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SUMMARY REPORT

BOARD OF MANAGEMENT AND BOARD OF DIRECTORS

BUSINESS RESULTS IN 2017

PART I: BOARD OF MANAGEMENT’S REPORT AND EVALUATIONS

The year 2017 marked a record of economic growth, foreign investment attraction, trade turnover or tourists to Vietnam. For the first time after many years, Vietnam has reached and surpassed all 13 socio-economic targets in the year. Gross domestic product (GDP) in 2017 was estimated to increase by 6.81% as compared to the year 2016, exceeding 6.7% of the given target; this was the highest growth rate over the past 10 years, according to the most updated data released by the General Statistics Office of Vietnam. However, over-budget, low labor productivity, natural disasters remained challenges to the economy.

Despite the above-mentioned context, Vietnam's economy over the past year has still recorded remarkable achievements. Foreign investment attraction and import-export turnover reached a record level, realized capital of foreign direct investment projects was estimated at USD 17.5 billion, increasing by 10.8% over the same period in 2016; this was a record for the past 10 years. There were up to 5 projects valued at USD billions were granted investment certificates this year. Macroeconomy was stable, inflation was curbed at the rate of 3.53%, lower than the ceiling rate of 4%; currency market and banking activities were positive; interest rate and exchange rate were stable. The World Economic Forum ranked Vietnam's competitiveness increase by 5 levels, to 55/137; The World Bank ranked Vietnam's business environment increase by 14 levels, to 68/90 countries and territories. Vietnam's sustainable development indicator in 2017 increased by 20 levels, to 68/157 countries and territories.

1. Financial statements and income statement in 2017

The audited consolidated business results in 2017 of Bamboo Capital JSC (BCG) revealed that revenue from goods sales and services rendering reached VND 1,991 billion, exceeding 12% of the given plan, and profit after tax was nearly VND 60 billion, not reaching the given plan (VND 80.9 billion).

a. Company’s consolidated business results in 2017

Unit: VND million

Items	2016	2017	Change	% Change
Net revenue from goods sales and services rendering	1,648.40	1,990.88	342.48	20.78%
Cost of goods sales	1,441.90	1,758.01	316.11	21.92%
Gross profit from goods sales and services rendering	206.50	232.87	26.37	12.77%
Financial revenues	210.68	264.33	53.64	25.46%
Financial expenses	180.72	242.28	61.57	34.07%
Selling expenses	64.78	74.65	9.88	15.25%
General and administrative expenses	84.79	98.97	14.18	16.72%
Net business profit	85.20	80.24	(4.96)	-5.82%
Other profit	1.03	(1.15)	(2.17)	-212.15%
Total profit before tax	86.23	79.10	(7.13)	-8.27%
Profit after corporate income tax	62.04	59.67	(2.37)	-3.83%

Specifically, the Company's revenue from goods sales and services rendering increased by more than 20% in 2017; however, profit after tax decreased by nearly 4% over the same period in 2016, which reveals that the given yearly plan has not been achieved. Main reason came from the Company's use of leverage to invest in developing the infrastructure and real estate projects, which resulted in a slight decrease in the Holding Company's financial revenues; simultaneously, interest expense increased sharply. Many projects have been completed and put into operation. It is expected that these projects shall bring stable cash flows in the coming months, for example, Casa Marina Resort in Quy Nhon. Moreover, project BOT 830 which connects large-scaled industrial parks in Long An province to expressways towards the harbor has also been completed and shall be put into official operation in April 2018.

BCG's short-term financial investments decreased from VND 700 billion to VND 50 billion. The main cause was that the Company withdrew its investment capital from Companies such as Thanh Vu Tay Ninh, Auto 1-5 and Vinacafe Da Lat. This capital resource was used to invest in projects. Moreover, long-term financial investments in the year were halved from VND 1,638 billion to VND 820 billion. The cause came from BCG's divestment at Hoang Anh House Construction and Development Joint Stock Company. Furthermore, BCG recorded a significant decrease in its liabilities, from VND 3,149 billion to VND 2,191 billion.

