

No. 05/2025/BC-BKS-BVSC

Hanoi, May 31, 2025

**REPORT OF THE BOARD OF SUPERVISORS**  
**TO 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

*To: Esteemed Shareholders and Shareholder Representatives,*

Pursuant to the duties and powers of the Board of Supervisors (“**BOS**”) stipulated in the Charter of Bao Viet Securities Joint Stock Company (“**BVSC**”), the Regulations on the operation of the BOS, the Operation Plan of the BOS between the two annual General Meetings of Shareholders 2024-2025 and relevant Laws, the BOS met and unanimously approved the Report of the BOS to be submitted to the General Meeting of Shareholders (“**GMS**”) with the following contents:

**1. ACTIVITIES OF THE BOARD OF SUPERVISORS**

**1.1. Activities of the Board of Supervisors**

In 2024, the Board of Supervisors (BOS) carried out the following activities and tasks:

a. *Supervising the activities of the Board of Directors (“**BOD**”) and the Board of Management (“**BOM**”):*

(i). The Board of Supervisors periodically monitored, inspected and controlled the compliance with the provisions of the Law, compliance with the Company’s Charter, internal regulations on corporate governance, operating regulations of the Board of Directors, implementation of the Resolutions of the General Meeting of Shareholders, Resolutions of the Board of Directors, compliance with the Company’s internal procedures and regulations in the Company’s governance and operation by the Board of Directors and the Board of Management.

(ii). The Board of Supervisors fully attended regular meetings of the Board of Directors, grasped and monitored the management and operation of the Board of Directors and the Board of Management, and recommended to the Board of Directors and the Board of Management a number of measures in organizing, managing and operating the Company’s business activities.

b. *Supervising the implementation of accounting and financial reporting regime at the Company:*

(i). The Board of Supervisors reviewed, appraised, and reached a consensus on the 2024 Financial Statements of BVSC, prepared in accordance with Vietnamese Accounting Standards and Regulations, and audited by Ernst & Young Vietnam Limited (“**Ernst&Young Vietnam**”), to be submitted for approval at the 2025 Annual General Meeting of Shareholders.

(ii). The BOS reviewed the 2023 Management Letter of Ernst & Young Vietnam and monitored the Company’s implementation;

(iii). The Board of Supervisors supervised the Company’s implementation of systematic, consistent, and appropriate accounting, statistical, and financial reporting practices.

c. *Supervision of the Company’s regular business activities:*



(i). The BOS reported to the 2024 Annual General Meeting of Shareholders on the results of its supervision over the Company's business and financial operations in 2023, and submitted its operational plan for the period between the 2024 and 2025 AGMs.

(ii). The BOS provided recommendations to the BOD and the BOM on organizational and management measures to improve the Company's business operations;

(iii). The BOS also recommended that the BOD and BOM review and strengthen monitoring and management of the Company's outstanding receivables;

(iv). The BOS reviewed the legitimacy, reasonableness, transparency, and prudence in the management and operation of the Company's business activities.

*d. Development of Corporate Governance Documents:*

The BOS provided feedback and comments on the drafting and issuance of the Company's Financial Management Regulations.

*e. Other tasks*

In addition to the aforementioned duties, during the year the BOS also coordinated with the BOD and the BOM to carry out the following tasks: Successfully held the 2024 Annual General Meeting of Shareholders; Selected Ernst & Young Vietnam Limited as the external auditor for the 2024, 2025, and 2026 financial statements.

**1.2. Meetings of the Board of Supervisors**

In 2024, the Board of Supervisors held four (04) meetings, corresponding to the regular quarterly sessions. The organization of these meetings was conducted in full compliance with the Company's Charter, the BOS's Operating Regulations and applicable laws. All Supervisors seriously attended the meetings, casting their votes in accordance with the provisions of the Company's Charter and internal corporate governance regulations. At these meetings, the BOS discussed and approved key issues such as: Approval of the BOS's appraisal of BVSC's 2023 Financial Statements; Approval of the BOS's activity report to be presented at the 2024 Annual General Meeting of Shareholders; Approval of the BOS's work plan for the period between the 2024 and 2025 Annual General Meetings of Shareholders.

