



BAMBOO CAPITAL GROUP
»» Annual Report 2016



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PART 1

»» Annual Report 2016

GENERAL INFORMATION

General information

Business areas

Events

Business locations

Governance model, organization and management system

Corporate structure

Subsidiaries

Affiliates

Information about Advisory Board, Board of Directors (BOD),
Board of Supervisors and Board of Management

We are in it for the long term

Risks

GENERAL INFORMATION

Trading name: BAMBOO CAPITAL JOINT STOCK COMPANY

Certificate of business registration No: 0311315789

Charter capital: 407.000.000.000 VND

Address: 14th Floor, Vincom Center, 72 Le Thanh Ton St., Bến Nghé Ward , District 1, HCMC, Vietnam

Telephone: 08 62 680 680

Fax: 08 62 991 188

Website: www.bamboocap.com.vn

Securities code: BCG

Listed day: 16th of July 2015

INCORPORATION AND DEVELOPMENT PROCESS

2011

Established with 2 main business divisions:

- **Investment Banking Services:** Fund raising, Restructuring, Financial Advisory, IPO and Listing Advisory, Project Financing, M&A Advisory
- **IT Solutions:** Project Management, SAP, CRM, MRP, DMS & ERP implementation and consulting.

2017

2016

Focusing in 4 main business divisions:

- Manufacturing and Trading
- Investment Banking
- Infrastructure and Real Estate
- Renewable Energy

2013

Converted into an Investment company with 2 more business divisions:

- **Agriculture product trading:** fertilizer, animal feed, and soya bean.
- Principle investment with M&A approach to achieving outstanding growth.

2015

Developed into a group of companies with 15 subsidiaries and affiliates specializing in various industries.

Listed on Ho Chi Minh Stock Exchange (HSX).



BUSINESS AREAS



Manufacturing & Trading

We focus on traditional industry businesses in manufacturing, distribution, and agricultural products. We leverage our operating skills, cost control expertise and extensive network to unlock value of our investments and promote growth for our portfolio of companies.

Our trading operation revolves around flagship product lines manufactured by our subsidiaries and affiliates, including furniture, cassava starch, coffee, construction stones and agricultural products which closely support each other for mutual development.

Investment Banking

In our core M&A activities, we acquire the majority of ownership interests in companies with the objective of generating strong returns.

Our corporate advisory and investment banking services provide customized, creative and structured financial products and solutions to our clients. Our mission is to strengthen clients' abilities to succeed in their fundraising process and provide efficient investment channels for clients.

We also offer other corporate services such as IT solutions, virtual office leasing, and corporate security services.



Infrastructure & Real Estate



We seek to earn strong, stable cash flows through investments in large-scale businesses in infrastructure and transportation. Additionally, we offer systems and solutions for Highway construction under BOT or BT method.

We focus our investments on high-quality, income-producing and developing properties. We are working with local partners to develop real estate projects in Ho Chi Minh City, Long An, Hanoi...

Renewable Energy

Our long-term plan is to become the leader in providing renewable energy using solar panels in Quang Nam, Long An to meet the rising demand of electricity in Vietnam.

These businesses will engage into long-term delivery contracts with regulatory agencies, which generally means that revenue would be protected, as well as inflation and other types of support, such as guarantee of contributing a reliable source of income over the long term



EVENTS

BCG has held successfully AGM of shareholders in 2016

On 05 April 2016, the 2016 Annual General Meeting of Shareholders of Bamboo Capital Joint Stocks Company took place at Kim Do Hotel, 133 Nguyen Hue, Ho Chi Minh City with the attendance of more than 90% of total voting stocks.

The General Meeting has approved some important contents such as 2016 Plan of production and business; of capital mobilization for the company's trade, production and business activities; additions to business sections and amendments, additions to the Company Articles; additionally appointment members for Board of Directors and Supervisory Board; adjustment for options of share issuance.

In which, the Board of Directors has submitted the guideline on adjusting the options for share issuance in 2016 to existing shareholders and employees. Specifically, issuance price was determined to be 10,000 VND / share, lower than the book value as at 31 December 2015 (10,466 VND/share) and higher than the average market price of the latest 10 sessions (9,150 VND/share). It is expected that all capital raised from the issuance of shares to existing shareholders which is at least 610.5 billion, will be used to invest into subsidiaries and for M & A investments as planned in 2016.

In addition, the Board of Directors has presented the General Meeting to increase the ownership ratio of foreign investors for BCG shares up to a maximum of 100% and allow foreign shareholders to dominantly own up to 50% of BCG capital without public bid procedures. One important content which has been adopted by the General Meeting was the guideline on approval of private placement of 6 million shares in 2016 to carry out swapping ownership of the company shares in foreign countries.



BCG Participates in Management Board of 1-5 Automobile Joint Stock Company

1-5 Auto's production value and revenue in 2015 gained 265 billion dong and 250 billion dong respectively. Especially, pre-tax profit reached 44.13 billion dong (equal to 709.8% of the plan). Its targets for production value and revenue in 2016 are 377 billion dong and 368 billion dong respectively.

The General Meeting approved the election of additional members for Management Board and Supervisory Board in term of 2014 - 2019. Four BCG members, including Mr. Dang Trung Kien, Mr. Nguyen Ho Nam, Mr. Bui Thanh Lam and Mrs. Dao Thi Thanh Hien would become official members of 1-5 Auto's Management Board and Supervisory Board. Mr. Kien is Vice President of Management Board, Mr. Nam and Mr. Lam are members of Management Board and Mrs. Hien is Chief of Supervisory Board for the term of 2014 - 2019.

BCG engagement in 1-5 Auto's Management Board is a vital content of the Comprehensive Cooperation Agreement signed in 2015.



Thanh Vu Tay Ninh Holds Its 2016 Extraordinary General Meeting - BCG to Participate in the Board of Directors

The Meeting has passed important provisions such as: new Regulations of the Company; business plan for 2016 and 2017; agreeing upon 20% capital increase and authorizing the Board of Directors with time of issue, to partner at a price not lower than 20,000 VND per share and approve an investment policy of owning 99% Dak Lak plant.

In particular, the Meeting has approved capital increase to invest in sweet potato starch processing plant in Vinh Long with capacity of more than 100 tons of finished goods per day, total investment of 105 billion VND as well as the merger of Dak Lak plant for TVTN, scheduled for completion in 2016.

The Meeting has also approved the election of additional members for the Board of Directors (BOD), and Board of Supervisors (BOS) during the 2016-2020 tenure. BCG participates in the Board of Directors with three members including Mr. Nguyen The Tai; Ms. Le Thi Mai Loan; Mr. Vu Tran Vinh Thuy, and participates in the Board of Supervisors with two members including Mr. Nguyen Viet Cuong; Ms. Huynh Thi Kim Tuyen, in which Mr. Tai serves as Vice Chairman of BOD, and Mr. Cuong serves as Head of BOS. BCG's participation in TVTN's BOD and BOS is included in the comprehensive strategic cooperation agreement signed in 2015.

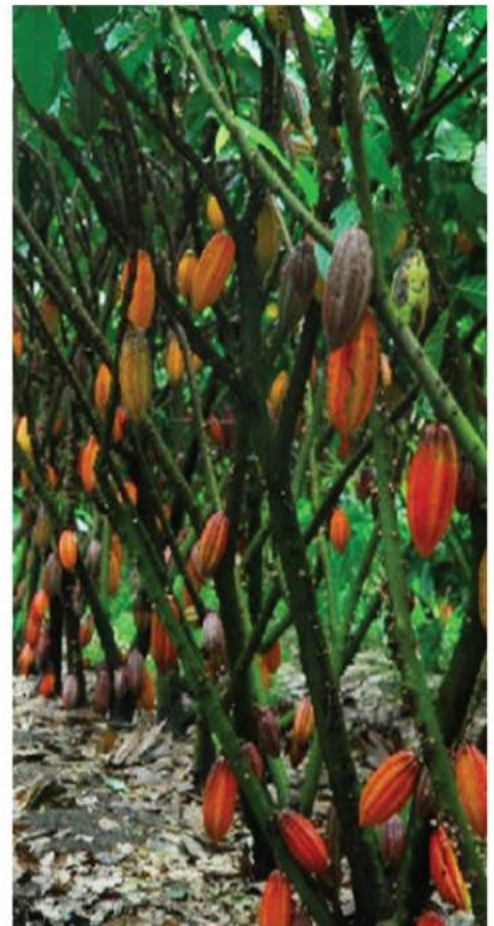


BCG Has Officially Been Approved to Invest in the Large Field Project – Intercropping Cocoa with Cashews in Dong Nai.

The People's Committee of Dong Nai Province has approved the large field project of intercropping cocoa and cashews in An Vien Commune, Trang Bom District with Bamboo Capital JSC (BCG) being the project owner. This is the 8th large field project to be approved and provided with financial support by the Committee.

In 2017, BCG will implement the project on an expected area of 111 hectares along with an expected target of 1,000 hectares in 2023. The total budget for the project is expected to be 300 billion VND, carried out in the form of joint production with cashew farmers and tied to product consumption agreement between the State, enterprises and farmers in An Vien, Trang Bom District, Dong Nai Province. The project's ultimate goal is to create a sustainable raw material area for producing and consuming cocoa on a large scale, thereby enhances uniformity and quality of cocoa exports from Vietnam. At the same time, the project also contributes to increasing the production efficiency for farmers as they can now intercrop cocoa with existing cashews to improve their source of income.

The project is estimated to have a revenue of 10.5 million USD after harvesting in 2023. In March 2017, BCG will coordinate with Agricultural Extension Center, Sub Department of Crop Production and Plant Protection along with technicians from Nong Lam University – Ho Chi Minh City to organize training sessions for 55 participating households in An Vien before implementing the project.



The Project of Upgrading and Expanding Interstates 830 & 824 in the Form of BOT Has Officially Broken Ground

Long An, November 17th, 2016, BCG & Bang Duong Consortium's project of upgrading and expanding Interstates 830 & 824 in the form of BOT has officially broken ground. This is Long An's first BOT project and therefore is set with high expectations.

Being one of the three key projects in Long An Province, Interstate 830 is the main traffic flow that connects Duc Hoa and Ben Luc Towns. The project has a total investment of 1,079 billion VND with a total route length of more than 24 km. Average speed is designed to be around 60 – 80 km/h while single-axle load is 12 tons. BCG & Bang Duong Consortium will construct the entire project and will be entitled to charging fees for a period of 18.5 years.

With BCG's strength in capital arrangement, Tracodi and Bang Duong's expertise in construction works, the project is set for completion in Q1 2018. Once completed, the project will enhance regional connectivity for transport infrastructure, thereby attract investments and promote economic development in Long An Province.



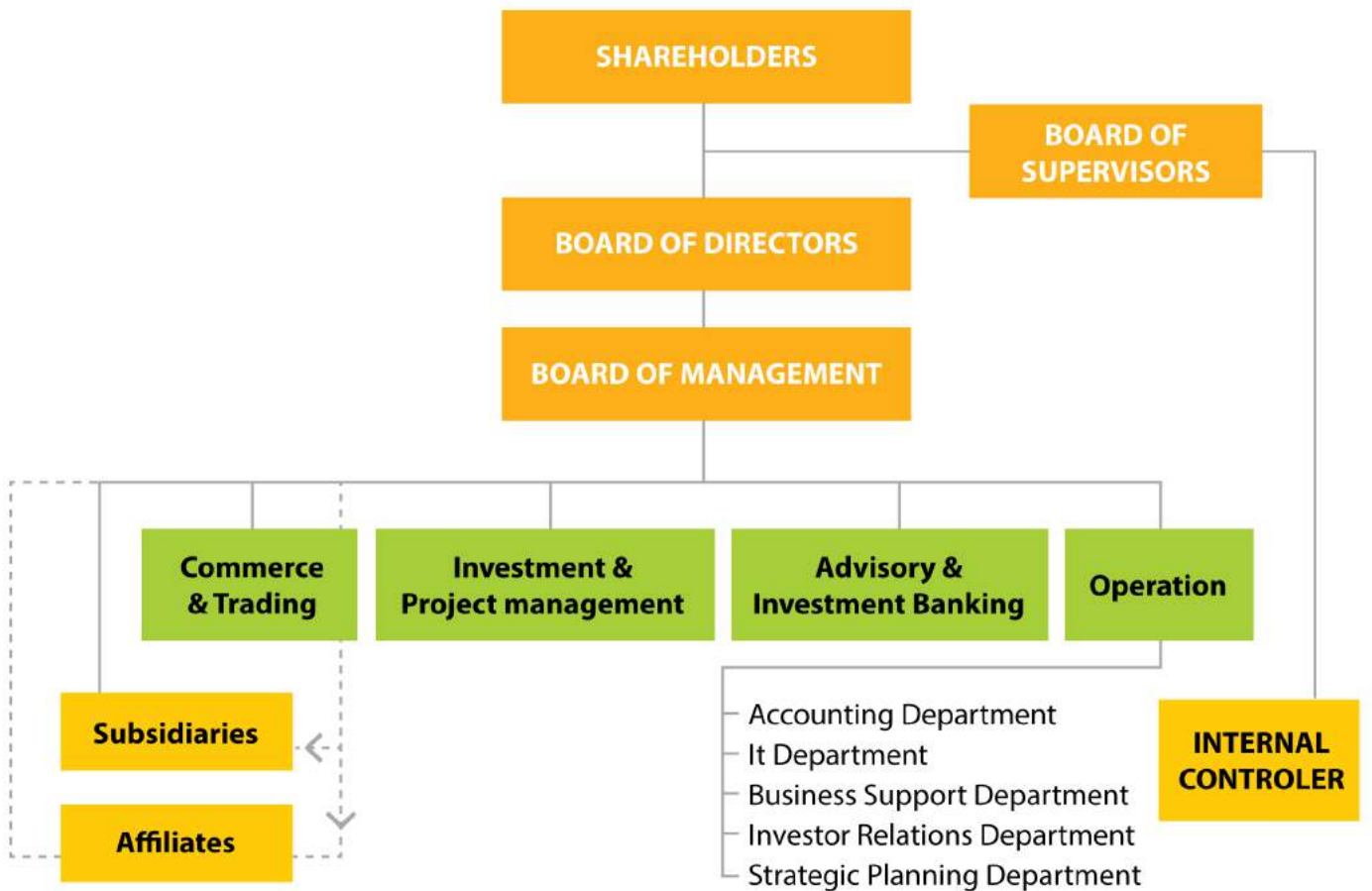
BUSINESS LOCATIONS

BCG is one of diversify investment companies in Vietnam with effective investment to provide high quality products and service chains throughout Vietnam.



GOVERNANCE MODEL, ORGANIZATION AND MANAGEMENT SYSTEM

MANAGEMENT STRUCTURE



CORPORATE STRUCTURE

MANUFACTURING, TRADING AND AGRICULTURAL PRODUCTS



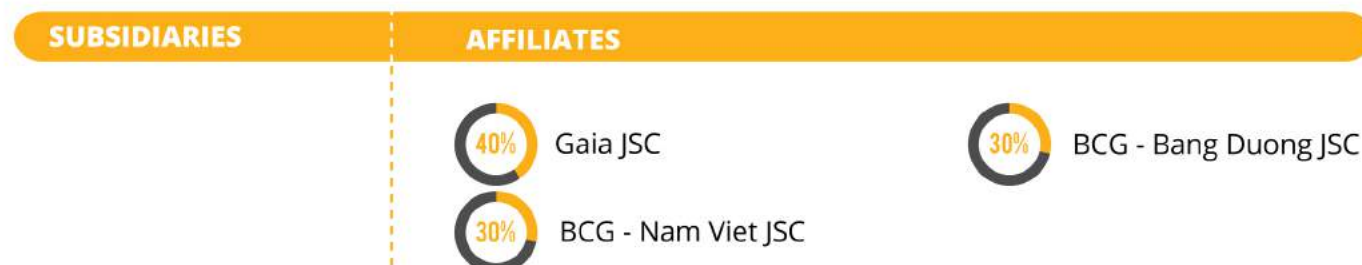
SERVICE - CONSULTATION



INFRASTRUCTURE, TRANSPORTATION, AND REAL ESTATE



RENEWABLE ENERGY



SUBSIDIARIES

1. Transport and Industry Development Investment JSC (Tracodi)

Tracodi has been founded since 1990. Going through 25 years of establishment and development, TRACODI has constantly focused on sustainable development and strengthening its brand in areas including: infrastructure development; quarrying; agriculture manufacturing and trading; labour export services.

In 2016, TCD's total assets are 2,449 billion VND while shareholders' equity has more than tripled to nearly 383 billion VND. Ending cash and cash equivalents also increase to 42.8 billion VND, which has more than doubled the same period of last year, reflecting a stable stream of cash inflow. In terms of liquidity, TCD's quick ratio has improved significantly, from 1.22 times in 2015 to 2.53 times in 2016. The company's revenue and expected dividend targets are 918 billion VND and 10% for 2017 and 1,029 billion VND and 12% for 2018.

Tracodi's 2017 Annual General Meeting has approved its business plan for 2017 with revenue of 879 billion VND and profit after tax of 63.7 billion VND, or 5.5% and nearly 6% up from 2016, respectively. Tracodi (stock quote: TCD) will officially be listed on Ho Chi Minh City Stock Exchange (HSX) on Q2/2017.

- **Head office:** 89 Cach Mang Thang Tam, Ben Thanh Ward, District 1, Ho Chi Minh City
- **Website:** www.tracodi.com.vn



2. Nguyen Hoang JSC

Nguyen Hoang JSC is the one of the leading enterprises in manufacturing and trading wooden products in the central region of Vietnam. In 2007, Nguyen Hoang was awarded FSC-CoC Certificate by SGS Group indicating that all materials are from well-managed forest.

- **Head office:** Nhon Hoa Industrial Zone, An Nhon Town, Binh Dinh Province.
- **Export market:** US, EU, Australia, Singapore (>80% revenue)
- **Website:** www.nhfurniture.vn



3. Thanh Phuc JSC

Thanh Phuc is the manufacturer of high quality solid hardwood floor and laminate flooring which are very well known domestically.

- **Head office:** Dong Bac Song Cau Industrial Zone, Xuan Hai Ward, Song Cau Town, Phu Yen Province.
- **Export market:** EU, Australia, Singapore, Japan.



4. Phu Thuan S&T Co.Ltd

Phu Thuan operates in marketing and distributing consumer products to retailers and HORECA channel in HCMC. The company is also the main distributor of Vinamilk products in Ho Chi Minh City.

- **Head office:** Ho Chi Minh City
- **Sale points:** 2000



5. Antraco Joint Venture Co., Lt

Antraco is a domestic joint venture between Tracodi and An Giang Machinery Company to exploit the largest stone mine in Tri Ton, An Giang.

- **Head office:** Dai Lon Mount, Chau Lang Commune, Tri Ton District, An Giang Province.
- **Establishment:** 1994
- **Mining area:** 70 ha
- **Remaining reserve:** 20 million m³



AFFILIATES

1. 1-5 AUTO JSC.

1-5 Auto JSC manufactures buses, trucks, vehicles for special uses and related interior products. The company was founded in 1956 and headquartered in Hanoi.

- **Location:** Hanoi, Vietnam
- **Website:** www.1-5auto.com.vn

2. THANH VU TAY NINH JSC.

One of the leading companies in producing and processing cassava starch, modified starch, cassava and other agricultural products to be used extensively in food and industrial applications.

- **Market:** Vietnam, Japan, Korea, China
- **Capacity:** 140,000 MT/year
- **Location:** Tay Ninh and Dak Lak Provinces

3. VINATAXI

The first taxi company who started transporting urban passengers and charging fees by contermetter in Vietnam, with its scope of operation around Ho Chi Minh City.

- **Location:** Lot IV - 15B Road 4 - Tan Binh IP, Tay Thanh Ward, Tan Phu District, HCMC.
- **Website:** <http://www.vinataxi.vn/>

4. ACG VIETNAM JSC

ACG is an IT solution and Management company in partnership with Salesforce Singpaore. Business categories include management software solution and developments, specific systematic solution for companies, research and development and supplying other software products to serve companies wanting a Globalization process.

- **Location:** Ho Chi Minh City, Vietnam.

5. VIET GOLDEN FARM JSC

Viet Golden Farm has main activities relating to agriculture: raise beef cattle, cultivation and provides auxiliary services. VGF also conducts business in trading coffee and coffee capsules for Nesso brand.

- **Location:** Ho Chi Minh City, Vietnam.

6. TRUONG THANH DAI NAM SECURITY

The company provide security services: Building, properties, private escort, transportation escort, security consultancy service, security personnel training service and quick respond force in certain emergency.

- **Location:** Ho Chi Minh City, Vietnam.



7. VINACAFE DALAT

Vinacafe Dalat has over 20 years of experiences in purchasing, processing and exporting Arabica and Robusta coffee beans from Lam Dong Province, Vietnam.

Main Products: Arabica and Robusta (unwashed and wet polished coffee beans), processed coffee used for Nesso capsule



INFORMATION ABOUT ADVISORY BOARD, BOARD OF DIRECTORS (BOD), BOARD OF SUPERVISORS AND BOARD OF MANAGEMENT

ADVISORY BOARD



SHINJI KITO

Member of Advisory Board

Mr. Shinji joined BCG's Advisory Board in August 2015. He has spent his entire career in the Investment industry and has served as Chairman and Chief Representative Officer of Unimax Investment Inc., and Director of Bao Viet Japan Securities Inc.

Mr. Shinji is also a respected advisor for JLT Holdings, a subsidiary of Global Agency and Insurance Advisory Jardine Lloyd Thompson. He is a graduate of the Meiji University, Japan.



DR. PHAN THANH NAM

Member of Advisory Board

Dr. Phan Thanh Nam has been Member of the Advisory Board of BCG since April 2015. Dr. Nam's career includes extensive experience in Business Management and Corporate Governance. Dr. Nam was the Founder of Transportation Investment and Development Company (Tracodi).

With more than 20 years working at Tracodi, he has held various progressive management positions such as General Director, Member and Chairman of Board of Directors.

**NGUYEN HO NAM****Chairman**

As the Founder of BCG, Nam's principles of value creation and entrepreneurial management suffuse all of BCG's activities. Nam has been actively involved in BCG's major acquisitions, growth strategies and value realizations. Nam has more than 6 years of experience in FMCG industry and 10 years in Financial Services and Fund Management.

Nam received his B.A. degree from the University of Economics, Ho Chi Minh City and Master's degree in Finance and Banking from Monash University, Australia.

**NGUYEN THE TAI****Vice Chairman**

Tai is the Co-founder, Vice Chairman and Chief Executive Officer of BCG. He has extensive experience in building strong management teams focused on profitability.

Tai received his Bachelor of Business Administration from the University of Economics, Ho Chi Minh City.

**DANG TRUNG KIEN****Vice Chairman**

Kien has been Vice Chairman of BCG since April 2014. He has over 20 years of experience in Professional Management in Vietnam. He is also Chairman of Transport and Industry Development Investment JSC (Tracodi) as well as Chairman of Truong Thanh Vietnam Investment and Development Ltd.

Kien received his B.A. degree from Law University, Hanoi.

**NGUYEN THANH HUNG****Member of BOD**

Hung is the Co-founder, Member of BOD and Investment Banking Manager of BCG. He has an extensive career in Financial Services in Vietnam, along with broad experience in negotiations, M&A, and divestitures.

Hung received his B.A. degree from the University of Social Sciences and Humanities, and another B.A. degree in Corporate Finance from the University of Economics, Ho Chi Minh City.



BUI THANH LAM

Member of BOD

Lam is Member of BOD of BCG. Lam maintains strong business relationships with international investors from UK, USA, Netherlands, Japan and Korea.

Lam earned his B.A. degree in International Relations from Dong Do University, Hanoi and M.A. degree from Huron University, London, UK.



LEONG KWEK CHOON

Independent Director

Leong Kwek Choon is an Independent Director of Bamboo Capital Group. He used to serve as Chairman of BCG before, back in April 2015. He has more than 15 years of experience in the Brokerage industry. Leong is also involved in Corporate Advisory and investments related to property deals.

Leong was awarded the Singapore Armed Forces Local Scholarship and graduated with a Bachelor of Commerce degree from Nanyang University of Singapore in 1980.



BARRY RICHARD PETTITT

Independent director

Mr Barry Richard Pettitt has been an Independent Director of BCG since April 2016. Mr. Pettitt has more than 30 years of experience within the Consumer Electronics industry.



DANG VIET BICH

Independent Director

Associate Professor - Dr. Dang Viet Bich has served as Independent Director of BCG since April 2016. Dr. Bich holds and develops relationships with government agencies on behalf of BCG.

He is honored to receive many noble medals from the Government of Vietnam such as: Medal of Education (1995), Memorial Medal of Social Science (2003), Medal of Literature & Art (2004), Medal of Labour No.2 (2011).



ANTHONY LIM
Member of BOD

Anthony Lim has more than 30 years of experience in the retail, wholesale, export and import business. He currently is the Chairman of Samcorp Capital Corporation - a private investment company operating in various industries with its headquarters located in Singapore. Samcorp has made strategic investments in entertainment with movie theater chains in Los Angeles, USA, and Shanghai, together with its feet in real estate, textile and financial investments throughout Singapore, USA and China.

Anthony Lim holds a Ph.D in Entrepreneurship awarded by Wisconsin International University, USA and a Bachelor of Arts (Honours) in Business Administration from the University of East London, U.K. He was a professional member of Certified General Accountants of Canada and Certified Management Accountants of Canada. He is also an Associate Member of the Institute of Chartered Secretaries and Administrators of Singapore and England.

BOARD OF SUPERVISORS



DINH HOAI CHAU
Chief Supervisor

Chau is the Co-founder and Chief of the Supervisory Board of BCG. At BCG, Chau has a wide range of responsibilities for corporate governance, legal and compliance matters.

Prior to joining BCG, Chau spent a few years in Australia, where he served in various Finance and Corporate Governance roles in a number of private Australian companies. In 2007, Chau relocated back to Vietnam and served in several senior management positions for one of the leading securities companies in Vietnam.



LE THI MAI LOAN
Member

Loan has many years of managing experience in finance and trading. Currently, Loan is member of BOD and Deputy General Director of Transport and Industry Development Investment JSC (Tracodi) and Deputy General Director of Central Office JSC.

Loan received BA in Economy at University Economics of Ho Chi Minh City and IEMBA at PGSM University, France.



DAO THI THANH HIEN

Member

Hien is a member of Supervisory Board of BCG since April, 2016. Hien is capable of managing, analyzing, assessing investment and business operations. Hien is also a member of Supervisory Board of Transport and Industry Development Investment Joint Stock Company (Tracodi).

Hien received her Master of Laws.

BOARD OF MANAGEMENT



NGUYEN THE TAI

Chief Executive Officer

At BCG, Tai's primary responsibility is to manage the day-to-day operations of the Group. He also works closely with BCG's subsidiaries and affiliates, in which his Operating background provides valuable insights for their day-to-day financial issues and strategies.

Prior to joining BCG, Tai had more than 10 years of international experience in Manufacturing companies and has been working in Financial Services industry for more than 6 years.



