



Ho Chi Minh City, April 23, 2021

No.14/2021/TTDH-HDQT-BCG

PROPOSAL

Ref. Plan of public offering to the existing shareholders

To: Shareholders of Bamboo Capital Joint Stock Company

- Pursuant to the Law on Enterprise No.59/2020/QH14 dated 17/06/2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Securities Law No.54/2019/QH14 dated 26/11/2019 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to Decree No.155/2020/ND-CP dated 31/12/2020 detailing implementation of a number of articles of the Securities Law;
- Pursuant to Circular No.118/2020/TT-BTC dated 31/12/2020 of the Ministry of Finance guiding a number of contents on offering, issuing securities, public offer to buy, purchase back stocks, public company registration and disqualification of a public company;
- Pursuant to the Charter of Bamboo Capital Joint Stock Company (BCG) approved on 16/03/2021 (in the authority of the Company's General Meeting of Shareholders on 24/09/2020) (the 10th amendment);
- Based on actual demands of Bamboo Capital Joint Stock Company (BCG) on capital mobilization to serve for business activities and business plan for 2021;

The Board of Directors ("BODs") would like to submit to the General Meeting of Shareholders ("GMS") for approving public offering to the existing shareholders as follows:

- 1. Name of the Share:** Shares of Bamboo Capital Joint Stock Company
- 2. Trading share code:** BCG
- 3. Class of share:** Ordinary share
- 4. Par value:** VND 10,000/ share
- 5. Current charter capital:** VND 2,034,681,400,000
- 6. Number of outstanding shares:** 203,468,140 shares
- 7. Expected number of outstanding shares before public offering:** 297,537,502 shares (after the Company completes payment of dividend by 2% shares in proportion to 4,069,362 shares and converts bonds into 90,000,000 shares).

- 8. Number of shares to be offered:** 148,768,751 shares, making up 50% of the expected number of outstanding shares at the time of public offering
- 9. Total value of shares to be offered at par value:** VND 1,487,687,510,000
- 10. Expected charter capital after issuance:** VND 4,463,062,530,000

11. Purposes of issuance

- + To increase capital, in proportion to total value of the assets that the Company owns;
- + To supplement capital source to serve for the Company's business activities.

12. Form of issuance: Public offering to the existing shareholders

13. Target offerees are the existing shareholders named in the list of shareholders at the record date to exercise right to purchase the shares to be offered to the existing shareholders issued by Vietnam Securities Depository as stipulated (the GMS authorizes the BODs to make decision on record date).

14. Offering price:

- *Book value as at 31/12/2020 under the consolidated financial statements of the Company:*

$$\begin{aligned} \text{Book value} &= \frac{\text{Owner's equity}}{\text{Number of outstanding shares}} \\ &= \frac{2,963,308,030,892}{136,005,760} = \text{VND } 21,788 \end{aligned}$$

- *Market value:* From 04/03/2021 to 14/04/2021, on the trading floor of Ho Chi Minh City Stock Exchange, BCG shares have average closing price of **VND 15,037/** 30 trading sessions (refer to figures at website www.hsx.vn)

Pursuant to Article 126 of the Law on Enterprise, “*The Board of Directors shall decide time, method and price of shares among the shares to be offered. The offering price shall not be lower than their market value at the time of offering or value recognized in the books at the latest time, except for the following cases:*

1. *Shares to be initially offered to the persons not being the founding shareholders;*
2. *Shares to be offered to all the shareholders at ownership of their shares in the company;*

.....”

To ensure successful public offering, the offering price to the existing shareholders as proposed by the BODs shall be **VND 12,000/share.**

15. Total expected value of shares to be offered at selling price: VN 1,785,225,012,000

16. Expected surplus of shares: VND 297,537,502,000

- 17. Exercise ratio:** Exercise ratio for offering to the existing shareholders shall be 2:1 (one right to purchase share per share owned by shareholder, shareholder can purchase one share per one right to purchase share owned at the record date). The shares received will be rounded down the units. The fractional shares (if any) will be cancelled.
- 18. Transfer of right of share purchase:** The shareholders having the right of share purchase shall transfer such right to other persons and only transfer once (meaning the transferee shall be unable to transfer such rights to a third party). The transferor and the transferee shall agree on their own on transfer price and payment. Time and procedures for such transfer shall be decided by the BODs.
- 19. Restriction of transfer:** Shares purchased by existing shareholders are not under any transfer restriction.
- 20. Distribution method:** Shares shall be distributed in the method for exercise the shareholders' rights of share purchase.
- 21. Expected time for share issuance:** Time for share issuance shall be in Quarter III/2021 after the State Securities Commission of Vietnam accepts. The BODs is authorized to decide on the time for share issuance in conformity with the laws and the market situation.
- 22. Plan on handling fractional shares and shares having not been fully distributed after offering (if any):**
- + Plan on handling fractional shares: The fractional shares (if any) will be cancelled.
 - + Plan on handling shares not fully distributed: The GMS shall authorize the BODs to handle it by distributing shares to the interested investors at price no lower than the book value of the shares at the offering time but no lower than the issue price to the existing shareholder. In case the shares have not been fully sold, the charter capital shall be increased by the number of issued shares. The number of shares offered shall be restricted in transfer for 01 year from the completion date of the offering.
- 23. Public offering:** In case the ownership rate of the investors selected by the BODs to purchase shares which have not been distributed in the offering process is equal to or exceeds the rate as stipulated in Clause 1, Article 35 of the Securities Law No.54/2019/QH14, the public offering shall not be made.
- 24. Plan on use of capital obtained from the offering:**
- Proceeds from the offering are expected to add capital for the Company's business activities, specifically:
- (1) To implement real estate projects and renewable energy projects with an expected capital of VND 800,000,000,000;
 - (2) To add working capital of the Company, including but not limited to the payables to individuals, organizations and banks; pay contracts on business cooperation and investment cooperation and add other working capital of the Company with an expected capital of VND 985,225,012,000;
- The GMS shall authorize the BODs to build detailed plan on use of capital and allow the BODs to adjust the amount to be used for the above purposes to conform to the Company's business situation.

