



Ho Chi Minh City, April 15, 2022

No. **03/2022/BCDH-BKS-BCG**

REPORT ON OPERATIONS OF THE BOARD OF SUPERVISORS 2021 AND OPERATION PLAN FOR THE PERIOD OF 2022-2026

To: Shareholders of Bamboo Capital Joint Stock Company

- Pursuant to the Law on Enterprise No.59/2020/QH14 dated 17/06/2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Securities Law No.54/2019/QH14 dated 26/11/2019 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Charter of Bamboo Capital Joint Stock Company (BCG) approved on 24/01/2022 (the 15th amendment);
- To conduct duties as stipulated in the Company's Charter and the applicable laws, the Board of Supervisors (BOS) would like to report to the General Meeting of Shareholders (AGM) on inspection and control in 2021 and operation orientation for the period of 2022-2026 with the following contents:

I. OPERATIONS OF THE BOARD OF SUPERVISORS IN 2021:

1. Personnel:

The BOS include 03 members:

- Mr. Dinh Hoai Chau – Head of the BOS
- Mr. Nguyen Viet Cuong – Member
- Mr. Kou Kok Yiow – Member

2. Operations of the Board of Supervisors:

- To supervise compliance with the laws and the Company's Charter for the Board of Directors (BODs) and the Executive Committee in management and direction of the Company.
- To supervise performance of the Resolutions approved at the Annual and Extraordinary General Meetings.
- To propose appointment of independent audit firm for the audit of the annual financial statements, including review of the mid-year financial statements and the year-end financial statements.
- To inspect and monitor operations of the BODs and the Executive Committee; attend and closely follow contents at the BODs meetings for effective supervision.
- To check legality, validity and fairness in management and direction of business activities and in accounting, statistics and preparation of the financial statements.

II. SUPERVISION RESULTS IN 2021:

1. Supervision results in 2021 under the GMS's resolutions:

- The BODs and the Board of Management (BOM) complied with proposals approved at the annual General Meeting, such as distributed or undistributed profit plan, dividend payment, remuneration plan and appointment of audit firm.
- Supervising activities of investment, capital withdrawal, lending, borrowing, purchase and sale of the assets in the approved appraisal, in the sequences under the internal regulations on corporate governance.
- Supervising business plan and financial position with annual growth.

2. Supervision of financial position in 2021:

The BOS periodically discusses with the independent audit firm about auditing, audit results and other matters interested in the internal control system; and periodically review and analyze information and figures in the financial statements.

Based on the periodic reports and analysis figures presented by the Executive Committee at the BODs meetings, the BOS has evaluated:

- Basic items of indebtedness, loans, liquidity, cash flows and owner's equity are achieved.
- Although the Company's revenue from operating activities was not obtained as planned due to economic difficulties, its profits were excessive as per the plan thanks to flexible investment and cost saving. Assets, capital sources and new projects on renewable energy, real estate, trading and manufacturing have highly increased and promised stronger growth in the coming years. In addition, expansion of investments in finance and insurance is to diversify the Group's investment portfolio.
- The Company's financial statements in 2021 fully reflected its operations and financial position and are presented in the forms in accordance with Vietnamese Accounting Standards and the applicable regulations.

The following are some information on consolidated financial position and consolidated operation results of the Company:

<i>Currency unit: VND billion</i>				
Items	2020	2021	Variation	%
Net revenue from sale of goods and rendering of services	1,854.94	2,618.25	763.31	41.15%
Cost of goods sold	1,434.69	1,650.46	215.77	15.04%
Gross profit from sale of goods and rendering of services	420.26	938.99	518.73	123.43%
Revenue from financial activities	854.31	2,346.06	1,491.75	174.61%
Financial expenses	554.64	1,486.44	931.80	168.00%
Interest or loss in the joint ventures and associates	(52.39)	(56.41)	(4.02)	7.67%
Selling expenses	110.38	98.41	(11.97)	(10.84%)

General administration expenses	222.51	369.13	146.62	65.89%
Net revenue from operating activities	334.64	1,277.35	942.71	281.71%
Other profits	(1.39)	(11.39)	(10.00)	719.42%
Total accounting profit before tax	333.25	1,265.96	932.71	279.88%
Profit after corporate income tax	266.42	1,000.34	733.92	275.47%

Currency unit: VND billion

Items	01/01/2021	31/12/2021	Variation	%
Current assets	11,338.11	16,238.69	4,900.58	43.22%
Non-current assets	12,798.72	21,450.63	8,651.91	67.60%
Total assets	24,136.83	37,689.32	13,552.49	56.15%
Current liabilities	10,609.46	10,197.14	(412.32)	(3.89%)
Non-current liabilities	10,564.06	19,142.62	8,578.56	81.21%
Owner's equity	2,963.31	8,349.56	5,386.25	181.76%
Total resources	24,136.83	37,689.32	13,552.49	56.15%

3. Supervision of operations in 2021:

The BOS closely monitored risk management in investment and regular operating activities of the Company through frequently discussing and contributing opinions with the BODs and the BOM. Risk detection through control will be timely recommended to minimize risks and prevent or transfer risks in accordance with the laws and ensure the Group's and the relevant parties' benefits.