NGUYEN THANH HUNG

Deputy General Director

At BCG, Hung is responsible for investment banking, corporate finance and investment consulting services where he leads the team to provide innovative financial solutions for BCG's clients. Hung is also responsible for organizational strategies, sales, and marketing.

Prior to joining BCG, Hung had more than 9 years of experience in Financial Services industry and has also served in many senior management positions.



DUONG DUC HUNG

Deputy General Director

Hung serves as Deputy General Director of BCG since March 2015. From 2011 to 2013, he was the Deputy Director of Truong Thanh Investment and Development in Laos. He has held the position of Deputy General Director of Truong Thanh Vietnam Investment and Development and the position of Deputy General Director of Truong Thanh Dai Nam Security.

Hung graduated with a B.A in Law.



Hoang Thi Minh Chau
CFO cum Chief Accountant

At BCG, Chau is responsible for financial planning and manage accountant department.

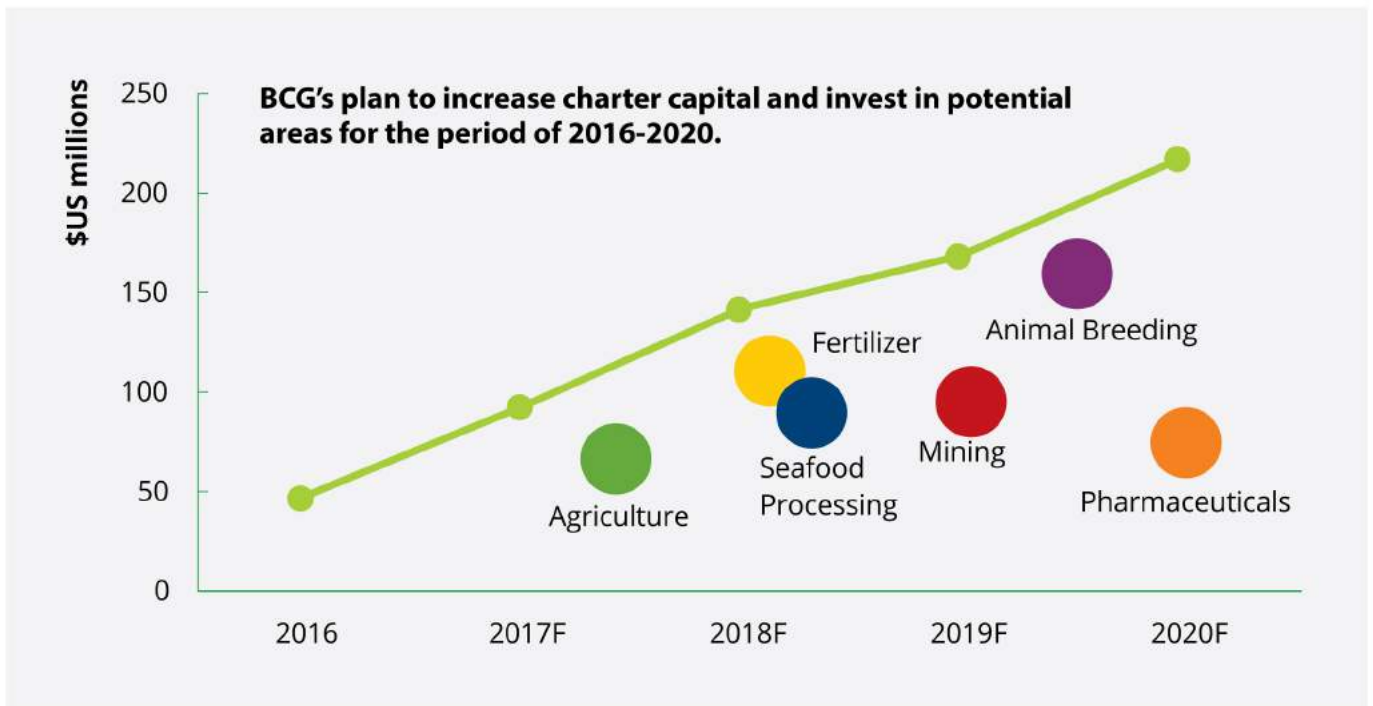
With many years of experience in accounting and financial services, Chau used to hold position as Chief Accountant for many companies such as Sacombank Securities and Hafic JSC.

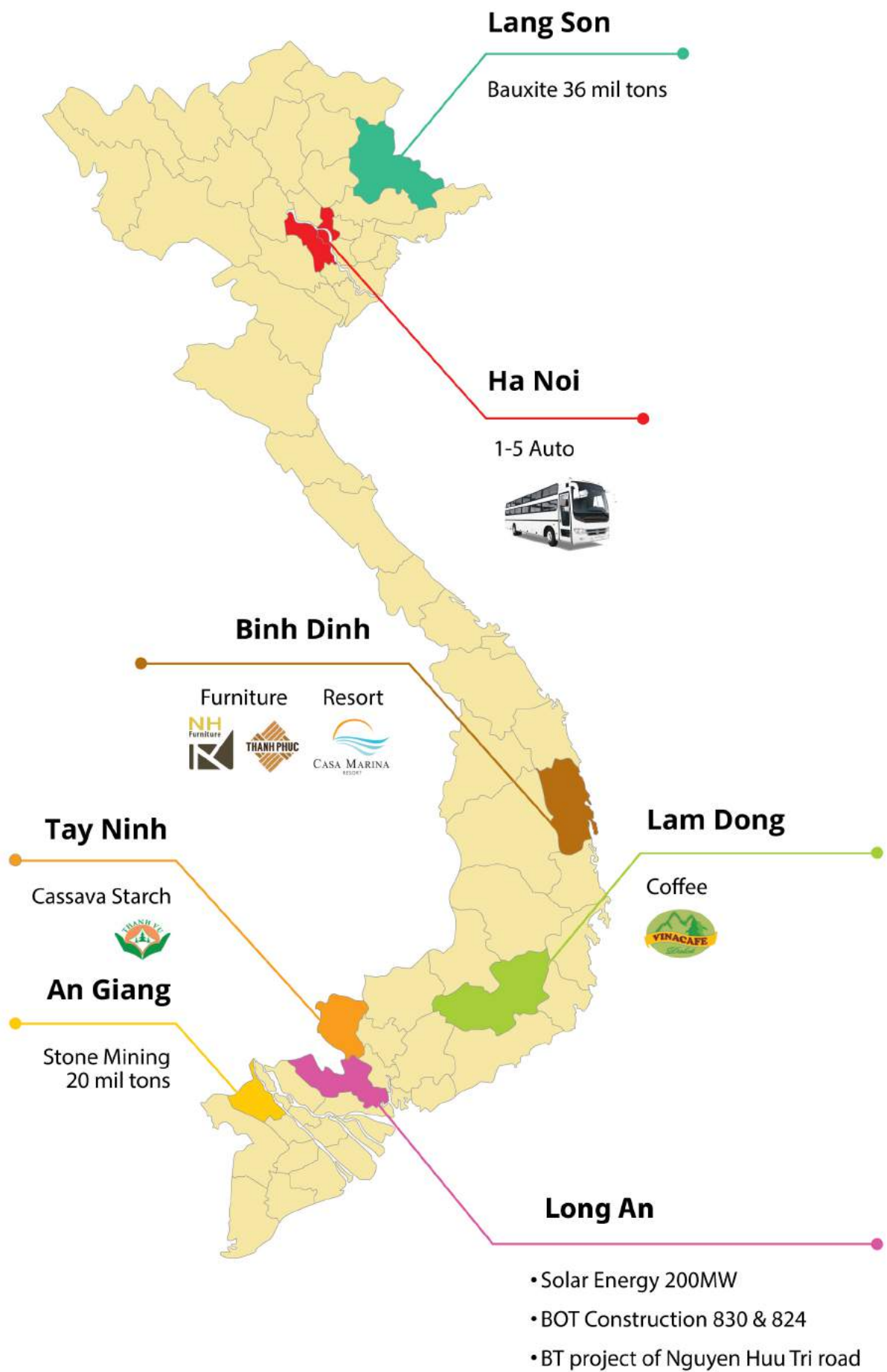
Chau graduated with B.A in Accountant at Vietnam University of Commerce.

WE ARE IN IT FOR THE LONG TERM

BCG's activities will now focus on 4 main areas: Manufacturing and trading of agricultural products, Construction and infrastructure development, M&A advisory, and Renewable energy. For infrastructure and real estate projects, the company has officially started construction of Interstate 830 in the form of BOT, linking Duc Hoa and Ben Luc Districts, Long An Province and the project is expected to be completed in 2017 and put into use by Q1/2018. In addition, the company will soon deploy the project of building and upgrading Nguyen Huu Tri Road in Long An with a total investment of 1500 billion VND. This is a BT project in exchange for 280 hectares of land according to the policy of the Provincial People's Committee.

Regarding the renewable energy segment, BCG is researching and planning to deploy a solar farm project with a capacity of 200 MW in Long An. The company is also looking forward to getting approvals for more solar projects in Quang Nam and Dak Lak.





RISKS

1. ECONOMIC RISK

In 2016, major economies gradually regained their momentum, especially US economy with the GDP rising 3.2% in the third quarter of 2016, and continuing to respond positively after Donald Trump was elected president. China, the second largest economy in the world maintains a steady high growth rate of 6.5% in 2016.

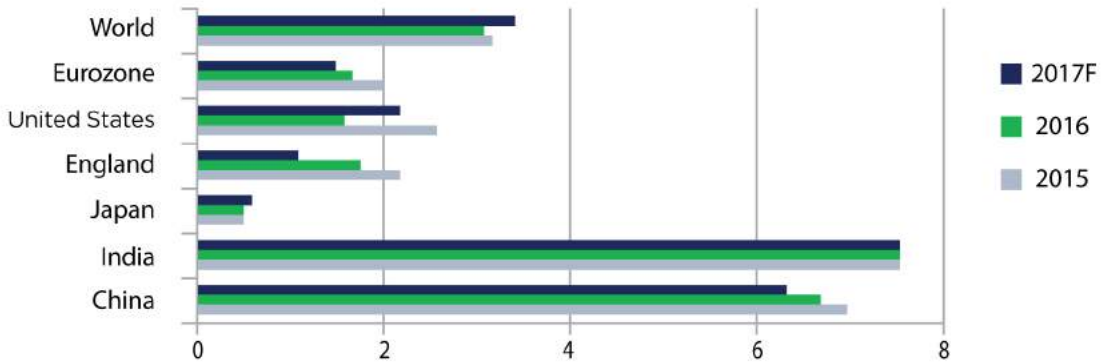


Figure 1. Global GDP growth (% change from previous year)

Source: IMF

The global economy benefits from a number of major events and trends in 2016, as Donald Trump is the 45th President of United States, the agricultural revolution at Africa has been instrumental in helping many countries in the region escape poverty and play an important role in transforming the economic structure of the Black Continent. The most optimistic event was the decision made by OPEC countries to cut production by 1.2 million barrels per day on 30 November 2016. This is seen as an effort not only to stabilize the oil market in particular, but also for the world economic.

2016 has also witnessed some major events that have had a negative impact on the world economy, such as the disclosure of Panama Profiles, which led some heads of state to resign; The Brexit causing concern about future intra-corporate relations; Security instabilities and its global impact.

The world economic recovery is slower than forecast, the global trade growth is falling sharply, the activity of the commodity market is less active, and the world commodity price is low has affected our economy especially export and import activities and state budget revenues.

GROWTH RISK

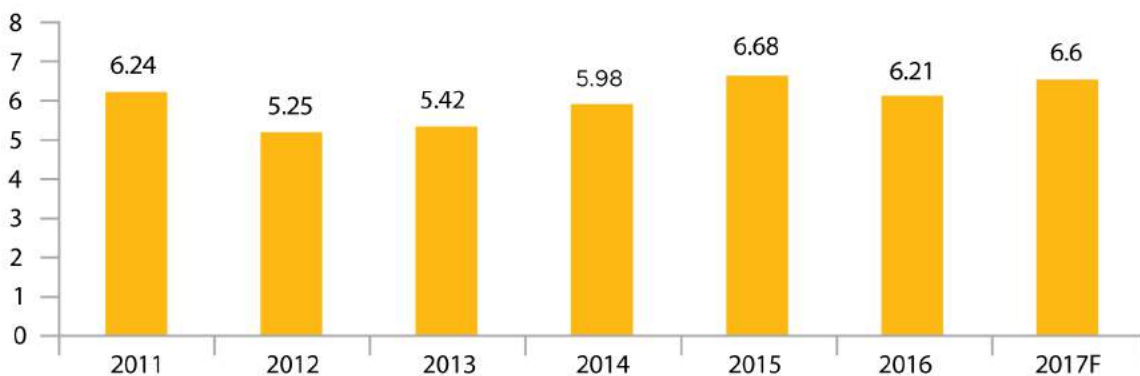


Figure 2. Vietnam's economic growth (%) 2011-2016 and forecast for 2017

Source: GSO

In accordance with figures from the General Statistics Office of Vietnam, GDP in 2016 is estimated to increase by 6.21% YoY (1st quarter: increased by 5.48%, 2nd quarter: increased by 5.78%, 3rd quarter: increased by 6.56%, 4th quarter: increased by 6.68%). Therefore, the growth rate in 2016 is lower than the growth rate of 6.68% in 2015 and does not reach the target growth rate of 6.7%, but in the context of the unfavorable world economy and the difficult domestic economy that has difficulties due to weather, complicated sea environment, reaching the above growth can be considered a success. This growth rate has exceeded the rate of 6% predicted by the World Bank. While the global economy has overcome a lot of difficulties and risks, the Vietnamese economy has shown signs of improvement both in terms of production and business as well as macroeconomic stability. However, the economy is facing many challenges when the economic stability is not sustainable, irregularly recovered and the growth is based more on the FDI sector.

After the momentum for growth slows down in 2016, GDP is expected to continue its upward trend in 2017. The GDP growth in 2017 can reach 6.6% when the average oil price in 2017 is expected to recover to \$ 55 per barrel with the recovery of agriculture and the steady growth of manufacturing industries. Vietnam's import-export turnover is estimated to continue to steadily grow despite issues from TPP and Brexit due to potentially new trade agreements. The sustainable export growth of the FDI sector will also keep the balance of trade in surplus in 2017. The total export-import turnover in 2017 is estimated to reach \$ 354 billion while the trade balance will surpass nearly \$ 4 billion in the absence of major fluctuations.

INFLATION RISK

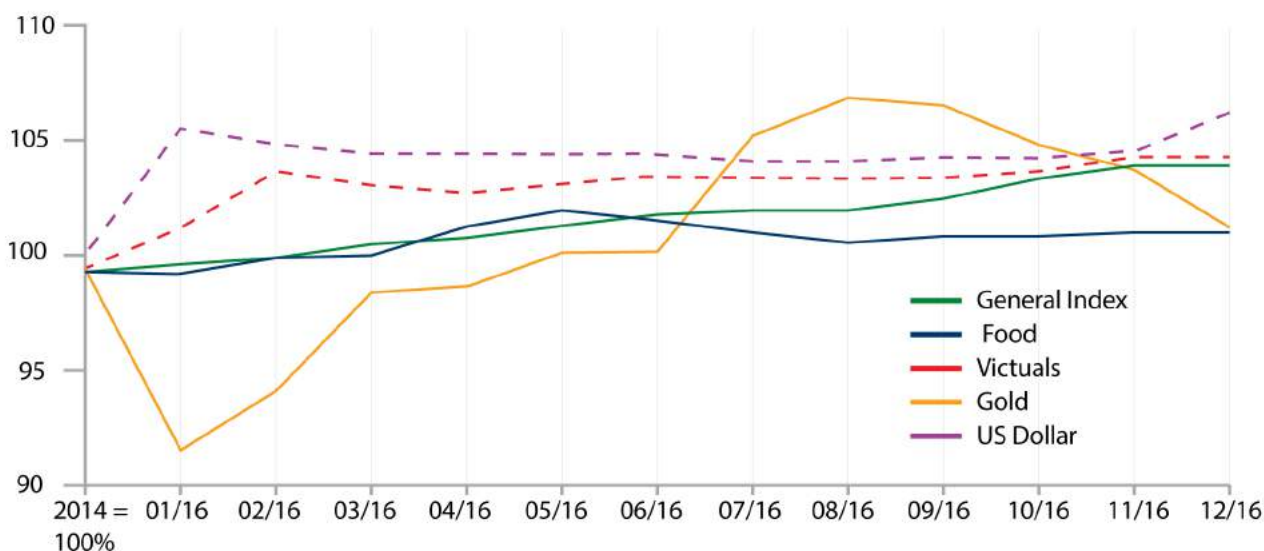


Figure 3. Consumer Price Index

The General Statistics Office said that in 2017 the inflation index would be calculated in a new way, close to the fact and in line with international practices. Up to present, Viet Nam has calculated the inflation index by comparing CPI in December this year with that in December last year. In particular, CPI in December increased by 0.23% MoM, continuing to decrease from October. By the end of December, CPI rose 4.7% YoY, lower than the rate of 5% set for 2016. In 2017, the National Assembly set the average CPI growth rate of about 4%. The performance of price control and inflation control will encounter much more difficulties and pressure than in 2016. The reason why is there are many factors that are forecast to put pressure on the price level such as the recovery trend of gasoline price and prices of basic commodity in the world market, adjustment for prices of important and essential goods (electricity, medical services, education ...) under the market route; simultaneously, the pressure on exchange rates; risks such as climate change, natural disasters; the transfer of service groups from fees to prices determined by the State in accordance with the Law on Charges and Fees and Decree No. 149/2016 dated November 11, 2016 amending and supplementing a number of articles of Decree No. 177/2013 dated November 14, 2013 of the Government detailing and guiding the implementation of a number of articles of the Law on Price, the proper calculation of expenses for some services not supported by the state budget will have a certain impact on the price floor. On the other hand, price management must simultaneously support economic growth.

INTEREST RATE RISK

The credit growth in the end of December is estimated to reach 16.46%, continuing to sharply increase MoM while capital mobilization reaches 16.88%. In mid-December, the interbank interest rate rose highest within 11 months, then slightly decreased and maintained at 4.1-4.75% per annum for terms. Bank liquidity is stable without stress at the end of the year. Interest rates are relatively stable. The common lending rate for priority sectors is 6-7% per annum for short term, 9-10% per annum for medium and long term. The lending rate for general business lines is 6.8-9% per annum for short term; 9.3 - 11% per annum for medium and long term. With stable interest rates, the Company has taken a number of measures to minimize risks including: active payment or structure of loans with preferential and fixed interest rates; increased capital mobilization from existing shareholders, strategic investors to maintain the financial structure with stable loan utilization.

FOREIGN EXCHANGE RISK

Central exchange rate has maintained its upward trend since November. The interbank exchange rate and the free exchange rate fluctuated sharply in the middle of the month. The VND/ USD exchange rate used to reach over 23,390 in the free market before rumors of currency exchange and the Dollar Currency Index (DXY) rose to the highest level within 14 years. In the opposite direction, the exchange rate of VND/ EUR, VND/ JPY fell sharply when the Fed increased interest rates to 0.5-0.75% in the FOMC meeting in December. Generally, in 2016, the Vietnamese dong only lost 1.3% against the US dollar while the DXY index rose to 4.6% and the US dollar's price sharply increased against many other currencies such as EUR (+4.2 %), GBP (+ 17.4%), CHF (+ 3.2%). Because of including multiple affiliates & associates with a variety of export activities, the Company has actively entered in futures to stabilize selling prices and minimize risks in fluctuations in the exchange rate in the future.

2. SPECIFIC RISK

RISK IN CONSULTATION

The Company is a startup business that operates in the field of investment and consultation on financial investment so ensuring the best quality of consultancy services is the focus of its operations and development strategy. However, the risks arising in respect to the accuracy and effectiveness of consultancy services that include the staff's qualifications, professionalism and ethics will have a significant impact. Being aware of these risks, the Company focuses on professional training for employees, establishes a professional and friendly working environment, and develops a good policy to attract and maintain a stable workforce.

RISKS IN PRODUCTION & TRADE

Since 2016, production and trade account for an increasingly high rate in the Company's revenue structure and play an important role in generating stable cash flow and earnings in the short term as well as preserving its funding for medium-term projects. Its commercial activities are subject to risks in asset loss, impairment of inventory quality and sudden changes in consumers' trends and tastes. In addition, fluctuations in material price will affect business performance. In order to minimize these risks, the Company selects most of the input sources from reputable partners and effectively manages the cost of goods sold based on experience in price forecast and establishment of close cooperative relationships with suppliers so it may take the initiative in sources of raw materials at reasonable prices and minimize the impact on its profit due to fluctuations in costs of input material.

RISKS FROM PUBLIC INFRASTRUCTURE & REAL ESTATE

The Company focuses on developing infrastructure & real estate projects to create value in the medium term. The real estate market is one of the specific markets that require long-term investment and demands for large capital, as well as cannot avoid risks that include land clearance and compensation, fluctuations in prices of construction materials, incomplete legal corridor... In order to minimize the risks mentioned above, the Company has cooperated with potential partners with strong financial strengths and taken advantage of member companies that have long experience in this field to jointly implement and accelerate the completion of real estate projects, traffic works in the nature of bring high economic performance for the community and society.

RISKS FROM RENEWABLE ENERGY

The Company's long-term plan is to focus on renewable energy and become a supplier of technology solutions in this field in Vietnam. Because it is a new sector in Vietnam, the first challenge for the Company is the lack of experience and the level of project implementation. Accordingly, the Company has been cooperating with partners from Singapore and China with great potentials in the field of solar energy to realize the goal of becoming one of the pioneers in the field of exploiting this source of clean energy in Vietnam. In particular, the Company will participate in the arrangement of funds, procedures to apply for the permit of the project establishment, research and implementation of the project, recommendations and application for necessary procedures to the Government and related ministries... while foreign partners will participate as a general EPC (Engineering Procurement and Construction) contractor that provides technology, engineering and installation equipment.

Another challenge is the mechanism of purchasing price for solar power into the national power grid. At the workshop "Development of solar power in Vietnam - Opportunities and Challenges" organized in Hanoi by the Vietnam Clean Energy Association recently, many experts say that the biggest challenge for development of solar power in Vietnam is the current electricity price list that is not attractive to investors; the investment rates are still very high while the government has not issued a selling price for solar power yet. Furthermore, investors have not had access to the funds from the renewable energy fund but have to use domestic capital and most of the equipments have to be imported so the cost of a product unit is high.

3. LEGAL RISK

As a joint stock company, the operation of Bamboo Capital Joint Stock Company is influenced by legal documents in respect to joint stock companies, securities and stock market. The change in policy can always happen and will more or less affect its management and business activities and then its stock price in the market.

Over the period, the legal system and documents have been in the process of positive improvement favorable for businesses, helping the Company have a right and proper direction in production and business activities, for example some significant changes such as the introduction of Enterprise Law 2014 or the reduction of corporate income tax rate from 25% to 22% and 20% ... These changes not only facilitates its long-term development but also set requirements to ensure compliance with all applicable legal regulations with the effective implementation and expansion of business activities.

4. OTHER RISKS

Its business operations may be affected by other risks such as natural disasters, fluctuations in interest rate, political and social fluctuations in the worlds, war and disease... that reduce the Company's profit or the number of traditional customers and make potential markets unstable. These risks will have direct or indirect impacts on the Company's performance.





PART 2

»» Annual Report 2016

OPERATIONS

Situation of production and business operations

Organization and personnel

Investments and projects implementation

Business results

Ownership structure and change in shareholders' equity

SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

According to BCG's FY16 audited consolidated business results, revenue from sales of goods and services in 2016 reaches almost 1,650 billion VND, increasing by 69.2% over the same period of last year.

Along with the revenue increase from sales of goods and services, BCG's accumulated before-tax profit in 2016 rises to 86.2 billion VND, or 21.6% up from 2015. Within the past year, BCG has stepped up its equity investments in its subsidiaries and affiliates, both short-term and long-term, thereby resulting in a fivefold increase in total assets, from 881 billion VND to 4,471 billion VND, in which equity increases by 160% from 509 billion VND to 1,322 billion VND.

In addition, BCG's Consolidated Cash Flow Statement (indirect method) shows positive results with profit from investments of 63.2 billion VND in 2016, or 55% more than that in 2015. Ending cash and cash equivalents also increase to 55.1 billion VND, which almost double the same period of last year, reflecting a stable stream of cash inflow. In terms of liquidity, BCG's quick ratio has improved significantly, from 1.03 times in 2015 to 2.45 times in 2016.

STRUCTURE OF CONSOLIDATED NET REVENUE AND GROSS PROFIT IN 2016

Unit: millions VND

No.	Areas	Revenue	Gross profit
1	Goods	1,475,765	145,570
2	Services	80,964	53,278
3	Construction	89,294	7,002
4	Mining	2,382	651
5	Total	1,648,405	206,501

Source: BCG's FY16 audited consolidated financial statements.

ORGANIZATION AND PERSONNEL

Executive Board

No.	Full name	Position	Shares ownership
1	Nguyen The Tai	Vice Chairman - CEO	3,977,600 shares (3.68%)
2	Nguyen Thanh Hung	Member of BOD, Deputy General Director	280,000 shares (0.26%)
3	Duong Duc Hung	Deputy General Director	65,000 shares (0.06%)
4	Hoang Thi Minh Chau	CFO & Chief Accountant	220,000 shares (0.2%)

INVESTMENTS AND PROJECTS IMPLEMENTATION

BOT PROJECT OF INTERSTATES 830 & 824 IN DUC HOA & BEN LUC DISTRICTS, LONG AN PROVINCE



Expanding and upgrading Interstates 830 & 824

- **Total investment:** 49 million USD
- **Location:** Long An Province
- **Duration of toll fee collection:** 18.5 years
- **Toll fee collection starts:** Q1/2018
- **Main contractor:** Tracodi

Long An, November 17th, 2016, BCG & Bang Duong Consortium's project of upgrading and expanding Interstates 830 & 824 in the form of BOT has officially broken ground. This is Long An's first BOT project and therefore is set with high expectations.

Being one of the three key projects in Long An Province, Interstate 830 is the main traffic flow that connects Duc Hoa and Ben Luc Towns. The project has a total investment of 1,079 billion VND with a total route length of more than 24 km. Average speed is designed to be around 60 – 80 km/h while single-axle load is 12 tons. BCG & Bang Duong Consortium will construct the entire project and will be entitled to charging fees for a period of 18.5 years.

With BCG's strength in capital arrangement, Tracodi and Bang Duong's expertise in construction works, the project is set for completion in Q1 2018. Once completed, the project will enhance regional connectivity for transport infrastructure, thereby attract investments and promote economic development in Long An Province.

BT PROJECT OF NGUYEN HUU TRI ROAD



Developing, constructing, expanding and upgrading Nguyen Huu Tri Road.

- **Location:** Binh Chanh District, Ho Chi Minh City to Ben Luc District, Long An Province.
- **Length:** 9 km.
- **Starting in:** Q2/2017.
- **Construction schedule:** 12 months.
- **In exchange for land areas of:** 95 ha in Thanh Phu Village and 198 ha in Binh Duc Village.