In the Company's cash flow statement under the indirect method, net cash flows from investment activities, withdrawal of investment and capital contribution into other

companies increased by VND 1,300 billion. The main cause was BCG's divestment at Hoang Anh House Construction and Development Joint Stock Company at the 2017's end. Additionally, the Company has stopped investing in low-effective commercial and agricultural activities, for example, the project on big cacao farm, as well as closed cacao commercial activity. In February 2018, BCG also decided to divest from Phu Thuan Trading and Service Co.,Ltd. These were the first steps. However, it is necessary to focus resources on three keys: real estate, infrastructure and renewable energy. These areas shall be the foundations for the Company's breakthrough developments in the coming years. BCG has been approved by the Ministry of Industry and Trade to supplement the planning on two solar energy projects with capacity of 40 MW and 100 MW in Long An province. In which, 100 MW project shall be implemented in co-development with partner - Hanwha Group, South of Korea. This project is scheduled to be completed and generate electricity by June 2019.

b. Consolidate net revenue and gross profit structure in 2017

Unit: VND million

No.	Areas	Revenue	Gross profit
1	Goods provision	1,773,105	165,900
2	Services rendering	76,914	58,543
3	Construction contracts	135,391	8,077
4	Mineral exploration	5,473	388
5	Total	1,990,884	232,873

Source: BCG's Audited Consolidated FSs in 2017

c. Assets and liabilities

Items	2016	2017	% increase decrease
1. Total asset value	4,470,872,513,174	3,548,052,026,681	(20.64%)
2. Net revenue	1,648,404,813,002	1,990,883,516,179	20.88%
3. Net business profit	85,201,982,387	80,244,682,022	6.18%
4. Other profit	1,025,025,776	(1,149,549,468)	(212.15%)
5. Profit before tax	86,227,008,162	79,095,132,554	(8.27%)
6. Profit after tax	62,041,623,734	59,688,154,955	(3.79%)
7. Dividend payout ratio	8%		

In 2017, BCG's charter capital was remained at VND 1,080 billion. The Company's total asset value is presently VND 3,548 billion, decreasing by more than VND 900 billion as compared to total asset value at the 2016's end. BCG's short-term financial investments decreased by from VND 700 billion to VND 50 billion. Long-term financial investments

were also halved from VND 1,638 billion to VND 820 billion. Moreover, BCG also recorded a significant decrease in its liabilities, from VND 3,149 billion to VND 2,191 billion.

No.	Items	Unit		2017	2016
1	Asset structure	%			
	Current assets/Total assets			36.75	38.14
	Non-current assets/Total assets			63.25	61.86
2	Capital structure	%			
	Liabilities/Total capital resource			61.74	70.43
	Equity/Total capital resource			38.26	29.57
3	Solvency	Time			
	Immediate solvency			0.19	0.09
	Short term solvency			1.04	2.45
	Current solvency			1.29	2.67
4	Rate of return	%			
	Return on sales				
	Rate of return before tax on sales			3.50	4.63
	Rate of return after tax on sales			2.64	3.33
	Return on total assets				
	Rate of return before tax on total assets			2.23	1.93
	Rate of return after tax on total assets				
	Rate of return after tax on equity			1.68	1.39
				4.40	4.69

2. Evaluation of operation results in production & business segments

a. Export trade activities: maintained revenue growth, contributed short-term revenue to the Company

In 2017, the Company's export trade segment continued maintaining the stable growth in terms of revenue contribution and generated short-term income for the Company. Key trading activities focused on products manufactured by the Company's subsidiaries, affiliates such as Nguyen Hoang outdoor wood; Thanh Phuc timber slab, Thanh Vu Tay Ninh cassava, Vinacafe Da Lat coffee, etc.

b. Infrastructure activities and real estate projects: mid-term strategy brought dramatic profit to BCG

Project on investment in widening provincial roads 830&824 (Long An) under BOT form:

This was the first BOT project of Long An province which was commenced from November 2016, in which, joint venture Bamboo Capital JSC (BCG) and Bang Duong were

employer. The project had total investment capital of VND 1,079 billion with overall length of 24km, with the first point at An Thanh bridge and final point at Duc Hoa - Duc Hue intersection. After nearly 18 months of constructing and conducting compensation and site clearance activities, the new route has been completed spaciouly with 4 lanes, design speed of 80Km/h. Particularly, for sections crossing the urban area, the design speed is 60Km/h, single-axis design load is 12 tons, surface grade is A1. The project has been accepted completely and put into operation in the second quarter 2018.

