



No.: 14/2022/TTDH-HDQT-BCG

Ho Chi Minh City, April 22, 2022

PROPOSAL OF THE GENERAL SHAREHOLDERS MEETING

Subject: Plan of public shares offering to increase the Company's charter capital

To: Shareholders of Bamboo Capital Joint Stock Company

- Pursuant to the Enterprise Law No. 59/2020/QH14 dated June 17, 2020 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Securities Law No. 54/2019/QH14 dated November 26, 2019 of the National Assembly of the Socialist Republic of Vietnam;
- Pursuant to the Decree No. 155/2020/ND-CP dated December 31, 2020 detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Circular 118/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of contents on securities offering, issuance, public bid, and share repurchase, public company registration and cancellation of public company status;
- Pursuant to the Charter of Bamboo Capital Joint Stock Company approved by the Board of Directors on January 24, 2022 as authorized by the General Shareholders Meeting on May 15, 2021 (the 15th Amendment and Supplement);
- Pursuant to the actual needs of Bamboo Capital Joint Stock Company (BCG) in terms of capital mobilization to serve production and business activities and the 2022 business plan;

The Board of Directors proposes the General Shareholders Meeting to approve the plan of public share offering to increase the charter capital as follows:

1. Plan:

- a. Share name: Shares of Bamboo Capital Joint Stock Company.
- b. Share code: BCG
- c. Type of share: Ordinary share.
- d. Par value: 10,000 VND/share.
- e. Current capital: 5,033,054,370,000 VND.
- f. Expected number of shares before issuance: 533,470,708 shares.

Consists of:

- Number of outstanding shares as of April 18, 2022: 503,305,437 shares.

- Number of shares expected to be issued for dividend in 2021: 5% of charter capital, equivalent to 25,165,271 shares.
 - Number of shares expected to be issued for bonus shares under the employee stock ownership plan (ESOP) in the company in 2022: 5,000,000 shares.
- g. Number of shares expected to be issued to the public: 516,735,354 shares
- Consists of:
- Public offering of shares to existing shareholders: ratio 2:1, equivalent to 266,735,354 shares, (shareholders who own 01 share for 01 purchasing right, 02 purchasing rights for 1 new share) based on the expected number of outstanding shares after paying dividend in 2021 (expected 5% equivalent to 25,3165,271 shares) and issue bonus shares under the Company's ESOP in 2022 (5,000,000 shares). Offering price of shares to existing shareholders: VND 10,000/share.
 - Issuance of shares to the public in the form of a share auction: 250,000,000 shares. Form: Auction of shares to the public. Starting price of auction according to the principle of determining the selling price: The starting offering price is determined at least 70% of the average reference price of 60 consecutive trading days on the stock market of BCG shares up to the date the Board of Directors issues a Resolution on the implementation of the public offering of shares. The offering price is rounded to the nearest thousand. For example, if 75% of the average reference price of 60 consecutive trading days on the stock market of BCG stock is determined to be VND 24,566/share, the offering price will be rounded up to VND 25,000 if the average reference price of 60 consecutive trading days on the stock market of BCG shares is determined to be VND 24,466/share, the offering price will be rounded down to VND 24,000.
- h. Expected value of shares to be issued to the public at par value: VND 5,167,353,540,000.

2. Details of the issue plan

2.1. Public offering of shares to existing shareholders:

- a. Share name:** shares of Bamboo Capital Joint Stock Company.
- b. Share code:** BCG
- c. Type of stock:** Ordinary share.
- d. Par value:** VND 10,000/share.
- e. Number of offered shares:** 266,735,354 shares
- f. Total offering value at par value:** VND 2,667,353,540,000.
- g. Issuance form:** Public offering to existing shareholders.
- h. Offering target:** the list of existing shareholders at the last registration date to exercise their purchasing rights which is issued by the Vietnam Securities Depository (VSD) according to regulations (the last registration date will be

authorized by the General Shareholders Meeting for the Board of Directors to decide.)

i. Offering price:

- **Book value as of December 31, 2021 according to the Company's consolidated financial statements:**

$$\begin{aligned} \text{Book value} &= \frac{\text{Equity}}{\text{Number of outstanding shares}} \\ &= \frac{8.349.564.582.593}{297.537.174} = \text{VND } 28,062 \end{aligned}$$

- **Market price:** During the period from March 3, 2022 to April 14, 2022 on Ho Chi Minh City Stock Exchange, BCG shares had an average closing price of VND **26,100**/30 trading sessions (data at website: www.hsx.vn)

Pursuant to Article 126 of the Enterprise Law: *“The Board of Directors decides the time, method and offering price of shares out of the number of shares entitled to be offered for sale. The offering price of shares must not be lower than the market price at the time of offering or the value recorded in the books of the shares at the latest time, except for the following cases:*

- 1. Shares offered for the first time to people who are not founders;*
 - 2. Shares offered to all shareholders in proportion to their existing shares in the company;*
-”

To ensure a successful offering, the offering price for existing shareholders is proposed by the Board of Directors: **VND 10,000/share.**

j. Total offering value at expected selling price: VND 2,667,353,540,000.