The BOS recognizes no significant risks in the Company's management system as well as compliance with the laws, the Charter and regulations of relevant individuals and departments.

The Company and its individuals have also won awards from prestigious organizations, such as Bamboo Capital Group honored "Vietnam's Top 500 largest enterprise 2021" and "Vietnam's Top 500 most profitable enterprises 2021" for the 5th consecutive year. In addition, Bamboo Capital Group was honored by (APEA) in "Asia Excellent Enterprise" and the Chairman of the BODs was honored as Asian Excellent Entrepreneur" with achievements in business and social charity.

4. Appraisal of the BODs' report and the BOM's report

a) Appraisal of the BODs' report:

Report on operations of the BODs reflected in full and fair manner operations and directions of the Company and resolutions of the BODs in conformity with the laws and the Company's Charter.

b) Appraisal of the BOM's report:

The BOM's report reflected in full and fair manner the Company's operations in 2021 in conformity and compliance with the laws, the Company's Charter and resolutions of the BODs and of the shareholders.

5. Results from coordination between the BOS and the BODs, the BOM and the shareholders

- The BOS recognized that members of the BODs and the BOM have created favorable conditions for the BOS to fulfil its duties.
- The BOS attended the BODs meetings to conduct supervision and obtain direct opinions about matters in the authority of the BOS.
- The BODs, the BOS and the BOM have always readily coordinated with the shareholders under the applicable Law on Enterprise to handle the matters that the shareholders concern; assist in providing information for the shareholders through information disclosure, communications, events or direct information to the requesting shareholders.

III. CONCLUSIONS AND RECOMMENDATIONS:

1. Conclusions

In 2021, the BOS has not found any abnormalities in the Company's activities and any suggestions of the shareholders and the employees. The Company's activities in 2021 were in compliance with the laws, its Charter and the GMS's resolutions.

2. Recommendations

Through study, research and supervision, the BOS has given some recommendations to the BODs and the Executive Committee as follows:

- To regularly monitor macroeconomic situation; review and analyze impacts of macroeconomic changes on the enterprise to provide flexible and effective solutions in performing business activities and projects.
- To periodically consolidate, analyze and assess environmental impacts in the enterprise on its strategies to timely make adjustments in conformity with its business strategies.
- To continue to complete personnel training strategy and branding strategy through individual branding, communication means, internet and associations.
- To continue to review and consolidate organizational structure, personnel and professional qualifications in line with requirements of the business activities and of the state management agency.
- To regularly encourage its employees to apply their creative thoughts and best solutions to administration activities with a view to use and develop resources effectively.
- To regularly evaluate effective investments to adjust business activities, attain the set targets and optimally obtain profits from investment activities.


IV. OPERATION ORIENTATION OF THE BOARD OF SUPERVISORS FOR THE PERIOD OF 2022-2026:

To perform strategic targets and business objectives set by the Company for the period of 2022-2025, the Board of Supervisor will strive to fulfil its functions and duties; control internal and external risks of the enterprise to the best; and provide the BODs and the Executive Committee with necessary professional consultations to improve effective use of the Company's capital and assets.

~~On quarterly basis,~~ The BOS conducts supervision and inspections under its duties approved in the Company's Charter and the GMS's resolutions as follows:

- To review quarterly and annual business plans and give opinions if necessary to the BODs and the BOM.
- To supervise operations of the BODs and the Executive Board in compliance with the laws and the Company's Charter and the GMS's resolutions.
- To periodically review and check deployment of business plan of the BODs and the Executive Board in implementing the business strategies.
- To appraise quarterly, mid-year and year-end financial statements.
- To evaluate internal control system and propose recommendations to improve efficiency of the internal control system.
- To evaluate a system of Regulation on Organization and Operation, Financial Regulation, Rules and Procedures in full criteria and conformity with the laws and the Group's actual activities.
- To attend and discuss with the audit firm about matters related to the audit of the annual financial statements to settle problems.
- To review and check compliance with the resolutions and the law on accounting for accounting and preparation of the annual financial statements.
- To regularly update new knowledge about corporate governance, risk management and new regulations of the Law on Enterprise; update and acquire knowledge about tax, accounting and finance to have the most profound understanding in inspection and supervision.
- To study and consult the BODs and the Executive ~~Board~~Committee if necessary to the best administration of business risks.

The above is the Report on 2021 operations of the Board of Supervisors and operation orientation for the period of 2022-2026.

Yours sincerely, 

Recipients:

- As above;
- BODs;
- BOM;
- Accounting Department;
- Archives: BOS, Office of the BODs

**ON BEHALF OF
THE BOARD OF SUPERVISORS
HEAD OF THE BOARD**

Dinh Hoai Chau