



Ho Chi Minh City, August 14th 2017

**STATEMENT
TO THE GENERAL MEETING OF SHAREHOLDERS**

On issuing convertible bonds to the international market

To: Shareholders of Bamboo Capital Joint Stock Company

- Pursuant to Law on Enterprise No. 68/2014/QH13 dated 26 November 2014 by the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to Law on Securities No. 70/2006/QH11 dated 29 June 2006 by the National Assembly; Law on amending, supplementing some articles of Law on Securities No. 62/2010/QH12 dated 24 November 2010;
- Pursuant to Decree No. 90/2011/NĐ-CP dated 14 October 2011 by the Government on issuing corporate bonds;
- Pursuant to Circular No. 17/2013/TT-NHNN dated 16 July 2013 by the State Bank of Vietnam guiding the management of foreign exchange for the issue of international bonds by enterprises not guaranteed by the Government;
- Pursuant to the Charter of Bamboo Capital Joint Stock Company;

Bamboo Capital Joint Stock Company's Board of Directors kindly requests the General meeting of shareholders to ratify the issue of convertible bonds to the international market as follows:

I. Issue plan

1. Bond name: Bamboo Capital Joint Stock Company bond
2. Bond code: BCG2017_001
3. Type of bond: Convertible bond are issued to the international market without guarantee asset and may be converted into popular shares of Bamboo Capital Joint Stock Company (“**Shares**”)
4. The purpose of issue (plan of using capital obtained from issue): Supplement current capital, invest in medium-term and long-term projects; and restructure operating capital of the Company.
5. Method of issue: Bonds are issued separately to foreign organizations, credit institutions, individuals as stipulated at Decree No. 90/2011/NĐ-CP dated 14 October 2011 by the government on issuing corporate bonds through bond issue agents and Circular No.

17/2013/TT-NHNN dated 16 July 2013 by the State Bank of Vietnam guiding the management of foreign exchange for the issue of international bonds by enterprises not guaranteed by the Government

6. Objects offered for sale: Fewer than 100 Korean investors and other investors. Criteria to select an investor offered for sale:
 - Foreign organizations, individuals who have financial potentiality, especially investors involved in the production and business of the Company; and
 - The ownership percentage of a foreign investor after converting bonds into shares shall be in accordance with law regulations.
7. Currency of issue and payment: United States dollar (USD)
8. Form of bond: Bonds are issued in the form of book entries.
9. Face value of a bond: USD 100,000/Bond (*One hundred thousand United States dollar per bond*).
10. Total number of bonds to be issued: **Maximum 600 bonds** (*Six hundred bonds*), **equivalent to USD 60,000,000** (*Sixty million United States dollar*) (in face value).

The company may issue in one or more issues with total maximum number of bonds to be issued in the issues **of 600 bonds, equivalent to USD 60,000,000**. Details about the number of issues, the number and issue price in each issue and the issue time of each issue shall be determined by the Board of Directors.
11. Issue price: 100% face value of a bond.
12. Bond term: From 02 (two) years to 05 (five) years from the issue date of bond. The GCS authorizes the BOD to determine the term of each issue based on negotiating with investors and the result of working with the State Bank in term of bond term to ensure the issue to be successful.
13. Conversion right: Belonging to the bond holders. After 02 (two) years from the issue date of a bond, the bond holder is entitle to convert it into a BCG share with conversion price not less than VND 10,000/share;

Convertible shares shall be posted at Ho Chi Minh Stock Exchange after each conversion
14. Conversion price: Not less than VND 10,000/share. The actual conversion price shall be determined by the Board of Directors at the time of conversion based on negotiating with bond holders. The conversion price may be adjusted depending on bond conditions

Adjustment of conversion price: The GCS authorizes the BOD to adjust the conversion price according to common practices. The conversion price after adjustment shall comply with law regulations.
15. Conversion ratio: The conversion ratio is determined by dividing the bond price by the conversion price determined at the time of conversion. The number of shares to be issued for conversion into bonds (“**Convertible shares**”) shall be rounded to unit column.