k. Expected share surplus: VND 0

l. Right exercise ratio: Offered to existing shareholders with the right exercise ratio of 2:1 (At the closing date of the list of shareholders exercising the right, Shareholders owning 01 share will receive 01 right of additional issued shares, for every 02 rights, they will be able to buy 01 new share).

m. Transfer of rights: Shareholders owning the options are allowed to transfer their options to other people and only once (the transferee cannot transfer to a third party). The rights are allowed to be divided and transferred to various investors according to the agreement between the two parties. The transferor and transferee shall agree on the transfer price and pay the transfer fee. The time limit and procedures for the rights transferring will be decided by the Board of Directors.

n. Distribution method: Distribution according to the method of exercising the rights of existing shareholders.

o. Expected time of issuance: In 2022, after being approved by the State Securities Commission, authorizes the Board of Directors to decide on the basis of compliance with the provisions of the Law and the market situation.

p. Plan for rounding, handling odd number of shares, undistributed number of shares after the offering (if any):

- + Rounding method: The number of shares received by each Shareholder upon issuance will be rounded to one unit according to the principle of rounding down.
- + The plan to handle odd shares: In case there are odd shares, it will be canceled.
- + The plan to handle undistributed shares: The General Shareholders Meeting authorizes the Board of Directors to distribute the shares to interested investors at a price that may be lower than the book value of the shares at the time of offering but not lower than the issue price for existing shareholders, in case it is still not sold out, the authorized capital will be increased according to the actual number of issued shares. The above offered shares is restricted from being transferred for at least 1 year from the date of completion of the offering.

q. Transfer restrictions:

- + The number of shares purchased by an existing shareholder under the options or the shares purchased by an investor due to the exercise of the options purchased from an existing shareholder freely transferable.
- + Number of shares that shareholders have not subscribed, failed to pay for the purchase, which is redistributed by the Board of Directors to other investors subject to transfer restrictions for at least 01 (one) year from the end date of the offering under the provisions of Clause 2, Article 42 of the Decree No.155/2020/ND -CP dated December 31, 2020 on detailed regulations on a number of articles of the Securities Law.

r. Dilution level of shares to be issued:

In this share offering plan to existing shareholders, there will be dilution risks, including:

- Diluted net earnings per share - EPS.
- Diluted book value per share.
- Dilution of holdings and voting rights.

 **Regarding EPS dilution and book value:**

The difference in the growth rate of the Company's profit and equity will impact on EPS as well as the Company's book value, specifically as follows:

i. Net earnings per share – EPS

+ Calculation formula:	EPS (basic) =	$\frac{\text{Profit after CIT}}{\text{Average number of outstanding shares}}$
+ Average number of outstanding shares =	$(X*12+Y*t)/12$	

X: Number of outstanding shares before sale

Y: Number of additional shares to be offered

t: Actual outstanding time in the year of the number of additional shares to be offered

Upon completion of the offering, basic earnings per share (EPS) will be altered due to changes in equity and earnings growth.

ii. Book value per share:

$$\text{Calculation formula: Book value per share} = \frac{\text{Equity}}{\text{Number of outstanding shares}}$$

Upon completion of the offering, the book value of each share will be changed due to changes in the number of outstanding shares and the rate of equity growth. With the offering of additional shares at a price below book value, in a short time right after the offering because the increase in the number of outstanding shares is more than the increase in equity, so it will reduce the book value per 1 share of the Company.

✚ About holding ratio and voting rights

The holding ratio as well as the voting rights of the existing shareholders will be reduced by a percentage equivalent to the rate that the existing shareholders refuse the option in this issuance (compared to the time before the closing date of the list to exercise the option of additional shares).

✚ Regarding the reference price at the ex-right date of the option of additional shares:

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

Technical adjustment of share price for the offering to existing shareholders: the offering to existing shareholders will cause the share price to be subject to technical adjustment calculated by Hanoi Stock Exchange. Accordingly, the calculation formula is as follows:

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In which:

- + Ptc : the reference price of BCG shares in the ex-right day of the options in the new issuance to increase capital.
 - + PRt-1: stock price prior to the ex-right session.
 - + I: rate of capital increase according to the issue of options.
 - + Pr: The price of the stock sold to the person with the option.
- s. **Additional listing registration:** The General Shareholders Meeting commits to additional listing and additional depository registration for the entire number of issued shares after the end of the offering in accordance with current regulations.

2.2. Offering shares to outside investors in the form of public auction of shares:

- a. **Share name:** shares of Bamboo Capital Joint Stock Company.
- b. **Trading share code:** BCG
- c. **Type of stock:** Ordinary share.
- d. **Par value:** VND 10,000/share.
- e. **Number of shares to be offered:** 250,000,000 shares
- f. **Total offering value at par value:** VND 2,500,000,000,000,000.
- g. **Issuance form:** Offering to the public in the form of a share auction.
- h. **Issuers:** Public investors.
- i. **Starting price of stock auction:**

Principles of determining the starting selling price: The offering price is determined at least 70% of the average reference price of 60 consecutive trading days on the stock market of BCG shares as of the date the Board of Directors issues a Resolution on the implementation of the public offering of shares. The offering price is rounded to the nearest thousand. For example, if 75% of the average reference price of 60 consecutive trading days on the stock market of BCG stock is determined to be VND 24,566/share, the offering price will be rounded up to VND 25,000, if the average reference price of 60 consecutive trading days on the stock market of BCG shares is determined to be VND 24,466/share, the offering price will be rounded down to VND 24,000.

