



HOANG HUY GROUP ANNUAL REPORT



2017

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MESSAGE FROM THE BOARD OF MANAGEMENT

To: Our valued Shareholders, Customers and Partners

On behalf of the Board of Director of Hoang huy investment financial services jsc (TCH), I would like to express out sincerest gratitude to you, the valued Shareholders, Customers and Partners who have always trusted and accompaied TCH through the year 2017, as well as through its years of operation and development.

The year 2017 marked one of the greatest leap in the Company's history of business operation. The van distributing business continued to gain great success with impressive growth in sales. The company also gained multiple great commercial deals with partners. The Company's real estate business also reached the next stage with many grand projects in Hanoi and Hai Phong.

In recent years, the economy of Vietnam and the World continued to have great swings. And despite that, at the end of year 2017 the relentless efforts to move forward of the company's BoMy of leaders and employees have borne fruit: TCH achieved a total revenue of 1,844 billion VND, a 28.4% increase compared to the previous year and reached 105% of the annual objective. Profit after tax reached 438 billion VND, which is 104% of the objective assigned by the Board of Management.

2 years after being enlisted by HCMC Stock Exchange (HOSE) the company's standing and prestige have achieved new highs, one after another. For 2 years in a row, the Company was ranked among the top 500 greatest companies of Viet Nam (according to VNR500). The company's TCH stocks also quickly got noticed and picked into investment portfolio by great International Venture Funds including VanEck Vectors Vietnam ETF (VNM), FTSE Vietnam ETF and MSCI Frontier Markets Small Cap Indexes.

For the year 2018 and the upcoming time, the Company's getting its hands on some of the most potential opportunities for development we've ever had so far. The Company's BoMy of leaders and employees shall make non-stop efforts to come up with creative business solution, sustain the pace and productivity of operation to all together meet all the annual objectives as well as to proceed toward the company's long-term goals. And through that process establish the company's prestige and standing of the grandest in 2020, making TCH's way toward being one of the top Groups of Vietnam.

In behalf of the Board of Director, it is my great pleasure to express our sincerest gratitude to you, the valued Shareholders, Customers and Partners who have always supported and accompanied us through all these time and we hope your continued support and patronage in the future.

Our sincerest thanks!

Hai Phong, May 29th 2018
**ON BEHALF OF THE BOARD OF
MANAGEMENT
THE CHAIRMAN**

Do Huu Ha

Chapter I. OVERVIEW

1. GENERAL INFORMATION

- Business name : **HOANG HUY INVESTMENT FINANCIAL SERVICES JSC (TCH)**
- Certificate of Business Registration No. 0200117929 issued by Hai Phong City's Department of Planning and Investment on 25/12/2007; Registered for 11th amendment on 18/01/2017
- Charter capital (on 31/03/2018): 3,629,940,140,000 VND (Three thousand six hundred and twenty nine billion nine hundred and forty thousand one hundred and forty thousand dong)
- Owner's capital (on 31/03/2018): ,629,940,140,000 VND (Three thousand six hundred and twenty nine billion nine hundred and forty thousand one hundred and forty thousand dong)
- Address : 116 Nguyen Duc Canh, Cat Dai ward, Le Chan district, TP Hai Phong
- Phone : 0225 3610 021
- Fax : 0225 3955 322
- Website : www.hoanghuy.vn
- Stock symbol : **TCH**
- Primary lines of business:
 - o Real Estate trade, land use right belongs to owner, user or tenant;
 - o Trading of parts and accessories for cars and motorcycles;
 - o Trading cars and motorcycles;
 - o Construction of public infrastructure; Specifics: Construction and installation of lines for power stations up to 35Kv;
 - o Trading of parts and accessories for cars and other motor vehicles;
 - o Mining of stone, sand, cobblestones and clay;
 - o Construction of railway and road; Specifics:
 - o Construction and repairment of transportation structure;
 - o Construction of other public infrastructures; Specifics: Wholesaler of bamboo, timber and processed wood; Wholesaler of cement; Wholesaler of bricks, tiles, stone, sand and cobblestones; Wholesaler of construction glass; Wholesaler of paint and varnish; Wholesaler of floor tiles and toilet equipment; Wholesaler of metalware; Wholesaler of commercial concrete;
 - o Manufacturing BoMy of motor vehicles; Trailer and semi trailer;
 - o Trading of parts and accessories for motor vehicles and engines;
 - o Manufacturing motor vehicles; Specifics: Manufacturing motor vehicles, trailers and semi trailers;

- Manufacturing motorcycles;
- Wholesaler of cars and other motor vehicles;
- Maintenance and repairment of cars and other motor vehicles;
- Land preparation; Specifics: Land clearance;
- Wholesaler of machinery, appliances and other engine parts; Specifics:
- Wholesaler of machinery, appliances and other engine parts;
- Wholesaler of cars (12 seats or less);
- Distributor of cars and other motor vehicles;
- Other passenger transportation; Specifics: Intra-provincial and interprovincial car passenger transportation; Fixed-route and contracted car passenger transportation;
- Construction of houses; Specific: Construction and repairment of house;
- Installation of electrical system; Specifics: Installation of electrical system, lighting system, fire and burglar alarm system;
- Installation of telecommunication wiring, internet and TV cable (including optical fibre cable);
- Completion of construction;
- Managerial consultancy; Specifics: Project managerial consultancy (Category C); Maintenance and repairment of motorcycles; Intermediary for commodity and stock contract; (Not including intermediary for stock, insurance, finance and real estate);
- Geographical business area:
 - Provinces in the North, Central and South of Vietnam.



2. HISTORY OF FORMATION AND DEVELOPMENT

Oct 1995

- Founding Hoang Huy Commercial Co., Ltd

2008

- Converted into joint-stock company with charter capital of 1,200 VND.
- Invested in the 4.5 ha assembly plant at Hải Phòng.

2011

- Commence the construction of the 2.3 ha GoldenLand Trade Center and High-class Apartment Building Complex.

2015 - 2016

- Become the exclusive distributor of International trailer truck brand of Navistar, Hoa Kỳ.
- Increase Charter capital to 3,300 billion
- Listed in HCMC Stock Exchange (HOSE) under the stock code TCH.

2017

- TCH received the honor for the first time being ranked among the top 500 largest company in Vietnam according to VNR500
- TCH stock the first time entered MSCI Frontier Markets SmallCap Indexes
- TCH and Navistar from US signed the 1.8 billion USD trucks distribution agreement.
- Commence the construction of the 33-floor Gold Tower located at the prime position of Golden Land project.
- TCH for the first time entered index portfolio of V.N.M ETF fund managed

