

No.: 01/2018/HDQT-BC

*Hanoi, 21<sup>st</sup> April 2018*

## **REPORT**

**Re: Results of operating activities 2017 and business plan 2018 of of the Board of  
Directors of Ninh Van Bay Travel Real Estate Joint Stock Company**

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

The Board of Directors would like to report to the Annual General Meeting of Shareholders on the results of operating activities 2017 and business plan 2018, details are as follows:

### **I. THE COMPANY'S OPERATING ACTIVITIES 2017**

2017 was a very difficult year in the business operations of the Company. Calling for new investments to deploy the company's plans has encountered many obstacles, deadlock due to the partners' carefulness when approaching the company's projects. Therefore, following the guidelines of the General Meeting of Shareholders, in the company's tight budget situation, not enough to cover the interest of bonds when it is due, at the risk of collaterals shall be handled according to commitments of the Bonds, in 2017, the Company has focused on payment for the Bond debts due out in November, while balancing additional funds to maintain necessary activities of unfinished projects and projects in the process of seeking partners to transfer.

For the company's performance, please refer to the Annual Report 2017, Report of the Board of Directors and Audited Financial Statements 2017 of the Company.

### **II. OPERATIONS 2017 OF THE BOARD OF DIRECTORS**

#### **2.1. For operations 2017 of the board of directors:**

In 2017, the members of the Board of Directors has actively cooperated in work to solve problems arising in relation to the difficulties encountered. The Board of Directors has played the role of guiding, directing and assisting the Board of Directors in the Company's operating activities, details were as follows:

- Guiding the implementation of the resolutions of the General Meeting of Shareholders in the Company's operating activities, implementing the guidelines and strategies outlined. And actively monitoring and supervising the activities of the Steering Committee in implementing these resolutions, decisions and guidelines.
- Conducting meetings of the Board of Directors to discuss and approve for necessary matters in the form of a meeting in person or in writing according to the competence of the Board of Directors. Also, between the members of the Board of Directors also shared information,

discussed and coordinated to make the reasonable solutions to meet the requirements of the company's operating activities. Specifically, pursuant to the policy approved by the General Meeting of Shareholders, the Board of Directors has agreed to transfer its entire capital contribution and loans at Hai Dung Company limited, transfer its entire receivables in Tan Phu Travel Joint Stock Company and the whole stocks in Danh Viet Trading and Services Joint Stock Company for funds to repay Bonds.

- Executive members of the Board of Directors have participated and received the positive assistance from the members of the Board of Directors in contacting and negotiating with the transferee of the Company's assets above and personally negotiated with the bondholders to fix the debt and to assist the repayment plan of the Company.
- Maintaining the direct inspection and supervision of the operations of each project in subsidiaries, associated companies, strictly controlling the source of investments in projects to ensure there will sufficient money for these projects and to maintain the minimum activities of the project in the condition that the Company has very little investment sources.

## **2.2. For results of monitoring activities of the Board of Directors**

Monitoring activities of the Board of Directors as well as all management activities of the Company were maintained and carried out periodically or irregularly through the meetings, the written reports or via phone, email, etc. and directing, regularly checking and urging the implementation of projects, the business segments of the Company, ensuring the Company's operations are safe, comply with the law, implementing the resolutions of the General Meeting of Shareholders, the Board of Directors.

For the Board of Directors and leaders of subsidiaries, the Board of Directors also conducted the regular and unexpected inspection of functions, tasks and plans of each unit.

Through the monitoring, the Board of Directors appreciated the efforts of the Board of Directors in managing activities and management work 2017 in general. To solve the internal difficulties of the company, the Board of Directors always closely supervised each activity of the Company. The Board of Directors has received policies and implemented the direction of the Board of Directors as well as promptly reported and proposed for adjustments to the Board of Directors to meet the Company's operating activities. Fulfilling the rights and duties assigned in accordance with the law, the Charter of the Company, ensuring the interests of the Company and shareholders. Details were as follows:

