**HNF: Board resolution on adjustment of the plan on use of proceeds**

On 15 Apr 2020, HuuNghi Food Joint Stock Company announced the Board resolution on adjustment of the plan on use of proceeds as follows:

Article 1: Approve the adjustment of the plan on using the proceeds from the offering follows:

- Based on the results of the share offering to existing shareholders according to the report on the issue results on April 8, 2020 of Huu Nghi Food Joint Stock Company and Official Letter No.2424/UBCK - QLCB dated April 10, 2020 confirming the results of offering shares to the public of the State Securities Committee, Huu Nghi Food Joint Stock Company completed the offering of 10,000,000 shares and the proceeds from the offering were VND 100,000,000,000

- Pursuant to the General Mandate 2019 No.129/NQ - TPHN dated May 23, 2019 on approving the plan for offering (specified in Article 6 and Statement No. II.2/TTr - TPHN dated May 10, 2019, already approved together with Resolution No.129/NQ - TPHN dated May 23, 2019), “Authorize the Board of Directors (...) to decide the amendments, changes and supplements to the plan on using the proceeds, selecting the appropriate time for disbursement in accordance with the Company's plan to ensure the best interests of the shareholders and the Company (…)”

In view of the actual production and business activities of the enterprise, the Board of Directors approved the adjustment of the plan on using the proceeds of the offering, specifically as follows:

1. Plan on use of the proceeds from the public offering: approved in the Board resolution No.268/NQ - HDQT on 11 October 2019 and official letter No.294/CV - TPHN dated November 11, 2019:

|  |  |  |  |
| --- | --- | --- | --- |
| No | Purpose | Estimated value (VND) | Time |
| 1 | Payment for the short-term debts to Vietcombank, VPBank, Bangkok Bank, MB Bank, Shinhan Bank, ACB, SINOPAC Bank | 92,400,000,000 | The fourth quarter of 2019, and the first quarter of 2020 |
| 2 | Supplementing working capital | 7,600,000,000 |  |
|  | Total | 100,000,000,000 |  |

In which, the detailed use plan for the proceeds of VND 92,400,000,000 will be used to pay short-term loans to suppliers under contracts with the banks as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No | Contract No. | Value of the contract | Bank |
|  | 0307000323986 | 11,920,018,220 | VCB |
|  | 0307000323931 | 6,658,910,976 | VCB |
|  | 0307000323720 | 6,346,667,640 | VCB |
|  | 0307000323711 | 3,354,118,727 | VCB |
|  | 0307000323399 | 10,453,364,327 | VCB |
|  | LD1925695877 | 4,102,834,187 | MB Bank |
|  | LD1926203202 | 5,776,417,654 | MB Bank |
|  | LD7927305220 | 6,649,527,991 | MB Bank |
|  | LD1929856775 | 6,389,960,621 | MB Bank |
|  | LD1930526335 | 7,309,621,000 | MB Bank |
|  | LD1930597608 | 14,497,045,834 | MB Bank |
|  | LD1925431147 | 8,941,512,823 | MB Bank |
|  |  | 92,400,000,000 |  |

2. Adjusted plan

|  |  |  |  |
| --- | --- | --- | --- |
| No | Purpose | Estimated value (VND) | Time |
| 1 | Payment for the short-term debts to Vietcombank, MB Bank | 92,400,000,000 | The second quarter of 2020, and the third quarter of 2020 |
| 2 | Supplementing working capital | 7,600,000,000 |  |
|  | Total | 100,000,000,000 |  |

In which, the detailed use plan for the proceeds of VND 92,400,000,000 will be used to pay short-term loans to suppliers under contracts with the banks as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No | Contract No. | Value of the contract | Bank |
|  | 0307000336160 | 7,322,118,217 | VCB |
|  | 0307000336610 | 8,004,487,837 | VCB |
|  | 0307000337735 | 2,970,777,800 | VCB |
|  | LD1935975083 | 1,925,969,823 | MB Bank |
|  | LD1936493988 | 5,435,817,777 | MB Bank |
|  | LD1936447286 | 2,981,335,889 | MB Bank |
|  | LD2001457896 | 12,411,043,238 | MB Bank |
|  | LD2000906475 | 4,250,291,500 | MB Bank |
|  | LD2000903086 | 10,483,449,492 | MB Bank |
|  | LD2001581531 | 16,653,442,159 | MB Bank |
|  | LD2002110347 | 5,672,820,370 | MB Bank |
|  | LD2003603826 | 10,060,205,486 | MB Bank |
|  | LD2005106048 | 4,228,240,412 | MB Bank |
|  | Total | 92,400,000,000 |  |

3. Reason for the change: On April 8, 2020, the Company completed the offering of shares so the time of capital use registration (Quarter IV/ 2019 and Quarter I/2020) was no longer suitable. Therefore, the company used the income from its production and business activities to pay due contracts. After completing the offering, the Company adjusted the plan on use the proceeds to pay other maturities

Article 2: Implementation

Assign the Management Board to implement the capital use plan in accordance with the approved content and disclose information as prescribed

Article 3: Validity of this Resolution

This Resolution takes effect from the date of signing. Relevant organizations and individuals are responsible for the implementation of this decision. The contents of Resolution No.268/ NQ - HDQT dated October 11, 2019, which are not contrary to the above content, remain in effect