**BVG: Annual General Mandate**

On April 28, 2014, BIG Investment Joint Stock Company announced the Annual General Mandate as follows:

**I. TO APPROVE REPORT OF BOARD OF DIRECTORS AND BOARD OF MANAGEMENT ON THE BUSINESS MANAGEMENT SITUATION IN 2016**

General Meeting of Shareholders approved Report from Board of Directors *with details specified in Report from Board of Directors sent to shareholders attending the 2017 General Meeting of Shareholders and presented at the meeting with some main indicators as follows:*

*Unit: VND million*

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Reached in 2016** | **Reached in 2015** | **Growth** |
| Net revenue  | 121,238 | 224,378 | -45.9% |
| Gross profit  | 20,139 | 41,706 | -51.7% |
| Profit before tax  | -4,382 | -11,195 | 60.8% |
| Short- term assets  | 194,795 | 232,373 | -16.71% |
| Long- term assets  | 85,781 | 182,078 | -52.8 |
| Total assets  | 280,577 | 414,451 | -32.3 |
| Charter capital  | 97,509 | 97,509 | 0% |

**II. TO APPROVE 2016 AUDITED FINANCIAL STATEMENTS**

2016 financial statements were audited by Thang Long - T.D.K Auditing and Valuation Co., Ltd, North Branch, which were audited in accordance with specified standards and stated by Board of Directors of BVG Investment Joint Stock Company, and posted in [www.bacvietgroup.com](http://www.bacvietgroup.com), including:

(1) Report from Auditor;

(2) Balance sheet as at December 31, 2016;

(3) 2016 Income statement;

(4) Cash flow statement;

(5) Notes to financial statements.

Where:

**Some basic indicators in 2016 audited financial statements shall be as follows:**

*Unit: VND million*

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Reached in 2016** | **Reached in 2015** | **Growth** |
| Net revenue  | 121,238 | 224,378 | -45.9% |
| Cost of goods sold  | 101,000 | 182,671 | -44.7% |
| Gross profit  | 20,139 | 41,706 | -51.7% |
| Profit before tax  | -4,382 | -11,195 | 60.8% |
| Sort- term assets | 194,795 | 232,373 | -16.71% |
| Long- term assets  | 85,781 | 182,078 | -52.8 |
| Total assets  | 280,577 | 414,451 | -32.3 |
| Total borrowing  | 127,255 | 253,534 | -49.8% |
| Charter capital  | 97,509 | 97,509 | 0% |

General Meeting of Shareholders approved 2016 financial statements audited by Thang Long - T.D.K Auditing and Valuation Co., Ltd, North Branch.

**III. TO APPROVE PRODUCTION AND BUSINESS PLAN IN 2017**

**1. Financial plan indicators in 2017**

*Unit: VND million*

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Consolidated** | **Parent company** | **Subsidiaries** |
|  | **BVG Investment JSC** | **Bac Viet Steel Structure Company** | **Bac Viet Industrial Company** |
| Net revenue  | 170,000 | 0 | 120,00 | 50,00 |
| Profit before tax  | 4,500 | 0 | 3,500 | 1,500 |
| Total borrowing | 40,000 | 0 | 15,000 | 25,000 |
| **Charter capital**  | **97,509** | **97,509** | **31,000** | **30,000** |

*(The above indicators have not included works related to result of enterprise restructuring of the company)*

**2. Works to be implemented in 2017**

**a. Financial restructuring for complete writing off of bad debts at banks**

In 2016, the company negotiated with the banks on method of writing off the bad debt of VND 61,618 billion by seeking funds to completely pay the total debts and and asked for exemption of total arising interest that the company could not pay with an amount of VND 17,787 billion.

**b. To re-evaluate ineffective asset list of the company**

To evaluate and review the quality of all assets of the company and its subsidiaries, including fixed assets, investments, ineffective and ad receivables, taking suitable handling measures, divestment, assets liquidation, recognition of assets in accordance with specified standards.

**c. Handling outstanding taxes and individual loans**

The company shall actively collect receivables from divestment implemented by the subsidiaries in 2016, in addition to completely writing off bad debts at banks. The company shall continue to write off outstanding taxes and due individual loans and reduce bank debts in its subsidiaries to safe and controlled level.

**d. To develop investment activities**

The company shall seek business projects and opportunities in investment, financial services and M&A activities, and real estate trading.

The above are basic activities of assessing business result of the company in 2016 and its objectives, orientation and solutions in 2017.

BVG Investment Joint Stock Company shall make all efforts to reach its plans in 2017 and model change, corporate restructuring. Board of Directors and Board of Management hope to receive opinions form shareholders to develop the company for a sustainable and effective development.

