

BOARD OF SUPERVISORS' REPORT AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Pursuant to the Law on Enterprises No. 59/2020/QH14, passed by the XIV National Assembly of the Socialist Republic of Vietnam on June 17th, 2020;

Pursuant to the Charter on the organization and operation of Hanoi Beer Alcohol and Beverage Joint Stock Corporation, as amended for the fifth time on April 28th, 2021;

Pursuant to the Resolution of the 2024 Annual General Meeting of Shareholders of Hanoi Beer Alcohol and Beverage Joint Stock Corporation;

The Board of Supervisors of Hanoi Beer Alcohol and Beverage Joint Stock Corporation (hereinafter referred to as "HABECO") hereby reports to the Annual General Meeting of Shareholders ("AGM") on the results of inspection and supervision of HABECO's operations in 2024 as follows:

I. Activities of the Board of Supervisors of Hanoi Beer Alcohol and Beverage Joint Stock Corporation in 2024:

1. Organizational structure of the Board of Supervisors:

- Ms. Chu Thi Thu Trang: Head of the Board of Supervisors
- Mr. Tran Duc Giang: Member of the Board of Supervisors
- Ms. Thieu Hong Nhung: Member of the Board of Supervisors

2. Key Activities:

- Conducted appraisal of the Separate Financial Statements and Consolidated Financial Statements;
- Summarized the activities of the Board of Supervisors for the fiscal year 2024;
- Approved the draft report of the Board of Supervisors to be presented at the General Meeting of Shareholders;
- Discussed and reached consensus on key feedback topics for major meetings;

- Conducted supervision and inspection to ensure the reasonableness, legality, accuracy, and prudence in the management and operation of HABECO's business activities;

- Monitored compliance with the enterprise's obligations under the law, including tax obligations to the State, social and health insurance for employees, and other obligations;

- Conducted the appraisal of the Separate financial statements, Consolidated financial statements, and the 2024 Profit Distribution Plan following the Decision No. 1885/QĐ-BCT dated May 17th, 2016, issued by the Ministry of Industry and Trade;

- Participated in periodic and extraordinary meetings of the Board of Directors and other essential meetings of the Board of Management.

II. Results of 2024 financial statement assessment:

The Board of Supervisors concurred with the figures presented in the 2024 Separate financial statements of the Parent company and the 2024 Consolidated financial statements, as prepared by the General Director and reviewed by the independent auditing firm – Nhan Tam Viet Auditing Company Limited. The summarized financial data are as follows:

Unit: VND

Indicator	Separate Financial Statements	Consolidated Financial Statements
BALANCE SHEET		
A. CURRENT ASSETS	3,725,497,391,312	5,352,518,818,851
I. Cash and cash equivalents	646,361,710,800	1,036,109,602,407
II. Short-term financial investment	2,623,586,200,000	3,297,999,912,329
III. Short-term accounts receivable	156,958,257,409	250,501,738,886
IV. Inventories	268,153,824,000	713,918,413,203
V. Other current assets	30,437,399,103	53,989,152,026
B. LONG-TERM ASSETS	2,000,429,591,339	1,906,681,183,873
I. Long-term accounts receivable	0	231,800,000
II. Fixed assets	479,114,731,038	1,194,282,460,747

Indicator	Separate Financial Statements	Consolidated Financial Statements
III. Investment property	0	2,881,508,740
IV. Long-term assets in progress	8,607,196,604	16,835,179,030
V. Long-term financial investment	1,466,651,965,211	476,670,079,750
VI. Other long-term assets	46,055,698,486	215,780,155,606
TOTAL ASSETS	5,725,926,982,651	7,259,200,002,724
C. LIABILITIES	1,465,784,790,786	1,465,784,790,786
I. Current liabilities	1,370,638,491,280	1,869,699,422,684
II. Long-term liabilities	95,146,299,506	123,120,804,342
D. OWNER'S EQUITY	4,260,142,191,865	5,266,379,775,698
I. Owner's equity	4,260,142,191,865	5,265,628,783,522
II. Other sources and funds	0	750,992,176
TOTAL RESOURCES	5,725,926,982,651	7,259,200,002,724
INCOME STATEMENT		
1. Revenue from sales and provision of services	5,732,148,541,830	8,301,777,944,671
2. Deductible items	3,965,428,800	83,365,816,073
3. Net revenue from sales and provision of services	5,728,183,113,030	8,218,412,128,598
4. Cost of goods sold	4,350,689,519,121	6,026,881,693,823
5. Gross profit from sales and provision of services	1,377,493,593,909	2,191,530,434,775
6. Revenue from financial activities	183,564,463,198	177,669,945,778
7. Financial expenses	846,971,805	5,758,925,009

