**PCH: Annual Corporate Governance Report 2023**

On January 30, 2024, Picomat Plastic Joint Stock Company announced Report No. 02/2023/BCTHQTCT-PICOMAT on corporate governance 2023 as follows:

* Name of listed company: Picomat Plastic Joint Stock Company
* Headquarters address: Cau Lieu Village, Thach Xa Commune, Thach That District, Ha Noi
* Tel: 024.6329.0555 Email: info@picomat.vn
* Charter capital: VND 219,999,900,000
* Securities code: PCH
* Corporate governance model:
* The General Meeting of Shareholders, the Board of Directors, the Supervisory Board and the General Manager

1. Activities of the General Meeting of Shareholders

Information about the meetings and General Mandates/Decisions.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | General Mandate/Decision No. | Date | Content | |
| 1 | 01/2023/NQ-DHDCD | June 19, 2023 | * Approve the Report of the Board of Directors. * Approve the Evaluation Report of the independent members of the Board of Directors. * Approve the Report of the Supervisory Board. * Approve Proposal No. 01/2023/TTr-HDQT on: the Audited Financial Statements 2022 * Approve Proposal No. 02/2023/TTr-HDQT on: Business results in 2022 and the business plan for 2023. * Approve Proposal No. 03/2023/TTr-HDQT on: Select an independent audit company for the fiscal year 2023; * Approve Proposal No. 04/2023/TTr-HDQT on: Elect members to the Board of Directors for the new term 2023-2028 * Approve Proposal No. 05/2023/TTr-HDQT-BKS on: Salary, remuneration of the Board of Directors, the Supervisory Board in 2022, and Plan for 2023: * Approve Proposal No. 06/2023/TTr-HDQT on: Sign and implement contracts, transactions with affiliated party which is subsidiary * Approve Proposal No. 07/2023/TTr-HDQT on: Plan on profit distribution in 2022 * Approve Proposal No. 08/2023/TTr-HDQT on: Share issuance for paying dividends in 2022 * Approve Proposal No. 09/2023/TTr-HDQT on: Approve the private placement plan and use part of capital to invest in PCLand Investment and Asset Management Joint Stock Company (PCLand) * Approve Proposal No. 10/2023/TTr-HDQT on: Approve the list of candidates and elect members of the Board of Directors for the term 2023-2028. * Approve the election results of members of the Board of Directors in the term of 2023 - 2028. | |
| 2 | 02/2023/NQ-DHDCD | November 22, 2023 | Approve Proposal No. 11/2023/TTr-HDQT on: Approve buying shares of PCLand Investment and Asset Management Joint Stock Company (PCLand) from the Company’s own capital and adjust the content of the private placement plan to buy PCLand shares in the Proposal No. 09/2023/TTr-HDQT dated June 07, 2023 approved by the Annual General Meeting of Shareholders 2023 |

1. The Board of Directors (Annual Report 2023)
2. Information about members of the Board of Directors

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Member of the Board of Directors | Position | Date of appointment/dismissal as member/independent member of the Board of Directors | |
| Appointment date | Dismissal date |
| 1 | Mr. Do Thanh Hai | Chair of the Board of Directors | June 20, 2023 |  |
| 2 | Mr. Do Hai Dang | Member of the Board of Directors | June 20, 2023 |  |
| 3 | Ms. Dao Thi Kim Oanh | Member of the Board of Directors | June 20, 2023 |  |
| 4 | Mr. Nguyen Trung Dung | Member of the Board of Directors | June 20, 2023 |  |
| 5 | Mr. Nguyen Minh Duc | Independent member of the Board of Directors | April 6, 2021 | June 20, 2023 |
| 6 | Mr. Nguyen Manh Thang | Independent member of the Board of Directors | June 20, 2023 |  |

