

No: 10/BC-MBS-BKS

Hà Nội, 24/03/2025

REPORT OF THE SUPERVISORY BOARD AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

To: Shareholders of MB Securities Joint Stock Company (MBS)

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020, as amended and supplemented by the Law amending and supplementing a number of articles of the Law on Public Investment, the Law on Investment under the Public-Private Partnership model, the Investment Law, the Housing Law, the Bidding Law, the Electricity Law, the Enterprise Law, the Law on Special Consumption Tax and the Law on Civil Judgment Enforcement No. 03/2022/QH15 passed by the National Assembly of the Socialist Republic of Vietnam on January 11, 2022 ("Law on Enterprises 2020");
- Pursuant to the Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019 ("Securities Law 2019");
- Pursuant to the Charter of Organization and Operation of MB Securities Joint Stock Company (MBS);
- Pursuant to the Regulations on organization and operation of the MBS Supervisory Board (BOS);

Based on the results of supervising the activities of MB Securities JSC, the MBS Supervisory Board would like to report to the General Meeting of Shareholders the following key matters:

I. ACTIVITIES OF THE SUPERVISORY BOARD

1. Plan implementation and operation of the Supervisory Board

- Based on the provisions of the Law and regulations of MBS, the Supervisory Board has successfully completed the tasks of 2024, the following:
 - o After the 2024 Annual General Meeting of Shareholders, the Supervisory Board approved the main tasks of the Supervisory Board and assigned tasks to its members.
 - o Throughout 2024, the Supervisory Board effectively fulfilled its functions, organized work programs, and conducted regular and extraordinary meetings as required, ensuring comprehensive and timely supervision.
 - o Carry out supervisory tasks in accordance with the provisions of the Law, the Charter, and the Resolutions of the General Meeting of Shareholders (GM), including: overseeing the implementation of strategies, financial and risk management activities, asset investments, outsourcing, bad debt recovery, related-party transactions, and compliance with the AGM and Board of Directors' resolutions.
 - o Develop a periodic monitoring and reporting mechanism for the Board of Directors/Executive on a monthly and quarterly basis. It provided timely recommendations to ensure adherence to financial safety indicators, investment limits, and legal regulations. The Board also suggested measures to enhance governance, management capabilities, and overall business performance.



- Fully participate in Board of Directors' meetings, offering independent and objective opinions on reports under the Board's approval authority to help minimize risks in the company's business operations.
 - Conducted financial audits every 6 months and annually, in compliance with legal requirements and internal regulations.
 - Through regular and extraordinary meetings, the Supervisory Board thoroughly evaluated the company's business performance, as well as the management and operational results of the Board of Directors and the Executive Board, providing necessary recommendations for improvement.
- The members of the Supervisory Board have completed their assigned tasks.

2. Direct internal audit activities

- Direct the implementation and completion of the internal audit activity plan in 2024. Training to improve the capacity of internal audit human resources to meet audit requirements according to the provisions of law and international practices.

II. RESULT OF SUPERVISING MBS'S PERMANCE IN 2024

1. Business Performance Results

The year 2024 experienced significant fluctuations in the global economic and geopolitical landscape. The Vietnamese stock market recorded an impressive growth rate of 12.1%, with liquidity rising by 20% compared to 2023. The primary growth momentum was concentrated in the first quarter, while the rest of the year displayed sideways movement within a range of approximately 100 points, with resistance at 1,300 points and support at 1,200 points. By December 31, 2024, the index closed at 1,266.78.

Despite these market conditions, MBS achieved notable business performance in 2024:

Unit: Billion VND

No.	Business results	Actual 2023	Target 2024	Actual 2024	Comparison	
					%YoY	%Target 2024
1	Revenue	1.826	2.786	3.131	171%	112%
2	Profit before tax (PBT)	716	930	931	130%	100%

- Regarding business performance, the Company achieved the following results:
- Revenue reached VND 3,131 billion, completing 112% of the annual target and equivalent to 171% of the 2023 figure.
 - PBT reached VND 931 billion, achieving 100% of the target, increasing YoY, and equivalent to 130% of the 2023 figure.
- Cost management indicators were well controlled: Salary expenses/net revenue after risk provision reached 23.8%/27% of the assigned target; the full-year Cost-to-Income Ratio (CIR) was 36.2%/40% of the assigned target (all indicators decreased compared to the same period last year).