Indicator	Separate Financial Statements	Consolidated Financial Statements
8. Profit or loss in an associate or joint venture	-	16,464,070,603
9. Selling expenses	863,465,244,053	1,377,780,938,100
10. Administration expenses	248,611,539,881	513,365,466,604
11. Net profit from operating activities	448,134,301,368	488,759,121,443
12. Other income	17,947,767,533	29,677,221,640
13. Other expenses	2,139,555,099	11,594,776,199
14. Other profit	15,808,212,434	18,082,445,441
15. Total profit before tax	463,942,513,802	506,841,566,884
16. Current corporate income tax expense	94,860,428,193	117,963,752,521
17. Deferred corporate income tax expenses	281,568,991	(2,262,199,087)
18. Profit after tax	368,800,516,618	391,140,013,450

III. Results of implementation of target plan and financial indicators for 2024:

1. Business results and financial indicators of the Parent company (according to the 2024 Separate financial statements of the Parent company):

- Revenue from sales and provision of services reached 5,732.15 billion VND, equivalent to 102.54% compared to itself in 2023;
- Total profit before tax: 463.94 billion VND, equivalent to 109.26% compared to itself in 2023;
- The current ratio and quick ratio remained at a safe and stable level (>1);
- Return on charter capital after tax was 15.91%;
- Return on equity (ROE) was 8.62%
- Return on assets (ROA) was 6.46%;
- The debt-to-equity ratio remained low at 0.34.

These ratios indicate that HABECO's results were on par with the industry average. They ensured effective business and production performance, financial safety, and a high self-financing capacity while safeguarding and growing its capital.

2. Business results according to consolidated financial statements:

- Revenue from sales and provision of services reached 8,301.78 billion VND, equivalent to 105.07% compared to itself in 2023.
- Total profit before tax reached 506.84 billion VND, equivalent to 109.15% compared to itself in 2023.
- Profit after tax reached 391.14 billion VND, equivalent to 110.28% compared to itself in 2023.

In 2024, among HABECO's subsidiaries, 15 out of 16 subsidiaries reported profitable business results, while 01 subsidiary incurred losses.

IV. Results of supervision to Board of Directors and Board of Management:

The Board of Directors of HABECO ("BOD") organized regular meetings to discuss, analyze, and reach consensus among its members. In addition to regular meetings, the BOD conducted written consultations with BOD members to provide timely guidance on arising issues. During 2024, the BOD held 06 meetings, issued 06 resolutions through direct meetings, and 10 resolutions through written consultation.

Significant issues under the authority of the BOD and Board of Management were executed following their respective functions, duties, and powers as stipulated by the Law on Enterprises, HABECO's Charter, and other relevant legal regulations, strictly implementing resolutions issued by the General Meeting of Shareholders and the BOD of HABECO.

In 2024, HABECO continued to consolidate its organizational apparatus, gradually adjusted, arranged, and appointed several managerial and leadership positions at the Parent Company and certain subsidiaries.

V. Report on evaluation of coordination activities between the Board of Supervisors, Board of Directors, Board of Management, and Shareholders:

The Board of Supervisors operates based on the provisions of the Law on Enterprises, HABECO's Charter, the Operating Regulations of the Board of Supervisors, as well as internal management regulations within HABECO's internal governance system to carry out its supervisory duties.

The Board of Supervisors was facilitated by HABECO's Board of Directors and Board of Management to perform its duties effectively, fully participating in regular and extraordinary meetings of the Board of Directors, as well as certain meetings of the Board of Management

The Board of Supervisors maintained close relationships with shareholders, monitored compliance with HABECO's information disclosure obligations in accordance with legal regulations, thus ensuring shareholders' interests.

VI. Opinions of the Board of Supervisors:

The Board of Supervisors acknowledged the completeness and clarity of the data presented in the 2024 financial statements, which has been reviewed by the independent auditing firm - Nhan Tam Viet Auditing Company Limited.

The 2024 financial statements of HABECO have been reviewed and published in accordance with current regulations.

Proposed recommendations:

In 2025, HABECO will continue to face numerous challenges due to the complex global economic and political situation, rising global inflation, and increasing prices of input materials. Considering these difficulties, the Board of Supervisors proposes the following recommendations:

- The Corporation continues to develop, research, and improve products, as well as upgrade packaging and labeling, thereby enhancing the competitiveness of HABECO products in the market.
- The Corporation needs to develop a Proposal outlining solutions and response plans to address the issue of increasing special consumption tax on the alcohol and beer industry over different periods.
- It is recommended that the Corporation promptly update changes in State policies related to business and production activities and quickly issue regulations and guidelines to ensure timely compliance and implementation in accordance with the law.
- Conduct research to amend and supplement the Regulation on the management of representatives of the Corporation's capital contribution in other enterprises to align with current regulations.
- Continue to finalize the Restructuring plan for the Corporation and its member companies, submit for approval of the Ministry of Industry and Trade. This plan aims to reorganize and merge units to optimize production, reduce management costs, and align with current production practices. Additionally, collaborate with the consulting unit to research and develop a plan for the divestment of the Corporation's capital in Hanoi Liquor and Beverage Joint Stock Company, submit for approval of the competent authorities.
- For subsidiary companies, the Board of Supervisors recommends that the Corporation, through its capital representatives and controllers, strengthen the inspection and supervision of production and business plans, cost plans, and material consumption standards to enhance operational efficiency.