- The Board of Directors has timely implemented the directions in the resolutions of the General Meeting of Shareholders, the decisions of the Company's Board of Directors.
- Implementing the resolutions of the General Meeting of Shareholders and the undertakings of the Board of Directors, the Board of management has actively promoted contacts and negotiated with the transferors of Six Senses Saigon River project including all capital contributions and loans in Hai Dung Co., Ltd; transfer of shares and loans in Danh Viet Trading and Services Joint Stock Company; transfer of unsecured loans in Tan Phu Travel Joint Stock Company for fund to repay bonds which were issued by the Company on 11/11/2014, due on 11/11/2017, preventing the risk of handling collaterals for bonds

comprising all the shares owned by the Company in Hong Hai Travel Joint Stock Company (51%) and the entire capital contribution in Hai Dung Co., Ltd (90%), etc. in accordance with commitments in the terms and conditions of the Bonds.

- Reasonably managing the investments in a project in progress in conformity with the requirements for maintaining these projects.
- Focussing on improving the capacity and performance of employees; promoting the spirit of collective work, solidarity, sticking, coordinating work in the employees throughout the company.

### **2.3. For shareholder relations and fulfilling obligations of listed company**

- Fully and promptly complying with the provision of information in accordance with the provisions of law and the Regulations on disclosure obligations such as: Financial statements, periodic management situation, annual reports, announcement of closing shareholders list, etc. and other reports at the request of the State Security Commission of Vietnam, Ho Chi Minh City Stock Exchange.
- Receiving requests and providing information about the Company's operating activities to shareholders directly and through the media. Information about operating activities and administration as well as other issues were updated and posted on the Company's website at <http://www.ninhvanbay.vn>.

### **2.4. For remuneration of the Board of Directors, the Supervisory Board in 2017**

The Annual General Meeting of Shareholders 2017 has approved the remuneration of the Board of Directors and Supervisory Board in the year was 200,000,000 VND. However, due to the company's financial difficulties in 2017, the Company has not yet paid such remuneration amount to members of the Board of Directors or the Supervisory Board.

## **III. BUSINESS PLAN 2018 OF THE BOARD OF DIRECTORS**

The Board of Directors has fixed the key tasks of governance in 2018 as follows:

### **3.1. Business targets**

*The parent company's results of operating activities:*

*Unit: Billion VND*

TT	Chỉ tiêu	Results of operating activities 2017	Plan in 2018
1	Net revenue		
2	Financial income	25,68	20,00
3	Pre-tax profit	(348,60)	15,00
4	Profit after tax	(348,60)	15,00

***Consolidated results of operating activities:***

*Unit: Billion VND*

<b>TT</b>	<b>Chỉ tiêu</b>	<b>Kết quả kinh doanh 2017</b>	<b>Kế hoạch năm 2018</b>
1	Consolidated revenue	232,58	245,00
2	Consolidated gross profit	117,09	50,00
3	Consolidated pre-tax profit	(439,87)	35,00
4	Consolidated profit after tax	(455,95)	25,00

***3.2. The key solutions to be taken***

- Promoting sales activities, focusing on traditional customers for active resorts (Six Senses Ninh Van Bay, Emeraldal Ninh Binh); closely and effectively cooperating with management units to concentrate on marketing activities of projects in domestic and overseas markets in order to expand them while ensuring a stable market.
- Strengthening domestic and international cooperation to expand and improve the management and operation of resorts and hotels;
- Continuing to strengthen and carry out seriously and professionally the tasks of corporate governance, brand maintenance, development of the investor relations system, the development of personnel and corporate culture policy.
- Coordinating with the Supervisory Board to further strengthen the inspection and supervision in the company's operating activities to maximize the efficiency of investments of shareholders and to ensure the transparency of activities in accordance with the provisions of law and the Charter of the Company.

The above is the Board of directors's Report on results of operating activities 2017 and business plan 2018 of Ninh Van Bay Travel Real Estate Joint Stock Company, we respectfully submit to the General Meeting of Shareholders for approval.

We would like to thank you for your concern, trust and cooperation with us in the past time. We wish shareholders and delegates a good health, success and prosperity, wish the General Meeting a great success.

***Recipients:***

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

**ON BEHALF OF THE BOARD  
OF DIRECTORS  
CHAIRMAN**

(signed)

**Le Xuan Hai**