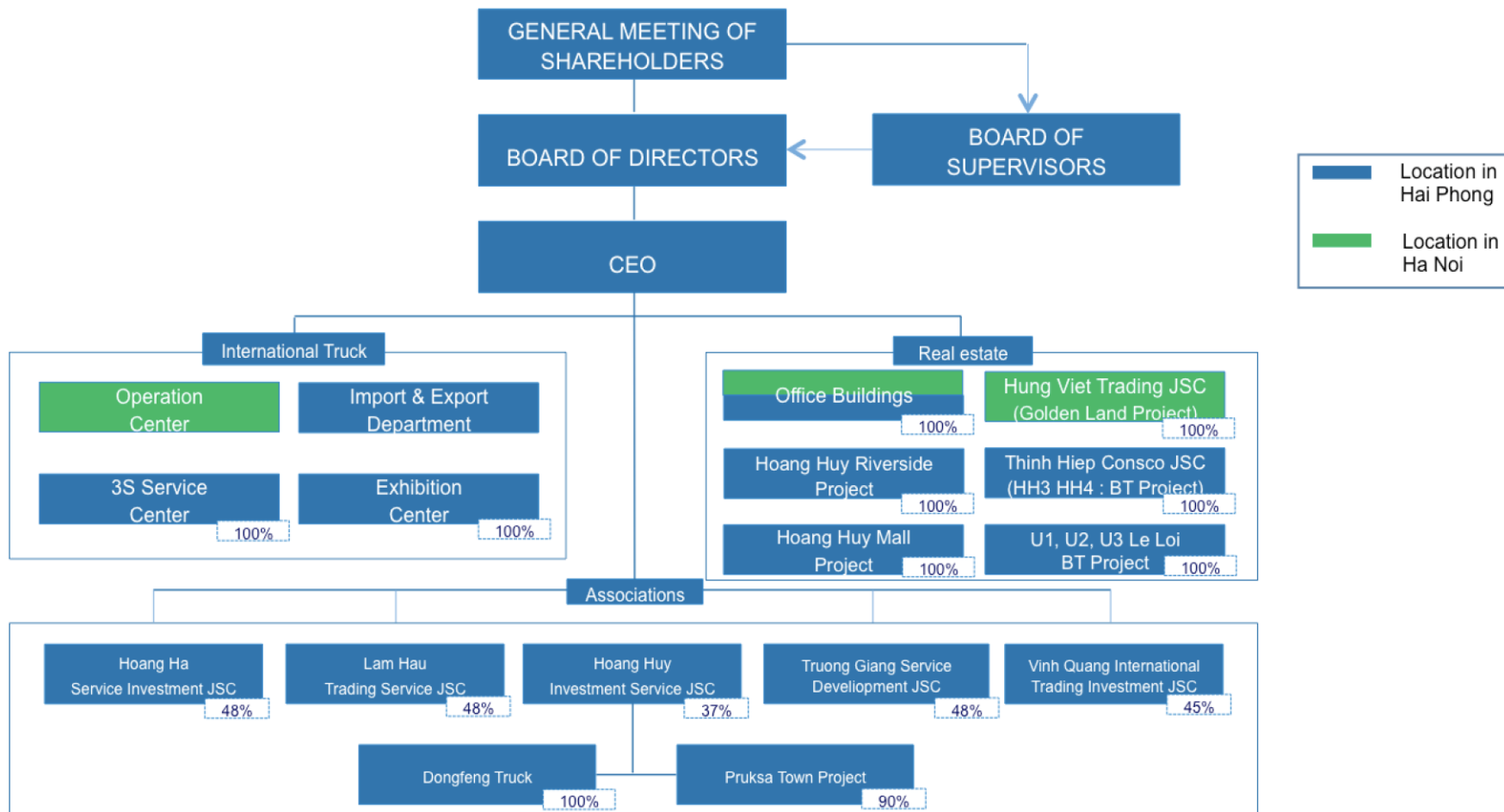
2018

- TCH continued to be honored as one of the top 500 companies of Vietnam in 2017 by VNR500.
- FTSE Vietnam ETF managed by the prestigious Deutsche Bank has picked TCH to its portfolio with purchase value of millions USD.
- Mass promotion of grand real estate projects such as the project for renovation of old apartment buildings U1, U2, U3 Le Loi; HH3 HH4 Đông Quoc Binh; project Hoang Huy Riverside, project Hoang Huy Mall in Hai Phong city

TCH: NOTABLE EVENTS

3. STRUCTURE OF ORGANIZATION

3.1 Structure of organization



3.2 Affiliates and Subsidiaries

	Address	Benefit ratio	Vote right ratio	Primary line of business
SUBSIDIARIES (2)				
Hung Viet Commercial JSC	Hanoi	99.9%	99.9%	Real estate investment
Thinh Hiep Construction JSC	Hai Phong city	95.8%	95.8%	Real estate investment
AFFILIATES (6)				
Lam Hau Commercial Service JSC	Hai Phong city	47.5%	47.5%	Car trading, manufacturing and trading car parts, real estate trading
Hoang Ha Investment and Service JSC	Hai Phong city	48%	48%	Car trading, manufacturing and trading car parts, real estate trading
Truong Giang development and service JSC	Hai Phong city	48%	48%	Maintenance and repairment of cars, real estate trading
Vinh Quang Internation Investment and Commercial JSC	Hai Phong city	45%	45%	Car trading, manufacturing and trading car parts, real estate trading
Viet Dung Commercial and Development JSC	Hai Phong city	46.5%	46.5%	Trading cars and other engines, car and motorcycle parts trading, car maintenance, real estate trading
Hoang Huy Investment Service JSC	Hai Phong city	36.5%	36.5%	Car trading, manufacturing and trading car parts, real estate trading

4. ORIENTATION DEVELOPMENT

4.1 The Company's Primary Goals

- Develop the company's real estate brand through projects already under implementation or to be implemented.
- Sustain and Expand the Scale and the Market share of trailer distribution business.

4.2 Medium-term and Long-term business strategy

- The company focus its resources into the businesses of real estate trading and automobile

distributions to accelerate the process of capital accumulation as these businesses have high rate of return.

- Corporate responsibility goals for the environment, society and the Company’s community.
- Compliance with regulations on environment protection, labor safety, fire safety, creating jobs and other fringe benefits for employees.

5. RISKS

With years worth of accumulated management experience and expertise, the company has the capability to clearly identify the risks in each line of business and to come up with measures and procedures to optimally minimize and prevent risks.

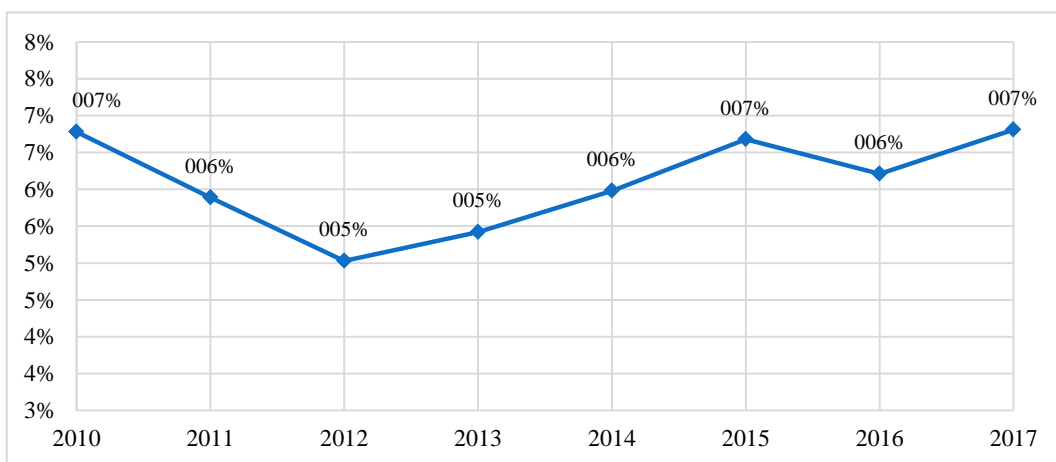
5.1 Economic Risks

Any economy would contain certain prominent risks. Such risks are created by the changes in the basic elements of the economy: economic growth rate, inflation, interest rate, exchange rate, etc. As one of the actors in the economy, Hoang Huy Investment Financial Services JSC is clearly not invulnerable to the impacts of such changes.