CASA MARINA RESORT



The resort is located in Ghenh Gang area, where there are beautiful long beaches and only eight kilometers away from Quy Nhon City. With a modern and elegant architectural style, a flexible arrangement of advanced facilities, Casa Marina Resort proudly commits to environmental responsibility throughout its construction and operation. Natural materials are preferred to use in the process of building and finishing, combined with local produce to deliver the ultimate experience with nature for tourists. The resort is expected to be put into use by Q2/2017.

- **Total investment:** 36.4 million USD.
- **Location:** Binh Dinh Province.

BAMBOO PRINCE COURT TOWER

An office building and serviced apartments complex in the center of Ho Chi Minh City.

- **Total investment:** 36.4 million USD.
- **Location:** District 1, Ho Chi Minh City.
- **Estimated completion:** Q3/2018.
- **Project owner:** Tracodi.

The project includes a commercial center, serviced apartments, and office tower built on an area of 2,300m².

In 2015, Tracodi Land was established in which Tracodi and BCG have teamed up with experienced partners in real estate development who have sufficient resources to participate in maximizing the project's efficiency and mitigating financial risks for Tracodi and BCG.





A modern commercial and residential complex to meet the regional needs.

- **Total investment:** 16.8 million USD.
- **Location:** Cu Chi District, Ho Chi Minh City.
- **Estimated completion:** Q1/2018.
- **Project owner:** Tracodi.

Being a commercial project of services, hotel, and supermarket in Cu Chi Town and Tan An Hoi Village on a land area of 78,291.4 m² with a total investment of 379 billion VND. The project has been approved on its 1/500 map and is currently in the process of fulfilling clearance procedures for obtaining land use certificate. The project has 2 phases. Phase 1 is clearance and compensation for an area of 22,600 m² in order to prepare for infrastructure construction with a total investment of 125 billion VND. The project is considered feasible with an internal rate of return of 12.91%, a payback period of about 16.5 years. Phase 2 continues to build up the remaining setions to put into use.

BUSINESS RESULTS

FINANCIAL STATUS

Items	2015	2016	% change
1. Total assets	880,646,251,574	4,470,872,513,174	407.68%
2. Net revenue	975,042,348,750	1,648,404,813,002	69.06%
3. Operating profit	69,381,333,490	85,201,982,387	22.80%
4. Other profit	1,513,871,997	1,025,025,776	-32.29%
5. Profit before tax	70,895,205,487	86,227,008,162	21.63%
6. Profit after tax	52,415,562,164	62,041,623,734	18.36%
7. Dividend payout	8%	8%	-

FINANCIAL INDICATORS

Indicators	2015	2016	Notes
1. Solvency ratios			
+ <i>Current ratio:</i> Current assets / Current liabilities	1,31	2,67	
+ <i>Quick ratio:</i> (Current assets – Inventories) / Current liabilities	1,03	2,45	
2. Capital structure			
+ <i>Debt / Total assets</i>	0,42	0,70	
+ <i>Debt / Equity</i>	0,73	2.33	
3. Performance ratios			
+ <i>Inventory turnover</i> C.O.G.S / Average inventories	12,95	12,42	
Net revenue / Total assets	1,11	0,37	
4. Profitability ratios			
+ <i>Net profit / Net revenue</i>	0,05	0,04	
+ <i>Net profit / Equity</i>	0,10	0,05	
+ <i>Net profit / Total assets</i>	0,06	0,01	
+ <i>Operating profit / Net revenue</i>	0,07	0,05	

OWNERSHIP STRUCTURE AND CHANGE IN SHAREHOLDERS' EQUITY

Items	Content
Stock name	Bamboo Capital JSC stock
Stock type	Common stock
Stock quote	BCG
Outstanding shares	108,005,760 shares
Number of unrestricted shares	102,251,006 shares
Numbers of restricted shares	5,754,754 shares

OWNERSHIP STRUCTURE

No.	Shareholders	No. of shareholders	No. of shares	Par value	Ownership percentage
I	Domestic shareholders	1.690	102.787.151	1.027.871.510.000	97.89%
1	Institutions	19	23.747.939	237.479.390.000	22,62%
2	Individuals	1.671	79.039.212	790.392.120.000	75,27%
II	Foreign shareholders	22	2.218.609	22.186.090.000	2,11%
1	Institutions	2	18.886	188.860.000	0,02%
2	Individuals	20	2.199.723	21.997.230.000	2,09%
	Total	1.712	105.005.760	1.050.057.600.000	100%

(Source: final shareholders list from Vietnam Securities Depository)

CHANGE IN SHAREHOLDERS' EQUITY

Listing all equity increases during the year, including public offerings, private placement, convertible bonds, warrants, bonus shares, stock dividends, etc.

RESOLUTIONS OF 2016 ANNUAL GENERAL MEETING

PUBLIC OFFERINGS

BCG has successfully issued an additional 67 million shares to the public, existing shareholders and employees, thereby raising the company's charter capital from 407 billion VND to 1,080 billion VND.

- **Execution time:** July 2016.

COLLECTING SHAREHOLDERS' APPROVAL IN WRITING ON REAL ESTATE INVESTMENTS AND PRIVATE OFFERINGS OF 20 MILLION SHARES.

The meeting has approved the following provisions in the form of collecting shareholders' opinions in writing:

1. Approving investments in real estate projects and/or real estate companies with an expected equity of 720 billion VND but less than 35% of the company's total assets as of the date of latest financial reports.

2. Approving private offerings of BCG shares with the following provisions

- **Number of shares offered:** 20,000,000 (twenty million) shares
- **Par value and price offered:** 10,000 VND/share
- **Restricted time for transfer:** 01 year from the date of issuance completion
- **Expected execution time:** Q2/2017.
- **Purpose:** All proceeds from the issuance will be used for investing in BOT/BT infrastructure projects.

TREASURY STOCK TRADING: N/A

OTHER SECURITIES

SHARES ISSUED UNDER EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

Purpose: Issuing shares to employees in the company in order to encourage and promote the compensation policy for employees, managers who have dedicatedly contributed to the development of the company, and motivate employees to stay with the company.

- **Number of shares distributed:** 3,000,000 shares
- **Number of employees selected:** 43 employees
- **Expected execution time:** Q4/2018



PART 3

»» Annual Report 2016

SUSTAINABLE DEVELOPMENT

Introduction to the report

BCG sustainable development model

Sustainable development management

For enterprise

For society

INTRODUCTION TO THE REPORT

The Sustainable Development Report is a tool for disseminating information about the critical impacts of an organization, including its positive and negative impacts on the environment, society, business lines and Company. By developing and communicating insights into the relationship between sustainable development and business operations, the enterprise can enhance values, metrics, and change management, whereby promotes innovation and renovation. The responsibility of the business and the need to meet the demands of the stakeholders leads to required transparency for the company in its goals, actions and impacts on sustainable development.

BCG SUSTAINABLE DEVELOPMENT MODEL



SUSTAINABLE DEVELOPMENT MANAGEMENT

1. MANAGEMENT MODEL OF SUSTAINABLE DEVELOPMENT



2. INVOLVEMENT OF STAKEHOLDERS

Shareholders and Investor

- Annual General Meeting of Shareholders
- “Site visit” programs to company members and affiliates.
- The Quarterly Investor Newsletter is posted on the website and sent to shareholders’ email.
- Exchange via email with the Investor Relations Department.

Staffs of the Department of Professional Affairs

- Regular review meeting.
- Exchange via email with the Executive Board.

Mass media

- Press release of events and featured activities.
- Meet directly with the Board of Directors and Executive Board.

Administrative agency

- Attend any conferences, workshops organized by the Government, Ministries, and Governing Agencies.

Local community

- Participate in scholarships for poor and studios children.
- Charitable work to disadvantaged people.
- Take part in gratitude activities, sharing with the community.



FOR ENTERPRISE

2. EMPLOYEE BENEFIT ASSURANCE

Wage policy

The Company performs annual KPI work based on the work objectives, performance results of each individual and department as a basis for annual commendation.

It has an equitable and reasonable income distribution mechanism suitable to the qualification and capacity of each individual. Every year, workers are reviewed and assessed to adjust their income.

Reward policy

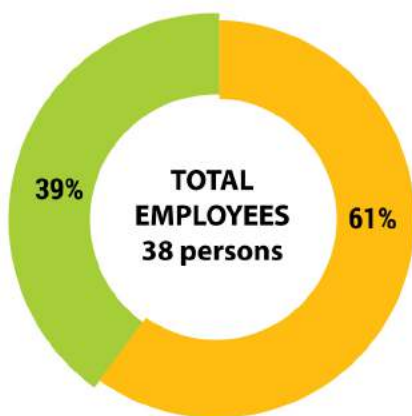
In order to encourage the employee to complete his/her work well, a reward policy is issued by the company such as: 13th month reward, reward on performance. In addition, the company also provides bonus on the holidays, Tet (Lunar New Year, Lunar calendar, April 30, May 1, and September 2).

Employee care policy

In addition to the welfare policies of the State, the company is also implementing other policies such as buying premium insurance PVI Care for workers, birthday gifts, marriage, maternity benefits.....

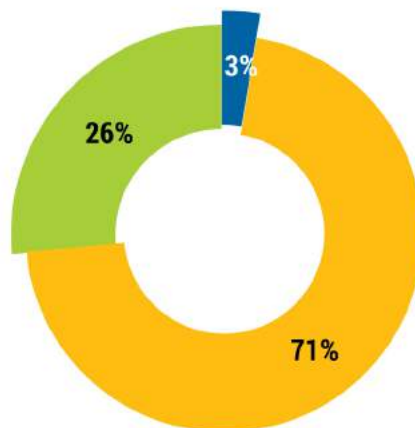
Policies on social insurance, health insurance and unemployment insurance for employees are implemented in full.

3. HUMAN RESOURCES DEVELOPMENT



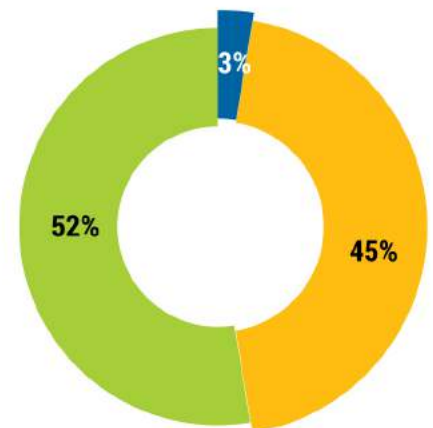
LABOR FORCE

- Female
- Male



CLASSIFICATION BY QUALIFICATION

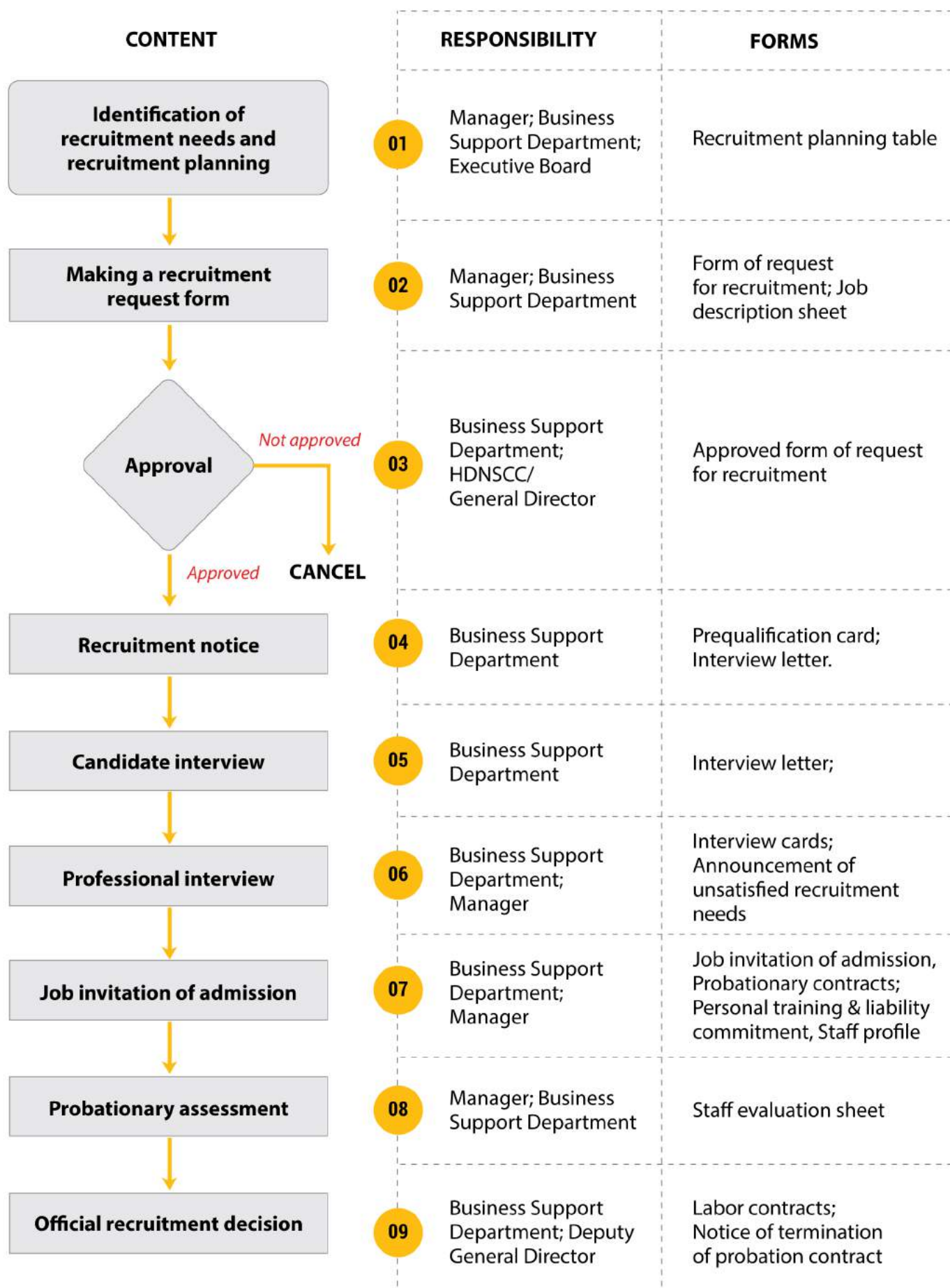
- Post-graduate
- Graduate
- Unskilled labor



LABOR ASSIGNMENT

- Leaders and managers
- Staffs & officials
- Drivers

RECRUITMENT PROCESS



Training policy

The company always creates conditions for employees to take part in domestic and overseas training courses to improve and develop their professional qualifications. This ensures staff to get the skills and knowledge they need to fulfill their current duties and also promotes career development at BCG.

Reports related to green capital market operation

The growing importance of power consumption in parallel with sustainable and environmentally friendly development is recognized, BCG has been collaborating with foreign potential strategic partners which possess a major force in the field of solar energy in order to realize its goal of becoming one of the pioneers in the clean energy exploitation in Vietnam in the period 2016 - 2020. In particular, BCG will participate in arranging funding, implementing project licensing procedures, researching and deploying projects, recommending and carrying out necessary procedures with the Government, ministries and departments concerned.



In the last year, Nguyen Hoang company invested and upgraded the factory, refurbished the line of machines, drying lines and kilns with the goal of doubling the production capacity in the coming time with the use of clear origin of wood (industrial wood), minimizing the impact on the environment.



FOR SOCIETY

In 2016, BCG continued to involve in the program of showing responsibility to the community, accompanying with the society as follows:

1. Joint Venture of BCG-Bang Duong donated charitable houses and study promotion funds in Duc Hoa and Ben Luc districts of Long An province.

On 17 November 2016, the project of upgrading and expanding provincial roads of DT 830 and DT 824 in the form of BOT of Joint Venture of Bamboo Capital Joint Stock Company (BCG) and Bang Duong Trade Construction Investment Co., Ltd. - officially commenced. This is the first BOT project in Long An province that is expected to contribute significantly to linking major industrial zones and creating a breakthrough in the targeted development of Long An into a buffer zone for business development of South West Area.

On this occasion, the Joint Venture of BCG - Bang Duong Investment also donated 2 charitable houses to Duc Hoa and Ben Luc districts, each with value of VND 40 million to disadvantaged families and VND20 million to study promotion funds in two localities.



Representative of the Joint Venture of BCG and Bang Duong donated two charitable houses to representatives of Duc Hoa district and Ben Luc district, Long An province.

2. Charity activities of Tracodi and Antraco companies

Implementing the guideline of the Members' Council of two parent companies (Tracodi Company and An Giang Mechanical Company) is attaching social activities and gratitude in parallel with the development. On the morning of 26 August 2016, Antraco Company held a scholarship ceremony in the 2016-2017 school year for 150 poor pupils and students at the Hall of Tri Ton District People's Committee. This is the first year that Antraco Company has set up a scholarship fund to support and help hard-working and studious pupils and students, who are in particularly difficult circumstances, along with the whole society to motivate and help them overcome difficulties to study and practice well. The total amount of scholarship awards for this time is 205 million dong, deducted from the profits of the two parent companies.

With the spirit of mutual affection, sympathy and sharing difficulties with the community, the Company has been continuing to build the Antraco scholarship fund and carry out charitable activities such as: Building new rural areas, building charity houses, giving presents to the poor, etc. Maintaining this activity annually will contribute to promoting the production and business activities of Antraco Company in association with community responsibility and social development at locality.



Mr. Quach Kim Long - Director of Antraco Company awarded scholarships to primary school pupils.

Earlier than that, on 18 August 2016, the Union of Antraco and Tracodi Companies awarded 300 gifts (200,000 VND each donated by employees from the two companies) to poor households in Tri Ton and An Giang districts.



Tracodi and Antraco presented gifts to disadvantaged local people in Tri Ton district, An Giang

3. BCG Representative attended “Startup Path”, organized by Global Lifestyle and Business Network

This is a program that shares startup stories, branding and sharing about overcoming challenges in the startup phase.

Attendants of the program are successful businesspeople who hold senior positions in large corporations and groups. At this event, they all have one common point to help young people grow to make a positive impact on society.



Mr. Nguyen Ho Nam - Chairman of BCG at “Startup Path”

PART 4

»» Annual Report 2016

REPORT BY EXECUTIVE BOARD

Evaluation of production and operating performance

Financial situation

Improvements on organizational structure, policies and management

Development plan 2017

EVALUATION OF PRODUCTION AND OPERATING PERFORMANCE

2016 is a year when BCG made a significant change in re-direction of its operating strategies after completing M&A transactions with 1-5 Automobile, Thanh Vu Tay Ninh, Vinacafe Da Lat. BCG strategies featured 4 core operating areas, namely: investment bank services, manufacture and trade of products with export advantages, investment in infrastructure and property projects, and development of solar energy projects. The above business strategy re-planning is to optimize available resources of the company, identifying short-term, middle-term and long-term items. Net revenue and profit after tax of the company in the last year are respectively 1,648 billion dong and 62 billion dong, equivalent to respectively 90% and 82% of the plan for the year. Business result's failure to meet the expectations can be attributable to the following:

- Revenue of commercial activities does not live up to expectations due to unfavorable weather making Vietnam's cocoa production go down. In particular, total cocoa export of Vietnam is 2.800 to 3.000 tons/year on average, but the lengthy saltwater intrusion and flood in the last months led to a slump at 2.000 to 2.200 ton this year.
- The implementation of the BOT DT830 project was slower than expected that it was not until November 2016 that the project completed legal procedures and got started. This delayed schedule had indirect influence on revenue of the subsidiary, Tracodi, which was the contractor of the project.
- The rise in prices of construction materials, especially steel, led to the rocketing price and delayed implementation of some property projects, in particular, the project of Casa Marina resort and marine tourist site.
- Changes in weather conditions also had influence on prices of products, leading to effects on manufacturing companies including Nguyen Hoang (continuous floods in Quy Nhon interrupted the production last year), Thanh Vu Tay Ninh (the weather affected cassava crops, resulting in the rise in the price of materials), indirectly affecting connection activities in the business area that fails to come up with the expectations.
- In 2015, subsidiaries had losses carried forward so there were no corporate income tax costs. In 2016, there was no loss carryforward, so costs of corporate income tax in the consolidated financial statements increased, making profit after tax go down.

Recognized activities of the company in the year are as follows:

M&A investment activities: through the selection of companies with good business areas and long-term development capability to make investments.

The company completed the investment to join the Board of Management and quickly restructure the two companies, namely 1-5 Automobile JSC and Thanh Vu Tay Ninh JSC.

With trading activities and advantages of ownership of manufacturing companies, BCG combines the exploitation of trading and export activities into an efficient business chain. In 2016 this combination achieved some of the following initial results:

COCOA BUSINESS AREA

Dong Nai People's Committee has approved the project of large field for combination of production and consumption of cocoa and cashew in An Vien Commune, Trang Bom District, by Bamboo Capital JSC (BCG). This is the eighth large field project approved and financially supported by the provincial People's Committee.

In 2016, BCG also signed strategic cooperation agreements with Trong Duc Cocoa Co., Ltd; An Vien Co-operative; a branch of Song Gianh JSC – Corporation in Dong Nai for the project of large field for combination of production and consumption of cocoa and cashew. These strategic cooperation agreements between BCG and its partner for this project open various cooperation opportunities to the parties in spreading and developing cocoa in a close manner, from farming, technical aid, purchase and consumption of products. Therefore, a zone of stable material production is gradually created, helping diversifying plant structure, increasing income of local people and significantly increasing Vietnam's cocoa exports.



The project is implemented in three communes namely An Vien, Dong Hoa and Song Trau with an expected scale of 1000 ha and intercropping in the current cashew field. Farmers joining the project would receive support from BCG in terms of seedling, farming techniques, financial aid, and importantly, output consumption from BCG and Mars Corporation, a consumption partner of this project.

The project of cocoa large field in Trang Bom District, Dong Nai Province, after 5 months of pilot implementation, helps successfully covering 10ha with cocoa and cashew intercropping. In September 2016, local people in the project agreed to carry out soil treatment as preparation for seedling planting in the first 120 ha in 2017.

COFFEE BUSINESS AREA

Nesso K-cup capsule development is strengthened in high buildings, offices, and hotels and a coffee retail chain system for clean coffee experience in new styles is expected to be launched. In 2016, Nesso also developed more products lines including pure coffee powder and coffee bean.

With the advantages of input materials of high quality from Vinacafe Da Lat, BCG's coffee business area has actively worked with customers from such markets as Japan, Russia, China, to be able to export products including grind roasted coffee, civet coffee, etc.



INFRASTRUCTURE AND PROPERTY PROJECTS: MIDDLE- AND LONG-TERM STRATEGIES FOR BCG DEVELOPMENT

The project of provincial road renovation and expansion DT 830 and DT 824 in BOT form by the partnership of Bamboo Capital JSC (BCG) and Bang Duong Investment – Construction – Trade Co., Ltd was officially launched in November 2016. The project is expected to be completed and put into operation in Quarter 2, 2018.

After the success of the BOT project of DT830, the Company suggested Long An province would be invested further in BT form for the project of provincial road renovation and expansion 830C with total expected investment of 544 billion dong. And BCG, in turn, could receive a land budget with a total area of 290 ha in Ben Luc. The project is expected to be implemented at the end of 2017 and completed by 2019.

The project of Bamboo Prince Court Building: Legal procedures are being dealt with to start the project of Bamboo Prince Court Building at 89 Cach Mang Thang Tam, District 1. In 2016, the Company obtained the written approval by Ho Chi Minh People's Committee directing departments to bring forward Tracodi as the investor.

RENEWABLE ENERGY

Renewable energy is identified by BCG as the long-term investment area which welcomes the development trend of Vietnam in the next period. Anticipating increasing needs for electricity and making use of stable sunlight in Vietnam, while traditional sources of energy including coal, and oil are being depleted, have high prices and unstable supply, scientists are paying attention to alternative energy resources, especially solar energy. As a country near the equator which, among other countries, has the advantages of enjoying most sunlight during the year, Vietnam has great potentials on solar energy, especially electric power. Utility of this new energy in Vietnam not only timely meets the demands for energy of the society but also helps save electric power and reduce environment pollution.

BCG has done research and obtained approval for investment research for the project of solar energy plant in Long An with a total capacity of 200 MW. Additionally, BCG has also done research to ask for permission for investment in projects in The Central Highlands and Quang Nam. In order for quick implementation of projects, BCG has worked with foreign partners with great capability in solar energy in order to realize the goal of becoming one of the pioneering companies in exploiting this clean energy in Vietnam.

INVESTOR RELATIONS ACTIVITIES

These are outstanding activities in the year:

Successfully holding the 2016 Annual General Meeting of Shareholders in an open and transparent manner.

Publication of information:

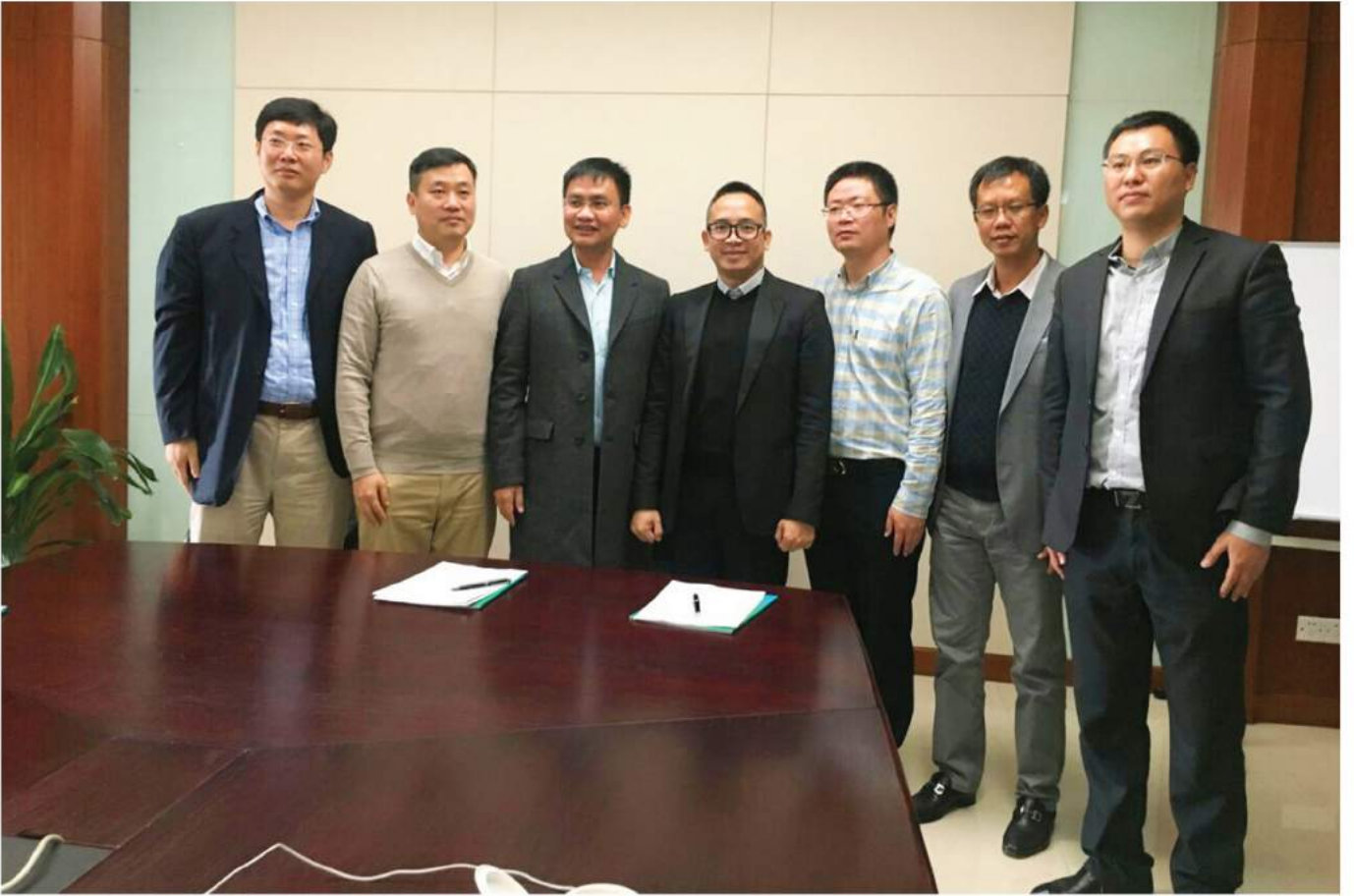
The Company frequently updates information of the parent company and subsidiaries on the website, prepares and sends bulletins to investors on a quarterly basis, and hold talks with investors interested in the Company.

