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PART I
THE GROUP
GROUP HISTORY

In 2002, An Phat Plastic was established. After 15 years, under the great leadership of Mr. Pham Anh Duong – Chairman, An Phat possesses outstanding growth and has been listed in Vietnam Fortune 500 in the most recent 3 years.
CURRENT MANUFACTURING CAPACITY

Hai Duong province: 2
Yen Bai province: 1

- Plastic packaging
- Filler master batch, additives, compounds

100 hectares

2,000+ workers

9 plants, 100% plastic packaging exported

- Other products: polyester, petro-chemical...
- FIBC, PP woven & non-woven bags

Ford Vietnam
Road 5 (AH14)
An Phat Plastics Complex

HAI DUONG

YEN BAI
"At An Phat, 15-years is just the beginning. An Phat will become the market pioneer in petrochemical and plastic industry of Vietnam, increasing the manufacturing’s competitive capacity of the country to the next level."

Nguyen Le Trung
Founder, Member of BOD, An Phat Holdings
CEO, An Phat Plastic

Pham Hoang Viet
Founder, Member of BOD, An Phat Holdings
Permanent Vice Director, An Phat Plastic

Dinh Xuan Cuong
CEO, Anphat Holdings

Vu Thanh Binh
Chairman, An Phat Mineral

Nguyen Huu Long
CEO, An Thanh Bicsol

Nguyen Duc Long
CEO, An Tin Logistics

Nong Huy Hoang
CEO, An Cuong Hi-tech Building Materials

Bui Minh Hai
CEO, An Vinh Packaging

Dang Quang Khoi
CEO, Dai An Plastic
BUSINESS STRATEGY

1. PRODUCTS
   - Provide high technology and environmentally friendly products and offer premium services to fulfill highly demanding markets

2. MARKET
   - Increase capacity quickly and sustainably, increase market share through new products, expand existing market share, and add new business activities to explore new market

3. FINANCIAL PRUDENCE
   - Financial prudence is fully applied in An Phat's operations, not only in maintaining reasonable financial leverage, but also in managing bad debts, increasing capital turnover, and especially cautious investment in new business on the basis of thorough research and market preparation to protect and increase shareholders’ value.

4. ALLIANCE
   - Application R&D with worldwide leaders, new business incorporation or M&A to penetrate markets both vertically and horizontally, with the aim of creating the best value-chain in the industry.
PART II

BUSINESS ACTIVITIES
CURRENT MANUFACTURING CAMPUS # 1

- An Dong industrial zone, Hai Duong province
- Plastic packaging
  96,000 MT / year
- 7 plants, 100% export
- 37 hectares
- 2,000 workers
AN PHAT PLASTIC AND GREEN ENVIRONMENT JSC (AAA)

- Incorporated 2002
- Charter capital USD 73.3 mil
- Consolidated revenue 2017 USD 180 mil
- No.1 Plastic packaging manufacturer in SEA 8,000 MT/month
100% plastic bags of the Company are exported to 55 countries including the EU, Japan, USA, Australia

No.1 biodegradable packaging manufacturer in Vietnam

MONTHLY PRODUCTION BREAKDOWN 2017 (MT)

EXPORTING MARKETS BREAKDOWN 2017

PLASTIC PACKAGING MARGINS 2017

YOY GROWTH OF PRODUCTION Q1 2018 (MT)
# AN PHAT PLASTIC AND GREEN ENVIRONMENT JSC. (AAA)

One of the ONLY 5 Asian members in European Bioplastics Association

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Sector</th>
<th>Country</th>
<th>Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>API</td>
<td>Bioplastics manufacturers and auxiliaries</td>
<td>Italy</td>
<td>TPE, TPU (Thermoplastic Polyurethanes), biodegradable polyester blends</td>
</tr>
<tr>
<td>Agrana Stärke</td>
<td>Bioplastics manufacturers and auxiliaries</td>
<td>Austria</td>
<td>Starch, TPS</td>
</tr>
<tr>
<td>Allessa</td>
<td>Renewable raw material / green chemistry</td>
<td>Germany</td>
<td>Bio polyether polyols</td>
</tr>
<tr>
<td>An Phat Plastics</td>
<td>Plastics Converters</td>
<td>Vietnam</td>
<td></td>
</tr>
<tr>
<td>BASF</td>
<td>Bioplastics manufacturers and auxiliaries</td>
<td>Germany</td>
<td>PBAT, PBAT blends, biodegradable and biobased polymers</td>
</tr>
</tbody>
</table>