2. Board Resolutions/Decisions (Annual Report 2023):

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Board Resolution/Board Decision No. | Date | Content |
| 1 | No. 01/2023/QD-HDQT | March 14, 2023 | Approve contracts/transactions between the Company and affiliated parties of the Company. |
| 2 | No. 02/2023/QD-HDQT | March 24, 2023 | Approve the postponement of the Company's Annual General Meeting of Shareholders 2023 |
| 3 | No. 03/2023/QD-HDQT | April 21, 2023 | Approve the Plan on the organization of the Annual General Meeting of Shareholders 2023 |
| 4 | No. 04/2023/QD-HDQT | May 23, 2023 | Approve the convening of the meeting and the agenda of the Annual General Meeting of Shareholders 2023 of the Company |
| 5 | No. 05/2023/QD-HDQT | June 7, 2023 | Approve the nomination of candidates; list of candidates nominated for the position of members of the Board of Directors of the Company for the term 2023-2028 and supplementing the agenda of the Annual General Meeting of Shareholder 2023 |
| 6 | No. 06-1/2023/QD-HDQT | June 20, 2023 | Approve the election of the Chair of the Board of Directors |
| 7 | No. 06-2/2023/QD-HDQT | June 20, 2023 | Approve to buy shares of shareholders who own shares in PCLand Investment and Asset Management Joint Stock Company |
| 8 | No. 07/2023/QD-HDQT | June 23, 2023 | Approve to appoint an authorized representative to manage the entire contributed capital of the Company at PCLAND Investment and Asset Management Joint Stock Company |
| 9 | No. 08/2023/QD-HDQT | July 19, 2023 | Approve the implementation of the plan on share issuance to pay dividends by shares to existing shareholders according to General Mandate No. 01/2023/NQ-DHDCD dated June 19, 2023, of the Annual General Meeting of Shareholders 2023 of Picomat Plastic Joint Stock Company |
| 10 | No. 09/2023/QD-HDQT | July 27, 2023 | Approve to record the list of shareholders to exercise the rights to receive shares issued to pay dividends by shares of Picomat Plastic Joint Stock Company in 2022 |
| 11 | No. 10/2023/QD-HDQT | August 24, 2023 | * Approve to increase charter capital of the company after the completion of the issuance to pay dividends to existing shareholders * Make amendments to Clause 1. Article 6 of the current Charter of the Company to be consistent with the above-mentioned increase in charter capital |
| 12 | No. 11/2023/QD-HDQT | September 25, 2023 | Approve the plan on organizing the Extraordinary General Meeting of Shareholders 2023 of the Company |
| 13 | No. 12/2023/QD-HDQT | October 24, 2023 | Approve the plan on loans and using assets as assurance method at the Joint Stock Commercial Bank for Investment and Development of Vietnam – Van Phuc Hanoi Branch. |
| 14 | No. 13-01/2023/QD-HDQT | October 27, 2023 | Approve the convening of the meeting and the content of the agenda of the Extraordinary General Meeting of Shareholders 2023 of Picomat Plastic Joint Stock Company |
| 15 | No. 13-02/2023/QD-HDQT | October 27, 2023 | Approve contracts/transactions between the Company and affiliated persons of the Company. |
| 16 | No. 14/2023/QD-HDQT | November 21, 2023 | Approve the update of the content of the private placement Plan (submission to the Extraordinary General Meeting of Shareholders 2023) |
| 17 | No. 15/2023/QD-HDQT | November 22, 2023 | Approve the detailed private placement plan |
| 18 | No. 16/2023/QD-HDQT | November 22, 2023 | Approve the plan to ensure the share issuance meets the regulations on the foreign ownership rate and the registration dossier of the private placement |
| 19 | No. 17/2023/QD-HDQT | November 25, 2023 | Approve the implementation of buying shares of individuals who own shares in PCLand Investment and Asset Management Joint Stock Company from own capital (round 2) approved by the Extraordinary General Meeting of Shareholders 2023 of Picomat Plastics Joint Stock Company |
| 20 | No. 18/2023/QD-HDQT | November 28, 2023 | Approve to appoint an authorized representative to manage Picomat's entire shares at PCLAND Investment and Asset Management Joint Stock Company |