The Company also actively participates in workshops and training programs held by the State Securities Commission, Stock Exchange Department, Securities Depository in collaboration with IFC and VCCI in order to improve corporate management operations.

The Management of the Company actively work with investors and investment funds in and out of the country who seek opportunities to make investment in BCG. In particular, in 2016, BCG welcomed investment organizations and funds, domestic and foreign, including Mirae Asset, CityU Eminence Society, Sumitomo, Akcome, Hanwha, etc.



BCG Management representatives in a meeting with CityU Eminence Society delegations (Hong Kong) consisting of 20 enterprises led by Mrs. Jenny Chan, the President, along with members who are leaders of financial and investment companies in Hong Kong.



BCG Management and Akcome Singapore.



BCG Management and Hanwha Korea.

TYPICAL ACTIVITIES OF SUBSIDIARIES AND AFFILIATES

TRACODI (TCD)

In 2016 the Company aimed to gain sales growth through the recovery of such areas: rock exploitation, import and export and infrastructure construction.

2016 is a relatively successful year of TCD with satisfactory business results when revenue reaches 824 billion dong, equivalent to 103% of the plan; profit after tax 63.4 billion dong, up 27% compared to the plan and 118% compared to 2015. In terms of revenue structure, in 2016, rock exploitation contributes the most with 36%, then comes construction with 29%, import-export with 18%, others 13% and services 5%.

In the year, TCD was successful in increasing its chartered capital from 78.5 billion dong to 324.8 billion dong and being registered as a public company. With satisfactory business results in 2015 and 2016, TCD was eligible to be listed on Ho Chi Minh Stock Exchange, so TCD held an extraordinary General Meeting of Shareholders in December 2016 to decide to be listed on HSX instead of HNX. The Company also completed applications for being listed and is expected to be officially listed in Quarter 2, 2017.

ANTRACO

The Company has completed the renovation of the forth grinding machine of 300 tons/hour capacity and investment in the seventh new grinding machine of 250 tons/hour capacity, which contributes to the increase of production and product quality. In 2016, Antraco gained a revenue of 329 billion dong, profit after tax of 56 billion dong, surpassing the annual plan by respectively 33% and 107%.

NGUYEN HOANG

Nguyen Hoang has made investment and renovation of factories, equipment lines, wood drying lines and driers with the aim of doubling the productivity in the coming period. In the last two months of 2016, the Company focused on big orders on wood furniture to be exported to European countries such as Germany, Spain, and Czech. In the first nine months of 2016, Nguyen Hoang's revenue reached over 90.5 billion dong. As scheduled until Quarter 1 2017, the Company would increase chartered capital from 62 billion dong to 116 billion dong.

In April 2016, Nguyen Hoang officially launched the brand identity system and operated the new website with modern interface and sufficient products in order to make commitments to customers about comprehensive innovation of image and operations to be ready to be with customers in the new period.

THANH VU TAY NINH (TVTN)

TVTN's production in the first eight months of 2016 reached over 24,000 tons and revenue 176 billion dong. At present, TVTN factories is on the 2016-2017 stage of cassava production with an average capacity of 200-250 tons/day.

While exports to big traditional markets such as Japan and China for the last period remain stable, TVTN is stretching out to new markets with high cassava consumption such as Korea and Europe. It is expected that 2017 production would reach 126,000 tons and revenue 987 billion dong.

TVTN has just obtained license for construction of factories for sweet potato starch production in Binh Tan District, Vinh Long Province with a total capacity of over 100 tons/day which are expected to be put into operations in Quarter 4 2017.

FINANCIAL SITUATION

ASSETS AND DEBTS

In 2016, BCG's chartered capital increased from 407 to 1,080 billion dong. In parallel with the increase in chartered capital, total assets of the Company also increased from 880.6 billion dong to 4,470.8 billion dong, 5 times of the total assets at the end of 2015. In particular, long-term assets increased 6 folds, mostly in long-term financial investment. The reason is that in 2016, the subsidiary, Transport and Industry Development Investment JSC (Tracodi) acquired shares of Hoang Anh Housing Construction and Development JSC. And short-term assets increased 3 folds, because in 2016, BCG and Tracodi acquired shares of Thanh Vu Tay Ninh JSC, Da Lat Coffee Import Export Company and 1-5 Automobile JSC for short-term holding. Financial investments in 2016 are expected to be the premise for long-term development of the Company.

No.	Criterion	Unit	2016	2015
1	Asset structure	%		
	Short-term assets/Total assets		38,1	50,2
	Long-term assets/Total assets		61,9	49,8
2	Capital structure	%		
	Debt/Total capital		70,4	42,2
	Total equity/Total capital		29,6	57,8
3	Liquidity ratio	Fold		
	Instant ratio		0,09	0,08
	Quick ratio		2,45	1,03
	Current ratio		2,67	1,31
4	Profitability ratio	%		
	Profit to sales ratio			
	Profit before tax		4,6	6,8
	Profit after tax		3,3	5,1
	Profit to total asset ratio			
Profit before tax	1,9	8,1		
Profit after tax	1,4	6,0		
	Profit after tax to equity ratio		4,7	10,3

IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES AND MANAGEMENT

In the last year, apart from actively performing management and business investment, Board of Directors of the Company made some improvements in structure, policies, and management to bring high efficiency to the Company, in particular:

Administration: The Company strengthened the administration in the parent company and subsidiaries through applying processes and regulations and implementing IT applications for the whole system to ensure quick and timely statistics.

The Company also strictly controlled administration expenses to maximize profit of the Company.

HR recruitment and allocation: The Company organized HR system in a lean manner and performed HR structure and supplementation to strengthen the management of the Company.

The Company created staff engagement through the issuance of preference shares to employees (ESOP). In the last year, the Company was successful in issuing 3 million ESOP shares for the staff.

DEVELOPMENT PLAN FOR 2017

On the basis of the strategic orientation set by the Management Board, Board of General Directors identify development plan for 2017-2020 period which focuses on 4 core aspects: investment bank services, manufacture and trade of products with export advantages, investment in infrastructure and property projects, and development of solar energy projects.

In order for stability in the short term and resources for middle-term and long-term development, in 2017, Board of General Directors set a plan on the basis of 5-10% growth compared to 2016. **In particular, it is expected to gain revenue of 1,710 billion dongs and profit after tax of 71 billion dongs.**

In the short term, in 2017, trade and export remain central in contributing revenue and profit to BCG. In particular, BCG will strengthen the export of cocoa through the large field project approved by Dong Nai Province. The Company also works with Vinacafe Da Lat in order to enhance coffee exports, and with Vinacafe Microbial Fertilizer Company (a company invested by BCG) to conduct domestic trade of microbial fertilizer.

For investment bank services, the Company will focus on completing the consultancy deal with Hoang Anh Gia Lai Land and put emphasis on helping internal companies appealing strategic investors.

CENTRAL PROJECTS IN 2017

1. COMPLETION AND EXPLOITATION OF BOT DT 830 PROJECT

To be completed by the end of 2017, and put into operation by Quarter 1 2018.

2. COMPLETION AND EXPLOITATION OF BOT DT 830 PROJECT

The project has total investment of 544 billion dongs, in the form of BT, and has BCG as the investor and TRADICO as the contractor. Additionally, with the land budget of 290ha, the Company will seek partners with financial capability and experience to implement the project on the land allocated.

3. COMPLETION OF LEGAL PROCEDURES FOR INVESTMENT IN SOLAR ENERGY PLANT IN THANH HOA DISTRICT (LONG AN)

The plant has a capacity of 200 MW and total investment of 200 million USD. The Company also looks into the proposal of the project with the capacity of 600 MW in the Central Highlands and 400 MW in Quang Nam.



PART 5

»» Annual Report 2016

REPORT BY SUPERVISORY BOARD

Operations of Control Board and inspection and supervision results for 2016.
Action plan for 2017 by Control Board

CONTROL BOARD REPORT

To be submitted to the 2017 Annual General Meeting of Shareholders

Fulfilling tasks as regulated in Articles of Incorporation and by the existing law, Control Board would like to make report to the Meeting of the inspection and supervision activities in 2016 and direction in 2017 as follows:

A. OPERATIONS OF THE CONTROL BOARD AND INSPECTION AND SUPERVISION RESULTS FOR 2016

I. OPERATIONS OF THE CONTROL BOARD

1. Personnel

The Control Board consists of 03 members:

- Mr. Dinh Hoai Chau – Head
- Mrs. Le Thi Mai Lan – Member
- Mrs. Dao Thi Thanh Hien – Member

2. Operations

Control Board took part in all meetings of Board of Management and Board of Directors, maintained supervision of all operations of the Company. Members fulfilled tasks assigned in a serious manner and frequently met to discuss and assess the operations of the Company.

II. Inspection and supervision results for 2016

1. Supervision the compliance with resolutions of 2016 General Meetings of Shareholders

In 2016, Board of Management and Board of Directors satisfactorily completed tasks specified in the resolutions of General Meetings of Shareholders, including:

- Complying with investment policies such as establishment, capital contribution, management of capital contributed to subsidiaries, joint ventures, affiliates, and other long-term investments, etc.
- Restructuring the system and operations in the Company and subsidiaries.
- Conducting production and operating activities as in the investment certificate.
- Successfully issuing shares to current shareholders and employees.

2. Financial supervision in 2016

Control Board, on a periodical basis, discuss with independent auditors about auditing scope and result and other noticeable issues in the internal auditing system. The Board also frequently review and analyse information and data in financial statements.

Based on periodical reports and analysis presented by Administration Board in meetings of Board of Management, Control Board give evaluation:

- Basic indicators of liabilities, capital loans, liquidity, efficiency of asset utilization, provision and equity are satisfactory.
- Results of revenue, profit from business operations of the Company get higher.

3. Supervision of operations in 2016

Control Board performed close supervision through frequent talks and discussions with Board of Management and Board of Directors about risk management in investment and business operations of the Company. Risks detected through management would be timely informed in order to minimize risks, prevent, share or transfer risks, in accordance with regulations of law and for the sake of stakeholders.

Control Board saw no significant risks in the management process system of the Company as well as in the compliance with law, charter and regulations of relevant individual and organizations.

4. Evaluation of financial statements, report by Board of Management and report of Board of General Directors

a. Evaluation of financial statements 2016

Financial statements 2016 of the Company reflect all business operations and financial operations of the Company and are presented in regulated forms, in accordance with Vietnamese accounting standards and existing regulations.

b. Evaluation of report by Board of Management

Report by the Board of Management fully and honestly reflects operations and operational guidance of the Company, resolutions by Board of Management, in accordance with regulations of law and Articles of Incorporation.

c. Evaluation of report by Board of General Directors

Report by the Board of General Directors fully, honestly and appropriately reflects business activities of the Company in 2016. Decisions on business administration of Board of Directors are suitable and compliant with the law, Articles of Incorporation and resolutions of Board of Management and shareholders.

III. Conclusion and recommendation

1. Conclusion

In 2016, Control Board detected no abnormalities in operations of the Company and received no suggestions from shareholders and employees. All activities of the Company in 2016 complied with regulations of law, Articles of Incorporation and resolutions of General Meetings of Shareholders.

2. Recommendation

- The Company should keep completing the internal inspection system, add more regulations and processes to business operations to ensure efficiency and match with the development of the Company.
- The Company should strengthen, train and polish personnel resources with high expertise and qualification to timely keep up with the Company's development.
- Board of Management and Board of Directors should perform frequent reports as prescribed.

B. ACTION PLAN FOR 2017 BY CONTROL BOARD

In order to reach the goals for 2017, Control Board try to fulfil tasks and responsibilities as prescribed in the Articles of Incorporation as follows:

- To strictly inspect and control administration and production operations of the Company and subsidiaries through internal auditing, independent auditing and direct activities of Control Board.
- To perform supervision and internal auditing in the Company and subsidiaries on a regular basis in accordance with regular and irregular inspection regimes.
- To inspect annual production and business operations of the Company approved by General Meeting of

Shareholders, and review quarterly, semi-annual and annual financial statements.

- To ensure Control Board representatives take part in all meetings of Board of management to be aware of administration and business operations of the Company and put forward timely warnings to ensure benefits of shareholders.
- To control capital contribution and take part in management of capital contribution to subsidiaries and affiliates of the Company.
- To provide technical suggestions to Board of Management in order to improve capital and asset utilization efficiency of the Company.
- To grasp regimes and policies issued in order to provide additional suggestions for inappropriate issues, minimize risks in management and administration of production and business of the Company.
- To provide inspection plans for some specific aspects and sudden requirements from shareholders.
- To coordinate activities between Control Board and Board of management, Administration Board and shareholders in a cooperative and efficient spirit.

Above are Report by Control Board for operations in 2016 and direction for 2017.

**ON BEHALF OF CONTROL BOARD
HEAD
DINH HOAI CHAU**

PART 6

»» Annual Report 2016

REPORT BY BOARD OF DIRECTORS

Evaluation by Board of Management (BOM) on operation aspects of the Company.

Evaluation by Board of Management on operations of Board of Directors of the Company.

Plans and directions of Board of Management.

EVALUATION BY BOARD OF MANAGEMENT (BOM) ON OPERATION ASPECTS OF THE COMPANY

PERFORMANCE OF RESOLUTIONS OF GENERAL MEETING OF SHAREHOLDERS 2016

In the last year, BCG Board of Management and core members in administrative positions actively took part in the administration of the Company by holding quarterly meetings and issuing 62 resolutions. In addition, the Company also performed some important resolutions approved by the General Meeting of Shareholders 2016 as follows:

- Issuing 67 million more shares to the public: Issuing shares to current shareholders (1:1.5); paying dividends with shares (8%) and issuing preference shares (ESOP), thus increasing chartered capital from 407 to 1,080 billion dong.
- Asking for shareholders' written opinions on investment in property projects and separately issuing 20 million shares.

BUSINESS OPERATIONS

In general, BCG operations in 2016 has improvements with changes in strategies turning the company's focus on 4 core areas, namely: manufacture and trade (furniture, bus, agricultural products); development of infrastructure and property projects; and development of renewable energy projects; and utilizing advantages of relationships built from financial consultancy and investment bank. These are some typical activities in the year:

- Trade and export activities: The Company obtained approval from Dong Nai Province for investment in large field project for production of cocoa and cashew, through which the company signed a cocoa export contract with MARS. In addition, with the strategies of utilizing advantages from subsidiaries on production in combination with trade of coffee, cassava starch, wood, fertilizer products, etc. which contributions greatly to revenue of the parent company in 2016.
- For infrastructure project, on 17 November 2016, BCG officially launched the commencement of the provincial road project DT 830 and DT 824 in Long An in BOT form. The project has total investment of 1,079 billion dong and is expected to be put into operation at the end of Quarter 1 2018. In particular, the subsidiary Tradico served as the sub-contractor in charge of the construction.
- For the solar energy project, BCG has started looking into the proposal of investment in Long An with the power plant of 200 MW capacity and total expected investment of 200 million USD.
- Expectedly in Quarter 2 2017, Tradico (TDC), a BCG's subsidiary, will be officially listed on Ho Chi Minh Stock Exchange (HSX), marking BCG's first success in M&A investment.

DIFFICULTIES AND CHALLENGES

Though the Company has gained certain success in M&A investments and more effective business strategy re-planning, BCG still faced a lot of difficulties in 2016, including:

- High-level personnel team was thin and in charge of various tasks, which affects the mobilization of personnel to subsidiaries over which BCG has control.
- Profitability of BCG in 2016 depended much on consolidated profits from subsidiaries, making profit per share to decrease, to some extent. The reason was that the Company focused much on middle- and long-term projects, unable to create short-term profit.
- Pressure from capital increase and disbursement for investment in subsidiaries only in a short time failed to create benefits brought from investments, and subsidiaries could not contribute benefits immediately to BCG.
- Working capital of the Company was limited, making companies in the system fail to operate with desirable capacity and efficiency.

HR OPERATIONS

HR plays an important role in the establishment of BCG. The Company did well on recruitment, training and taking care of spiritual life, living and working conditions to the staff. Appropriate reward and social insurance regimes motivated and encouraged the staff to focus on working and complete tasks assigned.

In 2016, performing resolutions of General Meeting of Shareholders, Board of Management issued ESOP shares, which motivated and engaged all the employees of the Company.

EVALUATION BY BOARD OF MANAGEMENT ON OPERATIONS OF BOARD OF DIRECTORS

Following are the general evaluations of operations of Board of Directors in managing the production and business:

- Members of Board of Directors have all qualifications, capability and quality who have received thorough technical training, have insights in their respective fields and years of experience in managing projects and big enterprises.
- General Director assigns tasks clearly to Deputy General Directors and relevant departments and closely supervises the implementation through reports and regular briefings which evaluate the performance of tasks assigned and make plans for incoming tasks.
- Board of Directors carried out the production and business of the company in accordance with resolutions of General Meeting of Shareholders, direction of Board of Management and with Articles of Incorporation and regulations of law.
- Members of Board of Directors are also those of Board of Management who are aware of strategies, advantages and disadvantages of the Company, so they were flexible in the management, issuing internal documents under their authority in order to effectively control all production and business operations of the Company and perform the role of risk management right in the first place.

PLANS AND ORIENTATIONS OF BOARD OF MANAGEMENT

M&A picture was clearly seen in 2016 with BCG's completion of M&A investments in Thanh Vu Tay Ninh JSC, 1-5 Automobile and Vinacafe Da Lat. Thus, BCG now directly and indirectly owns 11 subsidiaries and 14 affiliates. Besides, BCG re-orientated its development strategies into 4 core operating aspects: M&A investment and investment bank; trade and distribution of products; development of infrastructure and property projects and development of renewable energy projects. For investments out of these above strategies, BCG will have schedule for gradual capital withdrawal, limiting unplanned investments which cause waste and loss of resources of the company.

With the current development strategies, BCG has gradually completed the overall picture which clearly specifies short-term, middle-term and long-term in order to turn the Company into the best M&A investment company. In particular:

- **Short-term goals:** focusing on trade activities utilizing advantages of ownership of manufacturing companies, thus, conducting trade in products: cocoa, coffee, furniture, microbial fertilizer, cassava starch, etc. This activity is determined to create short-term cash flow to the Company. In addition, in the short term in 2017, the Company starts to collect profits from M&A through the attraction of dividends from efficient and profitable companies. In particular, Tracodi (TCD) is expected to be listed in Quarter 2 2017 and, with its business plan, to distribute 12% dividends in 2017.
- **Middle- and long-term:** focusing on investment in BT/BOT infrastructure projects in Long An Province, combined with exploitation of property projects on the land gained from BT projects. Completing legal procedures for the project of solar energy plant in Thanh Hoa District, Long An. The Company expects the BOT DT 830 project implemented to be completed in accordance with schedule and put into operation by 2018, which starts to create cash flow for the Company.

Confident in what will be achieved by the company in the future, founding shareholders acquired BCG shares from some big shareholders who wanted to decrease their ownership. At the same time, this shows founding shareholders' determination to build BCG into the most effective investment enterprise.

PART 7

»» Annual Report 2016

CORPORATE GOVERNANCE

Board of Management

Control Board

Transactions, remunerations and benefits of Board of Management,
Board of Directors and Control Board

CORPORATE ADMINISTRATION

I. BOARD OF MANAGEMENT

1. Members and structure of Board of Management

Board of Management of the Company has 9 members, including 5 standing members and 4 independent members.

No.	Full name	Title	Ownership of shares with voting rights (as of 31 December 2016)	Titles held in other companies
01	Nguyen Ho Nam	Chairman	10,073,800 shares	<ul style="list-style-type: none"> • Deputy Chairman and General Director of Transport and Industry Development Investment JSC (Tracodi) • Board Chairman of Tracodi Service JSC • Chairman and General Director of Thang Long Fund Management JSC • Member of Board of Management of 1-5 Automobile JSC • Board Chairman of Hanoi Construction and Investment JSC No. 9 • Deputy Chairman of Board of Members Taxi Vietnam Co., Ltd • Member of Board of Members of Antraco JV Co., Ltd • Deputy Chairman of Board of Members of Truong Thanh Dai Nam Co., Ltd
02	Nguyen The Tai	Deputy Chairman	3,977,600 shares	<ul style="list-style-type: none"> • Deputy Chairman of Tracodi Service JSC • Deputy Board Chairman of Da Lat Coffee Import Export JSC • Deputy Board Chairman of Thanh Vu Tay Ninh JSC • Board Chairman of Aussino International JSC

03	Dang Trung Kien	Deputy Chairman	200,000 shares	<ul style="list-style-type: none"> • Chairman of Truong Thanh Vietnam Development Investment One Member Co., Ltd • Deputy Chairman of Truong Thanh Real Estate and Construction JSC • Chairman of Board of Members of Truong Thanh Dai Nam Co., Ltd • General Director of Tracodi Land JSC • Member of Board of Members of Taxi Vietnam Co., Ltd • Deputy Chairman of 1-5 Automobile JSC • Chairman of Transport and Industry Development Investment JSC (Tracodi)
04	Nguyen Thanh Hung	Member	280,000 shares	<ul style="list-style-type: none"> • Deputy General Director of Transport and Industry Development Investment JSC (Tracodi) • Chairman of Board of Members of An Giang Building Material Exploitation & Processing J.V Co. (Antraco) • Board Chairman of Viet Golden Farm JSC • Member of Board of Management of Thang Long Fund Management JSC • Deputy Board Chairman of Canh Dong Vang Agriculture Development and Investment JSC • Board Chairman of BCG Bang Duong Energy JSC • Board Chairman of BCG Nam Viet Energy JSC
05	Bui Thanh Lam	Member	200,000 shares	<ul style="list-style-type: none"> • Chairman of Board of Members of Thai Son Saigon Advisory Investment Co., Ltd • Member of Board of Management of 1-5 Automobile JSC
06	Leong Kwek Choon	Member	46,000 shares	
07	Dang Viet Bich	Member	0	
08	Anthony Lim	Member	0	<ul style="list-style-type: none"> • Board Chairman and General Director of Samcorp Capital Corporation
09	Barry Richard Pettitt	Member	0	<ul style="list-style-type: none"> • Board Chairman and General Director of Ross Group • Board Chairman and General Director of VARK Electronics

2. Sub-committees under Board of Management: No

3. Activities of Board of Management: Meetings of Board of Management and other meetings

In 2016, Board of Management held 39 meetings for discussion and decisions for investments and business orientations of the Company.