25. Plan on handling in case the capital has not been fully collected in issuance: The GMS shall authorize the BODs to decide and balance capital source or provide plan on proper handling to cover shortage of capital to be mobilized from the offering without affecting the capital source as well as the Company's business activities.

26. Expected dilution of shares after issuance

The offering of shares to these existing shareholders shall lead to a risk of share dilution, including:

- Dilution of earnings per share (EPS);
- Dilution of book value per share;
- Dilution of holding ratio and voting rights.

a. Dilution of EPS and book value:

Difference in growth rate of profit and owner's equity of the Company will affect EPS and book value of the Company, specifically:

i. Earnings per share – EPS

+ Formula:	(Basic) EPS = $\frac{\text{Profit after corporate income tax}}{\text{Average number of outstanding shares}}$
+ Average number of outstanding shares =	$(X*12+Y*t)/12$
<p>X: Number of outstanding shares before selling</p> <p>Y: Number of additional shares to be offered</p> <p>t: Actual time of outstanding shares in year of the number of additional shares to be offered</p>	

After completing the offering, basic earnings per share (EPS) will be changed due to change in owner's equity and profit increase.

ii. Book value per share:

$$\text{Formula: Book value per share} = \frac{\text{Owner's equity}}{\text{Average number of outstanding shares}}$$

After completing the offering, the book value per share shall be changed due to change in the number of outstanding shares and growth rate of the owner's equity. With the offering of additional shares at the price lower than the book value, for a short time, right after the offering, the rate of the number of outstanding shares higher than the rate of the owner's equity will reduce the book value per share of the Company.

b. Holding ratio and voting rights

Holding ratio and voting rights of the existing shareholders will be down a proportion to

the ratio that the existing shareholders refuse to purchase the shares in this issuance (compared to the time before the record date to exercise the right of purchasing newly issued shares).

c. Reference price at the trading date without right to newly issued shares:

Adjustment of share price for the offering to the existing shareholders: The offering to the existing shareholders will adjust the share price as calculated by Hanoi Stock Exchange. Thereby, the calculation formula is as follows:

$$P_{tc} = \frac{PR_{t-1} + (I \times P_r)}{1 + I}$$

Where:

- + P_{tc}: Reference price of BCG shares in the trading date without rights of share purchase in new issuance to increase capital
- + P_{Rt-1}: Securities price of the session before the trading session without right
- + I : Capital increase ratio under the right of share purchase
- + P_r : Price of shares sold to the person having rights of share purchase

27. Authorization, depository and listing for newly issued shares:

a. Authorization

The BODs would like to obtain opinions from the GMS about authorization to the BODs.

- To proactively follow necessary procedures to register share offering with the State Securities Commission of Vietnam and relevant authorities;
- To select the specific time for issuance and follow necessary procedures related to complete issuance, apply for issuance and deploy implementation in accordance with the Company's Charter and the applicable laws and ensure benefits of the shareholders;
- Supplement and amend the plan on offering to ensure successful offering in accordance with requirements of the State management agencies and the actual situation and ensure compliance with the laws;
- Set up a detailed plan on capital use and adjust the plan on use of capital obtained from the offering in conformity with the Company's business activities and follow procedures related to information disclosure under the laws;
- Follow procedures of amending the Charter, register change in charter capital and amend the Business Registration Certificate of the Company in the competent State agency after completing the offering;
- To proactively adjust the plan on handling the fractional shares and shares having not been fully distributed to ensure benefits of all the shareholders and according to requirements of the State Securities Commission of Vietnam and the relevant agencies under the laws.

b. Depository and listing for newly issued shares

- The BODs would like to obtain opinions from the GMS about depository and listing for newly issued shares after complete increase in charter capital;
- The GMS commits to deposit and list the shares of the capital increase on Ho Chi Minh City Stock Exchange right after finishing the offering.
- The GMS authorizes the BODs to proactively follow procedures related to depository and listing for newly issued shares in this capital increase.

It is respectively submitted to the General Meeting of Shareholders for voting and approval.

Yours sincerely,

Recipients:

- General Shareholders Meeting;
- Archives: Office of BOD;

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

(Signed & sealed)

Nguyen Ho Nam