

No.: 01/2018/BKS-BC

Hanoi, 18th April 2018

REPORT OF THE SUPERVISORY BOARD

Re: The results of the inspection and supervision activities 2017 and the plan and tasks 2018

To: Annual General Meeting of Shareholders 2018 of Ninh Van Bay Travel Real Estate Joint Stock Company

Performing the functions and duties of the Supervisory Board according to the provisions of law and the company's Charter, the Supervisory Board of Ninh Van Bay Travel Real Estate Joint Stock Company would like to report to the General Meeting of Shareholders the Supervisory Board's performance 2017 and plan 2018, as follows:

A. THE RESULTS OF THE INSPECTION AND SUPERVISION ACTIVITIES 2017 OF THE SUPERVISORY BOARD

I. Activities 2017 of the Supervisory Board

In 2017, the Supervisory Board has conducted activities in accordance with the functions and duties specified in the Enterprise Law, the Company's Charter, details were as follows:

- An assessment of the management and administration of the performance of business tasks of the Board of Directors and the Board of management were carried out in accordance with the resolutions issued by the General Meeting of Shareholders/ the Board of Directors and the Company's Charter.
- Gave comments on the selection of independent auditors to review and audit the mid-year financial statements and financial statements 2017 of the Company.
- Supervised the contents, scope and progress of reviewing and auditing the financial statements 2017 under auditing service contract signed with Ernst & Young Vietnam Company Limited; audited the the Company's financial statements in the year; controlled the audited financial statements 2017 to ensure the statements are prepared according to process, standards, honestly reflected the financial statements of the company.

II. Assessing the Company's performance 2017:

On the basis of information and documents on the management and operation activities provided by the Company, members of the Supervisory Board have carried out the inspection, review and make comments, evaluation as follows:

2.1. Evaluating compliance with law, implementing resolutions of the General meeting of Shareholders and the Board of Directors in the management and administration of the Company.

Through the implementation of their functions and tasks, the Supervisory Board realized that the Board of Directors and the Board of management, managers have made great efforts in executing their duties and responsibilities within the current legal framework, especially in the context of the company's financial difficulties, the ability to mobilize

investment capital and ensure the financial obligations of the Company especially obligations of the bond issuing organization, details were as follows:

- The Board of Directors has implemented the Resolution of the General Meeting of Shareholders fully and flexibly. Decisions of the Board of Directors were issued in accordance with the functions and authority of the Board of Directors and its contents were consistent with the policies and resolutions of the General Meeting of Shareholders.
- The Board of Directors and the Board of management have directed and organized the management and accounting in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and the current regulations of the State.
- The Board of Directors has assisted and directed the Board of Directors in the management and creating favorable conditions for the Supervisory Board carries out the inspection and supervision of the Company's operations and its subsidiaries, ensure the synchronous implementation of the plans and detailed objectives of the Company.
- The Board of Directors has actively participated in the implementation of resolutions of the General Meeting of Shareholders and resolutions of the Board of Directors. Specifically, the Board of Directors has sought to find partners and successfully negotiated the transfer of the company's assets for enough money to repay for the entire principal, interest and other expenses related to bonds with total par value of VND 230 billion issued by the Company on 11/11/2014 and matured in 2017, avoiding the risk of the Company's large assets to be handled.

Generally, the Supervisory Board did not find any abnormalities in the activities of the Board of Directors, Board of Management and other managers in the Company.

2.2. For shareholder relations

- The Company closed the list of shareholders on 22/3/2017 to hold the Annual General Meeting of Shareholders 2017 in accordance with the provisions of law and the Charter of the Company.
- The company has disclosed its sufficient information on the media in accordance with the law for listed company.
- The monitoring of changes in shareholders and securities transfer was conducted through securities companies and Vietnam Securities Depository Center.