1. The Supervisory Board (Annual Report 2023):
2. Information about members of the Supervisory Board:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Members of the Supervisory Board | Position | Date of appointment/dismissal as member of the Supervisory Board | Qualification | Note |
| 1 | Ms. Nguyen Thi Thuy | Chief of the Supervisory Board | April 6, 2021 | Bachelor of Corporate Finance |  |
| 2 | Ms. Do Thi Thuy Linh | Members of the Supervisory Board | April 6, 2021 | Accounting College |  |
| 3 | Ms. Do Thi Huong | Members of the Supervisory Board | April 29, 2022 | Bachelor of Accounting |  |

1. The Executive Board

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Members of the Executive Board | Date of birth | Qualification | Date of appointment/dismissal as a member of the Executive Board |
| 1 | Ms. Dao Thi Kim Oanh | January 16, 1986 | Bachelor of Economic Laws | September 17, 2019 |

1. The Chief Accountant

|  |  |  |  |
| --- | --- | --- | --- |
| Full name | Date of birth | Qualification | Date of appointment/dismissal |
| Nguyen Thi Nhu Quynh | June 13, 1987 | Accounting College | September 1, 2022 |

1. Training on corporate governance
2. List of affiliated persons of the public company (Annual Report 2023) and transactions between the affiliated persons of the Company with the Company itself
3. Transactions between the Company and affiliated persons of the Company, or between the Company and major shareholders, PDMR, or affiliated persons of PDMR:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organizations/individuals | Relations with the Company | NSH\* No., date of issue, place of issue | Head office address/Contact address | Time of transaction with the Company | General Mandate/Decision of the General Meeting of Shareholder No. or Board Resolution/Decision No. (including date of promulgation, if any) | Content, quantity, total value of transaction | Note |
| 1 | Công ty CP Vật Liệu Hải Đăng (tentatively translated as Hai Dang Materials Joint Stock Company) | Subsidiaries | 0500478475 | Cau Lieu - Thach Xa - Thach That - Ha Noi | 2023 | Board Decision No, 14/2022/QD-HDQT dated December 30, 2022; General Mandate No. 01/2023/NQ-DHDCD dated June 19, 2023 | The Subsidiary's merchandise purchase principle contract with total transaction value in 2023 until December 31, 2023 was: VND 96,817,958,168. |  |
|  | Receive Dividend of 2022: VND 5,700,000,000 |  |
| 2 | Mr. Do Manh Tu | Affiliated person of PDMR (Mr. Do Thanh Hai and Mr. Do Hai Dang) | 001063032003 | Cluster 6, Thach Xa Commune, Thach That District, Ha Noi | From 2019 | No. 0201/2019/NQ- DHDCD dated January 02, 2019 | Leasing contract for business location in Cau Lieu Village, Thach Xa Commune, Thach That District, Hanoi   1. Land lease area: 40m2 2. Rent: VND 2,000,000/month 3. Lease time: until the end of December 31, 2024. |  |
| 3 | PCLAND Investment and Asset Management Joint Stock Company | Affiliated organizations of PDMR (Mr. Do Thanh Hai, Nguyen Trung Dung, Do Hai Dang)  Affiliated organization of the Company | 0107870863 | Cau Lieu Village, Thach Xa Commune, Thach That District, Ha Noi | From 2020 | No. 0201/2020/NQ- DHDCD dated January 02, 2020 | Leasing contract for 1st + 2nd floor with an area of 475 m2 at Parcel 8A + 8B, Lot G5 in Zone A, Anh Dung IV Residential Area, Anh Dung Ward, Duong Kinh District, Hai Phong City. Rent: VND 62,000,000/month  (excluding VAT). Lease time: until the end of December 31, 2025; | No longer an affiliated person of PDMR from April 26, 2023 |
|  | PCland Investment And Asset Management Joint Stock Company - Thai Nguyen Branch | Branch of affiliated organization of the Company | 0107870863 - 001 | No. 38, Group 1, Dong Quang Ward, Thai Nguyen City, Thai Nguyen Province | 2023 | Board Decisions No. 13- 02/2023/QD- HDQT dated October 27, 2023 | * Service provision contract dated June 19, 2023 The total value of the contract: VND 58,232,000 * Service provision principle contract dated October 27, 2023. Total transaction value: VND 52,960,000 | On the date of signing the service contract on June 19, 2023, this Company is not the affiliated organization of the Company |
| 4 | Nethome Furniture Architecture Company Limited | Affiliated organization of PDMR (Ms. Nguyen Thi Nhu Quynh) | 0108413796 | No. 36, Lane 84, Yen Lac 2 Street, Can Kiem Commune, Thach That District, Hanoi, Vietnam |  | No. 01/2023/QD-HDQT dated March 14, 2023 | Sales principle contract. Total transaction value did not exceed VND 10,000,000,000. By the end of December 31, 2023, the total transaction value was VND 3,963,447,973; |  |

