

**ENGLISH TRANSLATION****REPORT OF THE SUPERVISORY BOARD  
AT THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

Pursuant to the rights and responsibilities of the Supervisory Board provided in the Company's Charter, the Supervisory Board would like to report our activities in 2018 as follows:

**I. OPERATIONS OF THE SUPERVISORY BOARD IN 2018**

- Supervising and reviewing the management and execution of 2018 business activities by the Board of Directors and the Management Team;
- Reviewing the legality and reasonableness of our business in 2018 in accordance with resolutions of the General Meetings of Shareholders in 2018;
- Reviewing and supervising the issuing of resolutions and decisions of the Board of Directors and the Management Team;
- Reviewing the reasonableness, legality, honesty and diligence in implementing accounting operations and forming financial statements.

Members of the Supervisory Board were not compensated in their capacity as members of the Supervisory Board, and the Supervisory Board did not incur any operational expenses.

**II. SUPERVISORY BOARD'S REVIEW OF THE COMPANY'S OPERATIONS****1. On the accounting and financial operations of the Company:**

The Supervisory Board confirms that the financial figures presented in the report of the Board of Directors submitted to the 2019 Annual General Meetings of Shareholders are a fair reflection of the Company's and its subsidiaries' current financial situation.

Key figures of the financial situation as of December 31, 2018:

**Part 1: Balance Sheet**

	<u>Group</u>		<u>Company</u>	
	31/12/2018	1/1/2018	Error! Reference source not found.	Error! Reference source not found.
	VND'000	VND'000	VND'000	VND'000
<b>ASSETS</b>				
Current assets	4,333,718,245	3,456,003,440	47,959,283	2,782,039

**MASAN RESOURCES CORPORATION**

Suite 802, Central Plaza, 17 Le Duan, Ben Nghe Ward, District 1,  
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Cash and cash equivalents	467,220,260	780,414,201	3,288,566	483,619
Short-term financial investments	-	32,500,000	-	-
Accounts receivable – short-term	1,612,852,955	860,460,818	44,670,717	2,298,420
Inventories	1,646,014,138	1,409,062,969	-	-
Other current assets	607,630,892	373,565,452	-	-
<b>Long-term assets</b>	<b>23,615,407,322</b>	<b>23,688,207,422</b>	<b>12,495,844,635</b>	<b>9,995,844,635</b>
Accounts receivable - long-term	1,335,307,630	1,346,793,937	7,355,509,062	4,855,509,062
Fixed assets	18,267,296,514	18,898,064,279	-	-
Long-term work in progress	1,429,178,901	987,802,403	-	-
Long-term financial investments	5,900,000	-	5,140,335,573	5,140,335,573
Other long-term assets	2,577,724,277	2,455,546,803	-	-
<b>TOTAL ASSETS</b>	<b>27,949,125,567</b>	<b>27,144,210,862</b>	<b>12,543,803,918</b>	<b>9,998,626,674</b>
<b>RESOURCES</b>				
<b>LIABILITIES</b>	<b>15,823,171,322</b>	<b>15,132,604,815</b>	<b>3,098,253,712</b>	<b>554,834,167</b>
Current liabilities	4,101,944,806	4,871,844,056	57,179,537	13,759,992
Long-term liabilities	11,721,226,516	10,260,760,759	3,041,074,175	541,074,175
<b>EQUITY</b>	<b>12,125,954,245</b>	<b>12,011,606,047</b>	<b>9,445,550,206</b>	<b>9,443,792,507</b>
<b>TOTAL RESOURCES</b>	<b>27,949,125,567</b>	<b>27,144,210,862</b>	<b>12,543,803,918</b>	<b>9,998,626,674</b>

## 2. On the Company's business performance

In 2018, the Supervisory Board did not find any abnormal signs in the Company's business operations. All of business activities were conducted in compliance with the Company's Charter, the Law on Enterprises and other relevant legal regulations.

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Business performance results and accounting figures have been carefully checked to ensure the accuracy and legality of accounting books.

The Company fully observed all current legal regulations required for information disclosure to the stock market.

Figures of business results as of December 31, 2018:

**Part 2: Income statement**

	<u>Group</u>		<u>Company</u>	
	2018 VND'000	2017 VND'000	2018 VND'000	2017 VND'000
<b>Revenue from sales of goods</b>	<b>6,865,010,875</b>	<b>5,404,645,101</b>	-	-
<b>Cost of sales</b>	<b>4,703,549,284</b>	<b>3,713,762,618</b>	-	-
<b>Gross profit (20=01-11)</b>	<b>2,161,461,591</b>	<b>1,690,882,483</b>	-	-
Financial income	126,790,749	41,999,592	44,669,471	14,265
Financial expenses	1,204,829,996	1,137,924,018	40,756,034	-
Selling expenses	104,331,557	135,288,194	-	-
General and administration expenses	127,022,646	124,952,093	2,165,738	3,000
<b>Net operating profit</b>	<b>852,068,141</b>	<b>334,717,770</b>	<b>1,747,699</b>	<b>11,265</b>
<b>Results of other activities</b>	<b>(23,955,597)</b>	<b>(42,595,318)</b>	<b>10,000</b>	-
<b>Profit before tax</b>	<b>828,112,544</b>	<b>292,122,452</b>	<b>1,757,699</b>	<b>11,265</b>
<b>Income tax expense – current</b>	<b>35,190,165</b>	<b>36,841,033</b>	-	-
<b>Income tax benefits – deferred</b>	<b>(17,079,300)</b>	<b>(45,844,345)</b>	-	-
<b>Net profit after tax</b>	<b>810,001,679</b>	<b>301,125,764</b>	<b>1,757,699</b>	<b>11,265</b>
<b>Net profit attributable to:</b>				
Equity holders of the Company	663,756,323	205,914,056	-	-
Non-controlling interest	146,245,356	95,211,708	-	-

**3. On the governance and management**

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a. The Board of Directors

The Supervisory Board opines that the Board of Directors has fulfilled their management responsibilities in compliance with the Company’s Charter, the Resolutions of the General Meetings of Shareholders, the Law on Enterprises and other relevant legal regulations.

The Board of Directors has duly executed all resolutions of the General Meetings of Shareholders in 2018.

The Board of Directors’ resolutions were issued in compliance with the legal authority of the Board of Directors and the contents of the resolutions were in compliance with the Company’s Charter, the resolutions of the General Meetings of Shareholders, the Law on Enterprises and other relevant legal regulations.

b. The Management Team

The Supervisory Board opines that the Management Team has executed the Company’s business operations efficiently and in compliance with the Board of Directors’ resolutions.

**III. CONCLUSIONS**

The Company’s operations during the 2018 were in compliance with the Company’s Charter, the Law on Enterprises and other, relevant legal regulations, and were based on the Resolutions of the General Meetings of Shareholders and of the Board of Directors.

Yours faithfully,

*Ho Chi Minh City, April 9, 2019*

**ON BEHALF OF THE SUPERVISORY BOARD**

**DOAN THI MY DUYEN**  
**Head of the Supervisory Board**