No.	Full name	Title	Number of meetings attended	Percentage	Reason for absence
01	Nguyen Ho Nam	Standing deputy chairman (before 17 October 2016)	39	100%	
		Chairman (from 17 October 2016)			
02	Nguyen The Tai	Standing deputy chairman	39	100%	
03	Dang Trung Kien	Deputy chairman	39	100%	
04	Leong Kwek Choon	Chairman (before 17 October 2016)	8	100%	
		Member (from 17 October 2016)			
05	Nguyen Thanh Tung	Member	39	100%	
06	Dang Viet Bich	Member	8	100%	
07	Bui Thanh Lam	Member	39	100%	
08	Anthony Lim	Member	8	100%	
09	Barry Richard Pettitt	Member	8	100%	

Resolutions of General Meetings of Shareholders in 2016:

No.	Resolution/ Decision/ Proposal No.	Date	Title
01	01/2016/NQ-HĐQT	19 Jan 2016	Re. Approval of the plan for 2016 Extraordinary General Meeting of Shareholders through collection of written opinions of shareholders.
02	02/2016/QĐ-HĐQT	19 Jan 2016	Re. Authorization of Mr. Nguyen Ho Nam – Standing Deputy Board Chairman to sign documents related to records for issuing shares.
03	02A/2016/NQ-HĐQT	20 Jan 2016	Re. Capital contribution to Da Lat Coffee Import Export JSC.
04	02B/2016/NQ-HĐQT	22 Feb 2016	Re. Capital contribution to Truong Thanh Dai Nam Co., Ltd.
05	03/2016/NQ-HĐQT	25 Feb 2016	Re. Approval of component of Vote checking board for 2016 Annual General Meeting of Shareholders.
06	04/2016/NQ-HĐQT	25 Feb 2016	Re. Approval of plan for 2016 Annual General Meeting of Shareholders.
07	05/2016/NQ-HĐQT	07 Mar 2016	Re. Implementation of method of issuing shares to current shareholders, ESOP shares and paying dividends in 2015 under the resolution of 2016 extraordinary general meeting of shareholders and approval of issuance documents.
08	05A/2016/NQ-HĐQT	24 Mar 2016	Re. Transfer of shares in Da Lat Coffee Import Export JSC.
09	06/2016/NQ-HĐQT	11 Apr 2016	Re. Investment in the establishment of BCG Truong Thanh JSC
10	07/2016/QĐ-HĐQT	11 Apr 2016	Re. Establishment of Capital Resource Committee.
11	07A/2016/QĐ-HĐQT	11 Apr 2016	Re. Establishment of Standing Management Board
12	08/2016/NQ-HĐQT	27 Apr 2016	Re. Capital contribution to Vietnam Infrastructure and Energy Investment JSC.
14	10/2016/NQ-HĐQT	08 Apr 2016	Re. Transfer of shares from Truong Thanh Forestry Investment and Development JSC to Truong Thanh Vietnam Development Investment One Member Co., Ltd

15	10A/2016/NQ-HĐQT	28 Apr 2016	Re. Business cooperation between Bamboo Capital and HAGL
16	10B/2016/NQ-HĐQT	02 May 2016	Re. Business cooperation between Bamboo Capital and Viet Golden Farm
17	10C/2016/NQ-HĐQT	09 May 2016	Re. Business cooperation between Bamboo Capital and Van Phuc Hung Co., Ltd
18	10D/2016/NQ-HĐQT	09 May 2016	Re. Business cooperation between Bamboo Capital and Transport and Industry Development Investment JSC
19	11/2016/NQ-HĐQT	12 May 2016	Re. Capital contribution to HCM Lott 68 JSC
20	12/2016/NQ-HĐQT	12 May 2016	Re. Capital contribution to Aussino International
21	13/2016/NQ-HĐQT	11 May 2016	Re. Approval of implementation of Method of share issuance for paying dividends in 2015
22	14/2016/NQ-HĐQT	11 May 2016	Re. Approval of method of treatment of separate shares arising upon share issuance for paying dividends in 2015.
23	15/2016/NQ-HĐQT	26 May 2016	Re. Issuance of Handbook for internal audit.
24	16/2016/NQ-HĐQT	27 May 2016	Re. Purchase of Range Rover.
25	16A/2016/NQ-HĐQT	27 May 2016	Re. Purchase of Mitsubishi Pajero.
26	17/2016/NQ-HĐQT	01 June 2016	Re. Consent of the date for closing the list of rights to buy BCG shares and pay dividends.
27	18/2016/QĐ-HĐQT	08 June 2016	Re. Issuance of regulations and regimes of operational fees.
28	18A/2016/NQ-HĐQT	09 June 2016	Re. Capital contribution to Truong Thanh Quy Nhon Investment JSC.
29	19/2016/NQ-HĐQT	21 June 2016	Re. Selection of auditing firm for separate and consolidated financial statements for the first 6 months and the whole year of 2016.
30	19A/2016/NQ-HĐQT	27 June 2016	Re. Guarantee of loans of Phu Thuan Trade Service Co., Ltd

31	20/2016/NQ-HĐQT	07 July 2016	Re. Redistribution of unoffered shares.
32	21/2016/NQ-HĐQT	08 July 2016	Re. Listing of shares for share capital increase since the offer of shares to the public and share dividend payment.
33	22/2016/NQ-HĐQT	20 July 2016	Re. Approval of depository registration and additional listing of BCG shares and amendment of Articles of Incorporation.
34	23/2016/NQ-HĐQT	28 July 2016	Re. Issuance of regulations for share issuance under Option programs for staff of Bamboo Capital (ESOP).
35	23A/2016/QĐ-HĐQT	28 July 2016	Re. Issuance of list of staff taking part in ESOP.
36	24/2016/NQ-HĐQT	28 July 2016	Re. Implementation of issuing ESOP shares.
37	25/2016/NQ-HĐQT	29 July 2016	Re. Capital contribution to 1-5 Automobile JSC
38	26/2016/NQ-HĐQT	29 July 2016	Re. Capital contribution to Thanh Vu Tay Ninh JSC.
39	26A/2016/NQ-HĐQT	03 Aug 2016	Re. Authorization to General Director to decide on time for issuing ESOP shares.
40	27/2016/QĐ-HĐQT	09 Aug 2016	Re. Establishment of Expense Management Board.
41	28/2016/QĐ-HĐQT	09 Aug 2016	Re. Authorization to sign documents in the authority of Board of Management.
42	29/2016QĐ-HĐQT	10 Aug 2016	Re. Establishment of Legislation Board.
43	30/2016/NQ-HĐQT	23 Aug 2016	Re. Capital contribution to BCG Nam Viet Energy JSC.
44	31/2016/NQ-HĐQT	23 Aug 2016	Re. Capital contribution to BCG Bang Duong Energy JSC.
45	30A/2016/NQ-HĐQT	29 Sept 2016	Re. Transfer of the whole shares of BCG Truong Thanh JSC.
46	31A/2016/NQ-HĐQT	29 Sept 2016	Re. Contribution of additional capital to Nguyen Hoang JSC.

47	32/2016/NQ-HĐQT	29 Sept 2016	Re. Transfer of shares of Truong Thanh Quy Nhon Investment JSC.
48	33/2016/NQ-HĐQT	13 Oct 2016	Re. Capital contribution to GAIA Energy JSC.
49	34/2016/NQ-HĐQT	17 Oct 2016	Re. Approval of resignation of the position of Board Chairman by Mr. Leong Kwek Choon and election of Mr. Nguyen Ho Nam.
50	35/2016/NQ-HĐQT	18 Oct 2016	Re. Capital contribution to Tracodi Service JSC.
51	35A/2016/NQ-HĐQT	18 Oct 2016	Re. Change of policies of staff taking part in ESOP program.
52	35B/2016/NQ-HĐQT	18 Oct 2016	Re. Distribution of ESOP shares of resigning employees to current employees.
53	36/2016/NQ-HĐQT	19 Oct 2016	Re. Transfer of part of capital in Nguyen Hoang JSC.
54	37/2016/NQ-HĐQT	19 Oct 2016	Re. Transfer of part of capital in Thanh Phuc JSC.
55	38/2016/NQ-HĐQT	20 Oct 2016	Re. Assignment of tasks to members of Board of Management, Control Board, Administration Board.
56	39/2016/NQ-HĐQT	21 Oct 2016	Re. Completion of the issuance of ESOP shares.
57	40/2016/QĐ-HĐQT	26 Oct 2016	Re. Appointment of representative of contributed capital in BOT DT830 Co., Ltd.
58	41/2016/NQ-HĐQT	02 Nov 2016	Re. Capital contribution to BOT DT830 Co., Ltd.
59	42/2016/NQ-HĐQT	03 Nov 2016	Re. Contribution of additional capital to Nguyen Hoang Development JSC.
60	42A/2016/NQ-HĐQT	03 Nov 2016	Re. Guarantee of loans of Phu Thuan Trade Service Co., Ltd.
61	43/2016/QĐ-HĐQT	17 Nov 2016	Re. Authorization to sign documents in the authority of Board of Management.
62	44/2016/NQ-HĐQT	17 Nov 2016	Re. Approval of the plan for Extraordinary General Meeting of Shareholders through collection of written opinions of shareholders.

4. Activities of independent members of Board of Management

Independent members of Board of Management attended all meetings and activities of Board of Management. All members considered and contributed opinions within the authority of Board of Management, as the basis for Board of Management to issue relevant resolutions and decisions.

II. CONTROL BOARD

Control Board represents the General Meeting of Shareholders to supervise and evaluate the management and administration by Board of Management and Board of General Directors in accordance with the Articles of Incorporation, Resolutions and Decisions of General Meeting of Shareholders.

Control Board consists of 3 members

No.	Member	Title	Ownership of shares
01	Dinh Hoai Chau	Head	220,000 shares
02	Le Thi Mai Loan	Member	371,600 shares
03	Dao Thi Thanh Hien	Member	371,600 shares

III. TRANSACTIONS, REMUNERATIONS AND BENEFITS OF BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND CONTROL BOARD

1. Wages, bonuses, remunerations and benefits

Board of Management: No remuneration paid to Board of Management in 2016.

Control Board: No remuneration paid to Control Board in 2016.

2. Transactions of shares of internal shareholders

No.	Transaction performed by	Relationship with internal shareholders	Number of shares owned at the beginning of the period (01 Jan 2016)		Number of shares owned at the end of the period (01 Jan 2016)		Reason for change (acquisition, sale, conversion, reward, etc.)
			Số CP	Tỷ lệ	Số CP	Tỷ lệ	
01	Nguyen Ho Nam	Internal personnel	2,416,694	5.93%	10,073,800	9.33%	Purchase and sale + Esop shares
02	Nguyen The Tai	Internal personnel	2,290,000	5.63%	3,977,600	3.68%	Purchase and sale + Esop shares
03	Le Thi Mai Loan	Internal personnel	12,600		371,600	0.34%	Purchase and sale + Esop shares
04	1-5 Automobile	Internal personnel	12,720,000	12.1%	7,720,000	7.15%	Purchase/sale
05	Thanh Vu Tay Ninh JSC	Internal personnel	12,890,000	11.93%	10,890,000	10.1%	Purchase/sale

3. Performance of regulations on corporate administration: Good

PART 8

»» Annual Report 2016

CONSOLIDATED FINANCIAL STATEMENTS

REPORT BY BOARD OF GENERAL DIRECTORS

REPORT BY INDEPENDENT AUDITORS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

- Consolidated balance sheet
- Consolidated business result report
- Consolidated cash flow statements
- Presentation of consolidated financial statements

REPORT BY BOARD OF GENERAL DIRECTORS

Board of General Directors of Bamboo Capital (hereinafter called "The Company") would like to present the Report and Consolidated financial statements of the Company and its subsidiaries for 2016 which end on 31 December 2016.

1. FORM OF CAPITAL OWNERSHIP OF THE COMPANY

Bamboo Capital JSC is a joint stock company operating under the Business Registration Certificate No. 0311315789 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on 07 November 2011 and amended for the 16th time on 26 December 2016.

Chartered capital of the Company under the Business Registration Certificate: 1,080,057,600,000 VND

Paid-up capital of the Company as at 31 December 2016: 1,080,057,600,000 VND

Headquarters of the Company: Floor 14, Vincom Center, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City

2. BUSINESS AREAS

Manufacturing, trading, services.

3. BUSINESS LINES

Management consultancy (except for financial, accounting and legal consultancy). Investment consultancy (except for financial, accounting and legal consultancy). Agency and brokerage (except for real estate brokerage). Market research and public opinion poll. Trade introduction and promotion. Merchandising of agricultural, forest and aquaculture products and materials (except for wood and bamboos of all types) and alive animals. Wholesaling of rubber latex and fertilizers (not at the headquarters). Manufacturing of livestock, poultry and aquaculture feeds. Manufacturing of woods for household use. Exploitation of rock, sand, stone and clay. Construction of civil and industrial works. Exploitation of wood. Domestic and international travel business. Sending Vietnamese workers to work abroad. Car passenger services within Ho Chi Minh City.

4. NORMAL OPERATING CYCLE

Normal operating cycle of the Company and its Subsidiaries is 12 months.

5. STRUCTURE OF THE GROUP - COMPANY AND ITS SUBSIDIARIES

As of 31 December 2016, Bamboo Capital JSC has 04 (four) subsidiaries under direct control and 01 (one) subsidiary under indirect control through the subsidiary Transport and Industry Development Investment JSC. The specific list is as follows:

a. List of Subsidiaries under direct control

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
Transport & Communication Development Investment JSC (Tracodi)	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	53.6%	53.6%
Nguyen Hoang Development JSC	Nhon Hoa Industrial Park, Nhon Hoa Ward, An Nhon Town, Binh Dinh Province	76.8%	76.8%
Thanh Phuc JSC	Lot D4, D5, D9, D10 – Dong Bac Song Cau Industrial Park, Song Cau Town, Phu Yen Province	90.0%	90.0%
Phu Thuan Service & Trade Co., Ltd	42/2 Nguyen Dinh Khoi Street, Ward 4, Tan Binh District, Ho Chi Minh City	50.2%	50.2%

b. List of Subsidiaries under indirect control

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
An Giang Building Material Exploitation & Processing J.V Co.	Dai Lon Mountain, Chau Lang Commune, Tri Ton District, An Giang Province	51.0%	27.36%

c. List of important affiliates consolidated in this statement in equity method

As of 31 December 2016, the Company has 02 (two) Affiliates under indirect control through a Subsidiary – Tradico and 06 (six) Affiliates under direct control. Below is the list of affiliates consolidated in this statement in equity method

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
Vietnam Taxi Co., Ltd	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	30.0%	16.1%
ACG Vietnam JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	45.0%	45.0%
Viet Golden Farm JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.5%	49.5%
Aussino International JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.0%	49.0%
Truong Thanh Dai Nam Co., Ltd	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	40.0%	40.0%
Tradico Invest JSC	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	49.0%	28.6%
Tradico Service JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.0%	39.3%
B.O.T DT830 Co. Ltd	Street No. 10, Hamlet 4, Nam Long Residential Area, Ben Luc District, Long An Province	48.0%	48.0%

6. BUSINESS RESULTS

Business results and financial situation for the financial year ending on 31 December 2016 of Bamboo Capital JSC and its subsidiaries are shown in the consolidated financial statements attached.

7. EVENTS AFTER THE DATE OF CLOSING OF CONSOLIDATED FINANCIAL STATEMENTS

No significant events happened after the date of consolidated financial statements which requires amendment or presentation in these consolidated financial statements.

8. BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS, CONTROL BOARD AND LEGAL REPRESENTATIVE

No significant events happened after the date of consolidated financial statements which requires amendment or presentation in these consolidated financial statements.

Board of Management

Mr. Nguyen Ho Nam	Chairman
Mr. Nguyen The Tai	Deputy Chairman
Mr. Dang Trung Kien	Deputy Chairman
Mr. Nguyen Thanh Hung	Deputy Chairman
Mr. Bui Thanh Lam	Member
Mr. Anthony Lim	Member
Mr. Dang Viet Bich	Member
Mr. Barry Richard Pettitt	Member
Mr. Leong Kwek Choon	Member

Board of General Directors and Chief Accountant

Mr. Nguyen The Tai	General Director
Mr. Nguyen Thanh Hung	Deputy General Director
Mr. Duong Duc Hung	Deputy General Director
Mrs. Hoang Thi Minh Chau	CFO – Chief accountant

Control Board

Mr. Dinh Hoai Chau	Head
Mrs. Le Thi Mai Loan	Member
Mrs. Dao Thi Thanh Hien	Member

Legal representative

Mr. Nguyen The Tai	General Director
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9. AUDITORS

Southern Auditing and Accounting Financial Consultancy Service., Ltd (AASCS) performs auditing of consolidated financial statements for the financial year 2016 of Bamboo Capital JSC and its subsidiaries.

10. DECLARATION OF BOARD OF GENERAL DIRECTORS' RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

Board of General Directors in charge of preparing consolidated financial statements honestly and appropriately reflected the operations, consolidated business results and consolidated cash flow operations of the Company and its subsidiaries in 2016. Upon preparing the consolidated financial statements, Board of General Directors of the Company were committed to the following requirements:

- Establishing and maintaining the internal inspection system identified by the Board of Management and Board of General Directors as needed to ensure the preparation and presentation of consolidated financial statements have no significant errors due to fraud or mistake;
- Selecting appropriate accounting policies and applying those policies in a uniform manner;
- Bringing forward suitable and cautious evaluation and prediction;
- For accounting standards applicable complied with by the Company and its subsidiaries, there are no significant deviations which need declaring and explaining in these financial statements.
- Preparing financial statements based on continuous business operations, except for the fact that it is unable to see the Company can continue its operations.

Board of General Directors ensure accounting books are saved to reflect the consolidated financial situation of the Company and its subsidiaries with honesty and suitability at any time and ensure consolidated financial statements comply with current regulations of the State. At the same time, the Board is responsible for ensuring asset safety, taking appropriate measures to prevent and detect frauds and other violations of the Company and its subsidiaries.

Board of General Directors of the Company are committed that the consolidated financial statements honestly and suitably reflect the financial situation of the Company as of 31 December 2016, business result and cash flow situation for 2016 that ends on the same day, in accordance with Vietnamese accounting standards and regimes and existing relevant regulations.

OTHER COMMITMENTS

Board of General Directors are committed that the Company and its subsidiaries do not violate the obligation to publicize information under the Circular No. 155/2015/TT-BTC dated 06 October 2015 of Ministry of Finance guiding the publication of information in the stock market.

Approval of financial statements

*We, Board of Management, approved 2016
consolidated financial statements of BAMBOO
CAPITAL JSC AND SUBSIDIARIES.*

Prepared, 30 March 2017

**On behalf of Board of Management
Board Chairman**

Nguyen Ho Nam

Prepared, 30 March 2017

**On behalf of Board of Directors
General Directors**



Nguyen The Tai

REPORT BY INDEPENDENT AUDITORS

Respectfully to: Shareholders

**Board of Management, Board of Directors
Bamboo Capital JSC**

We have audited the consolidated financial statements attached of Bamboo Capital JSC and its subsidiaries prepared on 15 March 2016 from page 09 to 41, including consolidated balance sheet dated 31 December 2016, Consolidated business result report, consolidated cash flow statements and presentation of consolidated financial statements for the financial period ending on the same day.

Responsibilities of Board of General Directors

Board of General Directors of the Company are responsible for preparing and present, in an honest and appropriate manner, consolidated financial statements of the Company, in accordance with accounting standards and regimes of Vietnam and legal regulations related to the preparation and presentation of consolidated financial statements, and for the internal control system identified as needed to ensure there are no significant errors in the preparation and presentation of consolidated financial statements due to fraud or mistake.

Responsibilities of auditors

We are responsible for voicing our opinions on the consolidated financial statements based on the auditing results. We have performed the audit according to Vietnam's accounting standards. These standards require us to comply with standards and regulations on code of ethics, planning and audit performance to ensure if there are any significant errors in the consolidated financial statements.

The audit tasks include performing procedures to collect audit proofs of figures and give presentation in consolidated financial statements. Audit procedures are selected based on evaluation by auditors, including assessing the risks of significant errors in consolidated financial statements due to fraud or mistake. Upon assessing these risks, auditors have reviewed the internal control system of the Company in connection with the preparation and presentation of the consolidated financial statements in an honest and suitable manner in order to design appropriate audit procedures, but do not aim to give opinions on the efficiency of the internal control system. Audit tasks also include the assessment of the suitability of accounting policies applicable and the appropriateness of accounting estimates by Board of General Directors and assessment of the presentation of consolidated financial statements.

We believe that audit proofs collected by us are sufficient and appropriate as a basis for our audit opinions.

Opinions by auditors

In our opinions, consolidated financial statements honestly and appropriately reflect significant aspects including financial situation of Bamboo Capital JSC and its subsidiaries as at 31 December 2016, and business results and cash flow for the financial year ending on the same day, in accordance with accounting standards and regimes of Vietnam and legal regulations related to the preparation and presentation of the financial statements.

30 March 2017

**Southern Auditing and Accounting Financial
Consultancy Service., Ltd**

General Director



Do Khắc Thanh

Audit Certificate No.: 0064-2013-142-1

Auditor



Nguyen Vu

Audit Certificate No.: 0064-2013-142-1

CONSOLIDATED BALANCE SHEET

As of 31 December 2016

Unit: VND

Criterion	Code	Presentation	31 December 2016	01 January 2016
A. CURRENT ASSETS	100		1,705,252,045,001	441,881,898,095
I. Cash and cash equivalents	110	V.01	55,129,696,891	27,925,351,416
1. Cash	111		55,129,696,891	26,925,351,416
2. Cash equivalents	112		-	1,000,000,000
II. Short-term financial investment	120	V.03	700,275,209,690	2,800,209,690
1. Trading securities	121		574,381,748,890	951,748,890
2. Provision for devaluation of trading securities (*)	122		(251,539,200)	(251,539,200)
3. Held-to-maturity investment	123		126,145,000,000	2,100,000,000
III. Short-term receivables	130		801,616,485,678	311,201,555,612
1. Short-term receivables from customers	131	V.02	595,099,430,294	224,838,570,099
2. Short-term advance payment to seller	132		34,368,528,412	14,611,335,998
5. Short-term receivables from loans	135	V.04	21,173,237,437	13,691,655,437
6. Other short-term receivables	136	V.05	173,851,093,002	80,557,802,617
7. Provision for short-term bad debt (*)	137	V.06	(23,239,771,822)	(22,842,343,701)
8. Shortage of assets awaiting resolution	139		363,968,355	344,535,162
IV. Inventory	140	V.07	137,489,910,967	94,777,955,119
1. Inventory	141		137,566,664,167	95,072,208,319
2. Provision for devaluation of inventory	149		(76,753,200)	(294,253,200)
V. Other short-term assets	150		10,740,741,775	5,176,826,257
1. Short-term prepaid cost	151	V.11	173,549,399	-
2. Deducted Vat	152		9,105,210,240	3,806,878,121
3. Taxes and receivables by the State	153	V.15	1,461,982,136	1,369,948,137

Criterion	Code	Presentation	31 December 2016	01 January 2016
B. LONG-TERM ASSETS	200		2,765,620,468,173	438,764,353,479
I. Long-term receivables	210		742,294,660,706	1,946,827,373
6. Other long-term receivables	216	V.05	742,294,660,706	1,946,827,373
II. Fixed assets	220		112,269,204,521	77,565,034,912
1. Tangible fixed assets	221	V.09	112,034,204,514	77,446,034,909
- Original value	222		197,979,879,134	149,903,202,005
- Accumulated depreciation (*)	223		(85,945,674,620)	(72,457,167,096)
3. Intangible fixed assets	227	V.10	235,000,007	119,000,003
- Original value	228		381,622,500	221,622,500
- Accumulated depreciation (*)	229		(146,622,493)	(102,622,497)
III. Investment properties	230		-	-
IV. Unfinished long term assets	240	V.08	34,628,185,285	7,575,256,639
2. Unfinished basic construction cost	242		34,628,185,285	7,575,256,639
V. Long-term financial investment	250	V.03	1,638,431,694,254	46,257,267,524
1. Investment in subsidiaries	251		-	-
2. Investment in JV, affiliates	252		181,351,937,961	30,933,033,631
3. Investment in other entities	253		1,458,221,780,318	16,466,257,918
4. Provision for long-term financial investment (*)	254		(1,142,024,025)	(1,142,024,025)
VI. Other long-term assets	260		237,996,723,406	305,419,967,031
1. Long-term prepaid costs	261	V.11	33,294,161,416	35,872,132,411
2. Deferred income tax	262		-	-
5. Goodwill	269	V.12	204,702,561,990	269,547,834,620
TOTAL ASSETS	270		4,470,872,513,174	880,646,251,574

Criterion	Code	Presentation	31 December 2016	01 January 2016
C. LIABILITIES	300		3,148,984,571,073	371,209,118,353
I. Current liabilities	310		639,509,088,002	337,406,515,468
1. Current liabilities to seller	311	V.14	108,789,791,484	142,942,435,515
2. Current prepaid amount by buyer	312		20,333,783,596	27,216,966,627
3. Taxes and payables to the State	313	V.15	36,008,937,103	23,343,776,025
4. Payables to employees	314		7,062,466,077	4,725,839,118
5. Current payables	315	V.16	56,795,680,149	4,853,127,969
9. Other current payables	319	V.17	108,608,764,959	38,714,657,420
10. Current borrowings and debts	320	V.13	294,655,261,005	95,062,315,191
12. Fund for rewards and benefits	322		7,254,403,629	547,397,603
II. Non-current liabilities	330		2,509,475,483,072	33,802,602,885
7. Other long-term payables	337	V.17	1,966,591,643,280	13,453,911,611
8. Non-current borrowings and debts	338	V.13	29,667,685,450	16,775,186,450
11. Deferred income tax payable	341		3,216,154,342	3,573,504,824
14. Non-current bond par value	338	V.18	510,000,000,000	
D. EQUITY	400		1,321,887,942,100	509,437,133,220
I. Equity	410	V.19	1,321,887,942,100	509,437,133,220
1. Owner's equity	411		1,080,057,600,000	407,000,000,000
- Ordinary shares with voting rights	411a		1,080,057,600,000	407,000,000,000
- Preference shares	411b		-	-
2. Share capital surplus	412		(165,000,000)	-
7. Exchange rate difference	417		-	-
8. Development investment fund	418		313,606,537	-
10. Other funds under equity	420		491,981,654	-

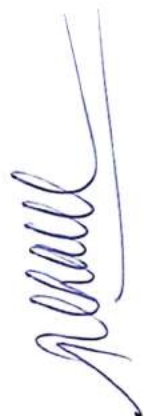
Criterion	Code	Presentation	31 December 2016	01 January 2016
11. Undistributed profit	421		25,856,806,894	39,823,895,190
- Undistributed profit accumulated to the end of previous period	421a		10,914,562,639	(6,490,606,857)
- Undistributed profit in this period	421b		14,942,244,255	46,314,502,047
13. Benefits of non-controlling shareholders	429		215,332,947,015	62,613,238,030
TOTAL	440		4,470,872,513,174	880,646,251,574

Prepared by



Nguyen Thi Thu Hien

Chief Accountant



Hoang Thi Minh Chau

Prepared, 15 March 2017

General Director



Nguyen The Tai

CONSOLIDATED BUSINESS RESULT REPORT

FY 2016

Unit: VND

Criterion	Code	Presentation	2016	2015
1. Revenue from sales of goods and rendering of services	01	VI.01	1,649,930,898,590	975,098,385,347
2. Revenue deductions	02		1,526,085,588	56,036,597
3. Net revenue from sales of goods and rendering of services	10		1,648,404,813,002	975,042,348,750
4. Cost of goods sold	11	VI.02	1,441,903,752,131	877,485,516,369
5. Gross profit from sales of goods and rendering of services	20		206,501,060,871	97,556,832,381
6. Revenue from financial operations	21	VI.03	210,684,653,619	59,128,625,265
7. Financial expenses	22	VI.04	180,715,036,450	19,169,804,040
+ In particular: loan interest expense	23		14,775,729,388	16,677,024,758
8. Profit or loss in JV, affiliates	24		(1,700,095,670)	9,650,301,405
9. Selling expenses	25	VI.05	64,776,248,332	16,472,692,391
10. Corporate management expenses	26	VI.05	84,792,351,652	61,311,929,130
11. Net revenue from business operations	30		85,201,982,387	69,381,333,490
12. Other incomes	31		2,082,524,097	2,731,011,645
13. Other expenses	32		1,057,498,322	1,217,139,648
14. Other revenues	40		1,025,025,776	1,513,871,997
15. Total accounted profit before tax	50		86,227,008,162	70,895,205,487
16. Current income tax expenses	51	VI.07	24,542,734,911	14,906,138,499
17. Deferred income tax expenses	52	VI.08	(357,350,482)	3,573,504,824
18. Profit after corporate income tax	60		62,041,623,734	52,415,562,164
19. Parent company's profit after tax	61		19,306,988,048	39,806,036,445
20. Non-controlling shareholders' profit after tax	62		42,734,635,687	12,609,525,718
21. Basic earnings per share	70	VI.09	266	978
22. Diluted earnings per share	71	VI.10	266	978

Prepared, 15 March 2017

General Director



Nguyen The Tai

Chief Accountant

A blue ink handwritten signature, appearing to read "H. Chau", written in a cursive style.

Hoang Thi Minh Chau

Prepared by

A blue ink handwritten signature, appearing to read "N. Hien", written in a cursive style.