Moreover, the Company has proposed Long An province to invest in upgrading, widening other provincial roads under BT form which are expected to be deployed in 2018.

Situations on implementation of real estate projects in the period of 2017-2018:

No.	Projects	Area	Total investment capital	Notes
1	Casa Marina Resort	2.5 ha	8 USD million	Resort project in Qui Nhon has completed and put into operation, phase 1 with 56 rooms and bungalows.
2	Malibu Resort	11 ha	66 USD million	Project on resort and resort condotel with 200 villas and more than 400 condotels, located at the most beautiful beach in Quang Nam - Da Nang.
3	Thao Dien Apartment	9,125m ²	97,8 USD million	The project is located on façade of Nguyen Van Huong street, district 2, a prime location for building a complex of service apartments , hotels, etc.
4	Dragon Bridge Project	11,487 m ²	198,2 USD million	The project is located on the golden land of Da Nang City with 4 facades, scheduled to plan a complex of trading centers, hotels, offices and luxury apartments.
5	Social housing	11ha	62 USD million	The project proposes to build 2,500 social housings

				for low-incomers in Long An province.
6	Prince Court Building	1,048 m2	42 USD million	The project is located at the center of Q1, TRACODI office building. The project expects to build hotel and office work.

For the main purpose of bringing the highest return to its shareholders and investors, BCG focused on the strategy on developing real estate projects in Ho Chi Minh City, Quang Nam and Da Nang with the most competitive capital cost as possible. Accordingly, the Company has approached foreign investors, especially the groups from the South of Korea that paid concerns to Vietnam market and desired to establish development cooperation relationship with BCG. BCG has arranged working sessions with 3 big groups from the South of Korea consisting of Chosun Refractories, Daewon and Woomi Construction. After the meetings and discussions, these three groups have decided to purchase nearly VND 113 billion corporate bonds issued by BCG, with a fixed interest rate of 6%/annum for a 3-year term. It is planned that the mobilized capital shall be used to directly finance the above-mentioned real estate projects.

With their long-standing experiences, the above-mentioned groups commit that they shall make valuable contributions and apply the international standards in implementing BCG's real estate projects. Specifically, real estate projects in Quang Nam (Malibu Resort) and Da Nang (Dragon Bridge) are expected to be commenced in the early 2018 with the construction period of about 18 months. Once these projects have been put into operation, they shall generate and contribute significant revenue to the Company's revenue structure in the future. BCG is currently speeding the working sessions with Bakh Architecture - an international design consultancy firm, and has basically completed the master plan to keep up with the given progress.

c. Renewable energy: long-term strategy for the objective of becoming one of the leading clean energy companies in Vietnam

While traditional energy sources such as coal, mineral oil are gradually exhausted, costly, with unstable source of supply, many alternative energy sources are being concerned by scientists, particularly solar energy source. As a country near the equator, with the advantage of being one of the countries located in the sun's most abundant distribution range of the year, Vietnam has enormous potential in solar energy, especially, electric energy. Accessing to take advantage of this new energy source in Vietnam not only satisfies the society's energy demand, but also helps save electric energy and reduce the environmental pollution.

To satisfy the increasing demand for electric energy and take advantage of sustainable sunshine in Vietnam, BCG has conducted researches and obtained investment certificates for the projects on solar power plants in Long An with total capacity of 190 MW. In addition, BCG surveyed the proposed investment in Soc Trang province (150 MW wind power project) and Quang Nam (200 MW solar energy project on reservoir). BCG has submitted to the Ministry of Industry and Trade the application for including these two projects into the National Electricity Planning. To expedite these projects, BCG has been working with foreign partners that have financial strength and technical experience in the solar energy field to realize the objective of becoming one of the pioneers in the field of exploiting this clean energy source in Vietnam.

BCG has been cooperating with foreign strategic partners of great potential in the field of solar energy, wind energy to realize the objective of becoming one of the pioneers in the field of exploiting this clean energy source in Vietnam in the period 2016-2020.