2.3. For adoption of the accounting policy, financial statements and results of operating activities

Through the examination of financial statements, the Supervisory Board would like to report the following results:

a) For adoption of the accounting policy, financial statements

- The separate financial statements and the consolidated financial statements made in 2017 have been prepared on the basis of the appropriate accounting policies and applied consistently.
- The Company has carried out financial, accounting works, prepared and audited the financial statements 2017 in subsidiaries and parent company.

- The company carried out the accounting work in accordance with the regulations of the Vietnamese enterprise accounting system. The financial data were fully, exactly recorded from the synthesis of detailed data of the legal, valid original documents, the consolidated financial statements and of the parent company in 2016 were simultaneously prepared in accordance with accounting standards, accounting policy and financial management regimes.

b) The results of the accounting and financial situation of the Company

The Supervisory Board agreed with the content of the separate and consolidated financial statements 2017 which were established by the Board of Directors and audited by Ernst & Young Vietnam Company Limited. The financial statements accurately reflected the financial position of the Company as at 31 December 2017 as well as the results of its operating activities and cash flows for the period of 01/11 to 31/12/2017.

Basis criteria implemented in 2017 reflected in the consolidated financial statements as follows (Extracted from the audited financial statements 2017 of the company):

For operating activities:

- Net revenue	:	232,502,567,702	vnd
- Net profit	:	(509,007,283,847)	vnd
- Total pre-tax (loss)/profit	:	(439,873,776,462)	vnd
- Total (loss) / profit after consolidated tax	:	(455,953,311,805)	vnd

For the assets of the Company:

- Current assets	:	73,909,195,909	vnd
- Non-current assets	:	460,877,336,772	vnd
- Total assets	:	534,786,532,681	vnd

Owner's equity : 387,565,231,407 vnd

III. Evaluation of the operational coordination between The Supervisory Board, Board of Directors, Board of management

Between The Supervisory Board, Board of Directors, Board of management have maintained a close working relationship in principle for the benefits of the Company and of shareholders and comply with the law, the Company's Charter and internal regulations.. In 2017, the Board of Directors and the Board of management and managers in the functional departments of the Company have provided facilities as well as provided necessary information for the inspection and supervision of the Supervisory Board.

IV. Recommendations

To solve the current problems of the company, the Supervisory Board recommends the Board of Management, Board of Directors the following contents:

- To focus on implementation of the resolutions of the General Meeting of Shareholders to efforts to promote activities of raising capital, seeking investors to meet the needs of the company's projects.
- For ongoing projects, to promote sales and marketing activities, exploit new markets and maintain relationships with existing partners, enhance the quality of services to increase sales revenue and profit from projects.
- To restructure investments in other projects to ensure future investment efficiency.

B. THE PLAN AND TASKS 2018 OF THE SUPERVISORY BOARD

I. Common tasks

- The Supervisory Board will perform duties on behalf of shareholders to control all operating, management and executive activities of the Company.
- In 2018, the Supervisory Board will keep going the periodic control in accordance with the company's charter and operating regulations of the Supervisory Board, ensure the Company's operations always comply with the provisions of law and the Enterprise Law, contribute to the business operation of the Company to be more effective, ensure the interests of shareholders, the benefits of employees.

II. Detailed tasks

- Assign specific and reasonable works to the members of the Supervisory Board, in charge of controlling the management, operation and production of the Company.
- Control the Company's annual business activities which approved by the General Meeting of Shareholders, review the annual financial statements.
- Ensure attendance of the representative of the Supervisory Board in the meetings of the Board of Directors to know the management and production activities of the Company, and timely issue warnings to ensure the interests of shareholders.
- Control the capital contribution and participate in the effective management of capital contributions to its subsidiaries and associated company.

The above is the Supervisory Board's performance 2017 and the plan and tasks 2018 of Ninh Van Bay Travel Real Estate Joint Stock Company. We respectfully request Shareholders to comment on this for the Supervisory Board's better performance.

Thank you very much.

Recipients:

- As above;
- The Board of directors, General director;
- Save: the office, Supervisory Board.

PP. THE SUPERVISORY BOARD
Chief of the supervisory board

(signed)

Pham Duc Long