Nguyen Thi Thu Hien

CONSOLIDATED CASH FLOW STATEMENTS

(Indirect method)

FY 2016

Unit: VND

Criterion	Code	Presentation	2016	2015
I. Cash flow from business operations				
1. Profit before tax	01		86,227,008,162	70,895,205,487
2. Adjustment of items				
- Depreciation of fixed assets and investment properties	02		15,041,127,763	4,558,790,740
- Provisions	03		179,928,121	10,813,607,764
- Loss/profit from exchange rate difference due to monetary foreign currency items	04		1,056,126,773	(106,173)
- Loss/profit from investment	05		(63,182,866,015)	(40,722,179,305)
- Loan interest expense	06		14,775,729,389	16,677,024,758
3. Profit from business operations before change in working capital	08		54,097,054,194	62,222,343,271
- Change in receivables	09		(1,173,900,873,592)	(105,140,350,922)
- Change in investment	10		(42,711,955,848)	81,961,254,422
- Change in payables (excluding loan interest payable, corporate income tax payable)	11		2,029,210,160,251	38,800,693,436
- Change in prepaid cost	12		29,759,171,291	(987,825,607)
- Change in trading securities	13		(573,430,000,000)	425,986,750
- Loan interest paid	14		(11,348,854,250)	(16,677,024,758)
- Corporate income tax paid	15		(20,185,167,123)	(10,361,718,420)
- Other earnings from business operations	16		750,000,000	
- Other expenses for business operations	17		(9,469,557,683)	(771,400,000)
Net cash flow from business operations	20		282,769,977,239	49,471,958,172

Criterion	Code	Presentation	2016	2015
II. Cash flow from investment				
1. Expenses for buying, constructing fixed assets and other long-term assets	21		(75,882,607,928)	(39,262,451,361)
2. Earnings from liquidation, sale of fixed assets and other long-term assets	22		980,779,091	9,091,094,399
3. Money spent on loans and buying debt instruments from other entities	23		(133,945,000,000)	(14,191,655,437)
4. Money collected from loans and selling debt instruments from other entities	24		4,218,418,000	
5. Money spent as capital contribution to other entities	25		(1,653,426,639,017)	(395,507,351,555)
6. Money collected from investment in other entities	26		115,577,052,600	
7. Money collected from loan interest, dividends and profits distributed	27		47,568,085,959	34,313,236,550
Net cash flow from investment	30		(1,694,909,911,295)	(405,557,127,404)
III. Cash flow from financial activities				
1. Money collected from issuing shares, receiving equity	31		767,815,350,000	385,400,000,000
3. Money from borrowings	33		981,805,170,142	196,544,131,261
4. Money to pay principal	34		(257,580,078,304)	(197,954,299,393)
5. Money to pay financial leases	35		-	
6. Dividends, profits paid to owner	36		(52,708,889,737)	
Net cash flow from financial activities	40		1,439,331,552,101	383,989,831,868
Net cash flow in the period	50		27,191,618,045	27,904,662,637
Cash and cash equivalents at the beginning of the period	60		27,925,351,416	20,582,606
Influence of change in exchange rate	61		12,727,429	106,173
Cash and cash equivalents at the end of the period	70		55,129,696,891	27,925,351,416

Prepared, 15 March 2017

Prepared by



Nguyen Thi Thu Hien

General Director



Nguyen The Tai

PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

FY 2016

I. OPERATION CHARACTERISTICS

1. Form of capital ownership

Bamboo Capital JSC is a joint stock company operating under the Business Registration Certificate No. 0311315789 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on 07 November 2011 and amended for the 16th time on 26 December 2016.

Chartered capital of the Company under the Business Registration Certificate: 1,080,057,600,000 VND

Paid-up capital of the Company as at 31 December 2016: 1,080,057,600,000 VND

Headquarters of the Company: Floor 14, Vincom Center, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City

2. Business areas

Manufacturing, trading, services.

3. Business lines

Management consultancy (except for financial, accounting and legal consultancy). Investment consultancy (except for financial, accounting and legal consultancy). Agency and brokerage (except for real estate brokerage). Market research and public opinion poll. Trade introduction and promotion. Merchandising of agricultural, forest and aquaculture products and materials (except for wood and bamboos of all types) and alive animals. Wholesaling of rubber latex and fertilizers (not at the headquarters). Manufacturing of livestock, poultry and aquaculture feeds. Manufacturing of woods for household use. Exploitation of rock, sand, stone and clay. Construction of civil and industrial works. Exploitation of wood. Domestic and international travel business. Sending Vietnamese workers to work abroad. Car passenger services within Ho Chi Minh City.

4. Normal operating cycle

Normal operating cycle of the Company and its Subsidiaries is 12 months.

5. Operating characteristics of the Company in the financial year affecting financial statements

6. Structure of the Company and its Subsidiaries

Total number of the Subsidiaries:

- Number of consolidated Subsidiaries:
- Number of unconsolidated Subsidiaries:

a. List of Subsidiaries under direct control

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
Transport & Communication Development Investment JSC (Tracodi)	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	53.6%	53.6%
Nguyen Hoang Development JSC	Nhon Hoa Industrial Park, Nhon Hoa Ward, An Nhon Town, Binh Dinh Province	76.8%	76.8%
Thanh Phuc JSC	Lot D4, D5, D9, D10 – Dong Bac Song Cau Industrial Park, Song Cau Town, Phu Yen Province	90.0%	90.0%
Phu Thuan Service & Trade Co., Ltd	42/2 Nguyen Dinh Khoi Street, Ward 4, Tan Binh District, Ho Chi Minh City	50.2%	50.2%

b. List of Subsidiaries under indirect control

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
An Giang Building Material Exploitation & Processing J.V Co.	Dai Lon Mountain, Chau Lang Commune, Tri Ton District, An Giang Province	51.0%	27.36%

c. List of important affiliates consolidated in this statement in equity method

As of 31 December 2016, the Company has 02 (two) Affiliates under indirect control through a Subsidiary – Tradico and 06 (six) Affiliates under direct control. Below is the list of affiliates consolidated in this statement in equity method.

Name of the Subsidiary	Address	Percentage of control	Percentage of benefit
Vietnam Taxi Co., Ltd	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	30.0%	16.1%
ACG Vietnam JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	45.0%	45.0%
Viet Golden Farm JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.5%	49.5%
Aussino International JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.0%	49.0%
Truong Thanh Dai Nam Co., Ltd	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	40.0%	40.0%
Tradico Invest JSC	89 Cach Mang Thang Tam Street, Ben Thanh Ward, District 1, Ho Chi Minh City	49.0%	28.6%
Tradico Service JSC	L14-08B, Vincom Tower, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	49.0%	39.3%
B.O.T DT830 Co. Ltd	Street No. 10, Hamlet 4, Nam Long Residential Area, Ben Luc District, Long An Province	48.0%	48.0%

II. ACCOUNTING PERIOD AND CURRENCY IN ACCOUNTING

1. Accounting period

Accounting year of the Company starts on 01 January and ends on 31 December each year.

2. Currency

Currency used in accounting is Vietnam Dong (VND).

III. ACCOUNTING STANDARDS AND REGIME

1. Accounting regime

The Company adopts Corporate Accounting Regime issued along with Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 202/2014/TT-BTC dated 22 December 2014 of Ministry of Finance guiding the preparation and presentation of consolidated financial statements and supplemented and amended guidance Circulars.

2. Declaration on compliance with Accounting Standards and Regime

The Company adopts Vietnamese Accounting Standards and guidance documents for the Standards issued by the State. Financial statements are prepared and presented in compliance with the current Standards, guidance circulars for the implementation of the Standards and Accounting Regime applicable.

IV. ACCOUNTING POLICIES APPLICABLE

1. Principles for recognition of cash and cash equivalents

a. Principles for recognition of cash

Cash presents the whole amounts of cash of the Company at the time of the statement, comprising: cash in hand, non-term deposits, and cash being transferred.

b. Principles for recognition of cash equivalents

Cash equivalents are short-term (mature within 3 months from the date of the statement), highly liquid investments that are readily convertible into cash and have no risk of change in value since the date of buying that investment at the time of preparation of the financial statements.

c. Foreign currency conversion principles and methods

Economic transactions arising in foreign currency shall be tracked in details in original currency and converted into Vietnam Dong in the following principles:

- The Debit party shall apply actual exchange rate;
- The Credit party shall apply weighted average exchange rate.

Bank overdraft shall be reflected the same way as bank loans.

At the time of preparation of the financial statements in accordance with the law, the Company re-evaluates the foreign currency balance and monetary gold in the following principles:

- Actual exchange rate at re-evaluation of monetary foreign currency items classified as assets: means the bid rate of the commercial bank with which a company has frequent transactions at the time of the financial statements. For foreign deposits in the bank, actual exchange rate at re-evaluation means bid rate of the bank where a company opens the foreign currency account.
- Actual exchange rate at re-evaluation of monetary foreign currency items classified as liabilities: means the ask rate of the commercial bank with which a company has frequent transactions at the time of the financial statements.

2. Principles for recognition of financial investments

Financial investments means investments outside the company for the purpose of appropriate capital usage for enhancing operational efficiency of the company, including: capital contribution to subsidiaries, affiliates, and joint ventures, investments in securities and other financial investments...

Classification of investments at the preparation of the financial statements follows the following principles:

- Investment to be mature within no more than 12 months or within one operating cycle shall be short-term.
- Investment to be mature within at least 12 months or within more than one operating cycle shall be long-term.

a. Trading securities

Means the investments for buying securities and other financial instruments for trading purposes (held to wait for a price rise to be sold to earn the profits). Trading securities include:

- Stocks and bonds listed in the securities market;
- Types of securities and other financial instruments such as commercial papers, forward contracts, swap contracts, etc.

Trading securities are recorded in the accounting book in original value. The time of recognition of trading securities is the time when the investor's ownership arises.

Dividends allocated to the period before the investment date are recorded as decrease in investment value. When investors receive free-of-charge shares issued by a joint stock company from share capital surplus, other funds under equity or stock dividends, investors monitor only the increased number of shares.

In case of a stock swap, it is required to identify the stock value by appropriate value at the date of swap.

Upon liquidation or sale of trading securities, cost price is determined by weighted average method for each type of security.

Provision for devaluation of trading securities: means the possible loss upon persuasive proofs showing the market value of securities held by the Company for trading purposes is lower than the book value. Extraction or insertion of this provision is performed at the time of financial statements and recorded in financial expenses during the period.

b. Held-to-maturity investment

This investment does not reflect bonds of all types and debt instruments held for trading for profits. Held-to-maturity investments include term deposits at bank (maturity within at least 3 months), bills, promissory notes, bonds and preference shares that must be acquired by the issuer at a specific time in the future and held-to-maturity loans for periodical interest and other held-to-maturity investments.

Provision for held-to-maturity investments: held-to-maturity investments with similar nature as hard-to-recover receivables need to be extracted as a provision for hard-to-recover receivables upon preparation of financial statements. Extraction or insertion of this provision is performed at the time of financial statements and recorded in corporate management costs during the period.

For held-to-maturity investments without provision for hard-to-recover receivables in accordance with the law, the Company shall assess the recovery ability. Upon persuasive proofs showing that part or the whole of the investment may be non-recoverable, loss shall be recognized in the financial expenses in the period. Where loss cannot be reliably identified, no decrease in investment is recorded

c. Investments in subsidiaries, joint ventures and affiliates

Investments in subsidiaries and affiliates are accounted in original cost method. Net profits from subsidiaries and affiliates arising after the date of investment are recognized in financial revenues in the period. Other revenues (apart from net profits) are considered recovery of investments and recognized as decrease in original cost of investment.

For joint venture operations under Co-control operation and Assets under co-control, the Company applies general accounting principles like other ordinary business operations. In particular:

- The Company monitors incomes and expenses related to the joint venture operations and performs the allocation to parties in the joint venture under the joint venture contract;
- The Company monitors assets as contribution to the joint venture, capital contribution to assets under co-control and general and specific debts arising from business operations.

Expenses directly related to investment in joint ventures and affiliates are recognized as financial expenses in the period.

Provision for loss of investments in other entities: the loss caused by subsidiaries, joint ventures and affiliates, making investors risk their capital or provision due to devaluation of these investments. Extraction or insertion of this provision is performed at the time of financial statements for each investment and recorded in financial expenses during the period.

d. Investments in capital instruments by other entities

Means investments in capital instruments by other entities which have no control or co-control and have no significant influence on the investee.

3. Principles of recognition of receivables

Receivables shall be monitored in details by term, item, original currency and other factors in accordance with management requirements of the Company.

Classification of receivables upon preparation of the financial statements is performed in the following principles:

- Receivables to be mature within no more than 12 months or within one operating cycle shall be short-term.
- Receivables to be mature within at least 12 months or within more than one operating cycle shall be long-term.

At the time of financial statements in accordance with the law, the Company re-evaluates the balance of foreign currency receivables (except for advance payments to the seller; if at the time of financial statements, upon persuasive proofs showing that the seller fails to provide goods or services and the Company will have to get back advance payments in foreign currency, these items are considered monetary foreign currency items) under the bid rate of the commercial bank with which a company has frequent transactions at the time of the financial statements.

Provision for bad debts: bad debts have provision for bad debts upon preparation of the financial statements. Extraction or insertion of this provision is performed at the time of financial statements and recorded in corporate management costs during the period. For bad debts that have lasted for years and have not been recovered despite all recovery measures taken by the Company and the debtor, as seen by the Company, is unable to clear off, the Company may perform procedures to sell debts to a buying company, sell or clear off bad debts in the accounting book (to be performed in accordance with law regulations and Articles of Incorporation).

4. Principles of recognition of inventory

a. Recognition principles

Inventory is recognized in original cost. Where net realizable value is lower than the original cost, net realizable value will be used. Original costs of inventory comprise costs for buying and processing and other directly related costs arising to have inventory at the current place and state.

Assets bought by the Company for the purposes of manufacturing, use or sale are not presented as inventory in the Balance Sheet, but long-term assets, including:

- Unfinished products with production and rotation lead time exceeding a normal operating cycle;
- Materials, equipment, and spare parts with storage lead time exceeding 12 months or more than a normal operating cycle.

b. Method for calculation of inventory value

Inventory value at the end of a period is identified in one of the methods: weighted average.

c. Method for inventory accounting

Inventory is accounted in the method of regular declaration.

d. Method of preparation of provision for inventory devaluation

At the end of the financial year, if the inventory value recovery is not enough due to damage, obsolescence, decrease in selling prices, or increase in finishing costs and selling costs, the Company will make provision for inventory devaluation. Amount of provision for inventory devaluation to be made is the difference between the original cost of inventory and its net realizable value.

5. Principles of recognition and depreciation of fixed assets, leased fixed assets, investment properties

Fixed assets are recognized in original cost. During the process, fixed assets are monitored in details by original cost, accumulated depreciation and remaining value.

During the process, the Company extracts depreciation of fixed assets into operating costs for operation related fixed assets. As for intangible fixed assets which are land use rights, depreciation is calculated only for intangible fixed assets which are term land use rights.

Investment properties held for price increase do not have depreciation, but only loss for devaluation.

Depreciation is calculated using straight line method. Depreciation time is estimated in accordance with guidance in Circular No. 45/2013/TT-BTC dated 25 April 2013 and Circular No. 147/2016/TT-BTC dated 13 October 2016 of Ministry of Finance. The details are as follows:

	Estimated number of years of depreciation
- Buildings and structures	18 – 50
- Transportation vehicles	05 – 10
- Equipment and machineries	07 – 20
- Office equipment	03 – 06
- Other fixed assets	03 – 20

6. Principles of recognition of business cooperation contracts

Business cooperation contracts (BCC) is an agreement between the two parties to conduct economic activities without establishing an independent legal entity. The party receiving assets contributed by the other party for the BCC will recorded these items as debts, instead of equity. BCC takes the following forms:

- BCC in form of assets under co-control;
- BCC in form of co-control business operation;
- BCC by distribution of profits after tax.

7. Principles of recognition of deferred corporate income tax.

Assets including deferred corporate income tax and deferred corporate income tax payable are determined at the tax rate applicable to the year when assets are recovered or debts are paid based on tax rates valid on the end date of the financial year.

8. Principles of recognition of prepaid expenses

Calculation and allocation of prepaid expenses into manufacture and business costs of each accounting period are based on nature and degree of each expense for appropriate and uniform methods and criteria. Prepaid expenses are monitored in every prepaid term arising, allocated into items of expense of each accounting period and the remaining not allocated into expenses.

Classification of prepaid expenses upon preparation of financial statements is performed in the following principles:

- Prepaid amount for goods and services within a period not exceeding 12 months or a normal operating cycle from the time of prepayment shall be classified as short-term.
- Prepaid amount for goods and services within a period of 12 months or more or exceeding a normal operating cycle from the time of prepayment shall be classified as long-term.

9. Principles of recognition of payables

Payables are monitored in details by remaining payment term of payables, items to be collected, original currency to be paid in, and other factors in accordance with management requirements of the Company.

Classification of payables upon preparation of financial statements is performed in the following principles:

- Payables with remaining payment term not exceeding 12 months or within a normal operating cycle are classified as short-term.
- Payables with remaining payment term within 12 months or more or more than a normal operating cycle are classified as long-term.

At the time of financial statements in accordance with the law, the Company re-evaluates the balance of foreign currency payables (except for advance payments by the buyer; if at the time of financial statements, upon persuasive proofs showing that the Company fails to provide goods and services and the Company will have to pay back amounts received in foreign currency, these items are considered monetary foreign currency items) under the bid rate of the commercial bank with which a company has frequent transactions at the time of the financial statements.

10. Principles of recognition of borrowings and capitalization of borrowing costs

Borrowing costs directly related to borrowings are recognized in the financial expenses in the period, except for which directly attributable to the construction or production of an unfinished asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in Accounting Standards for "Borrowing costs".

11. Principles of recognition of accrued expenses

Expenses for goods and services received from the seller or provided to the buyer in the period but actually not accrued due to the lack of invoice or shortage of accounting documents, and expenses to be paid to employees are recognized in the production and operating costs in the period to ensure when these actual expenses arise, they do not make material influence on production and operating costs on the basis of suitability between revenue and cost. Extraction of accrued expenses in advance shall be thoroughly calculated and reasonably and reliably backed up. When these expenses arise, if there is any difference with the amount changed, accountants additionally record or make decrease to cost equivalent to the difference.

12. Principles of recognition of owner's equity

a. Principles of recognition of owner's equity, share capital surplus, convertible bond options, and other capital

Owner's equity is recognized by the owner's actual capital contribution and monitored in details for each capital contributor.

When it is specified in the investment certificate that the company's chartered capital is in foreign currency, determination of investor's equity in foreign currency is based on amount of foreign currency actually contributed.

For joint stock companies, shareholders' equity is recorded at actual value of shares issued, but reflected in two specific criteria:

- Owner's equity is recognized by par value of the shares;
- Share capital surplus is recognized by the bigger or smaller difference between the actual value of issued shares and the par value.

In addition, share capital surplus is also recognized by the bigger or smaller difference between the actual value and the par value of issued shares upon re-issuance of treasury shares.

Options of convertible bonds arise when the company issues bonds which are convertible into a certain amount of shares as regulated in the issuance approach. Value of capital component of the convertible bonds is the difference between the total revenue of issuance of convertible bonds and value of debt component of the convertible bonds. At the original recognition, value of share options of convertible bonds is separately recognized in the owner's equity. Upon maturity of the bonds, these options are accounted to share capital surplus.

Other capital reflecting business capital is formed due to supplement from business results or donor, sponsor, and asset reassessment (in accordance with existing regulations).

b. Principles of recognition of undistributed earnings

Undistributed earnings after tax means the profit of business operations after addition (+) or deduction (-) of regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous year.

Distribution of profit from business operations has to comply with existing financial policies.

The parent company distributes profit to the owner which does not exceed undistributed profit after tax in the consolidated financial statements after eliminating effects of interest amounts due to recognition from cheap purchases. Where undistributed profit after tax in the consolidated financial statements is higher than undistributed profit after tax in the separate financial statements of the parent company and if the profit to be distributed exceeds undistributed profit after tax in the separate financial statements, the parent company will perform the distribution only after moving profits from subsidiaries to the parent company. After the profit distribution, it is needed to consider non-monetary items in undistributed profit after tax which may affect cash flow and ability to pay dividends and profits of the company.

13. Principles of recognition of revenue

a. Principles of recognition of revenue from sale of goods

Revenue from sale of goods should be recognized when all of the following conditions have been satisfied:

- The significant risks and rewards of ownership of the goods have been transferred to the buyer;
- The Company retains neither continuing managerial involvement as a neither owner nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- The economic benefits associated with the transaction of goods sold have flown or will flow to the Company;
- The costs incurred or to be incurred in respect of the transaction of goods sold can be measured reliably.

b. Principles of recognition of revenue from rendering of services

Revenue from rendering of services should be recognized when all of the following conditions have been satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of completion of the transaction at the balance sheet date can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

c. Principles of recognition of financial income

Financial income comes from interest, royalties, dividends, distributed earnings and other financial income. For interest earned from loans, deferred payment sales and installment sales: the income shall be recognized when it is certain to be collected and the principal receivable is not classified as overdue which needs provision. Income from dividends is recognized when the rights to receive dividends are established.

d. Principles of recognition of revenue from construction contracts

Revenue from construction contracts is recognized in one the two cases:

- Construction contracts specifying that contractor may perform payment according to the schedule: when the contract performance result is reliably estimated, the revenue to be recognized corresponds to the completion degree identified by the contractor on the date of the statements;
- Construction contracts specifying that contractor may perform payment according to the completion value: when the contract performance result is reliably estimated and confirmed by the client, the revenue to be recognized corresponds to the completion volume confirmed by the client.

When the contract performance result cannot be reliably estimated, the revenue to be recognized is equivalent to the expenses arising whose recovery is relatively reliable.

e. Principles of recognition of other incomes

Other incomes include other earnings apart from production and business operations of the company: sale and liquidation of fixed assets; penalty from client's breach of the contract; compensation from the third party for the lost assets; gains from bad debts eliminated; debts whose debtor is unknown; incomes from gifts and donors in cash and in kind, etc.

14. Principles of recognition of revenue deductions

Adjustment of the revenue is performed as follows:

- Revenue arising in the period will be decreased if revenue deductions arise in the same period to consumption of products, goods and services;
- Revenue will be decreased as follows if revenue deductions arise after the consumption of products, goods and services:
 - + Revenue in the financial statements in the period of statements will be decreased if revenue deductions arise before the issuance of the financial statements;
 - + Revenue in the financial statements in the period after the the period of statements will be decreased if revenue deductions arise after the issuance of the financial statements.

Trade discount payable is the amount of discount listed to customers who buy goods in big quantity.

Sales-off is the deduction amount offered to customers due to bad or lost quality or non-compliant goods as specified in the economic contracts.

Returned goods reflect the value of the number of goods returned by the customers due to reasons including violation of commitments, breach of economic contracts, bad and lost quality and non-compliant goods.

15. Principles of recognition of cost of goods sold

Cost of goods sold includes all costs of the product, good, service, investment property; production costs of construction and installation products sold in the period and expenses associated with the business of investment properties, etc.

Value of inventory diminished and lost is recognized in cost of goods sold after deducting compensation (if any).

For direct material costs exceeding the normal level, labor cost, fixed general production cost not allocated to value of warehoused goods are taken into cost of goods sold after deducting compensation (if any) even products or goods have not been identified as consumed.

16. Principles of recognition of financial expenses

Financial expenses include expenses of financial operations: expenses or losses relating to financial investment activities; expenses of capital lending and borrowing; expenses of capital contribution to joint ventures and affiliates; losses of transfer of securities; provision for devaluation of trade securities; provision for loss of investment in other entities; loss due to foreign exchange differences arising from transactions relating to foreign currencies, etc.

17. Principles of recognition of selling cost and managerial cost

Selling cost reflects actual costs arising during the sale of products and goods and rendering of services.

Managerial cost reflects general costs of the company including costs for wage, social insurance, health insurance, unemployment insurance, trade union contributions of managerial staff; costs for office consumables, labor instruments, depreciation of fixed assets for corporate management; land rental, license tax; provision for bad debts; outsourced services; other monetary costs, etc.

18. Principles of recognition of costs for current corporate income and deferred corporate income tax

Cost for current corporate income is the corporate income tax payable identified on the basis of taxable income and rate of current corporate income tax.

Cost of deferred corporate income tax is the corporate income tax payable in the future, arising in the future from:

- Recognition of deferred corporate income tax payable in the year;
- Re-inclusion of asset as deferred corporate income tax recognized in previous years.

19. Stakeholders

A party will be considered a stakeholder if the party has significant control or influence over the other party in making decisions about financial policies and operations. Parties will also be considered stakeholders if they are under a mutual significant control or influence.

In the consideration of relationship among stakeholders, nature of the relationship is focused more in legal form.

20. Principles and methods of preparation of consolidated financial statements

a. Accounting methods in one-purchase business combination transactions

In the consolidated Balance sheet, book value of the investment of the parent company in the subsidiary and the parent company's ownership proportion in the appropriate value of net assets of the subsidiary on the date of the purchase have to be completely eliminated, in the following principles:

- The parent company has to recognize assets and debts of the subsidiary at the appropriate value on the date of purchase;
- The parent company has to separately recognize ownership of non-controlling shareholders in the difference between the appropriate value and book value of net assets of the subsidiary on the date of purchase;
- The parent company recognizes deferred income tax payable for the subsidiary's assets and debts whose appropriate value is higher than book value; and recognizes assets as deferred tax for the subsidiary's assets and debts whose appropriate value is lower than book value;
- The goodwill or interest arising from cheap purchases during the acquisition of the subsidiary (if any) is recognized at the same time when eliminating the parent company's investment in the subsidiary.

b. Method of recognition of benefits of non-controlling shareholders

In the consolidated Balance sheet, benefits of non-controlling shareholders in the appropriate value of net assets of subsidiaries are identified and presented as a separate criterion under the item of owner's equity.

Losses arising in subsidiaries have to be distributed corresponding to the ownership of non-controlling shareholders, even when those losses are higher than the ownership of non-controlling shareholders in the net assets of the subsidiary.

In the consolidated business result statements, benefits of non-controlling shareholders are identified and presented separately in the item "Non-controlling shareholders' profit after tax". Benefits of non-controlling shareholders are identified based on the ratio of benefits of non-controlling shareholders and profit after tax of the subsidiaries. Income of non-controlling shareholders in the business result of the subsidiaries is reflected in the item "Non-controlling shareholders' profit after tax" – Number 62.

Identification of benefits of non-controlling shareholders at the end of the period should eliminate effects of the following:

- Preference dividends payable;
- Reward funds for benefits to be extracted in the period.

Apart from the factors above, benefits of non-controlling shareholders are affected by other internal transactions.

c. Accounting method of recognition of profits and losses upon change of ownership proportion at the subsidiary

After having control over the subsidiary, if the parent company continues to invest in the subsidiary to increase its benefit percentage, the difference between the investment fee and book value of the net assets further bought further by the subsidiary has to be recognized directly in undistributed profit after tax and considered equity transactions (not recognized as goodwill or profit from cheap purchases). In this case, the parent company does not recognize net assets of the subsidiary at the appropriate value as at the time of controlling of the subsidiary.

In business combination transactions through various phases, before eliminating investments of the parent company and subsidiary, accountants make some changes to the investment fee of the parent company in the consolidate financial statements.

d. Method of elimination of internal transactions

Elimination of effects of inventory sales

In the consolidated financial statements, sales and cost of goods sold within the corporation have to be totally eliminated. Unrealized profits and losses from selling transactions being reflected in the value of inventory also have to be totally eliminated.

Internal borrowings

If companies of a corporation make borrowing and loan transactions with each other, the balance of the borrowings within the corporation being reflected in items "Short-term financial borrowings and leases", "Long-term financial borrowings and leases", "Short-term loans receivable", "Other long-term loans receivable" have to be totally eliminated. Accordingly, incomes from loans and borrowing costs also have to be totally eliminated in the consolidated financial statements.