**1.3. Remuneration and operating expenses of the Board of Supervisors and each Supervisor in 2024**

- Remuneration and bonuses of the BOS: In 2024, Supervisors received remuneration and other benefits in accordance with Point d, Clause 1, Article 5, and Article 6 of Resolution No. 01/2024/NQ-AGM of the 2024 Annual General Meeting of Shareholders (*For details, please Section 1 of the Proposal on Remuneration for the Board of Directors, Board of Supervisors & Company Secretary in 2024 and the payment plan for 2025, presented later in the Meeting*).

- Operating expenses of the BOS: Complied with the regulations on remuneration, operating expenses, and bonus policies for members of BOD, Board of Supervisors (BOS), Board of Management (BOM), the Company Secretary, and persons in charge of corporate governance; as well as the Company's internal spending regulations.

**2. REPORT ON SUPERVISION RESULTS AND COMMENTS OF THE BOARD OF SUPERVISORS**

**2.1. Assessment of Business Performance and Operational Status of the Company**

The main trend of the stock market in 2024 was a sideways movement, under significant net outflow pressure from foreign investors. However, the market still recorded an overall growth of

approximately 12% year-to-date, with average liquidity improved compared to 2023. Meanwhile, the intense competition among securities companies – particularly in brokerage fees and margin/advance interest rates – posed major challenges. In this context, BVSC faced disadvantages in terms of capital scale and the absence of derivative products, leading to a decline in its competitive edge compared to other players in the market. The Board of Supervisors appreciates the Company's proactive and flexible approach in closely monitoring market developments and implementing coordinated solutions across human resources, technology, products and services, risk management, and information security, with strong determination to fulfill its 2024 business objectives. The key highlights include:

*a. Business Performance*

(i) Total revenue in 2024 reached VND 993.4 billion, equal to 113.3% of the plan (VND 877 billion). Of which realized revenue was VND 949 billion, equal to 114.6 % of the plan (VND 828 billion).

(ii) Realized profit after tax in the year reached VND 206.4 billion, equal to 125.1% of the plan (VND 165 billion).

*b. Financial Position*

- As of December 31, 2024, total assets stood at VND 5,628.7 billion, a decrease of VND 387.8 billion (equivalent to 6.45%) compared to the same period last year, mainly due to a decline in short-term deposit investments.

+ Short-term financial assets as of December 31, 2024 amounted to VND 5,074.6 billion, accounting for 90.2% of total assets, with the largest portion being loans (VND 3,503.7 billion, or 62.3% of total assets), up 9.2% year-over-year.

+ Long-term financial assets as of December 31, 2024 were VND 471.2 billion, accounting for 8.4% of total assets, an increase of 71.1% compared to the same period last year.

+ The changes in the asset structure (between short-term and long-term assets, and between financial and non-financial assets) were mainly driven by variations in short-term financial assets, as mentioned above.

- Changes and structure of the Company's owner's equity as of December 31, 2024:

*Unit: VND million*

INDICATORS	AS OF 31/12/2023	CHANGES DURING THE YEAR		AS OF 31/12/2024
		<i>Up</i>	<i>Down</i>	
1. Contributed charter capital	722,339	-	-	722,339
2. Share premium	610,253	-	-	610,253
3. Treasury shares	(497)	-	-	(497)
4. Statutory reserve fund	59,379	-	-	59,379

*ANA*

5. Financial reserve and business risk provision fund	59,379	-	-	59,379
6. Development investment fund	64,107	47,291	-	111,398
7. Revaluation surplus from fair value adjustments	82,371	42,050	(21,004)	103,417
8. Retained earnings	719,584	206,425	(116,306)	809,703
<b>Of which: Realized distributable profit</b>	<i>692,195</i>	<i>206,425</i>	<i>(109,835)</i>	<i>788,784</i>
<b>8. TOTAL</b>	<b>2,316,917</b>	<b>295,768</b>	<b>(137,312)</b>	<b>2,475,373</b>

(Source: BVSC's Audited Financial Statements)

- The financial safety ratios, as well as key indicators of solvency and liquidity, remained at strong levels.

