



**SUPERVISORY BOARD**

*Ho Chi Minh city, 31 March, 2025*

**REPORT OF SUPERVISORY BOARD  
OF CHOLON REAL ESTATE JOINT STOCK COMPANY  
AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

- *Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, of the National Assembly of the Socialist Republic of Vietnam;*
- *Pursuant to the functions and duties of the Supervisory Board as stipulated in the Charter of Organization and Operation of Cho Lon Real Estate Joint Stock Company, which was approved by the General Meeting of Shareholders;*
- *Pursuant to the 2024 financial statements of Cho Lon Real Estate Joint Stock Company, audited and confirmed by Moore AISC Information Technology Services Co., Ltd. (“Moore AISC”) on March 28, 2025.*

The Supervisory Board (“SB”) hereby reports to the 2025 Annual General Meeting of Shareholders of Cho Lon Real Estate Joint Stock Company (“Company”) on the performance of the SB’s assigned duties and powers in 2024 and the SB’s operational plan for 2025 as follows:

**I. REPORT ON ACTIVITIES OF SB FOR 2024:**

**1. Personnel of SB :**

The Supervisory Board in 2024 consisted of the following members:

- Ms. Nguyễn Thị Ngọc Duyên - Head of the Supervisory Board
- Mr. Nguyễn Tấn Huy - Member (appointed on April 26, 2024)
- Ms. Trần Ngọc Lan - Member (dismissed on April 26, 2024)
- Mr. Nguyễn Xuân Dũng - Member

**2. SB’s Activities**

The SB conducted meetings and online discussions to approve work programs and activities, including:

- Reviewing and approving the work program with the Accounting Department and the examination of the reviewed financial statements for the first half of 2024 to assess their objectivity, reasonableness, truthfulness, and compliance with current accounting standards and policies;
- Reviewing and approving evaluations, recommendations, and proposals in the SB’s report submitted to the Board of Directors (“BOD”) regarding the SB’s

assessment of business operations and the reviewed financial statements for the first half of 2024;

- Reviewing and approving the audit process and assessment of the 2024 audited financial statements issued by Moore AISC to ensure objectivity, reasonableness, accuracy, and compliance with prevailing accounting regulations and standards;
- Reviewing and approving the SB's evaluation and recommendations in reports submitted to the BOD regarding the audited 2024 financial statements and business performance;
- Approving the SB's report for submission to the 2025 Annual General Meeting of Shareholders;
- Assigning SB members to participate in and provide opinions at periodic meetings of the BOD and Executive Board;
- Reviewing and approving the proposal to select the audit firm for the 2025 financial statements in compliance with regulations.

### ***3. Remuneration and Operating Expenses of the SB***

Regarding remuneration in 2024:

- SB members received **VND 3,000,000/person/month** (including personal income tax).
- The Head of the SB received **VND 5,000,000/person/month** (including personal income tax).

Operating expenses in 2024 complied with the Company's Internal Financial Regulations.

## **II. SB'S ASSESSMENT OF BOD, EXECUTIVE BOARD, AND 2024 AUDITED FINANCIAL STATEMENTS**

### **1. Assessment of Financial Statements and Business Results for 2024**

#### **1.1. Compliance with Laws, Standards, and Accounting Regulations**

- The Company applied the Vietnamese Enterprise Accounting Standards under Circular 200/2014/TT-BTC dated December 22, 2014, and Circular 53/2016/TT-BTC dated March 21, 2016, issued by the Ministry of Finance.
- The 2024 financial statements accurately and fairly represented the Company's financial position as of December 31, 2024, and complied with Vietnamese Accounting Standards.
- The financial reports were prepared on time, providing clear financial information as required by regulatory agencies and investors.
- The Company fully complied with tax reporting and settlement obligations in 2024.

#### **1.2. Evaluation of Financial Statements and Business Results**

##### **a. Business Performance for 2024**

(Unit: Billion VND)

Indicator	Actual 2024	Plan 2024	Performance (%)
Total revenue and other income	17.02	60.00	28.37
Profit before tax	1.87	9.00	20.78

Despite of achieving only **28.37% of the planned revenue** and **20.78% of the planned pre-tax profit**, the Company showed relative growth compared to 2023. Given the challenging economic environment and stagnation in the real estate sector in 2024, the Company managed to maintain operations and avoid losses, demonstrating efforts by the BOD and Executive Board.