Adjustment of other internal items

Balance of the items arising from transactions between companies of the corporation including receivables, payables, unrealized revenue, prepaid costs, etc. have to be totally eliminated in the consolidated financial statements.

Revenues, incomes, costs of goods sold, costs arising from other internal transactions within the corporation, including incomes from financial operations and financial expenses arising from re-evaluation of monetary foreign currency items, revenue from leases, rendering of services, etc. within the corporation have to be totally eliminated.

e. Goodwill

Goodwill comes from acquisition of subsidiaries, joint ventures and affiliates. Goodwill is identified by original cost minus accumulated allocation. Original cost of goodwill is the difference between the buying costs and benefits enjoyed by the corporation in the net appropriate value of assets, debts and potential debts of the buyer. Minus difference (minus goodwill) is recognized in the combination business results.

Goodwill arising from acquisition of subsidiaries is allocated in straight line method within 10 years. Book value of goodwill in acquisition of subsidiaries is made to decrease to the recoverable value when the Administration board identify this item as unable to be fully recoverable.

PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FY 2016

V. ADDITIONAL DETAILS FOR ITEMS IN THE BALANCE SHEET

Unit: VND

1. CASH AND CASH EQUIVALENTS

	31 December 2016	01 January 2016
- Cash	2,859,968,825	3,396,585,159
- Deposits at banks	52,269,728,066	23,528,766,257
<i>Deposit in VND</i>	51,536,532,342	22,293,842,217
<i>Deposit in foreign currency</i>	733,195,724	1,234,924,040
- Cash equivalents	-	1,000,000,000
Total	55,129,696,891	27,925,351,416

2. RECEIVABLES FROM CUSTOMERS

	31 December 2016	01 January 2016
a. Short-term receivables	595,099,430,294	224,838,570,099
+ Truong Thanh Vietnam Development Investment One Member Co., Ltd	-	56,049,809,050
+ Thanh Vu Tay Ninh JSC	13,505,165,885	-
+ Le Thi Thanh Thuy (1)	40,378,000,000	-
+ Vo Thi Kim Tuyen	25,100,000,000	
+ Vietnam Paper Corporation (Vinapaco)	10,451,263,522	10,451,263,522
+ Bang Duong Trade Construction Investment Co., Ltd	16,221,913,962	24,222,528,000
+ Thang Phuong Co., Ltd (2)	367,636,888,101	55,555,873,560
+ HCM LOTT 68 JSC	5,260,676,897	
+ POCO SERVICE AG	2,986,132,224	
+ Nguyen Ho Zdu (3)	37,500,000,000	
+ Other entities	76,059,389,703	78,559,095,967
b. Long-term receivables		
c. Receivables from customers who are stakeholders	13,793,365,885	56,049,809,050
+ Thanh Vu Tay Ninh JSC	13,505,165,885	-
+ ACG Vietnam JSC	288,200,000	
+ Truong Thanh Vietnam Development Investment One Member Co., Ltd		56,049,809,050

Note:

(1) This is the receivable of the subsidiary – Tradico, from the transfer of shares of Thanh Vu Tay Ninh JSC to Mrs. Le Thi Thanh Thuy under the Transfer Contract No. 031/2016/HDCNCP dated 26 December 2016 of the parent company CBG under the Transfer Contract No. 20/2016/HDCN/BCG-LTTT dated 20 December 2016 to Mrs. Le Thi Thanh Thuy.

(2) This includes the receivables of 334,800,000,000 dong of the subsidiary which is Industry and Transportation Investment and Development JSC from the transfer of shares of Hoang Anh Housing Construction and Development JSC to Thang Phuong Co., Ltd under the Transfer Contract No. 04/2016/HDCN-TRCODI-THANGPHUONG dated 28 December 2016.

(3) This is the receivable of the subsidiary, Tradico, from the transfer of shares of Thanh Vu Tay Ninh JSC to Mr. Nguyen Ho Zdu under the Transfer Contract No. 032/2016/HDCNCP dated 26 December 2016.

3. FINANCIAL INVESTMENTS

31 December 2016 01 January 2016

a. Trading securities	Original value	Appropriate value	Provision	Original value	Appropriate value	Provision
• Total value of shares	574,381,748,890	574,130,209,690	251,539,200	951,748,890	700,209,690	251,539,200
Details of the balance						
+ PetroVietnam Insurance JSC	853,200	853,200		853,200	853,200	
+ Ba Ria Thermal Power JSC	53,000,000	53,000,000		53,000,000	53,000,000	
+VINAPHAM JSC	445,939,200	194,400,000	251,539,200	445,939,200	194,400,000	251,539,200
+ An Giang Mechanical JSC	451,655,840	451,655,840		451,655,840	451,655,840	
+ Vien Lien JSC	257,400	257,400		257,400	257,400	
+ Thanh Vu Tay Ninh JSC (1)	319,687,500,000	319,687,500,000				
+ Da Lat Coffee Import Export JSC (2)	54,992,500,000	54,992,500,000				
+ Techno-agricultural Suppluing JSC	43,250	43,250		43,250	43,250	
+ 1-5 Automobile JSC (3)	198,750,000,000	198,750,000,000				
Total	574,381,748,890	574,130,209,690	251,539,200	951,748,890	700,209,690	251,539,200

31 December 2016 01 January 2016

b. Held-to-maturity investments	Original value	Book value	Original value	Book value
b.1 Short-term	126,145,000,000	126,145,000,000	2,100,000,000	2,100,000,000
- Term deposits at Agribank (*)	100,845,000,000	100,845,000,000		
- Term deposit	25,300,000,000	25,300,000,000	2,100,000,000	2,100,000,000
b.2 Long-term	-	-		
Total	126,145,000,000	126,145,000,000	2,100,000,000	2,100,000,000

(*) Means the deposit contract no. 27072016-HDTG and the deposit contract no. 28072016-HDTG dated 28 July 2016 for 6-month term. These items are used as collateral of the loan at Agribank – Phan Dinh Phung Branch.

c. Capital contribution to other entities	Original value	Appropriate value	Provision	Original value	Appropriate value	Provision
• Investment in JV, affiliates	178,965,628,875	181,351,937,961		26,846,628,875	30,933,033,631	
+ Truong Thanh Dai Nam Co., Ltd	12,000,000,000	11,881,607,018				
+ ACG Vietnam JSC	450,000,000	153,976,311				
+ Viet Golden Farm JSC	51,000,000,000	51,000,000,000				
+ Aussino International JSC	653,000,000	653,000,000				
+ Taxi Vietnam	26,062,628,875	29,749,311,090		26,062,628,875	30,149,033,631	
+ Tradico Investment JSC	9,800,000,000	9,632,266,815		784,000,000	784,000,000	
+ BOT DT 830 JSC	30,000,000,000	30,000,000,000				
+ Tradico Service JSC (Hop Diem)	49,000,000,000	48,281,776,728				
• Investment in other entities	1,458,221,780,318	1,457,217,756,293	1,142,024,025	16,466,257,918	15,324,233,893	1,142,024,025
+ Bamboo Solution Trading JSC	-	138,000,000	-	138,000,000	138,000,000	-
+ Hop Diem Service JSC	-	-	-	1,070,600,000	1,070,600,000	-
+ Bac Ha Minerals Exploiting JSC	-	-	-	7,346,477,600	7,346,477,600	-
+ Truong Thanh Dai Nam Co., Ltd				280,000,000	280,000,000	-
+ Renatus JSC	20,000,000	20,000,000	-	20,000,000	20,000,000	-
+ Vietnam Investment and Asset Trading JSC	69,210,933	69,210,933	-	69,210,933	69,210,933	-
+ Manpower Development and Services JSC- Petro Vietnam	99,945,360	99,945,360	-	99,945,360	99,945,360	-
+ Vietnam Infrastructure Investment and Energy JSC	360,000,000	360,000,000	-	-	-	-
+ Truong Thanh Quy Nhon Investment JSC	1,600,000,000	1,600,000,000	-	-	-	-
+ Tradico Song Da JSC	300,000,000	300,000,000	-	300,000,000	300,000,000	-
+ Folec Construction and Technical Consultant JV Company	1,142,024,025		1,142,024,025	1,142,024,025	-	1,142,024,025
+ Hoang Anh Housing Construction and Development JSC (4)	1,440,000,000,000	1,440,000,000,000	-	-	-	-
+ Dong Duong Development and Investment Construction JSC	230,600,000	230,600,000	-	6,000,000,000	6,000,000,000	-
+ HCM Lott 68 JSC	14,400,000,000	14,400,000,000	-	-	-	-
Total	1,637,187,409,193	1,638,569,694,254	1,142,024,025	43,312,886,793	46,257,267,524	1,142,024,025

Note:

(1) Is the investment for buying shares of Thanh Vu Tay Ninh JSC for short-term holding, realized by the subsidiary Transport and Industry Development Investment JSC (Resolution No. 18.2016.NQ-HDQT dated 11 March 2016) and the parent company Bamboo Capital JSC (Resolution No. 26/2016/NQ-HDQT dated 29 July 2016).

(2) Is the investment for buying shares of Da Lat Coffee Import Export JSC for short-term holding, realized by the subsidiary Transport and Industry Development Investment JSC (Resolution No. 18.2016.NQ-HDQT dated 11 March 2016).

(3) Is the investment for buying shares of 1-5 Automobile JSC for short-term holding, realized by the parent company Bamboo Capital JSC (Resolution No. 25/2016/NQ-HDQT dated 29 July 2016).

(4) Is the investment for buying shares by Hoang Anh Housing Construction and Development JSC, realized by the subsidiary Transport and Industry Development Investment JSC (Tracodi) under the Extraordinary General Meeting of Shareholders Resolution No. 30/2016/NQ-DHCDBT dated 11 April 2016. Also under the above resolution, these shares have been used as collateral of financial obligations of the third party.

4. RECEIVABLES FROM LOANS

	31 December 2016	01 January 2016
a. Receivables from short-term loans	21,173,237,437	13,691,655,437
- Vo Thi Thu Hang (1)	13,691,655,437	13,691,655,437
- Tran Thi Kieu Tien (2)	2,481,582,000	-
- Bac Ha Minerals Exploitation JSC (3)	5,000,000,000	
b. Receivables from long-term loans		
Total	21,173,237,437	13,691,655,437

Note:

(1) Is the loan under the Loan Contract No. 04/2015/HDVV-BCG-DN dated 22 May 2015 and its annexes, with term of 12 months, due on 31 December 2016, and interest rate of 8%/year.

(2) Is the loan under the Loan Contract No. 01/HDVV-BB-TTKT dated 16 May 2016 and its annexes, with term of 18 months, and interest rate of 12%/year.

(3) Is the loan under the Loan Contract No. 05/2016/HDVV-BCG-KSBH dated 15 August 2016 and its annexes, with term of 12 months, and interest rate of 10%/year.

5. OTHER RECEIVABLES

	31 December 2016		01 January 2016	
	Value	Provision	Value	Provision
a. Other short-term receivables	173,851,093,002	-	80,557,802,617	-
- Receivables from dividends and profits distributed	5,860,200,000		3,020,100,000	
- Receivables from social insurance	1,103,298		-	
- Interest loan receivables	59,441,096		2,254,822,963	
- Advance	30,997,731,691		56,859,330,443	
- Pledge and deposit	1,820,495,695		1,920,384,147	
- Other receivables	135,112,121,222		16,503,165,064	
+ Viet Golden Farm JSC	40,845,950,333			
+ Bang Duong Trade Construction and Investment Co., Ltd	6,000,000,000			
+ Agribank	2,542,692,611			
+ Bang Duong Trade Construction and Investment Co., Ltd	13,042,640,585			
+ Tracodi Service JSC	3,205,000,000		246,250,000	
+ Truong Thanh Vietnam Development Investment One Member Co., Ltd	2,249,444,444		2,001,000,000	
+ Vo Thi Thu Hang	980,899,801		2,254,822,963	
+ Tran Thi Tuong Van	38,000,000,000			
+ Pham Thi Ngoc Thanh	7,000,000,000			
+ Other entities	21,241,493,448		12,001,092,101	
b. Other long-term receivables	982,098,827,373	-	1,946,827,373	-
- Other receivables	980,000,000,000			
+ Viet Golden Farm (*)	440,000,000,000			
+ Phuc Bao Minh JSC (**)	300,195,833,333			
- Pledge and deposit	2,098,827,373		1,946,827,373	
Total	1,155,949,920,375		82,504,629,990	

Note:

(*) Is the receivable with maturity of 3 years under the business cooperation contract no. 09/2016/HTKD-BCG-VGF dated 09 May 2016 between Bamboo Capital JSC (BCG) and Viet Golden Farm (VGF). Accordingly, BCG agrees to transfer 440 billion dongs to VGF for investment cooperation (without any new entity established). In the first year, BCG will enjoy a fix profit of 14.1% regardless of business result of VGF. For the next years, BCG will enjoy interest rate equivalent to basic deposit interest rate of TPbank + 6.6%.

(**) Is the receivable with maturity of 3 years under the business cooperation contract no. 01/2016/HTKD-NGUYENHOANG-PBM dated 18 November 2016 between Nguyen Hoang JSC and Phuc Bao Minh JSC. Accordingly, Nguyen Hoang agrees to transfer 300 billion dongs to VGF for investment cooperation. In the first year, Nguyen Hoang will enjoy a fix profit of 11.75% regardless of business result of Phuc Bao Minh. For the next years, BCG will enjoy interest rate equivalent to 12-month term deposit interest rate for individual customers of TPbank + 5.5%.

6. BAD DEBTS

	31 December 2016		01 January 2016	
	Original value	Provision extracted	Original value	Provision extracted
Total value of receivables, overdue loans, or undue but hard-to-recover loans.	28,877,997,545	23,239,771,822	27,659,512,555	22,842,343,701
In particular:				
+ Receivables from customers	22,436,951,513	18,434,569,188	23,173,911,392	19,488,441,961
+ Prepaid amount to seller	3,116,772,283	3,116,772,283	1,368,828,880	745,532,000
+ Advance for construction team	1,800,000,000	900,000,000	3,116,772,283	2,608,369,740
+ Shortage of assets awaiting resolution	1,524,273,749	788,430,351		
Total	28,877,997,545	23,239,771,822	27,659,512,555	22,842,343,701

7. INVENTORY

	31 December 2016		01 January 2016	
	Original value	Provision	Original value	Provision
- Goods in transit	-			
- Materials	93,760,659,045	76,753,200	48,506,404,449	
- Tools and equipment	206,028,360		229,220,772	
- Expenses for unfinished production	2,586,565,366		14,939,485,872	
- Finished goods	24,828,569,723		9,094,192,366	
- Goods	15,787,676,178		22,176,780,862	294,253,200
- Goods for sale	397,165,495		126,123,998	
Total	137,566,664,167	76,753,200	95,072,208,319	294,253,200

8. LONG-TERM UNFINISHED ASSETS

	31 December 2016	01 January 2016
- Unfinished basic construction		
+ Cu Chi Trading Centre Project	2,767,816,997	2,653,307,634
+ The Resort project of Nguyen Hoang JSC	31,123,386,471	4,527,478,906
+ Unfinished basic construction project in Antraco	201,481,817	201,970,099
- Purchase of software	535,500,000	192,500,000
- Others	-	
Total	34,628,185,285	7,575,256,639

9. CHANGE IN TANGIBLE FIXED ASSETS

Unit: VND

Criterion	Buildings and structures	Equipment and machine	Transport vehicles	Office tools	Other tangible fixed assets	Total
I. ORIGINAL VALUE OF TANGIBLE FIXED ASSETS						
1. Balance at year beginning	36,907,115,094	89,474,111,705	21,345,709,956	1,099,389,226	1,076,876,024	149,903,202,005
2. Increase during the year	2,450,236,856	37,209,598,709	9,528,239,308	841,590,909	-	50,029,665,782
- Purchases during the year	-	30,444,370,456	8,556,012,035	841,590,909	-	39,841,973,400
- Investment in finished basic construction	2,450,236,856	6,765,228,253	972,227,273	-	-	10,187,692,382
3. Decrease during the year	-	-	1,952,988,653	-	-	1,952,988,653
- Liquidation, sale	-	-	1,952,988,653	-	-	1,952,988,653
- Other decreases	-	-	-	-	-	-
4. Balance at year end	39,357,351,950	126,683,710,414	28,920,960,611	1,940,980,135	1,076,876,024	197,979,879,134
II. ACCUMULATED DEPRECIATION						
1. Balance at year beginning	15,448,741,524	45,761,699,898	10,168,971,558	845,060,095	232,694,021	72,457,167,096
2. Depreciation during the year	2,075,570,671	9,129,463,663	3,417,812,946	356,611,943	17,668,543	14,997,127,766
- Increase in depreciation	2,075,570,671	9,129,463,663	3,417,812,946	356,611,943	17,668,543	14,997,127,766
3. Decrease during the year	-	-	1,508,620,243	-	-	1,508,620,243
- Liquidation, sale	-	-	1,508,620,243	-	-	1,508,620,243
- Other decreases	-	-	-	-	-	-
4. Balance at year end	17,524,312,195	54,891,163,561	12,078,164,261	1,201,672,038	250,362,564	85,945,674,619
III. REMAINING VALUE OF TANGIBLE FIXED ASSETS						
1. At year beginning	21,458,373,570	43,712,411,807	11,176,738,398	254,329,131	844,182,003	77,446,034,909
2. At year end	21,833,039,755	71,792,546,853	16,842,796,350	739,308,097	826,513,460	112,034,204,515

Note:

- Remaining value of tangible fixed assets used as collateral of loans and debts 18,722,566,013 VND
- Original value of tangible fixed assets at the year end fully depreciated but still in use 30,438,449,26 VND

10. CHANGE IN INTANGIBLE FIXED ASSETS

Criterion	Land use rights	Copy rights, patents	Product label	Computer software	Total
I. ORIGINAL VALUE OF INTANGIBLE FIXED ASSETS					
1. Balance at year beginning	-	-	-	221,622,500	221,622,500
2. Increase during the year	-	-	-	160,000,000	160,000,000
- Purchases during the year	-	-	-	160,000,000	160,000,000
- Created within the company					-
- From combined business					-
- Others	-	-	-	-	-
3. Decrease during the year	-	-	-	-	-
- Liquidation, sale	-	-	-	-	-
4. Balance at year end	-	-	-	381,622,500	381,622,500
II. ACCUMULATED DEPRECIATION					
1. Balance at year beginning	-	-	-	102,622,497	102,622,497
2. Depreciation during the year	-	-	-	43,999,996	43,999,996
- Increase in depreciation	-	-	-	43,999,996	43,999,996
- From combined business					-
- Others				-	-
3. Decrease during the year	-	-	-	-	-
- Liquidation, sale	-	-	-	-	-
- Other decreases	-	-	-	-	-
4. Balance at year end	-	-	-	146,622,493	146,622,493
III. REMAINING VALUE OF INTANGIBLE FIXED ASSETS					
1. At year beginning	-	-	-	119,000,003	119,000,003
2. At year end	-	-	-	235,000,007	235,000,007

11. PREPAID EXPENSES

	31 December 2016	01 January 2016
a. Short-term	173,549,399	
- Prepaid costs for lease of fixed asset operations		
- Costs for tools and equipment	171,592,685	
- Borrowing costs	-	
- Others	1,956,714	
b. Long-term	33,294,161,416	35,872,132,411
- Costs for goodwill awaiting distribution	21,042,464,528	24,665,869,855
- Research cost of big value	-	
- Costs for tools and equipment	370,331,752	10,032,341,645
- Costs for renovation and repair of machine	8,156,023,185	
- Others	3,725,341,951	1,173,920,911
Total	33,467,710,815	35,872,132,411

12. GOODWILL

	<i>This year</i>	<i>Previous year</i>
Value at year beginning	269,547,834,620	292,360,945,476
Adjusted value due to change in goodwill	(39,257,452,381)	
Value distributed to management cost	(25,587,820,249)	(22,813,110,856)
Remaining value undistributed at period end date	204,702,561,990	269,547,834,620

13. BORROWINGS AND FINANCE LEASES

Criterion	01 January 2016		Incurring		31 December 2016	
	Value	Able to pay	Increase	Decrease	Value	Able to pay
a. Short-term borrowings	95,062,315,191	95,062,315,191	384,142,270,028	184,549,324,214	294,655,261,005	294,655,261,005
+ Mrs. Do Phuong Mai	13,968,460,759	13,968,460,759		13,968,460,759		
+ Mrs. Bui Thi Hieu	3,351,746,910	3,351,746,910		3,351,746,910		
+ VietinBank – Phu Tai Branch (1)	25,997,554,350	25,997,554,350	39,300,260,716	50,483,805,990	14,814,009,076	14,814,009,076
+ VietcomBank – Phu Tai Branch (1)	28,575,348,844	28,575,348,844	38,419,975,240	46,995,873,002	9,999,451,082	19,999,451,082
+ Discount borrowing from VietcomBank – Phu Tai Branch	1,861,487,760	1,861,487,760	37,829,793,875	18,481,909,480	21,209,372,155	21,209,372,155
+ Discount borrowing from VietinBank – Phu Tai Branch - (USD)		-	971,857,997		971,857,997	971,857,997
+ VietinBank – Phu Tai Branch (2)	14,307,716,568	14,307,716,568	43,818,464,045	42,767,528,073	15,358,652,540	15,358,652,540
+ VIB	2,000,000,000	2,000,000,000	1,500,000,000	3,500,000,000		
+ HDBank	3,000,000,000	3,000,000,000		3,000,000,000		
+ Due long-term borrowing: BIDV – An Giang branch	2,000,000,000	2,000,000,000	13,400,000,000	2,000,000,000	13,400,000,000	13,400,000,000
+ BIDV – Ba Chieu Branch (3)			106,191,216,109		106,191,216,109	106,191,216,109
+ Agribank – Phan Dinh Phung branch (4)			100,000,000,000		100,000,000,000	100,000,000,000
+ BIDV – Ba Chieu Branch			2,710,702,046		2,710,702,046	2,710,702,046

Criterion	01 January 2016		Incurring		31 December 2016	
	Value	Able to pay	Increase	Decrease	Value	Able to pay
b. Long-term borrowings	16,775,186,450	16,775,186,450	25,381,170,859	12,488,671,859	29,667,685,450	29,667,685,450
+ Long An Fund – Construction of CT839	-	-	2,018,617,000	2,018,617,000	-	-
+ Comfort DelGro (S.E.ASIA) Pte Ltd	-	-	2,123,553,859	2,123,553,859	-	-
+ Vietcombank – Phu Tai Branch (5)	9,818,686,450	9,818,686,450		4,000,000,000	5,818,686,450	5,818,686,450
+ VietinBank Phu Tai branch (VND) (6)			15,000,000,000	-	15,000,000,000	15,000,000,000
+ VIB	1,456,500,000	1,456,500,000	819,000,000	2,275,500,000	-	-
+ BIDV – An Giang Branch (7)	5,500,000,000	5,500,000,000		2,000,000,000	3,500,000,000	3,500,000,000
+ Agribank Tri Ton Branch (8)			4,000,000,000		4,000,000,000	4,000,000,000
+ Sacombank (9)			1,420,000,000	71,001,000	1,348,999,000	1,348,999,000
Total	111,837,501,641	111,837,501,641	409,523,440,887	197,037,996,073	324,322,946,455	324,322,946,455

c. Finance leases

Note:

- (1) These are borrowings from commercial banks under non-revolving credit contracts of the subsidiary, Nguyen Hoang JSC, with maturity of 8 months from the day of capital withdrawal. Borrowings are withdrawn in VND or USD in order to add more working capital. Interest rate of loans in VND and USD are respectively 7%/year and 4.5%/year, as specified on each debenture on the date of capital withdrawal.
- (2) These are borrowings from commercial banks under credit contract no. 542/2014/000893-HDTHM/NHCT-542-THANHPHUC dated 15 July 2014 of the subsidiary, Thanh Phuc JSC, with maturity of 12 months from the day of capital withdrawal. Borrowings are withdrawn in VND or USD in order to add more working capital. Interest rate of loans in VND and USD are respectively 7%/year and 4.5%/year, as specified on each debenture on the date of capital withdrawal. The collateral is the whole assets including machine, equipment, and premises of Thanh Phuc JSC and assets of the third party.
- (3) This is the borrowing from BIDV under the credit contract no. 01/2016/538915/HDTD of the Subsidiary, Transport and Industry Development Investment JSC, with maturity of 6 months and interest rate of 7.5%.
- (4) This is the borrowing of BCG at Agribank under the credit contract no. 1607/LAV201600692 dated 28 July 2016, with maturity of 6 months, interest rate of 5.8%/year, guaranteed by 02 term deposit contracts in Agribank – Phan Dinh Phung Branch (see presentation V.3)
- (5) This is the borrowing under the credit contract no. 490/HDTD dated 28 November 2014 for the project “Investment in plant for normal rock production”. The term is 58 months, in particular, grace period is 03 months, and time for debt recovery is 55 months.
- (6) Long-term borrowing from commercial bank of the subsidiary, Nguyen Hoang JSC, for the project CasaMarina Resort, with maturity of 12 months, interest rate of 11%.
- (7) This is the borrowing from BIDV – An Giang Branch under the credit contract no. 01/2014/549016/HDTD dated 08 August 2014, with limit of 10 billion dong for purchase of equipment and interest rate on each loan. This loan is guaranteed with Antraco’s assets.
- (8) This is a middle-term borrowing from Agribank – Tri Ton Branch for purchase of equipment made by Antraco, with interest rate of 8.5%.
- (9) This is a middle-term borrowing from Agribank – Tri Ton Branch for purchase of equipment made by Antraco, with interest rate of 8.5%.

14. PAYABLES TO SELLER

	31 December 2016		01 January 2016	
	Value	Able to pay	Value	Able to pay
a. Short term	108,789,791,484	108,789,791,484	142,942,435,515	142,942,435,515
- Duc Long Gia Lai Agriculture One Member Co., Ltd	17,254,758,400	17,254,758,400	47,920,083,400	47,920,083,400
- Tracodi Service JSC	873,384,424	873,384,424		
- TN SUPMAT Co., Ltd			20,284,715,000	20,284,715,000
- Chuong Duong Construction Investment JSC	2,198,969,531	2,198,969,531	2,198,969,531	2,198,969,531
- Huynh Gia Cat Trade Service Co., Ltd			21,222,784,000	21,222,784,000
- Dong Phong Co., Ltd	4,992,594,800	4,992,594,800		
- MD Vietnam JSC	2,212,935,614	2,212,935,614	1,421,936,483	1,421,936,483
- Truong Thanh Real Estate JSC	3,876,787,428	3,876,787,428		
- Vietnam Dairy Products JSC	13,722,271,901	13,722,271,901	31,939,201,763	31,939,201,763
- Others	63,658,089,386	63,658,089,386	17,954,745,338	17,954,745,338
b. Long term				
Total	108,789,791,484	108,789,791,484	142,942,435,515	142,942,435,515

15. TAXES AND PAYABLES TO THE STATE

	01 January 2016	To be paid in the period	Paid in the period	31 December 2016
a. Payables	23,343,776,025	83,170,553,110	70,505,392,032	36,008,937,103
VAT	2,127,178,011	21,638,076,618	20,828,095,185	2,937,159,444
Import tariff	-	96,665,375	96,665,375	-
Export tariff	-	-	-	-
Excise duties	-	-	-	-
Corporate income tax	16,770,670,465	24,542,734,911	20,185,201,840	21,128,203,536
Personal income tax	243,486,797	1,117,018,619	349,872,724	1,010,632,692
Natural resource tax	2,108,985,505	34,986,607,573	28,598,761,562	8,496,831,516
Land and house tax, land rent	-	-	-	-
Other taxes	1,196,983,967	781,285,314	14,703,225	1,963,566,056
Fees and charges and other payables	896,471,280	8,164,700	432,092,121	472,543,859

b. Receivable	(1,369,948,137)	180,288,879	272,322,879	(1,461,982,136)
VAT	(226,435,035)	-	38,717,101	(265,152,135)
Corporate income tax	-	-	-	-
Personal income tax	(95,671,365)	180,288,879	155,088,927	(70,471,413)
Other taxes	(1,047,841,737)	-	78,516,851	(1,126,358,588)
Total	21,973,827,888	83,350,841,989	70,777,714,911	34,546,954,967

Tax settlement of the Company will be subject to inspection of tax agency. Because application of tax law and regulations for various transactions can be explained in many ways, taxes presented in financial statements are subject to change under decision of tax agency.