On January 26th, 2018, BCG signed a Memorandum of Understanding (MoU) with New Era Energy (Singapore) Limited to test the application of blockchain technology into measuring generated carbon credits as soon as BCG's projects on renewable energy have been completed and put into operation in the future. For the purpose of disseminating renewable energy and raising awareness about climate change in the Southeast Asia, NERA has decided to invest VND 50 million in renewable energy projects developed by BCG; in exchange, NERA shall have the privileges of accessing to and using carbon credits obtained from these projects once they have been put into operation.

3. Typical activities at subsidiaries and affiliates

a. TRACODI (TCD)

TCD's activities in 2017 were stable and the revenue came from the Company's three main activities consisting of trading, infrastructure construction and quarrying. Especially, the construction segment in the year contributed the revenue of more than VND 135 billion from executing Provincial Road 830. Quarrying segment's revenue increased sharply, contributing VND 355 billion and trading segment's revenue achieved the turnover of VND 594 billion.

Specifically, in the 4th quarter's consolidated financial statement in 2017, gross profit from goods sales and service rendering reached VND 59.5 billion, an increase of 39% over the same period in 2016. Financial activities also brought profit of more than VND 4.7 billion. Joint ventures, affiliates have also witnessed strong growths, bringing profits of more than 200% over the same period in 2016.

Profit after tax in the 4th quarter reached VND 23.14 billion, an increase of more than 55% over the same period last year. In which, profit contributed from the Holding Company came from commercial business in cassava starch and quarrying segments from Antraco, with an increase of VND 4 and 4.2 billion, respectively.

By the end of 2017, TRACODI exceeded the given target, achieved VND 1,096.2 billion in revenue and VND 91.3 billion in profit before tax, exceeding 125% and 122% of the yearly target (pre-audit report), respectively. In 2018, TRACODI sets the target of VND 1,101 billion in revenue and VND 103,6 billion in profit before tax.

b. ANTRACO

The Company completed investment in upgrading the 4th mill system with capacity of 300 tons/hour and new investment in the 7th mill system with capacity of 250 tons/hour, contributing to increase the output and improve the product quality. In 2017, Antraco achieved the revenue of VND 355 billion, an increase of 8% over the same period last year, profit after tax of VND 38 billion.

c. NGUYEN HOANG JSC

Nguyen Hoang JSC has invested and upgraded the workshop, renewed the system of machine line, drying line and wood kiln for the objective of doubling the capacity in the near future. Nguyen Hoang JSC's revenue in 2017 reached VND 118 billion. In September 2017, the Company has completed and put into operation phase 1 four-star Casa Marina Resort in Quy Nhon.

d. THANH VU TAY NINH JSC (TVTN)

TVTN's production capacity in 2017 achieved more than 17,000 tons. Presently, TVTN's plant has entered the production of cassava starch in the period 2017 - 2018 with average capacity of 200 - 250 tons of finished products/day. While export volumes to traditional large markets such as Japan and China have grown steadily over the years, TVTN is extending its development direction into exporting modified starch to potential markets such as the South of Korea, Europe and America.

4. Improvements in organizational structure, policies, management

Over the past year, in addition to actively executing the management and investment business tasks, the Board of General Management has made some improvements in management structure, policies to bring high effectiveness to the Company, specifically:

Management: Strengthened the management at the Holding Company and Subsidiaries through operating the procedures and regulations, simultaneously, implementing information technology applications for the whole system to ensure that the data were reported quickly and promptly.

Controlled strictly the management costs to maximize the Company's profits.

Recruitment and personnel placement: The Company organized personnel in accordance with the streamlined operation mechanism, simultaneously, built the successor team for supplementing to the Company's Board of Management.

5. Relationship with Investors

Maximized shareholders' interests

In 2017, BCG continued maintaining and promoting the relationships with shareholders and investors in line with the objective of “maximizing shareholders’ benefits”.

The Company elaborated a complete, accurate and timely disclosure process, in compliance with Circular 155/2015/TT-BTC of the Ministry of Finance.

In addition, BCG always updated quarterly/annual business result information, highlights of the Company and its members to investors. These information were also sent by BCG to news and radio agencies to ensure that other investors were updated them. Moreover, Investor Relations Department actively received and responded to shareholders’ inquiries, requests via telephone, email, or direct dialogue with the Company’s Board of Directors.

