

**REGULATIONS ON SHARE ISSUANCE  
UNDER THE EMPLOYEE STOCK OWNERSHIP PROGRAM 2025  
(ESOP 2025) OF HAI DUONG PUMP MANUFACTURING JSC.**

*(Issued together with Resolution No. 24/2025/NQ-HĐQT/HAPUMA  
of the Board of Directors)*

**Article 1. Purpose and Significance**

The share issuance plan under the Employee Stock Ownership Program 2025 (“ESOP 2025”) of Hai Duong Pump Manufacturing Joint Stock Company is designed with the following primary objectives:

- To attract and retain employees on a long-term basis, particularly key management personnel, thereby enhancing the Company’s operational efficiency and growth;
- To recognize employees’ contributions, foster motivation, and align the Company’s business performance with the interests of capable key personnel who contribute to sustainable development;
- To increase the Company’s charter capital.

**Article 2. Definitions**

The terms used in this Regulation shall be understood as follows:

- |    |                      |   |
|----|----------------------|---|
| 1. | Company/CTB:         | Hai Duong Pump Manufacturing Joint Stock Company    |
| 2. | BOD:                 | Board of Directors                                  |
| 3. | SB:                  | Supervisory Board                                   |
| 4. | AGM:                 | Annual General Meeting of Shareholders              |
| 5. | BOM:                 | Board of Management                                 |
| 6. | Employees:           | All employees participating in the ESOP 2025        |
| 7. | ESOP:                | Employee Stock Ownership Plan                       |
| 8. | SSC:                 | State Securities Commission of Vietnam              |
| 9. | Employment Contract: | Labor contract between the Company and the employee |

**Article 3. Reference Documents**

The ESOP 2025 shall be implemented based on the following legal documents and corporate regulations:

- Law on Securities No. 54/2019/QH14 dated 26 November 2019 and related guiding documents;
- Law on Enterprises No. 59/2020/QH14 dated 17 June 2020 and related guiding documents;
- Law amending and supplementing certain provisions of the Law on Enterprises No. 76/2025/QH15 dated 17 June 2025;
- Decree No. 155/2020/ND-CP dated 31 December 2020;
- Decree No. 245/2025/ND-CP dated 11 September 2025 amending Decree No. 155/2020/ND-CP;
- Circular No. 118/2020/TT-BTC dated 31 December 2020;
- Circular No. 96/2020/TT-BTC dated 16 November 2020;

- Charter of Hai Duong Pump Manufacturing Joint Stock Company;
- *Resolution No. 195/NQ-ĐHĐCĐ/HAPUMA dated 03 April 2025 of the Annual General Meeting of Shareholders 2025;*
- *Resolution No. 473/NQ-ĐHĐCĐ/HAPUMA dated 06 August 2025 of the Extraordinary General Meeting of Shareholders 2025;*
- Other relevant current legal documents.

*In the event that competent State authorities or the Company issue new documents amending, supplementing, or replacing the above reference documents, such new documents shall automatically take effect and supersede the previous ones, unless otherwise regulated.*

#### **Article 4. Scope and Participants**

- Eligible participants: All members of the Company's Board of Management, including the positions of General Director, Deputy General Director, Chief Accountant, Business Director, and Southern Regional Business Director.
- Eligibility criteria: Participants must meet all of the following conditions:
  - ✓ Have held a Board-level position (as listed above) for at least six (06) months from the date of appointment to the date of the Extraordinary General Meeting (06 August 2025).
  - ✓ Have worked at the Company for at least three (03) years from the date of the Extraordinary General Meeting (06 August 2025) until reaching the statutory retirement age.
  - ✓ Have expressed willingness to purchase Company shares.
  - ✓ Commit not to resign before the ESOP shares' transfer restriction period expires (*except in special cases approved by the Board of Directors*).