16. PAYABLES

	31 December 2016	01 January 2016
a. Short term	56,795,680,149	4,853,127,969
- Loan interest, bonds	43,070,714,145	36,553,172
- Temporary extract for cost of goods sold, finished goods, sold properties, etc.	3,350,248,185	
- Temporary extract for cost of goods sold, finished goods	-	4,174,988,169
- Advance for cost of electricity, water and office lease	-	641,586,628
- Advance for Nui Sam work	9,442,654,594	
- Others	932,063,225	
b. Long term		
Total	56,795,680,149	4,853,127,969

17. OTHER PAYABLES

	31 December 2016	01 January 2016
a. Short term	108,608,764,959	38,714,657,420
- Excess of assets awaiting resolution	431,792,076	421,833,238
- Trade union fees	46,421,700	
- Trade union fees, social insurance, health insurance, unemployment insurance	144,683,430	338,725,386
- Others	107,985,867,753	37,954,098,796
In particular:	-	
+ Liabilities of Phuong Nam Pulp Plant project	12,270,680,237	12,270,680,237
+ Liabilities of Thanh Vu Tay Ninh JSC	4,635,666,833	
+ Liabilities of Tracodi Service JSC	4,333,333,333	
+ Liabilities of Viet Golden Farm JSC	40,264,888,889	
+ Liabilities of An Giang Mechanical JSC	11,700,000,000	2,579,500,000
+ Others	16,923,234,646	

	31 December 2016	01 January 2016
b. Long term	1,966,591,643,280	13,453,911,611
- Money for permission of mineral exploitation	5,541,643,280	8,482,684,011
- Long term pledge and deposit	1,050,000,000	757,750,000
- Others	1,960,000,000,000	4,213,477,600
+ Dinh Van Nam	-	2,329,146,000
+ Viet Golden Farm (1)	440,000,000,000	
+ Tracodi Service JSC (2)	240,000,000,000	
+ Hoang Anh Gia Lai JSC (3)	440,000,000,000	
+ Van Phuc Hung One Member Co., Ltd (4)	540,000,000,000	
+ Phuc Bao Minh JSC (5)	300,000,000,000	
+ Others		1,884,331,600
c. Bonds	510,000,000,000	
+ Issuance of bonds of Nguyen Hoang JSC (6)	300,000,000,000	
+ Issuance of bonds of Thanh Phuc JSC (7)	210,000,000,000	

d. Overdue debts unpaid

Note:

(1) This is the payable under the business cooperation contract no. 01/2016/HTKD of the Subsidiary, Tracodi with Viet Golden Farm JSC (VGF) for performance of projects of real estate, bonds and securities, without any new entities established. According to the 3-year contract, VGF will enjoy a profit equivalent to 14%/year of the investment value regardless of accounting result.

(2) In particular, there is a payable of 240,000,000,000 dong from the business cooperation under the business cooperation contract no. 05/2016/HTKD-CO-TRACODI dated 04 November 2016, between Tracodi and Tracodi Service JSC, term of 3 years, interest rate of 13.00%/year (first year), for the next years basic interest rate of TPbank + 5.5%.

(3) This is the amount received by BCG from Hoang Anh Gia Lai JSC (HAGLG) under the business cooperation contract no. 12/2016/HTKD-HAGLG-BCG dated 09 May 2016. According to the 3-year contract, HAGLG will transfer 440 billion dong to BCG for investment cooperation without any new entities established. In the first year, HAGLG will enjoy a fixed profit equivalent to 14%/year of the investment value regardless of accounting result, for the next years, basic interest rate of TPbank + 6.5%.

(4) This is the amount received by BCG from Van Phuc Hung JSC (VPH) under the business cooperation contract no. 08/2016/HTKD-VPH-BB. According to the 3-year contract, VPH will transfer 540 billion dong to BCG for investment cooperation without any new entities established. At the end of each financial year, the parties will account incomes and expenses arising of the projects for distribution of profit.

(5) This is the payable of 300,000,000,000 dong of the Subsidiary, from the business cooperation contract no. 01/2016/HTKD-PBM-TRACODI dated 04 November 2016 between Tracodi and Phuc Bao Minh JSC (VGF), term of 3 years, interest rate of 11.75%/year (first year), for the next years basic interest rate of TPbank + 5.5%.

(6) This is the contract for purchase of bonds by TPbank, issued by the Subsidiary, Nguyen Hoang JSC, valued at 300,000,000,000 dong under the contract no. 29122016/2016/HDMBTP/TPBANK-NGUYENHOANG dated 29 December 2016, term of 3 years, interest rate of 10.75%/year.

(7) This is the contract for purchase of bonds by TPbank, issued by the Subsidiary, Thanh Phuc JSC, valued at 210,000,000,000 dong under the contract no. 29122016/2016/HDMBTP/TPBANK-THANHPHUC dated 29 December 2016, term of 3 years, interest rate of 10.75%/year.

18. EQUITY

a. Table of changes in equity

Criterion	Owner's equity	Share capital surplus	Other funds under equity	Investment development fund	Undistributed profit after tax	Benefit of non-controlling shareholders	Total
Balance of previous period beginning 01 Jan 2015	21,600,000,000	-	-	-	17,858,745		21,617,858,745
- Capital increase in the last period	385,400,000,000						385,400,000,000
- Profit increase in the last year					39,806,036,445	12,609,525,718	52,415,562,164
- Increase due to consolidation of subsidiaries						50,003,712,312	50,003,712,312
- Distribution of dividends							-
- Other decreases							-
Balance of previous period end 31 Dec 2015	407,000,000,000	-	-	-	39,823,895,190	62,613,238,030	509,437,133,221
Balance of current period beginning 01 Jan 2016	407,000,000,000	-	-	-	39,823,895,190	62,613,238,030	509,437,133,220
- Share dividend distribution (*)	32,557,600,000				(32,557,600,000)		
- Share capital surplus		(165,000,000)					(165,000,000)
- Capital increase this period (*)	640,500,000,000						640,500,000,000
- Profit increase this period					19,306,988,048	42,734,635,687	62,041,623,734
- Change due to consolidation of subsidiaries			491,981,654	313,606,537	(716,476,343)	109,985,073,298	110,074,185,146
- Capital decrease this period							-
Balance of current period end 31 Dec 2016	1,080,057,600,000	(165,000,000)	491,981,654	313,606,537	25,856,806,894	215,332,947,015	1,321,887,942,101

Note:

(*) Performing the Annual General Meeting of Shareholders' Resolution No. 01/2016/NQ-DHDCD dated 02 Marc 2016 of Bamboo Capital JSC, in 2016, the Company completed the distribution of dividends, issuance of shares to the public and issuance of shares to the staff with the quantity of 67,305,760 equivalent to 673,057,600,000 dong.

c. Capital transactions with owners and distribution of dividends and profits

	2016	2015
- Owner's equity		
+ Capital contributed at year beginning	407,000,000,000	21,600,000,000
+ Capital increase in the period	673,057,600,000	385,400,000,000
+ Capital decrease in the period	-	-
+ Capital contributed at period end	1,080,057,600,000	407,000,000,000
- Profit dividend distributed	(32,557,600,000)	-

d. Shares

	31 December 2016	01 January 2016
- Number of shares registered for issuance		
- Number of shares issued to the public	108,005,760	40,700,000
+ <i>Ordinary shares</i>	108,005,760	40,700,000
- Number of shares acquired	-	-
+ <i>Ordinary shares</i>	-	-
- Outstanding shares	108,005,760	40,700,000
+ <i>Ordinary shares</i>	108,005,760	40,700,000

* Par value of outstanding shares: 10,000 dong/share

e. Dividends

- Dividends declared after the accounting period
- + *Dividends declared on ordinary shares:*
- + *Dividends declared on preference shares:*
- Dividends of accumulated preference shares unrecognized

f. Funds of the company

	31 December 2016	01 January 2016
- Investment Development fund	313,606,537	
- Corporate organization fund		
- Other fund under equity	491,981,654	

19. ITEMS OUT OF THE BALANCE SHEET**c. Foreign currencies**

	31 December 2016	01 January 2016
- USD	23,473	47,745
- EUR	826	607
- JPY	964,310	859,340

d. Monetary gold**e. Treated bad debts****f. Other information**

VI. ADDITIONAL INFORMATION OF ITEMS IN THE CONSOLIDATED BUSINESS RESULT REPORT

Unit: VND

1. TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	2016	2015
a. Revenue	1,649,930,898,590	975,098,385,347
+ From rendering of goods	1,477,291,205,017	822,012,870,107
+ From rendering of services	80,963,921,691	12,455,318,247
+ From construction contracts	89,293,613,658	62,168,935,585
+ From mineral exploitation	2,382,158,224	78,461,261,408
b. Revenue deductions	1,526,085,588	3,095,597
- Decrease of price of goods	1,526,085,588	
- Returned goods		3,095,597

2. COST OF GOODS SOLD

	2016	2015
- Cost of goods sold	1,330,194,830,042	760,585,485,246
- Cost of services rendered	27,686,393,030	9,866,783,891
- Cost of construction and assembly	82,291,799,062	61,220,993,633
- Cost of mineral exploitation	1,730,729,997	45,812,253,599
Total	1,441,903,752,131	877,485,516,369

3. REVENUE FROM FINANCIAL ACTIVITIES

	2016	2015
- Interest from deposits and loans	4,956,042,631	2,634,372,199
- Dividends and profits distributed	6,952,276,753	26,271,514,514
- Profit from cheap purchase upon combined business	-	18,325,665,765
- Profit from investment in shares, bonds, and treasury bills	158,563,484,027	11,397,949,837
- Profit from investment cooperation	39,981,333,333	
- Profit from difference in exchange rate realized	225,076,030	473,202,465
- Profit from difference in exchange rate unrealized	6,440,845	106,173
- Others	-	25,814,312
Total	210,684,653,619	59,128,625,265

4. FINANCIAL EXPENSES

	2016	2015
- Loan interest expense	14,775,729,388	16,677,024,758
- Loss from difference in exchange rate realized	182,476,111	1,919,852,494
- Loss from difference in exchange rate unrealized	1,062,567,618	
- Payment discount, slow goods	30,141,100,694	
- Payable from investment cooperation	134,548,093,751	
- Others	5,068,888	572,926,788
Total	180,715,036,450	19,169,804,040

5. SELLING EXPENSES AND CORPORATE MANAGEMENT EXPENSES

	2016	2015
a. Selling expenses in the period	64,776,248,332	16,472,692,391
- Expenses for staff	17,249,388,172	3,675,687,000
- Expenses for materials and packages	529,563,837	97,219,000
- Expenses for office equipment	-	-
- Expenses from fixed asset depreciation	-	-
- Taxes, fees and charges	-	25,097,900
- Expenses for services outsourced	43,916,166,098	7,749,501,914
- Other monetary expenses	3,081,130,225	4,925,186,577
- Provision for bad debts		
b. Corporate management expenses in the period	84,792,351,652	61,311,929,131
- Expenses for managers	25,076,089,536	12,184,736,624
- Expenses for materials managed	1,006,004,431	589,798,470
- Expenses for office equipment	838,869,945	683,875,802
- Expenses from fixed asset depreciation	3,495,647,228	1,409,989,469
- Taxes, fees and charges	2,749,584,905	549,978,873
- Provision for bad debts	1,666,791,825	11,355,500,529
- Distribution of goodwill	28,525,420,534	23,774,176,203
- Expenses for services outsourced	9,761,814,382	4,872,394,749
- Other monetary expenses	11,672,128,866	5,891,478,412
c. Decreases in selling goods and corporate management expenses		

6. PRODUCTION AND BUSINESS EXPENSES BY FACTOR

	2016	2015
- Expenses for materials	718,639,005,465	855,618,365,139
- Expenses for personnel	50,033,311,508	20,066,518,751
- Expenses of depreciation of fixed assets	5,598,635,090	4,018,843,150
- Expenses for services outsourced	30,792,167,815	18,626,247,961
- Other monetary expenses	14,955,275,167	16,255,225,758
Total	820,018,395,045	914,585,200,759

7. EXPENSES FOR CURRENT CORPORATE INCOME TAX

	2016	2015
- Total accounted profit before tax	86,227,008,162	70,895,205,487
+ Changes in taxable profit	32,794,055,536	(9,444,698,599)
- Total taxable income	119,021,063,698	61,450,506,888
- Current corporate income tax expenses	24,542,734,911	14,906,138,499
+ Current corporate income tax incurred	23,804,212,740	13,519,111,515
+ Traced tax	738,522,171	1,387,026,984

8. EXPENSES OF DEFERRED CORPORATE INCOME TAX

	2016	2015
Expense of deferred corporate income tax incurred from taxable temporary differences.		3,573,504,824
Earning of deferred corporate income tax incurred from deducted temporary differences.	(357,350,482)	
Total expense of deferred corporate income tax	(357,350,482)	3,573,504,824

9. BASIC INTEREST PER SHARE

	2016	2015
Profit or loss distributed to shareholders with ordinary shares	19,306,988,048	39,806,036,445
Amounts extracted from reward and benefit fund		
Outstanding ordinary shares in the period	72,538,109	40,700,000
Basic interest per share	266	978

10. DILUTED EARNINGS PER SHARE

	2016	2015
Profit or loss distributed to shareholders with ordinary shares	19,306,988,048	39,806,036,445
Amounts extracted from reward and benefit fund	-	-
Outstanding ordinary shares in the period	72,538,109	40,700,000
Ordinary shares to be further issued		
- Convertible financial instrument		
- Conditional ordinary shares		
- Put options issued		
Diluted earnings per share	266	978

VII. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

In the period, the Company did not have monetary transactions affecting the cash flow statements and amounts held by the Company but unused.

VIII. OTHER INFORMATION

1. INFORMATION OF STAKEHOLDERS

a. Stakeholders

Company name	Relation
ACG Vietnam JSC	Affiliate
Viet Golden Farm JSC	Affiliate
Aussino International JSC	Affiliate
Truong Thanh Dai Nam Co., Ltd	Affiliate
Tracodi Service JSC	Affiliate
BOT DT 830 Co., Ltd	Affiliate
Tracodi Invest JSC	Affiliate
Company name	Relation
Taxi Vietnam JV Company	Indirect Affiliate
1-5 Automobile JSC	Key co-member in the Administration board
Thanh Vu Tay Ninh JSC	Key co-member in the Administration board
Truong Thanh Vietnam Development Investment One Member Co., Ltd	Key co-member in the Administration board
Bac Ha Minerals Exploiting JSC	Key co-member in the Administration board
Board of Management, Board of General Directors, Control Board	Administration board

b. Key transactions with stakeholders

Company name	Transaction	Amount
Board of Management, Board of General Directors ACG Vietnam JSC	Wages, bonuses and other allowances	1,464,000,000
	Loans	437,980,726
	Sale of goods	442,200,000
Viet Golden Farm JSC	Loans	856,927,000
	Capital contribution	49,385,154,017
	Profit from investment cooperation	39,981,333,333
	Transfer of money to the investment cooperation	440,000,000,000
	Interest for the investment cooperation	40,264,888,889
	Amount from the investment cooperation	440,000,000,000
	Purchase of goods	8,000,200,000
Thanh Vu Tay Ninh JSC	Purchase of goods	203,483,755,050
	Loans	4,200,000,000
	Sale of goods	111,152,773,310
	Borrowings	22,512,745,218
Truong Thanh Vietnam Development Investment One Member Co., Ltd	Purchase of goods	2,029,000,000
	Loans	6,000,000,000
	Receivables from sales of goods	56,049,809,050
Tracodi Service JSC	Capital contribution	49,000,000,000
	Purchase of goods	12,132,274,130
	Sale of goods	500,000,000
	Loans	3,405,000,000
	Amount from the investment cooperation	240,000,000,000
	Interest for the investment cooperation	4,333,333,333
Tracodi Invest JSC	Capital contribution	9,016,000,000
Aussino International JSC	Capital contribution	653,000,000
BOT DT 830 Co., Ltd	Capital contribution	30,000,000,000
Truong Thanh Dai Nam Co., Ltd	Capital contribution	11,720,000,000
	Loans	100,000,000
1-5 Automobile JSC	Sale of goods	8,540,000,000
	Purchase of goods	104,851,818,183
Taxi Vietnam JV Company	Profit distributed	2,840,100,000

c. Balance with stakeholders

Company name	Code in the balance sheet	Amount
ACG Vietnam JSC	136	273,014,491
	131	288,200,000
Viet Golden Farm JSC	136	40,845,950,333
	216	440,000,000,000
	319	40,264,888,889
	319	440,000,000,000
Bac Ha Minerals Exploiting JSC	136	708,333,334
Thanh Vu Tay Ninh JSC	131	13,505,165,885
	311	2,576,808,302
	319	4,635,666,833
1-5 Automobile JSC	311	1,242,594,599
Tracodi Service JSC	311	6,794,545,424
	136	3,205,000,000
	319	4,333,333,333
	319	240,000,000,000
Truong Thanh Dai Nam Co., Ltd	136	100,000,000
Taxi Vietnam JV Company	136	5,860,200,000
Dang Trung Kien	136	406,682,344

2. INFORMATION OF REPORT BY DIVISION

Division information is presented in geographical areas and business areas of the Company. Report of Division by geographical area and business area is based on internal report structure and management structure of the Company.

Results of Division report include items directly allocated to a division as well as divisions in an appropriate way. Items not allocated include assets, debts, revenue from financial activities, financial expenses, selling expenses, corporate management expenses, other loss or profit and corporate income tax.

The Company presents the Division report of its own and subsidiaries in business types.

Criterion	Sale of goods	Rendering of services	Construction and mineral exploitation	Total
Net revenue	1,475,765,119,429	80,963,921,691	91,675,771,882	1,648,404,813,002
Cost of goods	1,330,194,830,042	27,686,393,030	84,022,529,059	1,441,903,752,131
Net profit	145,570,289,387	53,277,528,661	7,653,242,823	206,501,060,871

3. FINANCIAL ASSETS AND FINANCIAL DEBTS

	Book value				Appropriate value	
	31 Dec 2016		01 Jan 2016		31 Dec 2016	01 Jan 2016
	Value	Provision	Value	Provision	Net value	Net value
Financial assets						
Cash and cash equivalents	55,129,696,891		27,925,351,416		55,129,696,891	27,925,351,416
Receivables from customers and other receivables	1,577,354,142,227	(23,239,771,822)	325,184,534,972	(22,842,343,701)	1,554,114,370,405	302,342,191,271
Short term investment	700,526,748,890	(251,539,200)	16,743,404,327	(251,539,200)	700,275,209,690	16,491,865,127
Long term investment	1,639,573,718,279	(1,142,024,025)	47,399,291,549	(1,142,024,025)	1,638,431,694,254	46,257,267,524
Total	3,972,584,306,287	(24,633,335,047)	417,252,582,264	(24,235,906,926)	3,947,950,971,240	393,016,675,338
Financial debts						
Borrowings and debts	834,322,946,455		111,837,501,641		834,322,946,455	111,837,501,641
Payables to sellers and other payables	2,247,395,386,499		250,397,586,316		2,247,395,386,499	250,397,586,316
Expenses payable	56,795,680,149		4,853,127,969		56,795,680,149	4,853,127,969
Total	3,138,514,013,103	-	367,088,215,926	-	3,138,514,013,103	367,088,215,926

Appropriate value of financial assets and debts are reflected by the value of the financial instrument able to be converted in a current transaction between parties who have sufficient knowledge and wish to perform the transaction.

Appropriate value of financial assets and debts are not evaluated and determined officially on 31 December 2016 and 01 January 2016. The Company estimates the appropriate value and book value of the financial assets and debts without significant differences.

4. FINANCIAL RISK MANAGEMENT

Financial debts of the Company are mostly borrowings, payables to sellers and other payables. Main purpose of these financial debts is to mobilize financial resources for operations of the Company. The Company has financial assets including receivables from customers and other receivables, cash and short term deposits, investment in listed and unlisted shares arising directly from operations of the Company.

Main risks arising from financial instruments of the Company are market risk, credit risk and liquidity risk.

Risk management is inevitable to the whole operations of the Company. The Company has set up a control system to ensure appropriate balance between expenses upon risks arising and risk management expenses. Board of Directors frequently monitor the risk management process of the Company to ensure appropriate balance between risk and risk management.

Board of Directors have considered and agreed to apply management policies for these above risks as follows:

a Market risk

Market risk is the one when appropriate values or future cash flows of a financial instrument fluctuate depending on market fluctuations. Market risk comprises 3 types: foreign currency risk, interest rate risk and price risk. Financial instruments under the influence of market risk include borrowings and debts, corporate bonds, convertible bonds, deposits and financial investments.

Analysis of sensitivity below is made on the basis of net debts and ratio of debts with fixed interest rate to debts with floating interest rate remains unchanged.

Interest rate risk

Interest rate risk is the one when appropriate values or future cash flows of a financial instrument fluctuate depending on market interest rate fluctuations.

Interest rate risk of the Company mostly relates to cash, short-term deposits and borrowings.

The Company controls interest rate risk by analysing market situation to gain best interest rate within its risk management limit.

The Company does not perform analysis of interest rate sensitivity because risk from interest rate change on the date of statements is negligible.

Foreign currency risk

Foreign currency risk is the one when appropriate values or future cash flows of a financial instrument fluctuate depending on fluctuations of exchange rate. Risk of foreign currency change mostly relates to operations of the Company (when monetary revenue or expense is different from the functional money of the Company).

Because the Company is established and operates in Vietnam with currency for report as VND, currency for transactions is VND, foreign currency risk of the Company is negligible.

Share price risk

Listed and unlisted shares held by the Company are under the influence of market risks arising from the uncertainty of future value of investment shares, which may make the provision for investment devaluation increase or decrease. The Company controls share price risk by establishing an investment limit. Board of General Directors of the Company will consider and approve decisions of investment in shares.

The Company will perform analysis and presentation of sensitivity of share price fluctuations influence on business results upon detailed guidance from authorities.

b Credit risk

Credit risk is the one when one party in a financial instrument or transaction contract fails to perform its financial obligations, leading to financial loss. Credit risk of the Company is from its business operations, mostly including receivables from customers and financial operations such as deposits at banks, foreign exchange and other financial instruments.

Receivables from customers

Credit risk from receivables from customers is controlled by applying a payment limit approved by Board of General Directors. Payment by customers and level of credit risk are constantly monitored by Business Head and Chief Accountant and reported to Board of General Directors.

Deposits at banks

The Company mostly maintains deposits at popular banks in Vietnam. Credit risk from deposit balance at banks is controlled by Budget division in accordance with the Company policies. The Company finds the level of credit risk from deposits at banks low.

c Liquidity risk

Liquidity risk is the one when the Company has trouble fulfilling its financial obligations due to capital shortage. Liquidity risk of the Company is mostly from difference in maturity of financial assets and financial debts.

The table below summarizes payment term of financial debts of the Company based on expected payments under contracts which have not been discounted:

	Under 1 year	Over 1 year	Total
At the beginning of year			
Borrowings and debts	95,062,315,191	16,775,186,450	111,837,501,641
Payables to sellers and other payables	236,943,674,705	13,453,911,611	250,397,586,316
Expenses payable	4,853,127,969		4,853,127,969
Total	336,859,117,865	30,229,098,061	367,088,215,926
At the end of year			
Borrowings and debts	294,655,261,005	539,667,685,450	834,322,946,455
Payables to sellers and other payables	280,803,743,219	1,966,591,643,280	2,247,395,386,499
Expenses payable	56,795,680,149		56,795,680,149
Total	632,254,684,373	2,506,259,328,730	3,138,514,013,103

The Company finds the level of risk from debt payment low. The Company is able to access capital resources and borrowings with maturity of within 12 months which can be continued with lenders.

The table below specifies the maturity of non-arising financial assets. The table is made on the basis of undiscounted maturity under the contract of financial assets, including interest from those assets, if any. Presentation of non-arising financial assets is necessary to understand the liquidity risk management of the Company when liquidity is controlled based on liabilities and net assets.

	Under 1 year	Over 1 year	Total
At the beginning of year			
Cash and cash equivalent	26,925,351,416	1,000,000,000	27,925,351,416
Receivables from customers and other receivables	302,342,191,271	-	302,342,191,271
Financial investment	16,491,865,127	46,257,267,524	62,749,132,651
Total	345,759,407,814	47,257,267,524	393,016,675,338
At the end of year			
Cash and cash equivalent	55,129,696,891		55,129,696,891
Receivables from customers and other receivables	1,554,114,370,405	-	1,554,114,370,405
Financial investment	700,275,209,690	1,638,431,694,254	2,338,706,903,944
Total	2,309,519,276,986	1,638,431,694,254	3,947,950,971,240

5. SOME CRITERIA FOR OVERALL ASSESSMENT OF BUSINESS OPERATION

Criterion	Unit	31 December 2016	01 January 2016
Asset structure			
Short-term assets/Total assets	%	38.1%	50.2%
Long-term assets/Total assets	%	61.9%	49.8%
Capital structure			
Debt/Total capital	%	70.4%	42.2%
Total equity/Total capital	%	29.6%	57.8%
Liquidity ratio			
Instant ratio	Fold	0.09	0.08
Quick ratio	Fold	2.45	1.03
Current ratio	Fold	2.67	1.31
Profitability ratio			
Profit to sales ratio			
Profit before tax	%	4.6%	6.8%
Profit after tax	%	3.3%	5.1%
Profit to total asset ratio			
Profit before tax	%	1.9%	8.1%
Profit after tax	%	1.4%	6.0%
Profit after tax to equity ratio	%	4.7%	10.3%

6. INFORMATION FOR COMPARISON

Figures for comparison are those on the consolidated financial statements for the financial year ending on 31 December 2015 audited by Southern Auditing & Accounting Financial Consulting Services Company Limited (AASCS).

Prepared, 15 March 2017

Prepared by



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Hoang Thi Minh Chau

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