VINACONTROL GROUP CORPORATION

No.: 07/BC-BKS

REPUBLIC OF SOCIALIST VIETNAM

Independence - Freedom - Happiness

Hanoi, March 28st, 2025

REPORT

ON THE ACTIVITIES OF THE BOARD OF SUPERVISORS IN 2024

(Submitted to the 2025 Annual General Meeting of Shareholders)

To: The General Meeting of Shareholders – Vinacontrol Group Corporation

Pursuant to the Law on Enterprise No. 59/2020/QH14 and related documents;

Pursuant to the Company's Charter and operational regulations;

Pursuant to the operational regulations, functions, and duties of the Board of Supervisors (BOS);

Pursuant to the Company's 2024 business performance and the Company's Financial Statements in 2024 audited by Ernst & Young Vietnam Co., Ltd.,

The Board of Supervisors of Vinacontrol Group Corporation (the Company) would like to report to the annual General Meeting of Shareholders (GMS) on the results of operations in 2024 with the following contents:

I. REPORT ON THE ACTIVITIES OF THE BOARD OF SUPERVISORS IN 2024

1. Report on the Company's business performance

a) Business results in 2024

In 2024, revenue in the consolidated Financial Statements (FS) reached 823.79 billion VND (112.08% of the plan, equal to 115.54% compared to 2023). The revenue in the combined FS was 454.7 billion VND (118.11% of the plan, equal to 117.85% compared to 2023). The net profit in the consolidated FS reached 36.35 billion VND (103.86% of the plan, equal to 96.39% compared to 2023), while the net profit in the combined FS reached 34.51 billion VND (101.51% of the plan, equal to 93.8% compared to 2023), specifically:

Unit: Billion VND

No.	Criteria	2024 Actual	2024 Plan	2023 Actual	Actual vs. Plan (%)	Actual vs. 2023 (%)
1	Consolidated Revenue	823.79	735.00	712.97	112.08	115.54
2	Consolidated Net Profit	36.35	35.00	37.71	103.86	96.39
3	Combined Revenue	454.70	385.00	385.83	118.11	117.85
4	Combined Net Profit	34.51	34.00	36.80	101.51	93.80

b) Results of Supervision of the Company's operational and financial-accounting status

- In 2024, the Company's business performance maintained stable growth, promoting the application of technology in business management and operation, enhancing new products and services. Encouraging units to use each other's available capacity. Based on the Company's business performance in 2024, the Board of Supervisors (BOS) evaluates: The Company exceeded the Revenue target according to the Resolution assigned by the General Meeting of Shareholders. The business plan for the Company's main activities of Inspection, Certification, Verification, and Testing analysis is still maintained and developed stably.
- The Financial Statements have been audited by Ernst & Young Vietnam Co., Ltd., which is approved by the State Securities Commission to audit listed companies. The Company has completed the financial statements on time.
- During the audit, the auditor assessed that the consolidated financial statements reflect honestly and fairly, in all major aspects, the consolidated financial situation of the Company as of December 31st, 2024, as well as the consolidated business results and consolidated cash flows for the fiscal year ended on the same day, in accordance with Vietnamese accounting standards, Vietnamese corporate accounting regime and legal regulations related to the preparation and presentation of financial statements.
- As of December 31st, 2024, the Company's total assets reached more than 405.4 billion VND; cash and cash equivalents reached more than 120.4 billion VND. Owner's equity is 280 billion VND, decreases by 5.3% compared to the previous year because the company distributed profits according to the Board of Directors' resolution.

- In 2024, consolidated revenue reached 820.483 billion VND, increases 15.66% year-on year. Short-term receivables of 124.866 billion VND have been properly provisioned for doubtful debts, but still increased by 27.6% year-on year and increased significantly compared to the revenue growth rate, this is an issue that the Company's Board of Directors needs to pay attention to.
- In terms of costs, sales expenses in 2024 accounted for 6.6% of total revenue, a significant increase compared to 5.3% of total revenue in 2023. This is explained by the increasing competitive pressure, however, the BOS recommends that the Board of Directors pay attention to closely monitoring the implementation of commission payments. Regarding business management costs, the Company maintains a spending level of 8.4% of total revenue over the two years 2023 and 2024.
- Regarding the actual control process at member units, in general, the BOS found that the units implemented transparent sales and management costs, and complied with regulations.

c) Supervision of Investment

In 2024, the Company will continue to carry out investment activities in purchasing, constructing fixed assets and other long-term assets with a total investment of more than 14.587 billion VND. All investment activities comply with the Company's regulations and relevant laws.