5.2 Risk from economic growth:

The Economy’s growth rate is one of the crucial factors reflecting the growth potential of most lines of business and economic sector. In recent years, the economy of Vietnam has been able to sustain its relatively high and stable growth compared to other nations in the world as well as within the region.

Article 1: GDP growth rate over years



Source: World Bank

In 2017 National GDP grew by 6.81%, which exceeded all forecasts previously made by organizations such as World Bank or ABD, and higher by 0.6% than the GDP growth of 2016 (6.21%). The year 2017 also witnessed the highest growth rate in recent years. This signals that the economy has recovered from the recess of 2012-2013. This was made possible thanks to the Government’s appropriate policy in stimulating the economy, control of inflation and suitable monetary policy.

The economy of Vietnam in upcoming years, as estimated by specialists, shall witness various positive changes, especially given the success of APEC Vietnam 2017 leading to potential expansion to various new markets and establishment of friendly relationships with various nations. GDP growth is forecasted to exceed 6.7% in 2018.

5.3 Inflation and prices

As the world's economy is facing various economy, causing prices of goods to be highly volatile, measures has been taken by Vietnamese government to sustain economic growth speed along with low inflation. Not letting lose, the Government still retain its strict fiscal and monetary policy to control the growth of CPI. General Office of Statistics stated that: "Annual CPI of 2017 grew by 3.53% in comparison with year 2016 and grew by 2.6% compared to December 2016. Therefore, the objectives of inflation control set for 2017 of keeping annual CPI of 2017 below 4% was succesfully achieved as almost all commodities regulated by the government was successfully coordinated."

5.4 Exchange rate risk

Is the risk to transactions using currency, as the exchange rate fluctuates in a way unfavorable to the enterprise.

Thanks to the stablizing orientation in adjustment of exchange rate amplitude and strict regulation over exchange of foreign currency of the State Bank of Vietnam (SBVN), the exchange rate did not have great fluctuation during recent time. For the upcoming period, SSBN shall continue to adjust exchange rates with fluctuation and close cooperation with interest policy, to help enhance the status of VND and to gradually curb the trend of dollarization within the economy.

One of the main products of the Company – Navistar trailers are imported directly from the US. Thus, just like any other importers, fluctuation of exchange rate could easily affects the company's business operation. If the domestic currency devalues, the cost of good sold of the trailers in VND shall increase, forcing the Company to increase its sale price, thus lose competitive advantage and suffer from revenue loss.

Recognizing the possible risk, the Company has performed exchange rate forecast for all inputs, to take initiative to import and inventory at the right time, take initiative to purchase foreign currency at the right time for good purchase. In addition, from macroeconomy perspective, the Government also has appropriate policies and measures to stablize exchange rates, especially USD/VND rate. Thus, the exchange rate risk for the Company's significantly alleviated .

5.5 Legal risk

As an enterprise operating in businesses of wholesaling and retailing imported cars and real estate investment, Hoang huy investment financial services jsc's operatations subject to regulation of the Law on Enterprise, Law on Construction, Law on Investment, Law on Corporate Income Tax, Value Added Tax, Import Tax, etc. And other relevant law documents. When listed in Stock Exchange, the company shall be regulated by Law on Securities and instruction documents for implementation.

To minimize legal risks, the Company has been constantly updating changes in the legal environment related to its operation, and plan its development accordingly. In addition, to prevent negative development of risks, the Company has devised a standard internal control procedure system compliant to the Law.

5.6 Special risks

a. Tax risk:

Consumption status of Vietnamese car market is highly vulnerable to changes in tax policy, though thanks to the commitment made with WTO the import tax on cars and trucker shall reduce over time. Despite that, if the tax policy has changes to protect domestic mechanic and car manufacturing business, the tax raise shall cause cost of good sold to raise and thus affect the company's business.

Real estate trading is a business subjects to various tax regulations. However, in recent time the regulations have been rather stable. The company has years of experience and has completed various projects and thus always capable of catching on and fulfilling all tax obligations

b. Risk of competition:

All the Company's lines of business are highly competitive. For trailer business, the domestic markets are currently having various domestic and foreign trailer brands. The most popular trailer brands are Hyundai trailers, trailer brands imported from China and Japan, etc. Thus, the competitive pressure within the market is significantly high. Therefore, The Company must always try the best to upgrade service quality, expand its market share to establish its standing in the trailer distribution market, as well as in truck distribution market in general.

For real estate trading business, in addition to the advantage of having projects at prime location and grand investment scale, the company also have compete with various products distributed by competitors companies and group within the same market section or business area, as the demand for homes is currently really high and many new property developers are entering the business.

5.7 Miscellaneous risks

The company's business might subjected to impacts of miscellaneous risks such as natural disaster, international political and social disturbance, war, etc. If occur, such events may cause loss of lives and property to the Company or cause the Company's customers quantity to decline as well as potential markets to become unstable. These risks could more or less have direct or indirect impacts to the company's business.

Chapter II. OPERATIONAL SITUATION IN 2017

1. BUSINESS OPERATIONAL SITUATION

TCH operates in the 2 core businesses of truck trading and property development.

For truck trading business, the Company is the sole distributor of International trailer made in U.S. An affiliate of the company also Công ty distribute genuine truck brands of China's DongFeng. With tens of years of experience in truck distributing, TCH is currently the greatest and most trusted truck distributor in the country.

For real estate business, for the year 2017 the real estate (RE) market witnessed strong whole sector expansion, however the transactional activities in RE market had great contrast. Projects from prestigious developers are always “out of stock” once introduced. Meanwhile, various projects remain unsellable or unable to implement due to the investors' questionable capacity.

1.1 Business operational performance of 2017

a. Business performance

Table 1: Criteria of operating results of 2017:

No.	Content	Unit	2017	2016	Changes
					(%)
1	Revenues from sales and services	Million VND	1,844,419	1,436,680	28.4%
a	<i>Revenue from real estate</i>	Million VND	117,929	147,409	-20.0%
b	<i>Revenue from trucks and accessories</i>	Million VND	1,678,142	1,246,406	34.6%
c	<i>Miscellaneous</i>	Million VND	48,348	42,865	12.8%
2	Consolidated profit from sales and services	Million VND	491,385	392,926	25.1%
3	Revenue from financial activities	Million VND	22,904	38,088	60.1%
4	Miscellaneous income	Million VND	5,909	167,521	-96.5%
5	Profit before tax	Million VND	536,094	577,412	-7.2%
6	Profit after tax	Million VND	438,696	500,745	-12.4%

Sources: Consolidated Audited Financial statements of 2017 of TCH

Note: Financial Year of TCH starts from 01/04 of the previous year and ends at 31/03 of the next year.

In 2017 the Company's core businesses have expanded and grown really well. The

Company's Revenue from sales and services increased greatly by 28.4% to 1,844 billion VND. Especially, thanks to the sustained business performance shown by the company's rate of return the consolidated profit made a correspondent increase of 25.1% and reached 491 billion VND.

End of 2017, the Company reached 438.69 billion VND of after tax profit, completing 104% of the annual objectives previously set.

b. Cost structure:

Cost of good sold always accounts for the majority of the company's total revenue. Cost of goods sold in 2016 and 2017 were respectively 1,040.3 billions and 1,348.8 billions, accounting for 90.62% and 73.30% total net revenue. Second in terms of proportion within total cost in net revenue is business operational expenditures, which accounts for less than 2% of total net revenue. Financial expense represents only around 0.18% of total net revenue, as the Company has not had the need to loan for operating capital. Sale expense only accounts for a minor proportion of 0,5% of total net revenue.