### Management system

- ISO 22000:2015
- ISO 14001:2004
- BRC
- BSCI

### Factories and products certificates

- 7P2088 – Ed. A
- OK Home compost & Seeding logo
- Bags on roll comply with Food Contact Regulation of EU 1935/2004 and 10/2011
in term of **ASSET**, **EQUITY**, **MARKET CAP**, and **REVENUE** among the same-sector listed companies

**Total asset as of year 2017 (audited) (USD Mil)**

- AAA: 163.83
- CLC: 34.19
- HBD: 1.19
- RDP: 55.37
- HPP: 47.43
- TPC: 24.64

**Total equity as of year 2017 (audited) (USD Mil)**

- AAA: 60.07
- CLC: 19.66
- HBD: 1.06
- RDP: 21.78
- HPP: 11.29
- TPC: 13.53

**Total revenue of 2017 (audited) (USD Mil)**

- AAA: 156.19
- CLC: 80.81
- HBD: 0.21
- RDP: 57.24
- HPP: 40.39
- TPC: 23.99

**Market Cap as at 31 Dec 2017 (USD Mil)**

- AAA: 121.71
- CLC: 55.85
- HBD: 0.84
- RDP: 22.27
- HPP: 16.30
- TPC: 9.82

(ex-rate: 22,735) (Separated reports, Cafef.vn, Dec 2017)
AN PHAT YEN BAI MINERAL AND PLASTIC JSC (HII)

Incorporation 2009
Charter capital USD 6 million

TOP 2 manufacturer of plastic raw materials and additives of Vietnam

Design capacity: 2 plants
372.000 ton/year

Listed in HOSE
Ticker: HII
Market Cap: USD15.7 mil (31 Dec 2017)

More than 80 frequent customers

CONSOLIDATED SALES & PROFIT 2017

PRODACS

PE filler (PE compound)
Transparent filler
Nano CaCO3 powder
White master batch

Sales
Net Profit

(Company report, 2017)
Main Business

- **Top 2** suppliers of additives, chemicals and compounds for the plastic industry, biodegradable and plastic bags, PP and PE products
- Large and stable supply to customers upon bargaining power
- In charge of export sales for customers and partners, ensuring all outputs up to standards of An Phat and improving reputation for made in Vietnam products
- Support customers regarding technology and production procedures
AN TIN INTER-TRANSPORT JSC.

Incorporation 2016

Charter capital USD 4.4 mil

Transportation capacity 2,600 inland trips/month

- 100 tractors
- 150 trailers

Warehouse 10,000m²

Current capacity

<table>
<thead>
<tr>
<th>Year</th>
<th>Vehicles</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>2018</td>
<td>152</td>
<td>0</td>
</tr>
<tr>
<td>2019</td>
<td>198</td>
<td>0</td>
</tr>
<tr>
<td>2020</td>
<td>256</td>
<td>0</td>
</tr>
<tr>
<td>2021</td>
<td>300</td>
<td>0</td>
</tr>
</tbody>
</table>

Number of vehicles Volume of transportation
• During 2013 and 2017, CAGR of consolidated sales amounted to 28.61%.
• 2017’s consolidated sales was up 90% compared to 2016’s.
• During 2013 and 2017, CAGR of consolidated net profit was 32.38%.
• 2017’s consolidated net profit was up 90% compared to 2016’s.
PART III

