

**PERFORMANCE REPORT OF INDEPENDENT MEMBER OF THE  
BOARD OF DIRECTORS IN THE AUDIT COMMITTEE**

**(Year 2024)**

**To: General Meeting of Shareholders of Masan High-Tech Materials Corporation**

*Pursuant to:*

- *Law on Securities No. 54/2019/QH14 dated November 26, 2019;*
- *Law on Enterprises No. 59/2020/QH14 dated June 17 2020;*
- *The role, authority, and responsibilities of the Audit Committee (AC) provided in the Charter of Masan High-Tech Materials Corporation.*
- *The working Regulation of the Audit Committee of Masan High-Tech Materials Corporation.*

On behalf of the Audit Committee, I would like to present the General Meeting of Shareholders our performance report 2023 as follows:

**I. PERFORMANCE OF THE AUDIT COMMITTEE IN 2023**

**1. Organizational structure**

The Audit Committee's organizational structure in 2023 consist of:

| <b>Full name</b>     | <b>Position</b>            |          |                        |
|----------------------|----------------------------|----------|------------------------|
| Ms. Nguyen Thu Hien  | Independent Board Member   | Chairman | of the Audit Committee |
| Mr. Nguyen Thieu Nam | Non-executive Board member | Member   | of the Audit Committee |

**2. Meeting sessions**

In 2023, the Audit Committee held 02 meeting sessions, specifically:

- **20/04/2023:** Discussed and agreed on the targets and action plans for the Audit Committee in 2023.
- **29/12/2023:** Assessed the implementation of the Resolution of the Board of Directors in 2023; Assessed and commented on transactions with related parties; Discussed the working plan with focuses for Quarter 1/2024; Supervise the truthfulness of the financial statements and the operations of the Company; Monitor the internal control system on the basis of internal audit results.

**II. 2023 PERFORMANCE RESULTS**

**1. Supervision of the Audit Committee toward the Board of Directors - Management Team**

Through the Audit Committee's supervision on the performance of the Board of Directors and Management team in the financial year 2023, the Audit Committee acknowledged the following results:

- The Company's business activities were in line with our business registration Certificate, Company's Charter and compliant to the legal regulations, State management regimes on financial accounting and taxes;
- All contents of the Resolution of the Annual General Meeting of Shareholders for financial year 2023 have been fully performed except for 02 issues that have not been implemented for objective reasons, in particular:
  - To approve the issuance plan of new shares and plan of using proceeds.  
*Reason: Due to the market situation and the Company's business development strategy, we have decided to put the plan to issue new shares and use proceeds into 2024 Annual General Meeting of Shareholders.*
  - To approve the issuance plan of new shares under the employee stock option plan (ESOP).  
*Reason: Due to the Board of Directors found that the market in 2023 is not suitable to issue ESOPs to employees.*
- The meeting sessions of the Board of Directors held to discuss and vote to approve the contents were in compliance with legal regulations and the authority of the Board of Directors. The contents voted by collecting written opinions were conducted as per requirements;
- Members of the Board of Directors correctly performed their duties and responsibilities as per duty allocation Table for the members of the Board of Directors;
- Based on the Board of Directors' Resolution, the Management team fully performed the contents of the Resolution in the business management of the Company.

## **2. Supervision of preparation of the financial statement**

The Audit Committee supervised the presentation of the quarterly, first half-year or second half-year financial statements 2023 before the Management team submitted them the Board of Directors, General Meeting of Shareholders or to be publicly released in accordance with legal regulations. The audit results showed that:

- The quarterly and annual financial statements 2023 were developed and released in line with the accounting standards and accounting policy and applicable legal regulations;
- The selected audit company provided a reliable, honest auditing service, complied with the audit time limit and professional regulations and ensured the independence and objectivity in providing audit comments.

## **3. Supervision of the independent audit service**

- In 2023, the independent auditor provided mid-year and annual report audit services for the Company. The scope, content, method and duration of the audit were performed in accordance with the signed contract by the independent auditor;
- The Audit Committee also discussed and made clear information related the financial statements before the auditor published the audit Report;
- The Audit Committee highly appreciated the independence and quality of the auditing service at the Company.

## **4. Assessment results of the Company's internal control and risk management**

- The Company issued and strictly implemented the internal audit and risk management procedures in compliance with legal regulations and international practices.
- In 2023, the Company hired an international consulting company in support of review and perfection of the management process system with the aim of standardization following the international practices as a basis for execution of suitable information technology systems in order to enhance the performance efficiency.
- The Audit Committee oversights the Internal Audit Department at MHT to implement independent assessment on the internal audit and risk management system.

## **5. Supervision of the internal transactions.**

- Transactions between the Company, subsidiaries, other companies with at least 50% of its charter capital controlled by the Company with its members of the Board of Directors and other Related Persons of such members; transactions between the Company and a company in which a member of the Company's Board of Directors, the General Director, other executives is its founding member or manager within the latest 3 years prior to the transaction time were supervised by the Audit Committee; The Audit Committee also provided recommendations on transactions required approval from the Board of Directors or General Meeting of Shareholders.

**6. Assessment results of the cooperation between the Audit Committee and the Board of Directors, the General Director, and Shareholders**

During operation, the Audit Committee closely worked with the Board of Directors, General Director and Shareholders. The Audit Committee was not interfered during performance of its duties, created favorable conditions to access the documents related to the Company's business operations, discuss with other members of the Board of Directors, General Director, Chief accountant to collect information serving the operation of the Audit Committee. Any arising issue was discussed and addressed in a timely manner.

**7. Remuneration, operating costs and other benefits of the Audit Committee and each member of the Audit Committee as prescribed by the Law on Enterprise**

Remuneration, operational costs and other benefits for the Audit Committee and each member of the Audit Committee were compliant to the Law on Enterprise and Company's Charter. The further detail was provided in the Company's consolidated financial statements 2023.

**III. ACTION PLAN OF THE AUDIT COMMITTEE IN 2024**

To achieve the set targets, the Audit Committee outlined its action plan for 2024 with the following focuses:

- Perform its functions of inspection and supervision of the Board of Directors' activities, the management team's management and operation; Check the validity, legitimacy, legality, transparency and due diligence in the management and compliance and effectiveness;
- Support the Board of Directors in ensuring that the corporate governance was in line with the legal regulations and Company's Charter;
- Contribute to the perfection of the corporate risk management system in line with the Company's business situation, applicable legal regulations and toward international practices;
- Supervise the service quality of the independent auditor during the audit periods for 2024;
- Supervise the operation of the Internal Audit Committee in 2024;
- Perform other tasks as provided in the working Regulations of the Audit Committee of Masan High-Tech Materials.

The above is the performance Report of the Company's Audit Committee in 2023 and action Plan for 2024. We hope our General Meeting of Shareholders will be greatly successful.

**FOR AND ON BEHALF OF AUDIT  
COMMITTEE**

*[signed and sealed]*

**NGUYEN THU HIEN  
CHAIRMAN**