



TRANSIMEX CORPORATION

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Ho Chi Minh City, April 04th 2018

REPORT OF THE SUPERVISORY BOARD

Pursuant to the duties and responsibilities of the Supervisory Board which are stipulated at the Charter of Transimex Corporation.

The Supervisory would like to submit to the Annual General Meeting of Shareholders (AGM) of 2017-2018 its report on the business results for the fiscal year 2017 as following:

I. THE ACTIVITIES OF THE SUPERVISORY BOARD:

In 2017, there are 03 members in the Supervisory Board. On January 29, 2018, Mr. Nguyen Tuan Anh, Chief Supervisor, resigned due to his personal reason. The Supervisory Board for 2013-2018 terms comprises 02 independent members without concurrent positions at the Corporation. The Supervisory Board had meeting and appointed Mrs. Le Thi Ngoc Anh to the position of Chief supervisory from March 06, 2018.

In 2017, the activities of Supervisory consisting of:

- To supervise the performance of the AGM 2017's resolutions and the operation the Board of Directors (BOD).
- To monitor the business operation status and financial situation in 2017

Besides, the representative of Supervisory Board had participated into the BOD's meetings and suggested its opinion to Board of Directos, Board of management on the buisness status as well as the development orientation for the corporation.

II. THE ADMINISTRATION AND BUSINESS ACTIVITIES OF THE CORPORATION:

1) Administration:

The Board of Directors (BOD) had well implemented its duties of instructing, monitoring and supporting the Board of management in the business activities of the corporation and performed the AGM's resolutions. Besides, BOD also seeked or the opportunities of new investment in order to develop the corporation's operation scale.

2) Business activities:

The corporation has taken full effort to implement the resolutions of the annual general meetings of shareholders and gained the remarkable results as following:

The consolidated business results in 2017 as following:

Unit: VND Billion

| No. | Indicator | Plan of 2017 | Perfomance of 2017 | Performance of 2016 | (%) Performance of 2017 compared with | |
|-----|---------------|--------------|--------------------|---------------------|--|----------------|
| | | | | | Plan of 2017 | Result of 2016 |
| 1 | Total revenue | 1.976 | 2.136 | 616 | 108% | 347% |

| | | | | | | |
|---|-------------------|-----|-----|-----|------|------|
| 2 | Before tax profit | 213 | 242 | 192 | 114% | 126% |
|---|-------------------|-----|-----|-----|------|------|

- In 2017, the Corporation purchased for more shares of Vinafreight Corporation that increased the share ratio at this company to 51.59%. It has changed Vinafreight Corporation from an affiliated company to the subsidiary from April 01, 2017.
- In this year, the Corporation also received 87,780 shares, which equivalent to 43.89% of charter capital of Thang Long Logistics Corporation.

III. CONCLUSION AND RECOMMENDATIONS:

The operation in the last year of the corporation have been in compliance with the Law on Enterprises, Law on Securities, Company Charter, the relevant regulations and in accordance to the resolutions of the Annual General Meeting of Shareholders and the resolutions of Board of Directors. The activities of information disclosure of the corporation also complied with the relevant regulations applicable to the listed company.

The Supervisory Board suggest to the BOD and Management Board as follows:

- To maintain the stability and increase effectiveness of the existing businesses;
- To focus on development of the long-term strategic projects on the modern warehouses, the advanced logistics services and the company's strengths in order to increase the competitive efficiency as well as to expand into the other potential markets such as the Central, the North, etc. However, it is necessary to strengthen the forecast in order to limit the potential risks.
- To balance and calculate thoroughly the cash flow that used in the investment, loans and payment for the due debts.
- To develop the right policies on human resources in order to meet the increasing demands of business expansion.

This is the report in 2017 of the Supervisory Board that to be submitted to the AGM of 2017-2018. The Supervisory Board would like sincerely thank to the Board of Directors, Board of management and the Departments of Transimex Corporation who have facilitated for the Supervisory Board to complete its duties during the last times.

ON BEHALF OF SUPERVISORY BOARD
Chief Supervisor

LE THI NGOC ANH