LONG TERM BUSINESS GROWTH
“An Phát will become the pioneer public group in Vietnam Plastics-Petrochemicals industry. An Phat will provide big market solutions to industry, develop and stabilize input raw materials of petrochemical products from plastic resins to chemical and additives, as well as manufacture high technology industrial plastic products and high quality and ecofriendly finished products for end users. By lengthening business chain, An Phat will create more values to Vietnam Plastics-Petrochemical industry, while generating revenue and profit for shareholders and employees”
<table>
<thead>
<tr>
<th>BUSINESS AREA – PLASTIC VALUE CHAIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. BIO PLASTICS</td>
</tr>
<tr>
<td>Biodegradable compounds</td>
</tr>
<tr>
<td>Premium industrial bags for</td>
</tr>
<tr>
<td>pharmaceutical &amp; foods</td>
</tr>
<tr>
<td>2. PACKAGING</td>
</tr>
<tr>
<td>Biodegradable &amp; compostable bags</td>
</tr>
<tr>
<td>Plastic bags</td>
</tr>
<tr>
<td>3. CONSUMER GOODS</td>
</tr>
<tr>
<td>Mom &amp; baby plastics</td>
</tr>
<tr>
<td>Household plastics,</td>
</tr>
<tr>
<td>kitchen utensils</td>
</tr>
<tr>
<td>4. ENGINEERING PLASTICS</td>
</tr>
<tr>
<td>Refinery &amp; petrochemical products</td>
</tr>
<tr>
<td>PSF, DTY, chips</td>
</tr>
<tr>
<td>5. POLYESTER</td>
</tr>
<tr>
<td>Chemical, additives</td>
</tr>
<tr>
<td>Textiles chain (dying)</td>
</tr>
<tr>
<td>6. PETROCHEMICAL</td>
</tr>
<tr>
<td>Hi-tech building plastics,</td>
</tr>
<tr>
<td>wall foam and decoration</td>
</tr>
</tbody>
</table>

Lengthen to end users

Lengthen to raw materials & industrial users
Entrepreneurial ecosystem

The hub for **INVESTMENT & HOLDING** new business, **R&D** specializing in high quality, high technology, eco-friendly plastics

**R&D AND INVESTMENT**

**LOGISTICS**

**MANUFACTURING RAW MATERIALS**

**ECOSYSTEM SYNERGY**

**ONE-STOP SHOP MARKET SOLUTION**

**MANUFACTURING FINISHED PRODUCTS**

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An Thanh Bicsol JSC provides big corporate solution for customers, supplying PP and PE raw materials, plastic bags, plastic compounds and additives, generating value added to customers.

An Tin Logistics JSC is in charge of logistics with many good services and high reliability.

An Phat Mineral JSC is the **TOP 2 domestic manufacturer** for stable and low-cost inputs, specializing in CaCO3 nano powder, filler, masterbatch, & plastic additives.

An Phat Plastic – **#1 plastic packaging manufacturer in South East Asia**, exporting 100% worldwide.
EXPANSION PLAN: MANUFACTURING CAMPUS # 2

- An Phat Plastics Complex @ KENMARK VIETHOA INDUSTRIAL ZONE
- Greenfield investment
- 47ha
- Ford Vietnam
- Hi-tech injection molding
- Premium industrial bags FIBC
- Bio-plastics
- 0% in first 04 years
- 50% of normal tax rate in 09 years after
- Tax of 10% for hi-tech such as automotive plastics
MANUFACTURING CAMPUS # 2

- Already built Road
- Electric System Ready-to-Use
- **08** factory blocks Ready-to-Use
  
  (6500 sq. m. / blocks)
  ~ ¼ Total Area

Floor & Roof

- Ready-to-Use Water Treatment System
PART IV

NEW MANUFACTURING
**KEY ROLES:** The hub for **INVESTMENT & HOLDING**, and for comprehensive R&D activities to facilitate effective operation of the whole group, targeting to become a leading plastic group in Asia.

**GOAL**
Application R&D for high quality & technology plastic, engineering plastic and eco-friendly products

**PARTNERSHIP**
Build long-term partnerships with worldwide leading groups (BASF, SABIC, SCG, RELIANCE, etc) and receive modern technology transfer for high technology products and eco-friendly products

**RATIONALES**
- Higher profit margins
- Social responsibility (bio-degradable, eco-fuel consumption, less discharge)
- Consumption trend with huge potential demands as enacted into law
R&D
- Promote R&D activities;
- Develop new products of high quality and environmental-friendly.