**3. Authorization to Board of Directors**

General Meeting of Shareholders agreed to authorize Board of Directors to implement the business plan in 2017 with the above mentioned content, especially in financial restructuring and bad debt writing off.

**IV. TO APPROVE REPORT FROM BOARD OF DIRECTORS IN 2016**

General Meeting of Shareholders approved the Report from Board of Supervisors *with details specified in Report from Board of Supervisors sent to shareholders attending the 2017 General Meeting of Shareholders and presented at the meeting.*

**V. TO APPROVE THE SELECTION OF AUDITING COMPANY IN 2017**

In order to ensure the convenience in management of the company, Board of Directors suggested that General Meeting of Shareholders should authorize Board of Directors to select one of the following auditing companies to audit 2017 financial statements of the company and review quarterly financial statements *(if necessary at the request of state management agency):*

- Thang Long - T.D.K Auditing and Valuation Co., Ltd, North Branch

- CPA Vietnam Auditing Company Limited

- PKF Vietnam Co., Ltd

- AASC Auditing Firm Company Limited

- A&C Auditing and Consulting Co., Ltd

If the company could not negotiate with the above auditing companies on auditing progress and expense, General Meeting of Shareholders shall authorize Board of Directors to select the remaining auditing companies in the list of independent auditing companies accepted by State Securities Commission of Vietnam in order to audit annual financial statements and review quarterly financial statements *(if necessary at the request of state management agency).*

**VI. TO APPROVE THE AMENDMENT AND SUPPLEMENT OF CHARTER ON ORGANIZATION AND OPERATION OF THE COMPANY**

Pursuant to Law on Enterprise no. 68/2014/QH13 dated November 26, 2014, based on actual situation of the company, Board of Directors suggested that General Meeting of Shareholders should approve Charter on Organization and Operation of the company in line with legal regulations as follows:

|  |  |
| --- | --- |
| **Former charter** | **Amended charter***(Including 2 amendments, supplements)* |
| **1. Clause 4, Article 2** Chairman of Board of Directors shall be the legal representative of the company  | **1. Clause 4, Article 2** The company shall have its own legal representative as chairman of Board of Directors and General Director  |
| **2. Clause 1, Article 3:** Business lines of the company *(Including 35 business lines)* | **2. Clause 1, Article 3:** Business lines of the company *(Including 35 business lines and some new business lines have been added:* *-* Other credit providing activities (Code 6492)*Details: Pawn service)* |

General Meeting of Shareholders agreed to authorize Board of Directors to fulfill procedures to change Business Registration Certificate, Charter on Organization and Operation of the company with the following changes: (1) Adding legal representative, (2) Adding business lines with Hanoi Business Registration Office in accordance with legal regulations.

**VII. TO APPROVE THE SUPPLEMENT OF LEGAL REPRESENTATIVE OF THE COMPANY**

Pursuant to clause 2, article 13 of Law on Enterprises no. 68/2014/QH13 dated November 26, 2014, specifying that joint stock company may have one or more legal representatives; and charter of the company specifying the number of job titles and managing rights and obligations of legal representatives, General Meeting of Shareholders approved the appointment of Mr. Vu Hoang Chuong, General Director of the company, to the position of legal representative of the company together with Mr. Tran Anh Vuong.

**VIII. TO APPROVE REPORT ON REMUNERATION AND SALARY OF MEMBERS OF BOARD OF DIRECTORS AND BOARD OF SUPERVISORS IN 2016 AND PLAN ON REMUNERATION AND SALARY OF BOARD OF DIRECTORS AND BOARD OF SUPERVISORS IN 2017**

General Meeting of Shareholders approved the remuneration and salary of Board of Directors and Board of Supervisors in 2016 and plan on remuneration and salary of Board of Directors and Board of Supervisors in 2017. In particular:

From 2010, when shares of BVG were listed in stock exchange, Board of Directors has been authorized by General Meeting of Shareholders to pay remuneration every year. However, due to business difficulties, the company has not paid remuneration to Board of Directors. Recommended payment of remuneration and salary to Board of Directors and Board of Supervisors shall not exceed 2% of total profit after tax in 2017 plus unpaid remuneration in previous year from 2010 as agreed by the General Meeting of Shareholders.

**IX. EXECUTION PROVISIONS**

The resolution was approved by 2017 Annual General Meeting of Shareholders. General Meeting of Shareholders assigned Board of Directors and Board of Management of the company to implement provisions specified in the resolution in accordance with legal regulations and charter of the company.

The resolution shall take effect from the date of signature.