Took proactive in seeking for investment opportunities

Improved the Company’s publications, brochures to convey the image, investment opportunities to potential shareholders and investors.

Took proactive in coordinating with and providing information to market analysts to issue the analytical report on BCG shares.

In 2017, BCG actively welcomed and worked with domestic and foreign investors, funds to learn about the development strategies and investment cooperation opportunities in Vietnam.

PART II: BOARD OF DIRECTORS’ REPORT

1. Board of Directors’ (BoDs) evaluations of the Company’s operation aspects

❖ Implementation of the 2017 GMS’ resolutions:

Over the past year, BCG’s Board of Directors, with its key members at managerial positions have actively participated in the Company management activities through holding quarterly meetings and issued 50 Resolutions, totally. Moreover, the Company has completed the implementation of some important Resolutions which were approved by the General Meeting of Shareholders with some important details hereunder:

- Amended and supplemented the Company Charter.
- Approved the establishment of Standing Board of Directors and assignment of tasks and powers to Standing Board of Directors.
- Approved transactions on lending, trading, business cooperation and investment between the Company and related parties in the period 2015 - 2016.
- Approved the issuance of convertible bonds to the international market

❖ Business situation

In general, BCG's activities in 2017 recorded flourishes with changes in the reoriented strategy, in which, business activities focused on three key segments: production and trade activities; development of infrastructure and real estate projects; renewable energies. Some highlights on operation in the year can be listed as follows:

- Listed successfully TCD's shares on Ho Chi Minh Stock Exchange after the 3-year restructure period, which marked BCG's success in M & A strategy. As at the 2017's end, TCD exceeded the given target, achieved VND 1,096.2 billion in revenue and VND 91.3 billion in profit before tax, exceeding 125% and 122% of the yearly plan (pre-audit report), respectively. It is expected that TCD shall pay a dividend ratio of 10% by shares in 2017.
- Export trade segment: in 2017, most BCG's revenue came from the production activities and export of key products from Subsidiaries and Affiliates such as Thanh Vu Tay Ninh starch, Antraco construction stone, Vinacafe Da Lat coffee, Vinacafe fertilizer. In addition, the Company has stopped investing in low-effective commercial and agricultural activities, for example, the project on big cacao farm, as well as closed cacao commercial activity. Recently, BCG has decided to divest from Phu Thuan S&T Co., Ltd to focus resources on three above-mentioned main activities.
- Infrastructure project: The project on upgrading, widening Provincial Road 830 (section from Duc Hoa town, Duc Hoa district to An Thanh bridge, Ben Luc district) is an important focus in the traffic planning from Duc Hoa district to Long An International Port (Can Giuoc district, Long An); this project is being presently sped up and planned to be put into operation in the early 2nd quarter 2018.
- Real estate: Put into operation Casa Marina Resort in the 4th quarter 2017, in parallel to developing other projects on house and resort in big cities such as Ho Chi Minh City, Da Nang, and Quang Nam.
- For the solar energy projects, BCG has signed a cooperation agreement with Hanwha Energy Corporation (South of Korea) for the project on 100 MW solar power plant in Long An and carried out the procedures of developing other renewable energy projects in Quang Nam, Soc Trang.

❖ **Difficulties & challenges**

Although there have been some successes in M & A investments as well as restructuring a more effective business strategy for the Company's subsidiaries & affiliates, BCG still confronted many difficulties in 2017 as follows:

- Number of senior staff was limited while they concurred many positions, which affected the transfer of personnel to and hold the managerial positions at the member companies over which BCG holds the control rights; number of personnel holding the positional titles at the member companies was limited.
- Business activities which contributed profit to BCG in 2017 still depended largely on the consolidated profits from Subsidiaries. As a result, earnings per share for investors were low. The main cause was that the Company mainly focused on medium and long term projects which have been unable to generate short term profit yet.

- Pressure from raising capital and disbursing investments into Subsidiaries in a short time could not immediately generate values, and these Companies have not contributed profits immediately to BCG.
- The Company's working capital was limited, which resulted in the Company's companies not be able to run their operations with the desired capacity and effectiveness.