Sustainability & Growth
- Maintain profitable business activities;
- Extend production chain and eco-products to create more values.

NEW INVESTMENT
- Invest in promising projects;
- Improve the company’s competitiveness;
- Raise the company and investors’ value.

PHASE 1
Mobile spared parts, hi-tech building materials

PHASE 2
Home Appliances
LG, Daikin

PHASE 3
Automotive Components
Yamaha, Ford, Toyota

PHASE 4
High-quality Consumer Goods

Greenfield Project

- Produce biodegradable bags, increase production volume and exports, up to at least 2,000 tons per month
- Produce raw material for biodegradable products (compounds)

**RATIONALES:**

- Profit margins higher than ordinary plastic bags;
- Committed to Corporate Social Responsibility (degradable, environmental-friendly);
- Promising market demand as enacted by law

Global bio-based biodegradable plastic consumption by region (‘000 tons)

http://goumbook.com/plastic-bags-charges-taxes-bans-list-countries/
Production: high tech plastic wall panel used in construction
- Period 1: 37,000 m²/month
- Period 2: 54,000 m²/month
- Period 3: 70,000 m²/month

Rationales:
- Growing domestic demand for building materials; high and stable growth rate;
- Majority of products are imported;
- Meeting the demand arising from apartments, hotels, resorts and middle-class offices
- Highly profitable.
NEW BUSINESS ON PROGRESS

FIBC – PREMIUM INDUSTRIAL PACKAGING

MAIN PRODUCTIONS:
Premium industrial Packaging
- PP Bags
- Jumbo Bags
- Sling Bags
- Capacity: 2,000 tons/month

RATIONALES:
- Take advantage of domestic raw material supply;
- Take advantage of low labor, utilities cost, already-accessible market;
- Take advantage of resources and experience in packaging industry;
- High profitability and promising market: pharmaceuticals & foods

Global FIBC Demands 2017-2021 (by thousand tons)

Asia Pacific Woven Sacks Demands 2017-2021 (by thousand tons)

(China and India’s market demands are not included)
**NEW BUSINESS ON PROGRESS**

**INJECTION MOLDING PLASTICS**

**DaiAn Plastic**
A member of AnPhat Group

**Investment in production lines**
Area 6,500m²

**Qualified Engineers**
300 highly trained employees

**An Phat Plastics Complex**

**RATIONALES**
- Huge market demand in the North
- Apply high tech in production
- **AIM** to become primary vendor of Samsung Vietnam

**TAX**
- 0% in first 04 years
- 50% of normal CIT in 09 years after

**Engineering Plastics Factory**

2018 Construction
2019 Operation

**Partners**
- Honda
- Yamaha
- Panasonic
- Samsung
### NEW BUSINESS ON PROGRESS

**INJECTION MOLDING PLASTICS**

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**Analysis of Samsung’s demand in 2016**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobiles</td>
<td>306</td>
<td>107.1</td>
<td>856.8</td>
</tr>
<tr>
<td>Tablets</td>
<td>26.5</td>
<td>9.3</td>
<td>74.4</td>
</tr>
<tr>
<td>Wearables</td>
<td>4.2</td>
<td>1.47</td>
<td>7.35</td>
</tr>
<tr>
<td>Total</td>
<td>336.7</td>
<td>117.9</td>
<td>938.55</td>
</tr>
</tbody>
</table>

Unit: mil pieces

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According to IDC reports, (IDC, 2017), (Su, 2016), (Graziano, 2017), (Statista, 2017)

( **) : 35% of Samsung mobiles are produced in Vietnam (Duc, 2016)
R&D
- Need more research on suitable raw materials
- Market positioning, pricing strategy

Branding
- Targeted customers
- Developing An Phat’s own brands

RATIONALES:
- Huge domestic demand for premium products, highly profitable
- Mom & baby plastics are almost imported, popular brands are Pigeon, Chicco, Avent, Medela, NUK

Green field investment

An Phat Plastics Complex

0% in first 04 years
50% of normal CIT in 09 years after
PART V

DISCUSSION
THANK YOU!

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