2. Activities of the Board of Supervisors and Board of Supervisors' Members

The Company's Board of Supervisors for the 2024-2026 term consists of three members: (1) Ms. Nguyen Thi Thuy Ngan, Head of the Board; (2) Mr. Nguyen Quoc Minh, Member; (3) Mr. Cao Quy Lan, Member.

The Board of Supervisors has examined and supervised the compliance with the Company's regulations/ charters in the management and operation of business activities of the Board of Directors (BOD), Board of Management (BOM), specifically:

- Participate in contributing opinions and making recommendations to the BOD and BOM on issues related to the Company's operations.
- Check and supervise the Resolution implementation and performance results of the GMS for the BOD and BOM.
- Control compliance with the Company's information disclosure regulations as prescribed by law.

In 2024, the BOS coordinated well with the BOD and BOM in performing its tasks, specifically:

- Fully attend and contribute opinions at meetings of the BOD.
- Provided with full Meeting minutes and Resolutions related to the management, operation and financial situation of the Company.
- Conduct examination and supervision at 07 affiliated units and the Company Office.
- Monitor the implementation of profit distribution in 2022, 2023 and dividend advance in 2024.

In the process of performing the task of controlling on behalf of shareholders, the BOS has received favorable conditions from the BOD, BOM of the Company, leaders of departments, subsidiaries and affiliated companies to complete its tasks.

3. Remuneration and Operational costs of the BOS

The remuneration of the BOS is implemented according to the norms submitted by the BOD to the GMS with a total remuneration of VND 200,000,000/year and is included in the Company's business expenses.

4. Summary of BOS Meetings

In 2024, the BOS arranged 02 meetings with the following contents: reviewing the 2023 financial statements and the 2024 semi-annual financial statements of the Company audited by Ernst & Young Vietnam Co., Ltd.; Comprehensively examining the business performance, financial situation and compliance with of the Company's Law and its branches and subsidiaries in 2024;

All members of the BOS have successfully completed their assigned tasks, fully attended regular meetings and unanimously voted to approve issues and contents within the functions and tasks of the BOS.

5. Transaction report of the BOD/ BOM:

In 2024 , the company had no economic contract transactions with members of the BOD, General Directors, other executives of the enterprise and related persons of the above subjects; there were no contracts between the company and enterprises in which members of the BOD, General Directors, other executives of the enterprise were founding members or managers of the enterprise within recent 03 years prior to the transaction.

6. Results of Activities supervising of the BOD/ BOM.

a) **BOD Activities:**

In 2024, the BOD held meetings in accordance with the provisions of the Company's charter. At each meeting, the BOD issued a Resolution based on the Resolution of the GMS to direct and assign the BOM to implement; disclose information in accordance with the law and the Securities Commission. Specifically as follows:

- The BOD has directed and implemented the 2024 Resolution of the GMS with good results.
- The BOD has controlled and evaluated the implementation of business targets at the unit every quarter and 6 months, setting out tasks for the next period to ensure the completion of the plan assigned by the GMS.
- The BOD regularly directs units and branches in controlling and managing costs reasonably, improving workers' lives, promoting debt collection, ensuring cash flow and profits.
- Continue to implement digital transformation , apply professional software to improve efficiency in management, professional activities, customer services, and system control in accordance with the current business development situation.
- Implement a centralized management model, ensuring consistency and focus on investing in laboratory equipment to improve existing capacity; Utilizing mutual capacity to deploy service activities at units.
- Research suitable models in management, restructuring, and applying vertical management of some new products.

Comment: In 2024, the BOD members closely directed all areas of the Company's activities with a spirit of solidarity, democratic concentration, and towards the common interests of the Company, ensuring the role of guiding the Company's development orientation in accordance with the direction of the GMS.

b) **BOM Activities:**

In 2024, the BOD closely followed the policies and resolutions set forth by the BOD and implemented:

- The BOD has made many efforts to manage business activities, urge the implementation of business targets at the Units.

- Gradually deploy digital transformation throughout the company; research on software customer services and field work management.
- The BOM has directed strict implementation of legal regulations on financial and accounting work, periodic financial reports are prepared on time and in accordance with accounting standards.
- The BOM focuses on evaluating and building a serious budget and human resources to meet work requirements, evaluating management resources objectively; Researching suitable management models for practice.
- Piloting centralized management of the Laboratory System model and management by product of some new services.