- Some key financial indicators are as follows:

No.	INDICATORS	UNIT	2023	2024
1	Available capital adequacy ratio	%	445%	678%
2	Solvency			
	<i>Current ratio</i>	<i>time</i>	1.55	1.63
3	Capital structure			
3.1	<i>Debt to total assets ratio</i>	%	61.49%	56.02%
3.2	<i>Equity to total capital ratio</i>	%	38.51%	43.98%
4	Profitability			
4.1	<i>ROE (Realized profit after tax/Owner's equity)</i>	%	7,10%	8.61%
4.2	<i>ROA (Realized profit after tax/Total assets)</i>	%	3,24%	3.55%
5	Basic earnings per share	VND/Share	2,080	2,688

(Source: Audited 2024 Financial Statements and Financial Safety Ratio Report of BVSC)

## 2.2. Results of supervising the implementation of accounting regime and financial reporting

a. The quarterly, semi-annual, and annual financial statements for 2024 were prepared and fully and clearly presented by the Company, fully disclosing events during the financial year in accordance with Vietnamese Accounting Standards and Vietnam's Accounting Regime in general and for securities companies in particular. The semi-annual and annual financial statements for 2024 were reviewed/audited by Ernst & Young Vietnam, with an unqualified opinion from the independent auditor.

b. The Board of Supervisors concurred with the opinion of the independent auditor that the 2024 financial statements provide a true and fair view, in all material respects, of the Company's financial position as of December 31, 2024, as well as its business results, cash flows, and changes in owner's equity for the financial year then ended. These were prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime, accounting regulations and guidelines applicable to securities companies, and other relevant laws for the preparation and presentation of financial statements.

### ***2.3. Results of supervising the Board of Directors and the Board of Management***

#### ***a. Activities of the Board of Directors***

Through its supervision, the BOS found that:

(i). During the year, in order to implement the 2021-2025 Development Strategy and Resolutions of the 2024 Annual General Meeting of Shareholders, the BOD proactively monitored developments of the stock market and the Company's actual business conditions to issue strategic resolutions and directives, providing orientation for the Board of Management to achieve the business targets assigned by the GMS.

(ii). The BOD regularly held quarterly meetings. Additionally, it sought written opinions from BOD members when necessary, enabling timely approval and issuance of operational decisions in line with market developments and business practices, thereby maximizing the Company's operational efficiency.

(iii). At all BOD meetings and in the BOD's overall activities, members attended fully and demonstrated a high sense of responsibility in strict compliance with laws and the Company's Charter, while always protecting the legitimate rights and interests of the Company, and ensuring timely, sound decisions for its governance and operations.

(iv). The BOD's resolutions and decisions were reached with high consensus among its members, aimed at the sustainable development of the Company, and were fully compliant with the Company's Charter, internal regulations, and relevant laws.

Through its supervision, the BOS found that the Board of Directors operated within its authority and responsibilities as stipulated in the Company's Charter, the Internal Corporate Governance Regulations, the BOD's Operating Regulations, the Company's internal policies, and applicable laws; The BOD effectively fulfilled its management duties. The BOS did not identify any irregularities or violations in the governance and management activities of the BOD in general, or of any individual BOD member in particular.

#### ***b. Activities of the Board of Management***

Through its supervision, the BOS found that:

(i) The members of the Board of Management are all highly experienced professionals in the field of securities and have been closely associated with the Company since its early days. They

demonstrate strong dedication and commitment to successfully implementing the Resolutions of the General Meeting of Shareholders and the Board of Directors. They have consistently adhered to laws, the Company's Charter, and internal policies in their management of business operations, with the goal of safeguarding the rights and interests of the Company.