Table 2: Operational cost structure of period 2016-2017

Expense factors	2017		2016	
	Value (mil VND)	% DTT	Value (mil VND)	% DTT
Cost of good sold	1,348,860	73.30%	1,040,344	90.62%
Sale expense	9,929	0.54%	8,761	0.76%
Business operational expense	19,891	1.08%	20,994	1.83%
Financial activities expense	3,242	0.18%	129	0.01%

Source: Consolidated Audited Financial statements of 2017 of TCH

1.2 Implementation situation vs plan

Receiving close direction and support from the Board of Director, the Board of General Directors have managed the Company's businesses well and achieved positive results.

Table 3: Operating results in 2017

No.	Criteria	Unit	Plan for 2017	Implimented in 2017	Implemented over Plan ratio
1	Total revenue	Mil. VND	1,750,000	1,840,245	105.16%
2	Profit after tax	Mil. VND	420,000	438,695	104.45%

Source: TCH

Total revenue and Profit after tax of the Company in 2017 reached over 1,840 billion VND and 438.6, exceeding respectively 5.16% and 4.45% of the planned objectives for 2017.

2. ORGANIZATION OF PERSONNEL

2.1. Key Personnel

- **Board of Management, Board of General Directors, Board of Supervisors, Chief Accountant**

No.	Full name	Birthyear	ID No.	Position
Members of Board of Management				
1	Do Huu Ha	1955	013552551	BoM Chairman Cum General Director
2	Nguyen Thi Ha	1957	013552552	Member of BoM
3	Do Huu Hung	1978	031078001325	Member of BoM
4	Vu Trong Long	1957	031057001048	Independent Member of BoM
5	Pham Hong Dung	1989	164337447	Members of BoM – Assigned on 24/06/2017
Board of Supervisors				
1	Nguyen Thi Tuoi	1980	031033615	Chief of Board of Supervisors
2	Phan Thi Thu Huong	1989	031652713	Members of Board of Supervisors
3	Nguyen Thi Thuy Nga	1982	031182001501	Members of Board of Supervisors
Board of General Directors				
1	Do Huu Ha	1955	013552551	BoM Chairman Cum General Director
2	Tran Thi Hoang Ha	1972	030907019	Vice General Director
3	Do Huu Hau	1984	031084000011	Vice General Director
4	Do Huu Hung	1978	031078001325	Vice General Director – Assigned on 28/07/2017
5	Ho Thi Xuan Hoa	1974	031478227	Vice General Director – Assigned on 12/03/2018
Chief Accountant				
1	Phùng Thị Thu Hương	1970	030963265	Chief Accountant

2.2. Employees

Up until 31/03/2018, total number of employees of Hoang huy investment financial services jsc (Holding Company) is 78. Employee structure as below:

Type of Employee	Quantity (people)	Proportion (%)
By Gender	78	100.0%
▪ Male	50	64.1%
▪ Female	28	35.9%
By qualification	78	100.0%
▪ Postgraduate	1	1.3%
▪ Bachelor	45	57.7%
▪ College	16	20.5%
▪ Professional High School	3	3.8%
▪ Technical workers	5	6.4%
▪ Basic labor	8	10.3%

Source: TCH

2.3. Policy for employees

a. Work regime

- Work time: 40 hours/week, 08 hours/day;
- Employees get to work in a stable, professional, friendly, human environment with good chance of promotion; fringe benefits benefit qualifications and productivity; competitive salary and bonus.

b. Training regime:

- Recognizing the labor quality's crucial role in the sustainable development of the Company, the Company always send employees to train in expertise training courses suitable for each department (sale, accounting, technical, etc.).
- In addition, with the assistance of Navistar, the Company has sent many technical staff to training courses of specialists from Navistar, which helps the company's technical staff to quickly grasp the technique to successfully acquire the highly technical services from Navistar.
- For real estate business, the company cooperated with professional consultant agencies to train sales personnel to make sure sales activities compliant to the Law, as well as to catch on with new trends and needs of the market.

c. Salary and bonus policy:

Depends on the position and nature of the work, the Company pays the Employee duly and fully in line with the Company's Salary regime and on the basis of regulations of the Law. The company pays bonus to employees based on position's salary and the Company's performance.

d. Other policies for employees:

The company perform other welfare policies for the company such as: benefits for disadvantaged employees; visits to ill or deceased employees or employee's family members

e. Environment and safety operation:

The company has performed duly all regulations on labor safety, environment and hygiene and fire safety.

3. INVESTMENT SITUATION, PROJECTS' IMPLEMENTATION SITUATION

3.1 Investment situation

Table 4: List of subsidiaries, joint ventures and affiliates

	Charter capital (bil. VND)	Contributed capital (bil. VND)	Ownership ratio (%)
SUBSIDIARIES (2)			
Hung Viet Commercial JSC	1,000	999.97	99.997%
Thinh Hiep Construction JSC	480	460	95.83%
AFFILIATES (6)			
Hoang Ha Investment and Service JSC	650	312	48%
Truong Giang Development Service JSC	280	134.4	48%
Lam Hau Service and Commercial JSC	560	266	47.5%
Viet Dung Commercial and Development JSC	480	223.2	46.5%
Vinh Quang Internation Investment and Commercial JSC	560	252	45%
Hoang Huy Investment and Service Co., Ltd	2,747.44	1,004.89	36.58%

Source: TCH

3.2 Projects' implementation situation

After 2 years of preparation for real estate investment, the Company has commenced its period of intensive, synchronized mass investment investment on real estates projects in Hanoi and Hai Phong.

At the moment, the Company is simultaneously implementing various projects in Hanoi and Hai Phong including project Pruksa Town (invested by affiliate with total investment of 1029 billion VND), project Gold Tower (941 billion VND), Project for renovation of old apartment buildings U1, U2, U3 Le Loi, Ngo Quyen district (110 billion VND); Project for rebuilding of apartment building HH3, HH4 Dong Quoc Binh ward, Ngo Quyen district (1,668 billion); Riverside urban area project Hoang Huy Riverside (1,063 billion VND); Project Hoang Huy Mall (1,110 billion VND), etc. as well as various other projects soon to receive active investment from the Company.

In 2018, these projects shall be proportionately completed and shall start to generate significant contribution to the company's revenue and profit.

4. FINANCIAL SITUATION

4.1 Financial situation

At the end of 2017, total asset value of TCH increased by 4.58% compared to that of 2016 as the company made great profit from car trading and real estate business.

Profit from the Company's Business Operations in 2017 reached 536.9 billion, a 30% rise from year 2016's. However, the profit after tax of 2017 reached 438.6 billion VND, a 12% drop compared to 2016; as in 2016 the Company received miscellaneous income from the restructure of the group.