#### **Article 5. ESOP 2025 Plan Details**

##### **1. Share Information**

- Issuer: Hai Duong Pump Manufacturing Joint Stock Company
- Share Name: Hai Duong Pump Manufacturing JSC Shares
- Stock Code: CTB
- Type: Common shares
- Par Value: VND 10,000 per share
- Total Outstanding Shares: 20,519,960 shares
- Number of ESOP Shares to be Issued: 300,000 shares (1.46% of outstanding shares)
- Total Par Value of Issued Shares: VND 3,000,000,000
- Issuance Method: Employee Stock Ownership Plan
- Issue Price: VND 10,000 per share

##### **2. Share Allocation Principles**

- Eligible employees meeting the criteria at the same level shall receive an equal number of shares.
- Allocation criteria are clearly defined, quantified, and differentiated according to participant categories.

- Share allocation shall reflect the Company's objectives for the issuance, including recognition of contributions and incentivizing retention.

### 3. Allocation Method

- The number of shares allocated to each employee shall be calculated as follows:

Employees eligible under the program will be allocated shares according to the following formula:

$$\begin{array}{c} \text{Number} \\ \text{of shares} \\ \text{allocated} \\ \text{to the} \\ \text{employee} \end{array} = \frac{\begin{array}{c} \text{Total ESOP shares issued in 2025} \\ \text{(ESOP 2025)} \end{array}}{\begin{array}{c} \text{Total Board level coefficients} \\ \text{of all eligible employees} \end{array}} \times \begin{array}{c} \text{Board-} \\ \text{level coefficient} \\ \text{of the employee} \end{array}$$

*The rank coefficients within the Board of Management are determined as follows:*

- General Director, Deputy General Director, Chief Accountant: 1.30
  - Business Director, Southern Region Business Director: 1.00
- Shares allocated to each eligible employee shall be rounded to the nearest ten in accordance with the following principle: where the unit digit is below five (5), the number shall be rounded down; where the unit digit is five (5) or above, the number shall be rounded up.

*For example: 123 shall be rounded to 120; 127 shall be rounded to 130.*

- The Board of Directors shall compile and approve the allocation list.

### 4. Transfer Restrictions

- Shares are restricted from transfer for three (03) years (36 months) from the completion date of the issuance. Any rights or benefits arising from ESOP shares are not restricted.
- Employees may not transfer their subscription rights to others.

### 5. Treatment of Unsold Shares

Any unsubscribed shares may be reallocated to other employees in accordance with program objectives at VND 10,000 per share and/or canceled. Such shares are subject to a three-year transfer restriction.

### 6. Handling of ESOP 2025 Shares in the Event an Employee Ceases Employment at Hai Duong Pump Manufacturing JSC.

#### 6.1. Obligation to Sell Back Shares

In the event that an employee resigns or otherwise ceases employment before the expiration of the transfer restriction period, the employee shall be required to sell back all shares subject to the restriction to the Company at a price of VND 10,000 per share.

For clarification, an employee leaving the Company before the end of the ESOP 2025 transfer restriction period shall cooperate with Hai Duong Pump Manufacturing Joint Stock Company to complete all procedures for the sale of the shares upon termination of the employment contract.

If an employee ceases employment due to force majeure (e.g., disability, death, or other unavoidable circumstances), they shall retain full rights to the shares purchased under ESOP 2025 and shall not be required to sell them back.

Any cases not explicitly covered herein shall be reviewed and resolved on a case-by-

case basis by the Board of Directors.

### ***6.2. Method of Share Repurchase***

The Company shall repurchase ESOP 2025 shares as treasury shares.

## **7. Implementation Schedule**

Registration and subscription procedures shall follow Company announcements after SSC approval of the ESOP 2025 report.

### **Article 6. Implementation**

- These Regulations shall take effect from 04 December 2025.
- Any amendments, supplements, or replacements to these Regulations shall be made pursuant to the resolution of the Board of Directors of Hai Duong Pump Manufacturing Joint Stock Company.
- In the event of new legal provisions relating to the ESOP share issuance, these Regulations shall be amended accordingly to ensure compliance.

**ON BEHALF OF THE BOD  
CHAIRMAN**

*(signed and sealed)*

**Nguyen Trong Tieu**

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*(\*) The English version of the disclosed information shall be consistent with the Vietnamese version. In case of any discrepancies or differences in interpretation between the two versions, the Vietnamese version shall prevail.*