**HSV: Board Decision**

On April 12, 2024, HSV Viet Nam Group Joint Stock Company announced Decision No. 04/2024/QD-CT on approving production and business plan and credit demand in 2024-2025 as follows:

Article 1: Approve production and business plan and credit demand in 2024 as follows:

1. For short-term lending limit:

Unit: Million VND

|  |  |
| --- | --- |
| Target | 2024 Plan |
| Net revenue | 800,000 |
| - Revenue from billets, iron, steel, and scrap of all kinds | 600,000 |
| + Scrap of all kinds | 450,000 |
| + Finished steel products, rolled corrugated iron of all kinds | 100,000 |
| + Steel billets | 50,000 |
| Revenue from agricultural products | 200,000 |
| + Coffee | 150,000 |
| + Other agricultural produces | 50,000 |
| Total expenses | 794,750 |
| + Costs of goods sold | 766,750 |
| - Costs of scrap and steels | 573,750 |
| Costs of scrap | 427,500 |
| Costs of all kinds of steel | 97,500 |
| Costs of billets of all types | 48,750 |
| - Costs of agricultural products | 194,000 |
| Costs of coffee | 145,500 |
| Costs of other agricultural products | 48,500 |
| + General and administrative expenses | 9,000 |
| + Interest expense | 12,000 |
| + Depreciation expense | 3,000 |
| + Selling expense | 4,000 |
| + Other expenses | - |
| Profit before tax | 5,250 |
| Profit after tax | 4,200 |

- Short-term borrowing demand:

|  |  |  |  |
| --- | --- | --- | --- |
| Target | Unit | Value | Total |
|  |  | Iron and steel, scrap, billet | Coffee, agricultural products |
| Total expenses | Million VND | 597,083 | 198,667 |  |
| Total production and business expenses necessary to implement the plan (Loan interest and depreciation excluded) | Million VND | 584,583 | 196,167 |  |
| Expected working capital turnover | turn/year | 2.7 | 3.0 |  |
| Working capital demand | Million VND | 216,512 | 65,389 | 281,901 |
| Own capital and other mobilized capital | Million VND | 66,512 | 15,389 | 101,901 |
| Branch loan capital  | Million VND | 150,000 | 50,000 | 180,000 |

- Capital structure to implement the plan:

|  |  |  |
| --- | --- | --- |
| Capital sources | Value(Million VND) | Note |
| Owner’s equity | 88,890 | The Company's circulating capital in 2022 is VND 89,644 million. In 2022, the Company planned to supplement several machines for business activities, so its own capital in 2024 is VND 81,901 million. |
| Capital of loans from other credit organizations | 20,000 | The Company now has a limit of VND 160 billion at VPB. Currently, the Company has an outstanding debt of VND 12 billion at VPB and a plan to reduce this outstanding debt to ensure compliance with Credit Approval Specialist at VietinBank. The Company ensures to focus on the entire use of outstanding loan balance at VietinBank Thang Long. However, in case of periods with policy fluctuations, scale of revenue changing compared to that of its plan, the Company's outstanding loan provision at other credit institutions is VND 20 billion. |
| Branch loan capital | 180,000 | In which:+ Loan capital for iron and steel scrap and steel billet business: VND 150 billion+ Loan capital for coffee and agricultural products business: VND 50 billion |
| Total | 280,890 |  |

Article 2: Plan to arrange capital sources to implement the business plan in 2024-2025:

Total credit line in 2024: VND 180,000 million.

In which: Short-term lending limit: VND 180,000 million

Article 3: This Board Decision takes effect from the date of its signing. The Board of Directors of HSV Viet Nam Group Joint Stock Company is responsible for implementing this Decision.

Article 4: This Decision supersede\s Decision No. 03/2024/QD-CT promulgated on March 14, 2024.