Table 5: Operating results of period 2016-2017

Criteria	Unit	2017	2016	% Change
Total asset value	Million VND	4,856,399	4,643,876	4.58%
Net revenue	Million VND	1,840,245	1,433,271	28.39%
Operating income	Million VND	536,923	409,994	30.96%
Miscellaneous income	Million VND	-829	167,418	
Income before tax	Million VND	536,094	577,412	-7.16%
Income after tax	Million VND	438,695	500,744	-12.39%
EPS	VND/share	1,217	1,407	-13.50%

Source: Consolidated audited financial statements of 2016, 2017 of TCH

4.2 Primary financial criteria

Table 6: Financial criteria of period 2016-2017

Criteria	Unit	2017	2016
1. Criteria of liquidity			
Current ratio	Times	10,7	7.7
Quick ratio	Times	6,0	4.0

Criteria	Unit	2017	2016
2. Capital structure criteria			
Debt/Asset ratio	%	10%	5%
Debt/Equity ratio	%	11%	5%
3. Criteria of operational capacity			
Inventory turnover ratio (Cost of Goods Sold/avg. Inventory)	Times	2.0	1.6
Net revenue/Total asset ratio	Times	0.4	0.3
4. Criteria of profitability			
Profit after tax/Net revenue ratio	%	24%	35%
Profit after tax/Owner's equity ratio	%	10%	11%
Profit after tax/Total Asset ratio	%	9%	11%
Operating income/Net revenue ration	%	29%	29%
Earning Per Share ratio (EPS)	VND	1,217	1,407

Source: TCH

Ratio of liquidity: Current ratio of 2017 remains consistent with year 2016's due to the Company's proceeding with the policy of loaning restraint; in addition, the Company has always been using its capital well during the year. the Company's liquidity criteria remains at safe level, showing its constant ability to pay off current liabilities.

Capital structure criteria: The Company's operation is mostly funded using owner's equity. This was thanks to the Company's constant financial initiatives and its operation largely unaffected by loan interest expense and exchange rate throughout the recent period of great interest fluctuation.

Criteria of operational capacity: the ratios of Inventory turnover and net income/total asset remains stable.

Profitability criteria: In 2017, the ratios ROA, ROE remains stable as the Company's products are high-quality and sold well. Meanwhile, other expenses remain stable.

4.3 Comparison of financial criteria versus competitor companies from same business

Criteria	Unit	2017		
		TCH	HTL	TMT
Total asset value	Mil. VND	4,856,399	539,256	2,724,667
Net revenue	Mil. VND	1,840,245	805,796	2,336,336
Operating income	Mil. VND	536,923	22,730	5,899

Criteria	Unit	2017		
		TCH	HTL	TMT
Miscellaneous income	Mil. VND	-829	12,352	9,583
Income before tax	Mil. VND	536,094	35,082	15,482
Income after tax	Mil. VND	438,695	26,703	11,333
EPS	Mil. VND	1,217	2,225	240




Source: Financial statements of 2017 of TCH, HTL, TMT

5. SHAREHOLDER STRUCTURE, CHANGE OF OWNER'S EQUITY

5.1 Shareholder structure

a. Shares:

Total number of listed stocks: **362,994,014** shares, among which:

-  Common stock: **353,271,564 shares**
-  Treasury stock: **9,722,450 shares**
-  Total current circulated bonds: **0**

The Company doesn't have stocks in transaction in other countries.

b. Shareholder structure

Table 7: Shareholder structure on 05/04/2018

Shareholder	Shares owned (shares)	Value (thousand VND)	Ownership ratio (%)
DOMESTIC SHAREHOLDERS	338,167,956	3,381,679,560,000	93.16%
Organizations	30,203	302,030,000	0.01%
Individuals	338,137,753	3,381,377,530,000	93.15%
FOREIGN SHAREHOLDERS	15,103,608	151,036,080,000	4.16%
Organization	15,072,360	150,723,600,000	4.15%
Individuals	31,248	312,480,000	0.01%
TREASURY STOCKS	9,722,450	97,224,500,000	2.68%
TOTAL	362,994,014	3,629,940,140,000	100.00%

Source: List of TCH shareholders finalized on 05/04/2018

In which:

Name of shareholder	Position	Shares owned	Ratio %	Up to
Do Huu Ha	BoM Chairman cum General Director	151,083,625	41.62	05/04/2018

Name of shareholder	Position	Shares owned	Ratio %	Up to
Do Huu Hau	Vice General Director	18,150,000	5.00	05/04/2018
Tran Thi Hoang Ha	Vice General Director	4,512,365	1.24	05/04/2018
Do Huu Hung	BoM Member	1,512,500	0.42	05/04/2018
Nguyen Thi Ha	BoM Member	1,512,500	0.42	05/04/2018
Phung Thi Thu Huong	Chief Accountant	6,050	0.01	05/04/2018
Nguyen Thi Tuoi	Chief of Board of Supervisors	1,100	0.01	05/04/2018
Nguyen Thi Thuy Nga	Members of Board of Supervisors	770	0.01	05/04/2018
Phan Thi Thu Huong	Members of Board of Supervisors	605	0.01	05/04/2018

Source: List of TCH shareholders finalized on 05/04/2018

5.2 Changes in owner's equity

Table 8: Changes in owner's equity in 2017

Time	Content	Quantity of stocks	Owner's equity (VND)
Year beginning		362,994,014	3,629,940,140,000
Quarter III	Purchase of treasury bond	9,722,450	97,224,500,000
Year end		353,271,564	3,532,715,640,000

Source: TCH

5.3 Transaction of Treasure stocks:

- During the year the Company purchased 9,722,450 treasury stocks to reduce the quantity of circulated stocks and increase value for shareholders.

5.4 Other securities:

- None.

6. REPORT ON IMPACTS RELATED TO THE ENVIRONMENT AND SOCIETY

6.1 Number of times disciplined due to violation of the Laws and Regulations on the environment

- None

6.2 Total amount fined due to violation of the Laws and Regulations on the environment

- None

6.3 Labor policies to guarantee employees' safety, welfare and health

a. Salary:

- Salary by position: Salary equals to employee's payment grade multiplied by minimum

- salary
- Productivity salary: Oaid by product’s unit price multiplied by quantity.
 - Salary by time and regime: Paid for Public holidays, paid leave, trainings, personal business leaves, leaves due to labor accident, leaves for periodic medical examination and regime for female employees.
- b. Allowance*
- Independent child allowance.
 - Concurrency allowance.
 - Shift meal allowance.
- c. Bonus (calculated based on the Company’s Regulation for Competition and Reward):*
- Bonus for monthly performance.
 - Bonus for competitive achievement: idea, progressive employee.
 - 13th month’s salary, accumulated bonus for month competitive achievement.
 - Lunar New Year bonus.
- d. Work time:*
Compliant with the Law’s regulations.
- e. Opportunity for promotions:*
- The employees always have the opportunity for promotion to managerial positions based on his/her capacity. The Company encourages and funds the employees’ trainings to enhance expertise domestically or abroad.
- f. Individual welfare:*
- Domestic or Abroad vacation.
 - Facilitated for participation in organizations of Party and Unions, participation in cultural and artistic activities and sports.
 - Scholarship for the employee\s children and siblings who wish to study and return to TCH to work.
 - Support when families face difficulties.
 - Charity homes cho for disadvantaged employees.
- g. Other policies dependent on the Company’s actual performance*

6.4 Total hours of training per employee and categorization of employee

Each employee is entitled to an average annual training of 50 hours.

6.5 Program for constant skill development and training to guranteer employees’ employment and career development

Every year the Company organizes Sale courses for Sale employees, as well as joint-operation of inexperience and experienced employees to promote exchange of experiences, and learning which helps enhancing the employees’ capacity and expertise.