Comments: During the examination and supervision of the BOD' activities in 2024 , the BOS found that: The BOD has been proactive and flexible in organizing and implementing business activities; effectively utilizing and promoting the Company's capital, assets, and labor resources; closely directing and monitoring, proposing specific solutions for business activities, investment and development, requiring functional departments to actively coordinate and support units to resolve difficulties and problems. The BOD has completed its work well, implemented the Resolutions of the Shareholders' Meeting and the Resolutions of the BOD, ensuring the Company's business efficiency and safety.

c) Monitoring information disclosure activities.

In 2024, the Company made 35 information announcements at the Hanoi Stock Exchange and the State Securities Commission, not violating the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance.

7. Results of monitoring the implementation of the Resolution of the GMS.

Pursuant to Resolution of the 2024 Annual GMS No. 73/DHCD-NQ dated April 23th, 2024, the Board of Supervisors has supervised and the Company has performed well the followings:

- The company paid 2023 dividends to shareholders of 15%/charter capital (2023 dividends were 15%) and 2024 interim dividends of 10%/charter capital.
- Pay remuneration to members of the BOD and the BOS in 2024 according to the provisions of Resolution of the GMS No. 73/DHCD-NQ dated April 23th, 2024.

- Regarding the implementation of the 2024 Business Plan targets: Consolidated revenue reached 112.08% of the plan, exceeding 12.08% of the assigned plan, Combined revenue reached 118% of the plan, exceeding 18% of the plan. Consolidated net profit reached 103.86 % of the shareholder profit plan, Total net profit reached 101.51% of the shareholder profit plan.

8. Evaluation results of the coordination between the BOS, the BOD, the General Director and shareholders.

- The BOS fully participated in the meetings of the BOD and is facilitated by the Company to perform its supervisory duties by being provided with information and documents related to the Company's corporate governance, business activities and financial situation; the coordination between the BOD/ General Director still ensures the principle of the legitimate interests of the Company and shareholders in accordance with the provisions of the Law, the Charter and operating regulations.
- The BOS has closely coordinated with the BOD and the General Director in examining and supervising activities at the headquarters as well as at capital-contributed units and companies to improve efficiency in management and ensure compliance with legal regulations.

II. CONCLUSION AND RECOMMENDATIONS

In 2024, the Company had goods revenue growth, however, it is necessary to develop an investment plan based on market research, increase profits, and improve the lives of workers. The BOS highly appreciated the efforts of the BOD and the BOM and recognized the results achieved.

To continue to improve the Company's operational efficiency in 2025, the BOS recommends the following contents to the GMS:

1. On the BOD and BOM activities.

The BOD and the BOM work together in a spirit of solidarity, democratic centralism, and towards the common interests of the Company, ensuring the role of guiding the Company's development in accordance with the direction of the GMS.

Timely process information to strictly handle violations in management, operation and violations of regulations from member units and capital-contributed companies. Absolutely avoid unhealthy internal disputes that affect the Vinacontrol brand.

2. **On the Company's operations and finances.**

- Strengthening the communication of the Company's culture and Vinacontrol's core values such as understanding, sustainability, respect and mutual trust to all employees to raise awareness of professional ethics.
- Continue to invest in testing and analysis equipment, especially for Analysis and Testing Centers to improve competitiveness in inspection, certification, verification and testing activities to meet the increasing demands of the market and customers.
- The dual transformation trend of "green and digital" not only helps Vinacontrol expand business opportunities but also affirms the Company's pioneering role in promoting green and sustainable development, creating long-term value for customers, partners and the community. The company needs to continue to expand and develop new services in key industries such as green energy, logistics and certifications related to sustainable development;
- To ensure the success of digital transformation, the company needs to re-evaluate the current status of infrastructure and human resources, thereby building a comprehensive plan/ roadmap to gradually implement digital transformation in a methodical, substantial and effective manner.
- Necessity to promote the movement of promoting initiatives, technical improvements, and innovative thinking in administration, management, and effective use of resources and cost savings to improve labor productivity and business efficiency;

Above is the 2024 BOS' Activity Report, respectfully submitted to the 2025 Annual GMS for consideration and comments.

PP. BOARD OF SUPERVISORS
HEAD OF BOARD

M.S.D.N: 0100107772 - C.T.C.P
CÔNG TY CỔ PHẦN TẬP ĐOÀN VINACONTROL
Q. HAI BÀ TRƯNG - TP. HÀ NỘI

Nguyen Thi Thuy Ngan