

*Hue, July 20<sup>th</sup>, 2020*

**THE REPORT OF BOARD OF SUPERVISOR**  
**THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2021**

*Kindly to Shareholders,*

Board of Supervisor “BOS” reports to the Annual General Meeting of Shareholders (“GMS”) in 2021 about the results of activities of BOS in 2020 and plans for 2021 as follows

**A. RESULTS OF ACTIVITY IN 2020:**

**1. Summary of BOS’s main activities:**

**a. Human source:**

In year, a number of BOS’s member are:

Mr. Le Duc Quang	Head of the BOS
Ms. Fumiyo Okuda	Member
Ms. Nguyen Ngoc Dieu Loan	Member

Pursuant to Resolutions 11 and Resolution 12 of the 2020 GMS dated December 17, 2020 on the election of 02 additional members of the BOS and Clause 3, Article 38 of the Charter of Huong Giang Tourist JSC, was amended for the 6th time on December 17, 2020, providing for the election of the Head of BOS: on December 20, 2020, the BOS of Huong Giang Tourist JSC met and agreed to elect Mr. Le Duc Quang to hold the position of Head of BOS for the 2016-2021 term.

**b. Main activities of BOS:**

In year 2020, BOS implemented the inspection and supervision of compliance with law of enterprise, charter of company, resolution of GMS 2020 in management and operation of company as following:

- Supervising situation of corporate management, operation and execution of the GMS’s resolutions.
- Supervising and controlling issuance of resolutions by BOD and BOM.
- Supporting in accounting, auditing. Cooperating to internal controller in supervise and control activity, compliance policy.
- Monitoring and revaluating monthly financial statement.
- Monitoring and evaluating the completeness and honesty of the Financial Statements 2020.
- Monitoring and auditing investment activity, Construction in Process based on Resolution of GMS.
- Proposing the selection of audit firm for Financial Statements 2020.

**2. Revalue The Financial Statement in 2020 and propose audit firm for year 2021:**

BOS unanimously agrees on figures in audited Separate and Consolidated financial statement 2020 and audit's opinion of AASC (attached financial statement 2020 – separate and consolidated).

In 2020, the profit after tax of the Consolidated Financial Statements is loss VND 42,364 million, profit after tax of the Separate Financial Statements is loss VND 33.653 million (the plan separate profit approved by the GMS is loss VND 31,396 million). The main reason affecting business results in 2020 is that the Covid-19 epidemic has negatively impacted the entire tourism service industry and inevitably had a great impact on business units in the company.

#### **Propose audit company for 2021**

Based on the capacity, experience and quality of auditing services has performed by AASC Auditing Co., Ltd. in previous years, BOS continues to propose to select AASC Auditing Co.,Ltd to be the auditor of the financial statements in 2021, and select Ernst & Young Co., Ltd., KPMG Co., Ltd. as two potential audit firms in case AASC Auditing Co.,Ltd gives an unreasonable fee and report issuance time.

### **3. Result of monitoring and supervising issuance of resolutions by BOM:**

In 2020, the BOM held 04 meetings, all of them are indirect meetings (collecting written opinions). The BOM has issued 07 Resolutions to support business administration activities of the company.

The meetings of BOM were convened and held under the regulations of charter of company.

The resolutions of BOM were issued legally based on authorization of BOM in accordance with charter of company.

### **4. Result of monitoring and supervising issuance of resolutions by BOD:**

- In 2020, the BOD has implemented and complied with the Resolutions and Decisions of the BOM.
- The BOD has directed and operated the business operations in 2020 closely following the volatile actual situation and in accordance with the BOM's orientations.
- The BOM has fully fulfilled its obligations to the State and tried to balance the interests of employees and the company during the difficult period due to the Covid-19 epidemic.

### **B. Recommendation:**

- Recommend the BOM and the BOD to continue to innovate throughout the company to match with the current business situation.
- Recommend BOM reviews and evaluates effective & efficient in using capital at associate companies to have suitable development strategies.
- Monitoring and controlling business investment activities and process of project to take measures to solve and ensure the proposed progress.
- Recommend the BOD to develop a suitable and prudent business plan in the situation that the tourism service industry still faces many difficulties and disadvantages due to the Covid-19 epidemic.

### **C. ANNUAL PLAN OF BOS IN 2021:**

- Performing duties on behalf of shareholders to control the governance, operation of the business and the implementation of the Resolutions of the GMS.
- Reviewing the reasonableness of internal management documents issued by the company. Inspecting the implementation of documents and regulations of the State and resolutions issued by the BOM.
- Cooperating external audit in revaluating and auditing the financial statement and business activities in 2021.
- Monitoring and supervising the implementation and effectiveness of business contracts according to the Resolutions of the GMS.
- Monitoring investment projects from preparation to implementation, as well as progress, quality and efficiency of projects approved by the GMS.
- Cooperating relevant departments in order to monitor and control budget and actual activities.

The above is main report of the main activities of BOS in 2020 and orientation for 2021.

We wish the meeting a success.

Thanks and Regards.

#### **Recipient.**

- Shareholders;
- BOM;
- BOD;
- BOS.

**On Behalf of BOS  
Head of BOS**

**Lê Đức Quang**