




**VINGROUP JOINT STOCK COMPANY**

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No: 03/2021/BC-BKS-VINGROUP

**THE SOCIALIST REPUBLIC OF VIETNAM**

Independence- Freedom- Happiness  
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*Hanoi, 12 May 2021*

**REPORT OF THE SUPERVISORY BOARD  
AT THE 2021 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Respectfully submitted to: THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

In 2020, the Covid-19 pandemic has disrupted the global socio-economic activities as well as affected the world supply chains which brought negative impact to the Vietnamese economy. Thanks to the Government's prompt actions in containing the spread of the virus to realize the dual goal of pandemic prevention and socio-economic development, Vietnam's GDP increased by 2.91%, one of the highest growth rates in the world. Except for the sectors directly affected by Covid-19 such as services and hospitality, most other sectors have achieved positive growth. Vietnam's position in the international arena therefore has been enhanced.

In 2020, Vingroup Joint Stock Company ("Vingroup" or the "Group") continued to our great efforts in sustaining its strong growth momentum and continued to achieve many successes in all of the business segments.

Within the scope of responsibilities, functions and authority as prescribed under the Charter of the Group and in accordance with the Law on Enterprises and other regulations applicable to listed companies, in 2020, the Supervisory Board supervised and ensured compliance with the relevant laws and Vingroup's Charter in relation to financial management and accounting practices, investment and development activities, management of real estate and manufacturing projects, and launching of new businesses. The Supervisory Board also conducted periodical inspection over the financial statements of the Group and its subsidiaries.

On behalf of the Supervisory Board, I would like to report to the Annual General Meeting of Shareholders (the "AGM") as follows:

**1. Vingroup's financial performance**

The Supervisory Board agrees with the contents of both the 2020 consolidated and separate financial statements as prepared by Management and audited by Ernst & Young Vietnam Ltd. These financial statements accurately reflected Vingroup's financial position as at 31 December 2020 as well as its business performance and cash flows for the fiscal period from 1 January 2020 to 31 December 2020.

Key financial indicators from Vingroup's 2020 consolidated financial statements were as follows:

**a. Consolidated business performance:**

- Net revenue : VND 110.5 trillion, a decrease of 15% over 2019
- Total profit before tax : VND 13.9 trillion
- Net profit after tax : VND 4.5 trillion, a decrease of 41% over 2019

**b. Consolidated Group assets:**

- Current assets : VND 166.0 trillion

- Non-current assets : VND 256.5 trillion
- Total assets : VND 422.5 trillion
- c. Owners' equity : VND 135.9 trillion

## **2. Assessment of the Board of Directors and Chief Executive Officer's actions**

The Supervisory Board met several members of the Board of Directors, Management, Chief Financial Officers and Project Development Directors of a number of subsidiaries to review corporate management, financial control and the implementation of new projects, and obtain information at different levels and a holistic update of the operations of the entire Group.

The Supervisory Board assessed that the Board of Directors, the CEO and other members of Management have acted in accordance with their regulated functions, responsibilities, and assured that the Group's operating and investment activities have been conducted in a transparent and lawful manner. Within the scope of responsibilities, functions and authorities, the Supervisory Board acknowledges that there is no major risk or violation that could potentially affect the operation of the Group.

## **3. Report on the Supervisory Board and the supervisors' activities**

### **3.1. Activities in 2020 and 2021 Action Plan of the Supervisory Board**

In 2020, the Supervisory Board promoted control and supervisory activities, and collaborated with the Board of Directors and Management to monitor the issuance and implementation of, and to assess the results of General Meeting of Shareholders' ("GMS") and Board of Directors' (the "BoD") resolutions. In performing the functions and tasks as specified in the Charter and internal regulations, the Supervisory Board also tracked audits of the Group and its subsidiaries by the Internal Audit Division and external audit reports, in order to ensure that operations, production and business activities comply with the law and the Group's Internal Governance Regulations, especially when social distancing was mandatory amidst Covid-19.

The Supervisory Board carried out these functions during the year:

- Oversaw the implementation of GMS and BOD resolutions issued in 2020;
- Supervised and evaluated the execution of business plans in order to achieve the revenue and profit targets;
- Ensured the truth and fairness of quarterly financial statements in accordance with Vietnamese Accounting Standards and other accounting policies and regulations;
- Ensured the Group and its listed subsidiaries comply with the law and regulations on information disclosure; and
- Reviewed and evaluated Vingroup's key related-party transactions.

During 2021, the Supervisory Board will continue to carry out its mandated functions and responsibilities with a strong focus on increasing overall compliance and transparency, with emphasis on internal audit, specifically:

- Monitor legal and regulation compliance and the implementation of commitments in the business activities of the Group and P&Ls
- Review the preparation and reconciliation of quarterly and annual financial statements of the Group and large P&Ls on both periodic and ad-hoc basis
- Actively research and provide strategic consultation to the Board of Directors and Management to come up with measures to improve transparency, as well as monitor and prevent risks in business operations

### **3.2. Self-assessment of the Supervisory Board members**

During 2020, members of the Supervisory Board have fully attended three meetings and have internal discussions among ourselves. Besides, following the Head of the Supervisory Board's task allocation, each member, with our own professional expertise, has actively supervised and examined actions of the Board of Directors, CEO, major functional departments, and major subsidiaries. Members of the Supervisory Board have assessed that we have completed our duties and responsibilities in compliance with relevant laws and the Company's Charter.

On this occasion, on behalf of the Supervisory Board, I would like to send our best wishes to the Shareholders, the Board and Directors, Management, and wish for another successful AGM.

Thank you.

*To:*

- *As stated above;*
- *Vingroup archives.*

**ON BEHALF OF  
THE SUPERVISORY BOARD  
HEAD OF THE SUPERVISORY BOAD**

**(signed)**

**NGUYEN THE ANH**

*Note: Further amendments and supplements to this document may be proposed for approval at the AGM.*