The General Shareholders Meeting authorizes the Board of Directors to determine the offering price, ensuring the principle of determining the offering price approved by the General Shareholders Meeting.

- j. **Expected time of issuance:** In 2022, after being approved by the State Securities Commission, authorizes the Board of Directors to decide on the basis of compliance with the provisions of the Law and the market situation.
- k. **Plan to handle the un-sold shares due to unsuccessful auction (if any):**

The General Shareholders Meeting authorizes the BODs to deal with the distribution to interested investors with the offering price being the average of the successful auction price of the auction using the weighted average method. All shares to be continued to be distributed to other entities will be restricted from being transferred for 1 year from the date the Company completes the offering.

In case the BODs does not distribute all of these shares, these shares will be canceled and the BODs makes a decision to terminate the offering.

l. Transfer restrictions:

Shares offered through public auction are not subject to transfer restrictions.

m. Registration for additional listing: The General Shareholders Meeting commits to additional listing and additional depository registration for the entire number of issued shares after the end of the offering in accordance with current regulations.

2.3. Issue purpose:

- + In order to improve capital capacity, commensurate with the total value of current assets owned by the Company
- + Additional capital to serve the company's production and business activities.

2.4. Plan to use capital obtained from the issuance:

All proceeds are expected to serve the Company's need for additional capital for production and business activities. Specifically:

- (1) Contribute capital to BCG Financial JSC to expand short-term or long-term financial investment activities, including but not limited to investing in listed shares, shares traded on Upcom, unlisted shares, unregistered shares for trading and other fields in line with the Company's development orientation: Estimated VND 5,000,000,000,000.
- (2) Real estate projects, renewable energy projects through member companies in the form of capital contribution, lending, investment cooperation ... and supplementing working capital: the other amount collected from the capital raising session;

The General Shareholders Meeting authorizes the BODs to develop a detailed capital use plan, at the same time, the General Shareholders Meeting allows the Board of Directors to adjust the amount expected to be used for the above purposes to match the the company's production and business activities.

2.5. Handling plan in case of not collecting the full amount of capital according to the issuance plan: The GSM authorizes the Board of Directors to have full authority to decide and rebalance capital sources or come up with an appropriate handling plan to make up a plan to offset the shortfall in capital expected to be mobilized from the offering so as not to affect the Company's capital as well as production and business activities.

2.6. Minimum success rate: not specified

2.7. Authorization and custody to list the offered additional shares:

a. Authority:

The Board of Directors consults the General Shareholders Meeting on the authorization for the Board of Directors

- Actively carry out the necessary procedures to register for share offering with the State Securities Commission and relevant agencies;
- Select a specific issuance time and carry out the necessary procedures related to completing the issuance plan, applying for issuance permission and implementing it in accordance with the provisions of the Company's Charter and current laws, ensuring benefits for shareholders.
- Supplement, amend and complete the offering plan to ensure the successful offering, meet the requirements of the State management agencies or the actual situation at the Company to ensure compliance with the law.
- Build a detailed plan to use the capital and adjust the plan to use the capital obtained from the offering in accordance with the Company's production and business activities and carry out procedures related to information disclosure in accordance with regulations.
- Carry out procedures for amending the Charter, registering for changes in authorized capital and adjusting the Company's Certificate of Business Registration at the State appropriate authority after completing the offering.
- Proactively adjust the plan to handle the odd number of shares, the number of shares that are not distributed in the direction of ensuring the interests of all shareholders and at the request of the State Securities Commission and relevant agencies as prescribed by law.
- Approve the plan to ensure the issuance of shares meeting the regulations on foreign ownership ratio.
- In addition to the above authorization contents, during the implementation of the issuance plan, the General Shareholders Meeting authorizes the Board of Directors to supplement, amend and complete the issuance plan (including the decision on the contents not yet presented in this capital increase plan) at the request of the State management agency, the actual situation at the Company so that the Company's capital mobilization is done legally and in accordance with regulations, ensuring the interests of shareholders and the Company.

b. Depository and additional listing of offered shares

- The BODs consult the General Shareholders Meeting to deposit and additionally list all additional shares immediately after completing the authorized capital increase.
- The General Shareholders Meeting commits to put the shares of the capital increase into custody and listed on Ho Chi Minh City Stock Exchange right after the offering ended.
- The General Shareholders Meeting authorizes the BODs to actively carry out the procedures related to the depository and listing of additional shares issued in this capital increase.

Would like to submit the plan to the General Shareholders Meeting for consideration and voting for approval.

Best regards,

Recipients:

- General Shareholders Meeting;
- Save: Office of the Board of Directors.

**FOR THE BOARD OF DIRECTORS
CHAIRMAN**

Nguyen Ho Nam