16. Principle of rounding the number of Convertible shares: When calculating the number of shares into which a bond holder is entitled to convert, if the result is a decimal figure, it will be rounded by deleting decimal fraction. The decimal fraction of the number of shares shall be treated as stipulated by Bond conditions.

For example: if the number of convertible shares is 8,689.7, it will be rounded into 8,689 shares.

17. Conversion term: after 02 (two) years from the issue date of bond until the day before the due date or the extended due date.

18. Expected issue date: shall be determined by the Board of Directors after the Company receives approval from the State Bank and the State Security Commission of Vietnam. The issue date is the ending date of payment and offer.

19. Expected due date: on the same day as the Issue Date after 02 (two) to 05 (five) years from the Issue Date. The due date of issues will depend on the issue term each issue and shall be determined by the Board of Directors.

20. Bond interest rate; Maximum 6%/year in USD.

21. Interest payment method

- Interest payment term: expected once in every 06 (six) months from and including the issue date and/or the first interest calculation date of such interest term to but excluding the first interest calculation date of the next interest term and/or the due date or the other due date to repurchase a bond before the term.
- In case the interest payment date, the due date or other due dates to repurchase a bond before the term aren't a working day, the payment/redemption of principal/bond interest shall be made on the working day next to such day and in such day, the bond will continue to be subject to interest at applicable interest rate of the corresponding interest term until but excluding the payment/redemption date of such principal.
- In case a bond holder sends the conversion request before the interest payment date, the bond holder shall not receive the bond interest from the last interest payment date to the bond conversion date for the number of bonds registered for conversion.

22. Capital allocation plan for payment of principal, bond interest: Capital is expected to be allocated from the production and business of the Company and other legal income sources (if any) of the Company to fully and timely pay the interest and principal of a bond when being due or to pay for the purchase of a bond before the term and to pay other obligations of the issuer for and related to the bond.

23. Transfer restriction:

- Bond transfer restriction: Convertible bonds of Bamboo Capital Joint Stock Company are restricted from transfer within 01 (one) years from the issue date. After 1 year from the issue date, bonds are free to transfer.

- Share transfer restriction: Unless otherwise stipulated by laws, the number of BCG shares converted from these bonds are free-to-convert shares.

24. Expected issue market, Analysis of issue market conditions and satisfaction of issue market conditions

- The company expects to issue bonds in the Korea market. Comparing bond markets in the Asian region with the most prominent financial markets of Singapore and Hong Kong as below analyzed, the Company judges that the bond issue interest rate in these markets are higher than that of the Korea market where the company expects to issue bonds.
- Bond market in Singapore: Singapore is rated AAA (highest level) for long-term debts and A-1 + (highest level) for short-term debts by Standard & Poor's. Bonds issued successfully in the Singapore market recently are as follows:

Name of issuer	Term	Interest rate (%/year)	Currency of issue
ICBC Singapore	03 years	1.875	USD
Lincoln Financing Holdings Pte. Limited	05 years	7.375	USD
Temasek Holdings	08 years	1.5	USD
StarHub	10 years	3.55	USD
PSA International	10 years	2.5	USD

- Another development market in the Asian region is Hong Kong which is rated AAA (highest level) for long-term debts and A-1 + (highest level) for short-term debts by Standard & Poor's. Bonds issued successfully in the Hong Kong market recently are as follows:

Name of issuer	Term	Interest rate (%/year)	Currency of issue
Road King Infrastructure	03 years	5	USD
Regal Hotels International	05 years	3.875	USD
CSI Properties	05 years	4.875	USD
Sun Hung Kai Properties	10 years	2.3	HKD
AIA Group	10 years	2.923	USD

- For Korea market where the company expects to issue bonds: Korea market is rated AA (third highest level) for long-term debts and A-1 + (highest level) for short-term debts by Standard & Poor's. Bonds issued successfully in the Korea market recently are as follows:

Name of issuer	Term	Interest rate (%/year)	Currency of issue
Samsung C&T	03 years	1.736	KRW
KEXIM	05 years	2.125	USD
Kia Motors	05 years	2.625	USD
SBC	10 years	2.236	USD
Korea Gas Corp	10 years	2.325	USD

- According to an notice dated 06 June by Standard & Poor's, the organization maintains long-term debt credit rating at 'BB-' and short-term debt credit rating at 'B' for Vietnam and these ratings are expected to be increased by one level to 'stable'. Besides, long-term credit rating of Vietnam in the ASEAN community is increased by one level to 'axBB+' from 'axBB'. Short-term credit rating of Vietnam in the ASEAN community is maintained at 'axB'.
- Based on the above references and analyses, the issuer believes that the issue in Korea market for Korean investors at this time is favorable and feasible.
- The General meeting of shareholders authorizes the Company's Board of Directors to consider, analyze conditions and the selection of bond issue markets and the satisfaction of bond conditions by the issue markets.