#### b. Assets and Equity

(Unit: Billion VND)

Indicator	31/12/2024	01/01/2024
Total Assets	492.85	471.02
Short-term Assets	326.42	304.78
Long-term Assets	166.43	166.24
Total Liabilities	205.62	183.63
Short-term Liabilities	192.32	183.63
Long-term Liabilities	13.30	0
Equity	287.23	287.39

In 2024, the Company's total assets increased by more than VND 21.83 billion, with short-term assets rising by VND 21.64 billion and long-term assets increasing by VND 0.19 billion. The main reasons for these changes include:

- ✓ The Company divested all business securities investments, reducing the value of short-term financial investments by VND 3.83 billion compared to the beginning of the period.
- ✓ Inventory increased by VND 24.29 billion compared to the beginning of the year due to the recognition of the Đồng Tháp project investment portfolio in accordance with regulations.
- ✓ Investment property decreased by VND 3.21 billion due to the transfer of investment properties related to Felisa Riverside apartments and land plots in the Vĩnh Long project, along with depreciation reductions as required.

- ✓ Long-term unfinished assets increased by VND 3.82 billion due to office renovation costs incurred to expand rental space and enhance revenue.

Accordingly, the Company's total capital in 2024 also increased by more than VND 21.84 billion, mainly because:

- ✓ Short-term liabilities rised by VND 8.69 billion, primarily due to a VND 7.39 billion increase in short-term payables to suppliers, particularly for Shine Investment Co., Ltd., which contributed capital to the Lalaland – Đồng Tháp project.
- ✓ Short-term loans and financial lease liabilities increased by VND 1.56 billion as the Company, for the first time, utilized loan capital for the Lalaland Đồng Tháp project.
- ✓ Long-term liabilities increased by VND 13.30 billion as the Company took on long-term loans for the Lalaland Đồng Tháp project.
- ✓ Total equity as of December 31, 2024 reached VND 287.23 billion, a decrease of VND 0.15 billion due to profit allocation from the previous year in compliance with regulations.

#### **Detailed figures as of December 31, 2024:**

- Charter capital: VND 138.59 billion, including:
  - ✓ State capital (Saigon Real Estate Corporation): VND 27.72 billion (20%).
  - ✓ Other shareholders: VND 110.87 billion (80%).
- Share premium: VND 22.39 billion.
- Development investment fund: VND 107.77 billion.
- Other funds: VND 8.06 billion.
- Undistributed profits: VND 10.41 billion (a decrease of VND 0.15 billion compared to the beginning of the period).

In Q3/2024, with the introduction of three new Laws—Land Law, Housing Law, and Real Estate Business Law—along with over 20 Decrees and Circulars, the real estate market began showing signs of recovery after a prolonged downturn. However, during the transition period for these regulations to take full effect, real estate enterprises still faced many legal challenges, mainly related to land valuation, land use fees, site clearance, land allocation, and restrictive financial policies. These issues continued to hinder the industry's ability to fully recover and develop investment projects.

Similar to other companies in the real estate sector, some of the Company's investments faced legal hurdles, but they are expected to be resolved in 2025. The Board of Directors (BOD) and Executive Board (EB) made commendable efforts in proactively identifying and investing in profitable projects. Notably, the Company leveraged loan capital for the first time to finance projects efficiently. Despite of the industry's overall difficulties, the Company remained profitable and ensured job stability for its employees.

### **III. SB'S OPERATIONAL PLAN FOR 2025**

Based on its assigned duties and authority, the SB plans to focus on the following activities in 2025:

- Monitoring the implementation of the Annual General Meeting's resolutions in Company management and operations.
- Ensuring compliance with the Company Charter, internal regulations, and legal requirements in financial and investment activities.
- Reviewing and evaluating quarterly, semi-annual, and annual financial statements.
- Attending all BOD meetings and quarterly/year-end reviews.
- Fulfilling its responsibilities in accordance with applicable laws and Company regulations.

The above report presents the SB's assessment of the Company's performance in 2024 and its operational plan for 2025, submitted for approval at the 2025 Annual General Meeting of Shareholders.

Sincerely,

**ON BEHALF OF  
SUPERVISORY BOARD  
Nguyễn Thị Ngọc Duyên  
Head of Supervisory Board  
(signed)**