1. Transactions between the Company’s PDMR, affiliated persons of PDMR, and subsidiaries or companies controlled by the Company

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organizations/individuals | Relations with the Corporation | NSH No., Date of issue, Place of issue | Head office address/Contact address | Time of transaction with the Company | General Mandate/Decision of the General Meeting of Shareholder No. or Board Resolution/Decision No. (including date of promulgation, if any) | Content, quantity, total value of transaction | Note |
| 1 | Mr. Do Manh Tu | Affiliated person of PDMR (Mr. Do Thanh Hai and Mr. Do Hai Dang) | 001063032003 | Cluster 6, Thach Xa Commune, Thach That District, Ha Noi | From 2019 | None. | Mr. Do Manh Tu leased the workshop to Hai Dang Materials Joint Stock Company   1. Leased area: 5,000 m2 2. Rent: VND 70,000,000/year 3. Lease time: To May 30, 2033 |  |
| 2 | PCLAND Investment and Asset Management Joint Stock Company | Affiliated organization of PDMR (Mr. Do Thanh Hai, Mr. Nguyen Trung Dung, Mr. Do Hai Dang) | 0107870863 | Cau Lieu Village, Thach Xa Commune, Thach That District, Ha Noi | From 2022 | No. 0305/2022/NQ- HDQT of Hai Dang Materials Joint Stock Company dated May 03, 2022 | Loan contract (Hai Dang Materials Joint Stock Company to PCLAND Investment and Asset Management Joint Stock Company) Loan Amount: VND 24,000,000,000 Interest rate: 7.7% / first year  Loan term: 24 months | No longer affiliated organization of PDMR from April 26, 2023  The contract was finalized on May 10, 2023 |
| 3 | Nethome Furniture Architecture Company Limited | Affiliated person of PDMR (Ms. Nguyen Thi Nhu Quynh) | 0108413796 | No. 36, Lane 84, Yen Lac 2 Street, Can Kiem Commune, Thach That District, Hanoi, Vietnam | From 2022 | No. 0612/2022/NQ- HDQT dated December 06, 2022 of Hai Dang Materials Joint Stock Company  No. 1204/2023/NQ- HDQT dated April 12, 2023 of Hai Dang Materials Joint Stock Company | Contract Principles of goods trading As of December 31, 2023, The total transaction value was: VND 2,485,850,400. |  |
| 4 | Mr. Do Thanh Hai | PDMR, affiliated persons of PDMR (Chair of the Board of Directors of the Company). | 001087049476 | Apartment No. 707, Mixed-use construction of housing, offices and commercial services, Lot H1, Trung Hoa Ward, Cau Giay District, Hanoi City | December 2023 | No. 2512/2023/QD- HDQT dated December 25, 2023 of Hai Dang Materials Joint Stock Company | Mr. Do Thanh Hai transferred the Brand “3s bookstore” to Hai Dang Materials Joint Stock Company. The transfer price was free |  |