III. Supervising results for the Board of Directors, CEO, and Other Executives of the Company

Based on supervising results, the Supervisory Board has determined that the Board of Directors (BOD) and the Executive Board successfully fulfilled their roles and responsibilities in compliance with legal provisions, the company charter, resolutions of the General Meeting of Shareholders and internal regulations. Key achievements include:

- Developed and approved the Company's 2024 plan, with the Executive Board assigning specific targets to each first-level unit.
- Successfully organized the 2024 General Meeting of Shareholders, approving the dividend distribution plan and the issuance of shares to increase charter capital.
- Increased capital as approved by the General Meeting of Shareholders, actively seeking and negotiating with strategic partners.
- Proactively implemented solutions to boost market share; digitalized operational activities, risk management in accordance with the plan; continuously upgraded, improved, and updated system features based on a flexible business policy.
- Strengthened solutions to ensure system stability and information security at the company with support from MB/Viettel, the New Core project, SOC, and others ...

IV. Appraisal of Financial Statements and Monitoring of Financial Results

- The Board of Supervisors directed the Internal Audit team to oversee and appraise the financial statements, ensuring compliance with legal regulations and MB's internal policies. Following the appraisal, the Supervisory Board collaborated closely with the Board of Directors and the Executive Board to address and implement the recommended adjustments.
- Supervised the independent audit of MBS's 2024 financial statements, which was conducted by KPMG. The independent auditing firm carried out its duties objectively and issued an unqualified opinion on MBS's 2024 financial statements. These statements were confirmed to comply with Vietnamese accounting standards, the accounting system for securities companies, and relevant legal regulations governing financial statement preparation and presentation.
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- Based on its supervision of financial statements and safety indicators, the Supervisory Board concluded that MBS adheres to financial safety regulations as required by law and internal policies.

V. Report on Transactions Between the Company, Subsidiaries, and Companies Controlled by the Public Company (Over 50% Charter Capital) with Members of the Board of Directors, the CEO (Director), Other Executives, and Their Related Parties; Transactions Between the Company and Companies Where Members of the Board of Directors, the CEO (Director), or Other Executives Were Founding Members or Held Management Positions Within the Last Three Years Before the Transaction.

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These transactions were disclosed by the Company in the Corporate Governance Report for 2024, issued on January 17, 2025. The transactions primarily involved securities services, securities trading, brokerage services, deposit transactions, and collaborative financial products and services within the MB Group. All transactions were fully disclosed and approved in accordance with the Company's Charter.

VI. Notable Considerations

In addition to the aforementioned achievements, the Supervisory Board advises the Board of Directors and the Executive Board to take note of the following matters:

- Despite making maximum efforts, due to overall market challenges, the Company has not achieved its targeted market share.
- MBS should strengthen measures to enhance security capabilities, ensure IT system stability, minimize errors, and ensure the safety of the Company's business operations. Additionally, MBS should continue coordinating with MB and working with the issuer to recover principal and interest for the matured NVL bond.

VII. Coordination Mechanism Between the Supervisory Board, the Board of Directors, the Executive Board, and Shareholders

- The coordination mechanism between the Supervisory Board and the Board of Directors /Executive Board has been effectively implemented, specifically as follows:
 - o The Board of Directors and the Executive Board have closely coordinated and facilitated the Supervisory Board in supervision, inspection, and control activities, ensuring compliance with legal regulations and MBS's internal policies, in the interest of MBS's growth and development.
 - o The Supervisory Board collaborated with the Board of Directors to direct the Internal Audit Department in completing audit programs. Monthly and quarterly, BKS issued monitoring reports and performance evaluation reports of the company to BOD and Executive board
 - o The Supervisory Board fully participated in all meetings of the Board of Directors, its committees, and provided opinions on proposals under the jurisdiction of BOD, offering independent and objective recommendations in a timely manner.
 - o The opinions and recommendations of The Supervisory Board were acknowledged, incorporated, and adjusted by BOD and Executive board promptly to ensure the safety and effectiveness of business operations.
- In 2024, the coordination mechanism between the Supervisory Board and shareholders was implemented through periodic reporting on business performance monitoring and financial statement appraisal. These reports were sent to shareholders to ensure that the decisions of the Board of Directors and the Executive Board complied with legal regulations and safeguarded shareholder interests.

VIII. REMUNERATION AND OPERATING EXPENSES OF THE SUPERVISORY BOARD

The Supervisory Board members are entitled to remuneration, salaries, bonuses, and other benefits based on their roles, performance, and the company's annual business results. These remuneration packages and operating expenses are governed by the Company's Charter, MBS's internal regulations on salaries and benefits, and applicable legal provisions. For 2024, the

remuneration and operating budget of the Supervisory Board adhered to the limits approved by the General Meeting of Shareholders (GM).