6.6 Other investment activities for community development.

The Company has always been the foregoers in community activities: During the year the Companies had organized a number of Gratitude programs to assit the lonesome elderlies, people contributed to the Revolution. On Public Holidays the Company also provide small gifts for disadvantaged local families to contribute in the construction of a humanitarian society.

Chapter III: REPORT AND ASSESSMENT OF BOARD OF GENERAL DIRECTORS

1. ASSESSMENT OF BOARD OF GENERAL DIRECTORS ON OPERATING RESULTS OF 2017

Receiving close direction and support from the Board of Director, the Board of General Directors have managed the Company's businesses well and achieved positive results.

The Company's total revenue of 2017 reached over 1,840 billion VND, demonstrating strong growth and achieved 105.15% of the planned objective for 2017. Thus, the company's income after tax reached 438.69 billion VND, which were 104.45% of the planned objective.

Table 9: Operating results of 2017

No.	Criteria	Unit	Plan 2017	Implementation 2017	Implementation over plan ratio in 2017
1	Total revenue	Million VND	1,750,000	1,840,245	105.16%
2	Profit after tax	Million VND	420,000	438,695	104.45%

Source: TCH

For the truck business, The company has implemented the nationwide chain of distribution through the system of distributors. The Company has regularly sent technical staffs to conduct actual status survey at distributors, compared product quality with competitors', feed backed to producers to make suitable product quality improvement to meet the terrain as well as the preference of Vietnamese consumers. With the advantage of high product quality and stable price, as well as the advantage of being the Official Distributors of various truck products in Vietnamese market, the Company has been able to sustain large and stable volume of orders over the year.

For the real estate business, the Company is currently simultaneously implementing various projects in Hanoi and Hai Phong including project Pruksa Town (invested by affiliate with total investment of 1029 billion VND), project Gold Tower (941 billion VND), Project for renovation of old apartment buildings U1, U2, U3 Le Loi, Ngo Quyen district (110 billion VND); Project for rebuilding of apartment building HH3, HH4 Dong Quoc Binh ward, Ngo Quyen district (1,668 billion); Riverside urban area project Hoang Huy Riverside (1,063 billion VND); Project Hoang Huy Mall (1,110 billion VND), etc.

2. FINANCIAL SITUATION OF 2017

2.1 Asset situation

Table 10: Some basic criteria

Unit: VND

Criteria	On 31/3/2018	On 31/3/2017	% Change
A. CURRENT ASSETS	1,563,320,940,949	1,311,732,205,917	19.18%

Criteria	On 31/3/2018	On 31/3/2017	% Change
I. Cash and Cash equivalents	195,059,607,887	527,522,459,306	-63.02%
II. Short-term investments	486,135,000,000	39,200,000,000	1,140.14%
III. Short-term Account Receivables	187,782,638,264	104,835,690,991	79.12%
IV. Inventories	692,258,372,789	639,750,624,155	8.21%
V. Other current assets	2,085,322,009	423,431,465	392.48%
B. NON-CURRENT ASSETS	3,293,078,270,392	3,332,144,129,653	-1.17%
I. Long term receivables	0	252,750,000,000	-100.00%
II. Fixed asset	80,028,412,417	77,337,833,518	3.48%
III. Investment property	621,297,897,590	633,355,948,986	-1.90%
IV. Long-term incomplete asset	176,705,193,388	658,147,271	26,748.88%
V. Long-term investment	2,414,672,942,658	2,367,048,823,933	2.01%
VI. Other non-current asset	373,824,339	993,375,945	-62.37%
TOTAL ASSET	4,856,399,211,341	4,643,876,335,570	4.58%

Source: Consolidated audited financial statements of 2017 of TCH

Current assets at the end of 2017 of the Company has increased by nearly 20% compared to the end of 2016. Non-current assets remained stable in comparison with the end of 2017. Total asset at the end of 2017 of the Company reached 4,856 billion VND, with a slight increase of 4.58% compared to the end of 2016.

Table 11: The Company's receivables

Unit: VND

No.	Receivables	On 31/03/2018	On 31/3/2017	% Change
I	Current receivables	187,782,638,264	104,835,690,991	79.12%
1	Trade receivables	28,261,251,227	82,856,519,658	-65.89%
2	Supplier prepayment	64,905,539,809	19,105,272,373	239.73%
3	Loan receivables	5,000,000,000		
4	Other receivables	89,615,847,228	2,873,898,960	3018.27%
II	Non-current receivables	0	252,750,000,000	
1	Long-term supplier prepayment	0	252,750,000,000	
	Total receivable	187,782,638,264	357,585,690,991	-47.49%

Source: Consolidated audited financial statements of 2017 of TCH

The Company's receivables have reduced to half of that of the previous year, which reflect the exceptionally high capability of the Company to collect its receivables and manage debt over the year.

2.2 Liabilities situation

Table 12: Company's liabilities

Unit: VND

No.	Liabilities	On 31/03/2018	On 31/3/2017	% Change
I	Current liabilities	146,051,867,465	170,283,294,197	-14.23%
1	Supplier payables	11,537,553,911	42,907,293,281	-73.11%
2	Customer prepayment	103,782,005,835	53,959,067,341	92.33%
3	Tax and Payables to State Treasury	19,594,516,982	33,160,898,612	-40.91%
4	Employee payables	15,217,517	15,217,517	0.00%
5	Current accrued expenses	4,094,734,342	29,380,502,604	-86.06%
6	Current unearned revenue	5,958,778,893	8,374,633,250	-28.85%
7	Bonus and welfare fund	137,596,063	137,596,063	0.00%
8	Other payables	931,463,922	2,348,083,529	-96.05%
II	Non-current liabilities	345,211,202,686	45,751,382,170	654.54%
1	Other non-current liabilities	302,605,563,486	45,751,382,170	561.41%
2	Long-term financing leases	42,605,639,200		
	Total	491,263,070,151	216,034,676,367	127.40%

Source: Consolidated Audited Financial statements of 2017 of TCH

The Company's liabilities at the end of 2017 rose by 127.4% compared to the end of 2016. The main reason for the largest accrued liabilities was the agreement for cooperative investment for the company's real estate projects.

3. INNOVATION IN THE ORGANIZATION'S STRUCTURE, POLICY AND ADMINISTRATION:

During the year, the Company has conducted various activities to restructure the organization and administrative policy into Group model.

3.1 Additional capital contribution to subsidiaries and affiliates

During the year, the Company has contributed capital for the founding of subsidiary – Think Hiep Construction JSC to construct the project HH3, HH4 Dong Quoc Binh in Hai Phong by the Resolution No. 09/2017/NQ-HDQT dated 03/11/2017.