1. Transactions between the Company and other entities
   1. Transactions between the Company and the company in which members of the Board of Directors, members of the Supervisory Board, the Manager (General Manager), and other managers have been founding members or members of the Board of Directors, the Executive Manager (General Manager) for the past three (03) years (calculated at the time of reporting).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organizations/individuals | Relations with the Corporation | NSH\* No., Date of issue, Place of issue | Head office address/Contact address | Time of transaction with the Company | Approved General Mandate/Decision of the General Meeting of Shareholder or Board Resolution/Board Decision No. (including promulgation date, if any) | Content, quantity, total value of transaction | Note |
| 1 | Hai Dang Materials Joint Stock Company | A subsidiary which member of the Board of Directors - Mr. Do Hai Dang was authorized to be the representative of capital and a member of the Board of Directors | 0500478475 | Cau Lieu - Thach Xa - Thach That - Ha Noi | 2023 | Board Resolution No. 14/2022/QD-HDQT dated December 30, 2022; General Mandate No. 01/2023/NQ-DHDCD dated June 19, 2023 | Contract Principles of goods trading The total transaction value for 2023 as of December 31, 2023 was: VND 96,817,958,168.  Receive Dividend of 2022: VND 5,700,000,000 |  |
| 2 | PCLAND Investment and Asset Management Joint Stock Company | The company that Mr. Do Thanh Hai and Mr. Nguyen Trung Dung have operated for the past 03 years | 0107870863 | Cau Lieu Village, Thach Xa Commune, Thach That District Ha Noi | From 2020 | General Mandate No. 0201/2020/NQ-DHDCD dated January 02, 2020 | Leasing contract for 1st + 2nd floor with an area of 475 m2 at Parcel 8A + 8B, Lot G5 in Zone A, Anh Dung IV Residential Area, Anh Dung Ward, Duong Kinh District, Hai Phong City. Rent: VND 62,000,000 (excluding value-added tax) Lease time: until the end of December 31, 2025; |  |
| 3 | PCland Investment And Asset Management Joint Stock Company - Thai Nguyen Branch | Branch of the company that Mr. Do Thanh Hai and Mr. Nguyen Trung Dung have operated for the past 03 years | 0107870863 - 001 | No. 38, Group 1, Dong Quang Ward, Thai Nguyen City, Thai Nguyen Province | June 19, 2023 | None. | Service provision contract Total Contract/transaction value was VND 58,232,000 |  |
|  | PCland Investment And Asset Management Joint Stock Company - Thai Nguyen Branch | Branch of the company that Mr. Do Thanh Hai and Mr. Nguyen Trung Dung have operated for the past 03 years | 0107870863 - 001 | No. 38, Group 1, Dong Quang Ward, Thai Nguyen City, Thai Nguyen Province | 2023 | Board Decision No. 13-02/2023/QD-HDQT dated October 27, 2023 | Service provision principle contract dated October 27, 2023. Total transaction value: VND 52,960,000 |  |

* 1. Transactions between the Company and companies where the affiliated persons of members of the Board of Directors, members of the Supervisory Board, the Manager (the General Manager) and other managers are members of the Board of Directors, the Executive Manager (the General Manager).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organizations/individuals | Relations with the Company | NSH\* No., Date of issue, Place of issue | Head office address/Contact address | Time of transaction with the Company | General Mandate/Decision of the General Meeting of Shareholder or Board Resolution/Decision ( including the promulgation date, if any) | Content, quantity, total value of transaction | Note |
| 1 | Hai Dang Materials Joint Stock Company | The company in which the affiliated person of Mr. Do Thanh Hai - Chair of the Board of Directors of Picomat is a member of the Board of Directors (Mr. Do Hai Dang) | 0500478475 | Cau Lieu Village, Thach Xa Commune, Thach That District, Ha Noi | 2023 | Board Resolution No. 14/2022/QD-HDQT dated December 30, 2022; General Mandate No. 01/2023/NQ- DHDCD dated June 19, 2023 | Contract Principles of goods trading The total transaction value for 2023 as of December 31, 2023 was: VND 96,817,958,168. |  |
| Receive Dividend of 2022: VND 5,700,000,000 |  |
| 2 | Nethome Furniture Architecture Company Limited | The company of which the affiliated person of Ms. Nguyen Thi Nhu Quynh is the Manager. | 0108413796 | No. 36, Lane 84, Yen Lac 2 Street, Can Kiem Commune, Thach That District, Hanoi City, Vietnam |  | No. 01/2023/QD-HDQT dated March 14, 2023 | Sales principle contract. Total transaction value did not exceed VND 10,000,000,000. By the end of December 31, 2023, the total transaction value was VND 3,963,447,973 |  |