❖ **Great Awards BCG received in the period 2017-2018**

1. VNR 500 - Top 500 largest Vietnamese enterprises :

- BCG was honored by Vietnam Report and Vietnamnet at Top 500 largest Vietnamese enterprises. VNR500 ranking was based on Vietnam Report's independent study and evaluation results which were officially announced for the first time in 2007. This was the 11th consecutive year VNR500 ranking was announced to honor the enterprises which had the largest scales in Vietnam and recorded remarkable achievements in the production and business activities.

2. BCG won "Global Responsible Business Leadership Awards 2018"

- Along with well-known businesses such as HSBC, Sharp, Genting Malaysia, Maleki GmbH, Cox & Kings Ltd, etc., BCG was honored to be the only Vietnamese enterprise named at the ceremony of Global Responsible Business Leadership Awards 2018 which was held on April 26th, 2018 in Malaysia. Specifically, BCG was awarded "Entrepreneur of the Year" for its incessant efforts in promoting the highly potential renewable energy market through developing the wind and solar power plant projects in Vietnam, as well as initiatives in protecting the environment and encouraging environmental behaviors.

❖ **Human resources**

Human resources play a highly important role in BCG's successes. The Company has done well the recruitment, training, care of spiritual life, living and working conditions for employees. Appropriate reward, social insurance regimes have stimulated and motivated employees to give their whole mind to work and complete well their assigned tasks.

❖ **Social activities:**

In 2017, BCG continued participating in the programs which represented the sense of community responsibility, accompany with the society as follows: Awarded ANTRACO scholarship valued at VND 250 million to poor students who overcame difficulties, continued going to the school, joined hands in presenting 800 Tet gifts to poor households in Tri Ton district, An Giang.

2. Board of Directors' evaluation of Board of Management's activities

General evaluations on the Board of Management's activities in managing the production and business activities:

- Board of Management's members all had full educational levels, capacities and qualifications; they were well-trained in their assigned fields and had many years of experience in managing and operating the projects as well as large enterprises.
- Chief Executive Officer assigned clear tasks to Deputy CEOs and relevant departments and followed up the report preparation and approval process, organized routine shift-transfer meetings, evaluated the assigned tasks' performance. and planed next works.
- Board of Management has implemented the Company's production and business activities as well as developed the projects in accordance with the General Meeting of Shareholders' Resolution, Board of Directors' directions and complied with the Company Charter and the legal regulations.
- Board of Management's members were also BoDs' members who grasped thoroughly the strategies, cognized clearly the Company's advantages and disadvantages. Thus, they have been flexible in their management activities, simultaneously, issued the internal documents in line with their authorities to control effectively all of the Company's production and business activities, perform well the risk control role immediately at the first steps.

3. Board of Directors' plans, directions

The Board of Directors shall continue promoting the activities in accordance with the rights and responsibilities which are prescribed by the laws and the Company Charter.

- Monitor closely the domestic, international economic situation and the Company's production and business activities. On that basis, conduct analyses and evaluations to issue prompt policy, decision, direction to the Board of Management for performing their tasks most effectively.
- Improve corporate governance capacity. Focus on directing the improvement of production and business effectiveness. Continue restructuring, contributing to profit growth, enhancing the production capacity for the Subsidiaries and Affiliates.
- Strengthen the inspection and supervision of risk prevention activities in business, ensure capital safety.
- In 2018, BCG plans to focus on developing infrastructure, real estate, and renewable energy projects. The Company shall gradually divest its investments in non-preferred investments in the business strategy, thereby, concentrating capital and resources on its core businesses as scheduled.

Continue to explore opportunities for investment cooperation with foreign partners with strong financial potential and experiences in implementing the Company's key projects, thereby, increasing the financial capacity for implementing the target projects.

The above are the basic contents about the Board of Management's production and business results in 2017 and the Board of Directors' Report on Evaluation in 2017. Entering year 2018 with the given tasks, in addition to advantages, there are new challenges, Bamboo Capital JSC's staff are determined to unite with one another, bring into full play the achievements, continue innovations and developments and complete the given strategic objectives and strive to exceed the given plan in 2018.

It is respectfully submitted to the General Meeting of Shareholders for approval.

Recipients:

- *As To;*
- *Archived: BODs, BOSs,*
- *Legal Dept.*

**FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS
VICE CHAIRMAN**

(Signed & sealed)

NGUYEN THE TAI