25. Financial risk control: The company issue convertible bonds in USD so the payment of interest or repurchase of the bonds is also made in USD. The exchange rate fluctuation between USD and VND will affect amounts that the Company shall pay to bond holders. However, stable income sources from the business operation, profit divided from subsidiaries, associated companies along with effective projects invested by the Company will provide the Company enough cash to pay bond interest and to repurchase bonds or repay principal to investors.

26. Conversion conditions for foreign investors

- At the time of conversion, a foreign investor who owns convertible bonds is entitled to convert into shares as stipulated in this Plan and in accordance with current regulations on ownership percentage of foreign investors in Vietnam. The conversion rate will be the rate between USD and VND at the time of conversion.
- During the conversion term, if foreign bond holders can't implement the conversion right due to restrictions on ownership percentage of foreign investors (if any), BCG will

repurchase these bonds according to the detailed bond's principal payment plan determined by the Board of Directors.

II. Ratify and authorize the Board of Directors to determine following issues:

- Ratify and adjust bond issue plan and bond conditions, approve all relevant documents, actively promulgate relevant resolutions to serve the issue of bonds in each issue according to law regulations; including but not limited to determining the number of issues, quantity, issue value, face value, term, interest rate, issue time of each issue;
- Determine issue markets based on analyzing issue market conditions and the satisfaction of conditions by the issue markets;
- Select partners (issuers, agents and legal consultants, etc), negotiate, approve, sign and implement contract and other documents related to the issue of Bonds and Convertible shares (hereinafter called "**Bond documents**");
- Implement procedures to fix BCG security ownership percentage of foreign investors at the conversion time of each issue (if necessary) to ensure the conversion of bonds into shares to be implemented in accordance with regulations of Vietnam law;
- Develop and approve criteria and object offered for sale and appropriate issue time to ensure interests of the shareholders. In case of not selling out the number of bonds expected to be issued according to the approved plan, the GCS authorizes the BOD to select other investors who meet ratified criteria similar and not favorable than conditions stipulated at the approved Bond issue plan in the principle of ensuring interests of the Company and shareholders;
- Develop and ratify a detailed plan of using capital obtained from issues in accordance with the business operation and ensure interests of shareholders;
- Develop, approve and adjust bond interest and principal payment (repurchase bonds before the term) in case of not converting bonds; actively balance and distribute sources to pay bond principal, interest;
- Determine issues related to the convertible share issue plan, determine conversion price, issues related to conversion rate, quantity of convertible shares, principle of rounding the number of convertible shares, conversion rate, conditions, conversion term, time and conversion method of each issue;
- Implement and approve documents related to: procedures of confirming and registering foreign trade loans with the State Bank of Vietnam; register with the State Security Commission of Vietnam for issue of convertible bonds to the international market;
- Register additional deposit at Vietnam Securities Depository and additionally list at Ho Chi Minh Stock Exchange for issues of Convertible shares;

- Adjust the Charter and register for change of the Company's Enterprise registration certificate at Ho Chi Minh City Department of Planning and Investment after each issue of Convertible shares;
- The BOD determines other issues (if any) related to issues of Bonds and Convertible shares in the spirit of complying with law regulations and ensuring interests of the shareholders.

Kindly submit to the General meeting of shareholders for consideration and approval.

Recipients:

- *Shareholders of the Company;*
- *Kept: BOD, BOS, Legal Dept.*

**ON BEHALF OF BOARD OF DIRECTORS
P.P THE CHAIRMAN
DEPUTY CHAIRMAN**

(signed & sealed)

NGUYEN THE TAI