3.2 Group's structure

The Company has subsidiaries with consolidated financial statements on 31/03/2017, including:

Name of company	Address	Benefit ratio	Vote right ratio	Primary line of business
Hung Viet Commercial JSC	Thanh Xuan dist, Hanoi	99.99%	99.99%	Real Estate Investment
Think Hiep Construction JSC	Hai Phong	95.83%	95.83%	Real Estate Investment

The Company has affiliates with joint-controlled business premises represented in consolidated financial statements in form of Owner's Equity 31/03/2018, including:

Name of company	Address	Benefit ratio	Vote right ratio	Primary line of business
Lam Hau Commercial Service JSC	Le Chan District, Hai Phong City	47.50%	47.50%	Car trading, manufacturing and trading car parts, real estate trading
Hoang Ha Investment and Service JSC	An Duong District, Hai Phong city	48.00%	48.00%	Car trading, manufacturing and trading car parts, real estate trading
Truong Giang development and service JSC	An Duong District, Hai Phong city	48.00%	48.00%	Maintenance and repairment of cars, real estate trading
Vinh Quang Internation Investment and Commercial JSC	Le Chan District, Hai Phong City	45.00%	45.00%	Car trading, manufacturing and trading car parts, real estate trading
Viet Dung Commercial and Development JSC	Le Chan District, Hai Phong City	46.50%	46.50%	Trading cars and other engines, car and motorcycle parts trading, car maintenance, real estate trading

Name of company	Address	Benefit ratio	Vote right ratio	Primary line of business
Hoang Huy Investment Service JSC	Le Chan District, Hai Phong City	36.58%	36.58%	Car trading, manufacturing and trading car parts, real estate trading

4. PLAN FOR FUTURE DEVELOPMENT

4.1 *The Company's Overall Objectives for 2018*

- **For Real Estate Business:** In 2018, the primary mission of the Company shall be to concentrate its resources for the investment and operation of real estate projects in Hai Phong and Ha Noi. For the period 2018-2020, the Company shall focus on the synchronized implementation of tens of projects. Also in the period 2018-2020, the proportion structure of income contribution from real estate is expected to be the primary driving force for the company's growth.
- **Trailer business:** Currently, the scale of the company's importing as well as distributing business has constantly become greater, with the vast system of distributors and customers spreading throughout the country, which is why the primary objectives for the year 2018 as well as upcoming years shall be to sustain business effectiveness relevant with current scale of operation, capitalizing on the economy's growth spurt to spur growth in sales.
- The Company's Board of General Directors has constructed revenue and profit after tax objectives for 2018 based on thorough estimation for operational situation of each business lines. Accordingly, in 2018, the proportional structures of car and real estate businesses shall witness significant changes as the revenue from real estate shall sharply rise trong will revenue from car business shall retain a stable growth rate. The ratio of consolidated of real estate business shall be much greater than the car business's.

Table 13: Annual business plan for 2018

No.	Consolidated criteria	Unit	Plan for 2018	Plan for 2017
1	Total revenue	Mil. VND	From 1,950,000 – 2,200,000	1,844,419
2	Profit after tax	Mil. VND	From 600,000 – 620,000	438,695

4.2 *Specific directs and missions for 2018*

- Increase investment and brand development for the Company's real estate business through projects implemented as well as under stimulation for implementation, thus increase the proportion of contribution from real estate to the company's consolidated results.
- Sustain the market share for distribution of the U.S trailer International and other trailer brands distributed by affiliates.
- Conspire measures to implement the business plan to meet the objectives for 2018, specifically:



- Promote the Company's competitive power in the market using the advantages of product quality, advance technology and competitive price.
- Take initiative to meet the market's demand through intensive research on consumer market, the needs as well as preference of consumers.
- Promote the Company's trademark on nationwide scale. Associate the company's image with mass media so the Company's products can become more familiar with Consumers.
- Research and issue regulations to stimulate incomes for employees, provide rewards for individuals and teams with high achievement in their work.

5. EXPLANATIONS OF BOARD OF GENERAL DIRECTORS TO AUDITOR'S OPINIONS:

- None.

Chapter IV: ASSESSMENT OF THE BOARD OF MANAGEMENT ON THE COMPANY'S OPERATION IN 2017

1. ASSESSMENT OF THE BOARD OF MANAGEMENT ON THE COMPANY'S OPERATION IN 2017

In 2017 the Members of BoM and the Board of General directors has cooperate intensively to perform businesses mission, specifically:

- Strategic Management in 2017
 - o The BoM has given the orientation to maximize the promotions of all resources including human reseources, capital and time to facilitate operations of from importing to distribution to customers and distributors all over the nation.
 - o Along with the development of scale, the company also prioritize enhancement of product quality, product diversification and introduction of new products to the business. Increase provision of post-purchase services such as maintenance and supply of car parts.
 - o Gradually enhance management capacity of officials to suit the scale of development of the enterprise, ensure safety, efficiency and sustainability of operation.
- Support directive works.

2. ASSESSMENT OF BOARD OF MANAGEMENT ON BOARD OF GENERAL DIRECTORS' OPERATION

The BoM gave opinion during the past year 2017 Mr. Do Huu Ha – General Director has duly exercised his duty and authority in managing the Company as prescribed by the Charter. The Board of General Directors along with the managerial officials of various levels has spent much efforts to duly implement the Company's Business plan. The implementation results of the operations assigned by the General Meeting of Shareholders and the Board of Management are as follow:

- o Business development operation: Sustained and promoted every aspects of the Company's 2 core businesses of U.S International trailers trading and Investment of Real estate projects in Hanoi and Hai Phong.
- o Direct the successful organization of the Company's events including Annual General Shareholders' Meeting 2017 and Irregular General Shareholders' meetings, the Opening Events for care maintenance and repair centers, Customer conference for introducing new products, etc.
- o Duly perform shareholder relation operations such as completing the dividend payment to existing shareholders with 8% in cash, or the purchase of treasury stocks to reduce the quantity of circulated stocks and increase value for shareholders.

3. PLANS AND ORIENTATIONS OF BOARD OF MANAGEMENT FOR YEAR 2018

3.1 Operational orientation

- The Operating success of 2017 was primarily due to favorable condition of the

market and the business, and secondly to the efforts of the entire employee with close direction from the Company's Board of Management as well as the support from shareholders.

- The Company has identified the year 2018 to be a year of great challenge and changes of economic condition, domestic and international. The competition from competitors in the same business would be incredibly high. However, given the standings of the Company with its years of experience and powerful resource, The company guarantees to retain its sustainability and sustainable growth in the short-run.

3.2 Cooperation in development

- Continue to cooperate with and assist the Board of General Directors to meet the objectives for revenue and profit growth set in the plan for 2018.
- Focus on the real estate business, increase investment and implement the Company's Real estate projects in Hai Phong and Ha Noi.
- Continue to strengthen the sale and the market share of trailer business to all over the country.
- The company has the orientation for the year 2018 to focus in depth of on renovating and increase the proportion of post-purchase services including maintenance and supply of replacement parts.

Chapter V: THE COMPANY'S MANAGEMENT SITUATION IN 2017

1. BOARD OF MANAGEMENT

1.1. Members and Structure of Board of Management

The Board of Management of TCH consists of 05 members, the Board's structure is currently as follow.:

Table 14: Board of Management's Members List for term 2017-2021

No.	Members of BoM	Position	Date begin/ cease to be Member of BoM
1	Mr. Đỗ Hữu Hạ	Chairman of BoM	From 2017
2	Mrs. Nguyễn Thị Hà	Member of BoM	From 2017
3	Mr. Vũ Trọng Long	Independent member of BoM	From 2017
4	Mrs. Phạm Hồng Dung	Member of BoM	From 2017
5	Mr. Đỗ Hữu Hưng	Member of BoM	From 2017

1.2. The Sub-boards under Board of Management:

- None.

1.3. Operation of Board of Management in 2017

Pursuant to prescriptions of the Charter and Operational Regulation of the Board of Management as well as the Operational Plan for year 2017, The Board of Management has sustain its operation with the number of members of 05 (five). In 2017, the BoM has organized monthly meetings and irregular meetings when requested. All the meetings of Board of Management were attended by the Board of Supervisors to act as Observers.