VII. Self-Assessment report on the performance of the Board of Supervisors and its members:

1. Performance evaluation of the Board of Supervisors:

Based on the rights and responsibilities stipulated in the Corporation's Charter and operational regulations, the Board of Supervisors self-evaluated its performance as follows:

- The Board of Supervisors has effectively fulfilled its role in supervising the Board of Directors and the Board of Management in managing and operating the Corporation.

- Successfully completed the review of the Corporation's business report, separate and consolidated financial statements for the first six months.

- In the process of performing the tasks, the Board of Supervisors has actively proposed and recommended amendments to regulations and policies to the BOD, ensuring timely updates to align with new requirements, strengthen governance, and improve the internal control system to meet the Corporation's management and business development needs.

- The Board of Supervisors has organized periodic meetings in accordance with the provisions of the Law on Enterprise and the Charter of Organization and operation of the Corporation. To promptly solve the arising jobs, in addition to direct meetings, the Board of Supervisors regularly exchanged and gathered information from Supervisors via email.

- The Board of Supervisors has operated in accordance with the prescribed rights and tasks. The decisions of the Board of Supervisors have been promulgated in accordance with the order and procedures under the the Law on Enterprise, the Corporation Charter and the Regulation on organization and operation of the Board of Supervisors.

2. Performance evaluation of the Supervisors:

The Supervisors have fulfilled the assigned tasks based on the Corporation's Charter, the organization's regulations, the Board of Supervisors' operation, and the Supervisors' tasks.

The Supervisors fully participated in the operating programs and meetings of the Board of Supervisors with a sense of responsibility, actively contributing to construction opinions.

The Board of Supervisors assessed the performance of the operator for each supervisor as follows:

2.1. Head of the Board of Supervisors – Ms. Chu Thi Thu Trang:

- Performed well in organizing the direction and administration of the Board of Supervisors, including convening and chairing its meetings.

- Organized the implementation of the inspection and supervision of the Board of Directors and the Board of Management in execution of the laws of the State, the Charter, regulations, and regulations of the Corporation.
- Considered and supervised the implementation of the Resolution of the Annual General Meeting of Shareholders, dividing dividends, and setting up funds.
- Participated in meetings of the Board of Directors and meetings of the Board of Management as prescribed.
- Coordinated with Supervisors to evaluate the business report, separate and consolidated financial statements in the first 6-month of the Corporation. Participate in the review and approval of member companies' financial statements.
- Assumed the prime responsibility for drafting and reporting to the Corporation's Annual General Meeting of Shareholders on the operating results and the Board of Supervisors' plan.

2.2. Supervisor - Mr. Tran Duc Giang:

Performed tasks well as assigned by the Board of Supervisors, including:

- Coordinated to consider and control the rationality and legality in promulgating and implementing the resolutions and decisions of the Board of Directors and the General Director.
- Reviewed the documents and resolutions promulgated by the Board of Directors and comply with the Corporation's Charter organization and operation.
- Coordinated with supervisors to evaluate the business report, separate and consolidated financial statements in the first 6-month of the Corporation. Participate in the review and approval of member companies' financial statements.

- Participated in meetings of the Board of Directors as prescribed.
- Performed other tasks as assigned by the head of the Board of Supervisors.

2.3. Supervisor - Ms. Thieu Hong Nhung:

Performed tasks well as assigned by the Board of Supervisors, including:

- Coordinated with Supervisors to evaluate the business report, separate and consolidated financial statements in the first 6-month of the Corporation
- Participated in meetings of the Board of Directors as prescribed.
- Performed other tasks as assigned by the head of the Board of Supervisors.

VIII. Operational plan of the Board of Supervisors in 2025:

The Board of Supervisors shall perform the functions and tasks stipulated in the Corporation's Charter of organization and operation, specifically:

- Supervise and inspect the reasonableness, legality, honesty, and prudence of the Corporation's business activities' management and operation.
- Supervise the Board of Directors and the Board of Management in the management and operation of the Corporation and in implementing the Resolutions of the General Meeting of Shareholders.
- Appraise the financial statements of the Corporation.
- The Board of Supervisors shall hire independent consultants or coordinate and mobilize the Corporation's internal audit personnel (when necessary) to perform the Board of Supervisors tasks in accordance with the provisions of the Law on Enterprise or on a topic when it arises.
- Organize training to improve the professional control skills of the Corporation's Board of Supervisors.

All Supervisors have unanimously approved this report and respectfully submitted it to the 2025 Annual General Meeting of Shareholders.

The Board of Supervisors would like to sincerely thank the Board of Directors, the Board of Management, functional departments, member units, and shareholders for their cooperation and for creating favorable conditions for the Board of Supervisors to perform its assigned tasks.

We wish the Delegates and Shareholders attending the meeting good health./.

**O/B. BOARD OF SUPERVISORS
HEAD OF BOARD OF SUPERVISORS**

Chu Thi Thu Trang

