|   |  | observed some positive signals from bond market, real estate sector, interest rates, the situation in US, Europe as well. Our big partners in the US have made orders in large volume again. So, I believe the situation will get better from Q2.  |
| 4 | <p><b>Shareholder number ACG00868:</b></p> <p>Please give more information about gross margin in domestic and export markets.</p>  | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>Gross margin in domestic market is around 30%, while this margin in export markets is 13% - 14%.</p> <p>Domestic sales provide a higher gross margin because we need to cover expenses including selling, marketing expenses... In contrast, for export orders, our clients receive goods at An Cuong's factories then we don't have to bear those costs.</p> <p>Also, the current gross margin of export sales is just 13% - 14% because the orders are not sufficient. Once our factories reach 100% of utilization, export profit margin would be at least 18% - 20%. And this is the reason An Cuong is promoting export sales.</p> |
| 5 | <p><b>Shareholder number ACG00884:</b></p> <p>ACG's trading volume is low, does the Company have any plan to offer new shares to current shareholders or to pay dividend by stocks to increase the trading volume?</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>Currently, liquidity of stock market as a whole is also quite low. Therefore, I think we should not measure the liquidity of any particular stock at this time. As stated many times before, I think shareholders should invest in An Cuong as a long-term investors because the Company has always maintained a sustainable growth rate in the past 5 years.</p> <p>Regarding the additional issuance, the Company has planned to issue shares to pay dividends in 2022 at the rate of 11%. This will help to</p>  |

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|   |   | increase the number of shares outstanding in the market, thereby, the stock liquidity will be more positive.   |
| 6 | <p><b>Shareholder number ACG00889:</b></p> <p>Please update more on the receivables of VND 365 billion from Novaland stated in 2022 audit reports. Is there any possibility of capital loss in this case?</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>The answer is No.</p> <p>Currently Novaland is in the process of restructuring and they do quite well. This deposit is due in 2025 and recently Novaland sent us a sound payment plan. An Cuong still reports financial income from this deposit, and I still consider this deposit is a safe investment.</p>   |
| 7 | <p><b>Shareholder number ACG00195:</b></p> <p>Since ACG shares were listed, stock price has dropped significantly. Please share your view on this situation.</p>  | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>ACG shares were listed when the wood industry in Vietnam and the world was in difficult time. At that time, a series of reports from most institutions, and even information provided by the wood Association, assessed that the wood industry was in recession. And in fact, we faced tough times, resulting in a cautious view from investors. Just like when the real estate market is slow down, people will not buy, conversely when the market heats up, everyone will buy houses. The wood industry is forecasted to recover and be positive from 2024.</p> <p>Before ACG shares were listed, before 2020, the wood industry was very potential. Then there were the tough times. During that time, An Cuong was one of few companies to deliver strong results because of our differentiated products and unique approach to do business.</p> <p>The index fell from 1,500 points to more than 1,000 points, so a 30% - 40% decrease in stock price would be normal, and this is the common situation of most listed companies. I believe the market will get better, and Vietnam stock market is currently undervalued. So I would like to</p> |

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|   |   | advise shareholders not to worry too much, and you should hold stocks for long time.   |
| 8 | <p><b>Shareholder number ACG00275:</b></p> <p>Besides the US market, does An Cuong plan to develop other markets?</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>No, An Cuong will not. Currently, we are exporting to Singapore, Malaysia with a turnover of around USD 1-2 million. So our key export markets are the US and Cambodia.</p> <p>In Cambodia, An Cuong will open a representative office and warehouse soon because Cambodia market is developing quite well and is very close to Vietnam.</p> <p>The US is a huge market, An Cuong will invest our resources on this market. If we develop new markets in Europe, Canada, the Middle East, our resources are not sufficient. Also, An Cuong team has exploited the US market for many years and has experience. We also receive support from SFC. Currently, SFC is investing around USD 1 billion in the US, holding a series of real estate and construction companies here.</p> |
| 9 | <p><b>Shareholder number ACG00467:</b></p> <p>Please update more on export markets and this year forecast.</p>        | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>Currently, An Cuong's export orders are quite good. In recent years, I have developed the relationships with a few partners and 2023 is the right time to get revenue from them. There is a large corporation that is buying goods from Germany and Italy with a value of hundreds of millions of dollars, now they are gradually transferring orders to An Cuong. They assessed that An Cuong's product quality is comparable to companies in Germany and Italy, but the price is cheaper. The client has committed to buy about USD 10 million of goods this year, and</p>  |

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|    |   | <p>another USD 20 million next year. An Cuong signed a contract worth 5 million USD with this client.</p> <p>Currently, the factory serving the export segment is running at full capacity with full orders until the end of June. The export segment this year would be very good.</p>  |
| 10 | <p><b>Shareholder number ACG00868:</b></p> <p>Please update on orders and market demand.</p>  | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>As stated earlier, export line is at full capacity. Orders from domestic projects are very few, almost none. Orders from real estate developers such as Hung Thinh, Novaland, Nam Long... will restart after the upcoming holiday.</p> <p>Orders regarding to wood-based panels is quite good. The average utilization of two factories is about 65%.</p>   |
| 11 | <p><b>Shareholder number ACG0084:</b></p> <p>I have bought ACG shares when the stock was traded on UpCom. After two years, I still recorded loss from this investment, then I think it would be reasonable if the Company could increase the dividend payout ratio in cash.</p> | <p><b>Mr Le Duc Nghia – Chairman of the BOD answered:</b></p> <p>Recently, the Company has advanced the first tranche of dividend for 2022 in cash, the next tranche will be paid by stock. The Company will try to advance 2023 dividend in cash in the beginning of next year because this year's cash flow is expected to be slower than previous years. As bank interest rates are at high level, our clients tend to slowdown their payment, so the Company needs to stabilize cash flow to support business activities.</p> <p>The Company will consider increasing cash dividend rate when cash flow is strengthened.</p> |