(ii) In managing business operations, the Board of Management regularly submitted monthly and quarterly reports on business performance, as well as plans and orientations for the following periods, to the BOD and BOS;

(iii) The Board of Management has consistently provided timely and complete documentation as requested by the BOS in support of its inspection and supervisory functions.

Through its supervision, the BOS found that: The Board of Management proactively and closely followed market developments to implement a comprehensive range of measures across human resources, technology, product development, customer orientation, and risk management, with the highest goal of accomplishing the 2024 business plan, and ensured the stable and sustainable growth of the Company's operations. The BOS did not identify any irregularities or violations in the Board of Management's activities.


#### ***2.4. Assessment of compliance with laws, the Company's charter, and implementation of resolutions of the GMS***

Through its supervision, the BOS found that the Company complied with laws, the Company's Charter, and the Resolutions of the General Meeting of Shareholders (GMS) and the Board of Directors (BOD). The Company strictly followed disclosure requirements applicable to securities companies with listed shares on the Hanoi Stock Exchange. The Company duly implemented the Resolutions of the 2024 Annual General Meeting of Shareholders. Specifically, the company carried out business activities and fulfilled the 2024 Business Plan, completed the 2024 profit distribution and paid dividends in cash at 8% of par value and completed the payment of remuneration to members of the BOD, BOS, and Company Secretary for the year 2024.

#### ***2.5. Report on transactions between the Company and BOD, BOS, BOM members, and their related persons; transactions between the Company and other companies in which BOD, BOS, BOM members are founding members or have held managerial positions within the last 3 years prior to the transaction date.***

During the year, except for the collection of securities trading fees from certain members of the BOD, BOS, and BOM who have opened securities trading accounts at the Company, the Company did not enter into or execute any contractual transactions with these individuals.

Regarding the execution of contracts/transactions with related parties of BOD, BOS, and BOM members, or with companies in which these individuals are founding members or have held managerial positions within the past three years prior to the transaction date: During the year, the Company entered into and executed contracts and transactions with Bao Viet Holdings and its member companies. These contracts and transactions all had a value of less than 10% of the Company's total assets recorded in the latest financial statements audited. Therefore, pursuant to *Article 52.3 of the Company's Charter* and *Article 167 of the Law on Enterprises 2020 Approval of contracts and transactions between company and related persons*, these transactions were all under the decision-making authority of the Board of Directors. All contracts and transactions were executed in accordance with the BOD's approval, conducted with honesty, prudence, and in the best interests



of the Company, without any self-dealing or favoring the interests of other organizations or individuals. *Details of these transactions are presented in the 2024 audited financial statements (audited by Ernst & Young) and the 2024 Corporate Governance Report. These reports have been publicly disclosed in accordance with applicable regulations.*

#### **2.6. Assessment of coordination between the BOS and the BOD, BOM, and shareholders.**

In performing its duties, the BOS has consistently coordinated with the BOD, the BOM, and the shareholders with the highest aim of protecting the interests of the Company and its shareholders. Specifically, the coordination among the BOD, BOS, and BOM was as follows:

The BOD, BOS, and BOM operated independently, while maintaining close and effective cooperation in all activities. Each body carried out its rights and responsibilities with a high sense of responsibility, integrity, and diligence, in compliance with the Company's Charter, internal regulations, and applicable laws for the best interest of the Company and its shareholders.

In exercising its supervisory powers, the BOS ensured that its activities did not interfere with the BOD's governance functions, the BOM's operations, or interrupt the Company's business activities.

Regarding shareholders: In 2024, the BOS did not receive any petitions or complaints from shareholders under the provisions of the Company's Charter and current laws.