Also within the year 2017, the Board of Management has issued Resolutions and Decisions focusing on the solution and direction of important contents related to the construction of the company's operational strategy, implementation of business plan, completion of operating regulation to strengthen the Company's management system.

Table 15: Meetings of Board of Management in 2017

No.	Resolution No.	Date	Content
1	02/2017/NQ-HDQT	08/05/2017	On Summon of Annual general shareholders meeting of year 2017
2	03/2017/NQ-HDQT	29/05/2017	On Passing meeting materials for Annual general shareholders meeting of year 2017

No.	Resolution No.	Date	Content
3	04/2017/NQ-HDQT	24/06/2017	on Election for Chairman of Board of Management for the term 2017-2021
4	05/2017/NQ-HDQT	28/06/2017	on Passing the Option to pay shareholder's dividend for year 2016 in cash
5	06/2017/NQ-HDQT	28/07/2017	On Appointment of Mr. Đỗ Hữu Hưng to the Position of Vice Director in charge of Real Estate Investment business
6	07/2017/NQ-HDQT	16/08/2017	On Preparation for investment of real estate projects
7	08/2017/NQ-HDQT	09/10/2017	On Purchasing treasury stocks
8	09/2017/NQ-HDQT	03/11/2017	On Capital contribution for founding of subsidiaries
9	10/2017/NQ-HDQT	18/11/2017	On Repurchase of stock
10	11/2017/NQ-HDQT	20/11/2017	On Passing to sign the Build and Transfer Contract BT
11	12/2017/NQ-HDQT	05/12/2017	On Summon of Irregular Shareholders Meeting
12	01/2018/NQ-HDQT	30/01/2018	On Investment on housing project Hoang Huy Mall
13	02/2018/NQ-HDQT	08/02/2018	On Implementation of the Project for construction of HoangHuy Riverside residential area

1.4. Activities of Independent, non-managerial members of Board of Management:

The company currently has 1 Independent, non-managerial member of Board of Management, the activities of the Independent member during the year was as follow:

No.	Independent member of BoM	Activitites of each Independent Member of BoM in the year 2017
1	Mr. Vũ Trọng Long	Responsible for the thorough monitory over operations of the Board of Management related to emerged situations to ensure there's no conflict of interest, to facilitate the Company's operations in every aspect.

1.5. Operation of Sub-boards under the Board of Management:

- None.

2. BOARD OF SUPERVISORS

2.1 Members and Structure of Board of Supervisors:

Table 16: Members of TCH’s Board of Supervisors in 2017

No.	Members of BoS	Position	Date begin/ cease to be Member of BoS
1	Mrs. Nguyen Thi Tuoi	Chief	From 2015
2	Mrs. Phan Thi Thu Huong	Member	From 2015
3	Mrs. Nguyen Thi Thuy Nga	Member	From 2015

2.2 Operation of Board of Supervisors

In the year 2017, the BoS has performed and implemented its operations compliant to the Charter on Organization and Operation of TCH as well as to other regulations of the Law:

- Perform monitorial operation over compliance with regulations of the Law and the Company’s Charter to the Board of Management, and Board of General Directors in managing and directing the company.
- Attend the meetings of Board of Management and some meetings of TCH’s Board of Directors on the Annual Business plan and report the implementation situation the annual plan.
- Regularly check on the capital usage of TCH, monitor the TCH’s capital flow.
- Control quarterly, 6-month and annual financial statements, to assess the appropriacy and accuracy of financial data before submitted to the Board of Management.
- Propose the Selections of Independent Auditors (a Auditor among the list of Auditors approved by the State Security Commission for the issuing organizations, listed organizations and securities trading organization in 2017 with experince and prestige in auditing for listed organizations.
- Control the compliance with Regulation the Company’s Regulation on Internal Spending.
- Other tasks by the decision of Board of Management and as required by the Company’s Charter.
- In 2017, the BoS was provided with full information on the Decisions of Board of Management and Board of Directors; as well as provided with support and favorable

condition for its supervisory operation. The BoM and BoS has always had information exchange related to the orientation of TCH, sticking closely to assigned tasks.

Table 17: Meetings of Board of Supervisors in 2017

No.	Report	Date	Content
1	01/2017/BB-BKS	22/05/2017	On Assessing the operation of Board of Management, Board of General Directors and managerial staff in the final 6 months of 2016 and setting of operational plan for 2017
2	02/2017/BB-BKS	22/11/2017	On Assessing the operation of Board of Management, Board of General Directors and managerial staff in the first 6 months of 2017.

3. TRANSACTIONS, REMUNERATIONS AND OTHER BENEFITS OF BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISORS

3.1. Salaries, Bonuses, Remunerations and other benefits:

Table 18: Summary of Salaries, bonuses, remunerations and benefits in 2017

No.	Name of shareholder	Position	Quantity of shares owned	Remuneration received
I. Remuneration of Board of Management (VND/person/month)				
1	Do Huu Ha	Chairman of BoM	151,083,625	3,500,000
2	Nguyen Thi Ha	Member of BoM	1,512,500	2,500,000
3	Vu Trong Long	Member of BoM	0	2,500,000
4	Nguyen Manh Hung (dismissed on 24/6/2017)	Member of BoM	0	2,500,000
5	Do Huu Hung	Member of BoM	1,512,500	2,500,000
6	Pham Hong Dung (appointed on 24/6/2017)	Member of BoM	0	2,500,000
II. Remuneration of Board of Supervisor (VND/person/month)				
1	Mrs. Nguyen Thi Tuoi	Chief of BoS	1,100	2,500,000

No.	Name of shareholder	Position	Quantity of shares owned	Remuneration received
2	Mrs/ Phan Thi Thu Huong	Member of BoS	650	1,500,000
3	Mrs. Nguyen Thi Thuy Nga	Member of BoS	770	1,500,000
III. Remuneration of Board of General Directors (VND/person/year)				
1	Do Huu Ha	General Director	151,083.,625	365,980,000
2	Do Huu Hau	Vice Director	18,150,000	-
3	Tran Thi Hoang Ha	Vice Director	4,512,365	87,979,615

Source: TCH

3.2. Stock transaction of Internal shareholders:

- None.

3.3. Contract or Transaction with Internal Shareholders:

- None.

3.4. Implementation of Regulations on Company's Management:

- Duly implemented.

Chapter VI. CONSOLIDATED FINANCIAL STATEMENTSS

1. AUDITOR’S OPINION

- Auditor: AASC Auditing firm Co., Ltd
- Headquarters
 - No. 01 Le Phung Hieu, Hoan Kiem, Ha Noi.
 - Tel: (84.24) 3824 1990
 - Fax: (84.24) 3825 3973
 - Email: aasc@aasc.com.vn

Auditor’s opinion: In our opinion, the Consolodated financial statements give a true and fair view, in all material aspect, of consolidated financial situation of Hoang huy investment financial services jsc as at March 31st 2018, and of the operating results and its cash flows for financial year ended at the same date, duly compliant with Vietnamese Accounting Standard and System for Enterprises and other legal requirements relevant to the preparationa nd formation of consolidated financial statements.

2. CONSOLIDATED AUDITED FINANCIAL STATEMENTS

Details of the reports were publicized pursuant to the regulation on date of uploading on the Company’s Website: www.hoanghuuy.vn.

CONFIRMATION FROM THE COMPANY’S LEGAL REPRESENTATIVE GENERAL DIRECTOR

DO HUU HA