IX. ORIENTATION FOR THE SUPERVISORY BOARD'S ACTIVITIES IN 2025

Based on legal regulations and the Company's Charter, the Supervisory Board has held meetings and agreed on the following activity plan for 2025:

1. Orientation for the Supervisory Board's Activities

- Further enhance supervision activities within the company by adopting a professional approach aligned with best practices, the orientation of the Supervisory Board of MB, and the company's strategic direction in this new phase. Regularly review and refine internal regulatory documents related to the Supervisory Board's operations, making necessary adjustments to ensure compliance with legal regulations and MB's strategic objectives.
- Strengthen the internal audit team by developing personnel capabilities to ensure adequate resources for executing the operational plan while aligning with the internal audit strategy.
- Promote the integration of IT solutions to increase automation in inspection and supervision processes, supporting the company's digital transformation strategy.

2. The Supervisory Board 's Activity Plan for 2025

- Strengthen the organization and control activities of internal audit at MBS: Optimize the internal audit structure and resources in alignment with the internal audit strategy for the 2022 - 2026 period.
- Appraise the financial statements on a semi-annual and annual basis, as well as conduct annual financial settlement reviews in compliance with legal regulations and internal policies.
- Perform supervisory functions in accordance with legal regulations, resolutions, and the company's charter, focusing on: Monitoring governance and executive activities to ensure compliance with laws, internal regulations, the charter, and resolutions/decisions of the MB Board of Directors and the Company's Board of Directors, as well as recommendations and conclusions from regulatory authorities and the MB Supervisory Board (Supervising the implementation of the company's strategy, financial plans, and business plans, Overseeing key high-risk activities, including brokerage operations, investment banking advisory (IB), bond investments, capital trading, investment management, asset transactions, outsourcing, IT operations, and digital transformation; Monitoring transactions with related parties;
- Direct and provide high-level supervision of internal audit activities within the company, specifically:
 - o Guide the Internal Audit Department in implementing strategic internal audit solutions for the 2022–2026 period according to the planned roadmap.
 - o Oversee the execution and completion of the 2025 internal audit plan.
 - o Regularly assess audit activities to enhance internal audit quality in line with strategic objectives.
- Carry out additional responsibilities, such as coordinating with the Board of Directors and the Executive Board in external inspections and audits (if any) and overseeing the implementation of corrective actions based on the Supervisory Board's recommendations.

X. RECOMMENDATIONS

1. Recommendations to the General Meeting of Shareholders

The General Meeting of Shareholders is requested to approve the reports presented by the Supervisory Board, the Board of Directors, and the Executive Board at the meeting. The Supervisory Board is authorized to proactively implement the tasks outlined in the report.

2. Recommendations to the Board of Directors and the Executive Board

- Business Strategy: The Executive Board should direct key stakeholders to implement strategic initiatives according to the planned timeline. Focus on solutions to drive digital business growth, enhance group-wide connectivity to expand market share, increase outstanding loans and revenue, and strive to achieve approved business targets.
- Strategic Partnerships & Growth: Continue seeking strategic partners to strengthen capital resources, launch incentive programs, and promote business growth.
- Market Monitoring & Risk Response: Closely monitor market fluctuations to develop quick response strategies for investments and debt collection, ensuring the company's financial safety.
- Risk Management & Digitalization: Review operational processes and risk management policies, develop automated risk management, monitoring, warning, and identification tools using digital solutions to detect and mitigate risks early.
- IT & Security Enhancements: Continue supervising Core and SOC projects post-go-live, strengthen security measures, ensure IT system stability, minimize system errors, and safeguard business operations.

On behalf of the Supervisory Board, I would like to sincerely thank the esteemed shareholders, the Board of Directors, the Executive Board, and all relevant authorities and departments for their support in enabling the BKS to fulfill its duties in accordance with legal regulations and successfully accomplish the tasks entrusted by the shareholders.

Wishing you all good health, happiness, and success. May the General Meeting be a great success.

Respectfully!

Recipients:

- Shareholders,
- MBS Board of Directors,
- MBS Supervisory Board- for recordkeeping.

On behalf of the
SUPERVISORY BOARD
HEAD OF SUPERVISORY BOARD



Phạm Thị Hoa