### **3. REPORT ON SELF-ASSESSMENT OF THE BOARD OF SUPERVISORS AND ITS MEMBERS**

#### **3.1. Assessment of the BOS's performance**

Based on the responsibilities and authorities of the Board of Supervisors as defined in the BVSC's Charter, Operating Regulations, and applicable laws, the BOS provides the following self-assessment:

- a. The BOS fully performed its supervisory function over the BOD and the BOM in terms of the Company's governance and management;
- b. The BOS made proposals and recommendations to the BOD and the BOM to strengthen corporate governance, systematize processes and regulations, enhance internal control, and ensure information system security, aiming to minimize business risks and enhance security for client data and currency and stock transactions.
- c. The BOS supervised the BOD and BOM in the implementation of the Resolutions approved at the 2024 Annual General Meeting of Shareholders;
- d. The BOS operated in accordance with its rights, functions, and duties as prescribed by the Company's Charter. All documents issued by the BOS were executed in compliance with the procedures stipulated by the Law on Enterprises, the Company's Charter, and the Resolutions of the 2024 AGM.

#### **3.2. Assessment of Supervisors' performance**

The Supervisors actively attended all meetings of the BOS and the BOD, and contributed effectively to the Company's oversight activities. They provided input on key issues, including: The BOS's operational plan for the period between the 2024 and 2025 Annual General Meetings of Shareholders; The audit process of the 2024 financial statements of BVSC; The development of the Company's Financial Management Regulations; The selection of the audit firm for the 2024, 2025,

01  
NG  
PH  
GK  
0 VI  
M -

and 2026 financial statements. Additionally, the Supervisors maintained good coordination with the BOD, the BOM and relevant departments, successfully fulfilling the duties assigned to them.

In all BOS meetings and activities, the Supervisors demonstrated a proactive working attitude and a high sense of responsibility, made constructive contributions, and complied with the Charter of BVSC, the BOS's Operating Regulations, and Company internal policies, thereby enabling the BOS to make timely decisions and fulfill the tasks entrusted by the General Meeting of Shareholders.

In exercising their assigned rights and responsibilities, the Supervisors acted with honesty and diligence, and remained loyal to the interests of the Company and its shareholders. They did not abuse their positions or use information, know-how, business opportunities, or other Company assets for personal gain or to serve the interests of other individuals or organizations.

#### **4. OPERATIONAL PLAN OF THE BOARD OF SUPERVISORS FOR THE PERIOD BETWEEN THE 2025 AND 2026 ANNUAL GENERAL MEETINGS OF SHAREHOLDERS**

Based on its responsibilities and authorities as prescribed by the Company's Charter and applicable laws, the BOS sets out its expected operational plan for the period between the 2025 and 2026 Annual General Meetings of Shareholders as follows:

4.1. Fully perform its rights and responsibilities in accordance with applicable laws, the Company's Charter, the internal corporate governance regulations, the BOS's operating regulations, and other relevant provisions.

4.2. Supervise the Company's financial status, and ensure the legality of actions taken by members of the BOD, BOM, and other managers;

4.3. Monitor the implementation of accounting practices and the preparation and audit/review of financial statements; follow up on the implementation of recommendations stated in the 2024 Management Letter issued by the Independent Auditor (*if any*);

4.4. Appraise the 2025 financial statements of the Company;

4.5. Attend all regular meetings of the BOD and other Company meetings to stay informed and carry out supervision of governance and management activities.

4.6. Continue to study and update newly issued policies and regulations; supervise and propose adjustments to any internal policies or procedures that are no longer suitable, to ensure full and timely compliance with the law.

Above is the Report on BOS's performance to the 2025 Annual General Meeting of Shareholders, as well as its operational plan for the 2025-2026 period. The BOS respectfully submits this report to the General Meeting of Shareholders for approval.

*Best regards./.*

**Recipients:**

- As above;
- Archive: Secretariat.

**ON BEHALF OF BOARD OF  
SUPERVISORS**

**HEAD OF BOARD**



Nguyễn Xuân Hoa