* 1. Other transactions of the Company (if any) that can bring about material or non-material benefits to members of the Board of Directors, members of the Supervisory Board, and the Manager (General Manager) and other managers. None

1. Share transactions of PDMR and affiliated persons of PDMR (Annual Report 2023):
2. Transaction of PDMR and affiliated persons related to the Company’s shares:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Transaction conductor | Relations with PDMR/affiliated persons | Number of shares owned at the beginning of the period | | Number of shares owned at the end of the period | | Reasons for increase or decrease (buy, sell, convert, reward, etc.) |
| Number of shares | Rate | Number of shares | Rate |
| 1 | Do Thanh Hai | PDMR | 4,300,000 | 21.5% | 4,730,000 | 21.5% | Receive dividends in 2022 |
| 2 | Do Manh Tu | Affiliated persons of Mr. Do Thanh Hai, Do Hai Dang | 903,000 | 4.5% | 993,300 | 4.5% | Receive dividends in 2022 |
| 3 | Nguyen Van Trung | Affiliated persons of Mr. Do Thanh Hai, Nguyen Trung Dung | 350 | 0.002% | 385 | 0.002% | Receive dividends in 2022 |
| 4 | Nguyen Thi Hop | Affiliated persons of Mr. Do Thanh Hai, Nguyen Trung Dung | 370 | 0.002% | 407 | 0.002% | Receive dividends in 2022 |
| 5 | Do Hai Dang | PDMR | 950,000 | 4.75% | 1,045,000 | 4.75% | Receive dividends in 2022 |
| 6 | Nguyen Thu Hang | Affiliated persons of Mr. Do Thanh Hai, Do Hai Dang, Nguyen Trung Dung | 500,500 | 2.50% | 550,550 | 2.50% | Receive dividends in 2022 |
| 7 | Nguyen Trung Dung | PDMR | 200,000 | 1.0% | 220,000 | 1.0% | Receive dividends in 2022 |
| 8 | Dao Thi Kim Oanh | PDMR | 800,000 | 4.0% | 880,000 | 4.0% | Receive dividends in 2022 |
| 9 | Nguyen Thi Thuy | PDMR | 400 | 0.002% | 440 | 0.002% | Receive dividends in 2022 |
| 10 | Nguyen Manh Hung | Affiliated person of Ms. Nguyen Thi Thuy | 200 | 0.001% | 220 | 0.001% | Receive dividends in 2022 |
| 11 | Do Thi Thuy Linh | PDMR | 400 | 0.002% | 440 | 0.002% | Receive dividends in 2022 |
| 12 | Nguyen Thi Thu Huong | PDMR | 700 | 0.004% | 770 | 0.004% | Receive dividends in 2022 |
| 13 | Vuong Dinh Hien | Affiliated person of Ms. Nguyen Thi Thu Huong | 200 | 0.001% | 220 | 0.001% | Receive dividends in 2022 |
| 14 | Nguyen Thi Khanh Huyen | Legal representative of the Subsidiary | 2400 | 0,012% | 2640 | 0,012% | Receive dividends in 2022 |
| 15 | Phuong Thi Dao | Member of the Board of Directors of the Subsidiary | 400 | 0.002% | 440 | 0.002% | Receive dividends in 2022 |
| 16 | Duong Thi Tuoi | Chief Accountant of the Subsidiary | 800 | 0,004% | 880 | 0,004% | Receive dividends in 2022 |

IX. Other significant issues: None.