



No.: 01/2015/NQ-ĐHĐCĐ

Ho Chi Minh City, April 16th, 2015

[DRAFT]
RESOLUTION
OF THE 2014 ANNUAL GENERAL MEETING (AGM)
HO CHI MINH CITY SECURITIES CORPORATION (HSC)

Pursuant to:

- The Law on Enterprises No.60/2005/QH11 issued by the National Assembly of the Socialist Republic of Vietnam on November 29th, 2005 and the documents guiding the implementation of Law on Enterprise;
- The Law on Securities No.70/2006/QH11 issued by the National Assembly of the Socialist Republic of Vietnam on June 29th, 2006 and Amendment, Law amending and supplementing a number of articles of Securities Law No.62./2010/QH12 issued by the National Assembly of the Socialist Republic of Vietnam on November 24th, 2010 and some documents guiding the implementation of Securities Law;
- The ninth amendment of HSC Charter according to the AGM Resolution No.01/2013/NQ-ĐHĐCĐ dated April 26th, 2013;
- Minute No. 01/2015/BB-ĐHĐCĐ dated Apr 16th, 2015 of the 2014 AGM of Ho Chi Minh City Securities Corporation.

RESOLVED

Article 1.

The 2014 AGM approved the report on activities in 2014 of the Board of Directors (BOD) of Ho Chi Minh City Securities Corporation.

- Votes in favor accounted for 100%

Article 2.

The 2014 AGM approved the Income Statement for 2014 of HSC, in which some main indicators as below:

Unit: VND mil

ITEM	FY2014	FY2013	% change	Plan 2014	% actual/plan 2014
INCOME STATEMENT (VND mil)					
Revenue	831,135	634,760	31%	744,761	112%
Brokerage	299,432	199,104	50%	310,246	97%

ITEM	FY2014	FY2013	% change	Plan 2014	% actual/ plan 2014
Margin and advances income	248,786	155,821	60%	195,000	128%
Proprietary investment	194,425	152,919	27%	167,675	116%
Interest income	67,241	90,727	-26%	36,340	185%
Corporate finance	12,362	16,399	-25%	19,000	65%
Other revenues	8,889	19,790	-55%	16,500	54%
Operating expenses	349,692	260,049	34%	306,951	114%
Other profit	4	718	-99%	-	
Profit before tax	481,447	375,428	28%	437,810	110%
Profit after tax	376,152	282,174	33%	341,492	110%
BALANCE SHEET AT THE YEAR END (VND mil)					
Total asset	3,859,367	3,127,781	23%	3,171,691	122%
Owners' equity	2,358,231	2,247,348	5%	2,265,561	104%
FINANCIAL INDICATORS					
Return on average assets (ROAA)	10.8%	8.9%		10.6%	
Return on average equity (ROAE)	16.3%	12.8%		15.4%	
EQUITY'S VALUE					
Number of outstanding shares	127,229,583	127,249,720		127,249,720	
Earnings per share EPS – VND	2,956	2,241	32%	2,684	110%
Book value per share – VND	18,535	17,661	5%	17,804	104%
Market price at balance sheet date – VND	31,200	24,500	27%	N/A	N/A
P/E (time)	10.6	10.9	-3%	N/A	N/A
Total Shareholders's return	32%	51%			

➤ Votes in favor accounted for 100%

Article 3.

The 2014 AGM approved the business plan for 2015 of HSC with the following expectations:

- The average trading value of the whole market will be VND4,000 bil/day, an increase of 33% as compared with 2014;
- This promises to be the last year in the equitisation of SOEs (435 SOEs), which should increase supply for the stock market once these enterprises are listed;

- The new derivative products such as Non voting depository receipt (NVDR), converted warrant... of the basic stock market maybe to be launched at the end of this year may significantly increase the liquidity of the stock market in 2015;
- In contrast, the effectiveness of the Circular No. 36/2014/TT-NHNN dated November 20th, 2014 of the State Bank of Vietnam prescribing limits and prudential ratio in operation of credit institutions and foreign bank branches may decrease the liquidity of the stock market as well as the credit extension limits of the credit institutions,

The target of HSC market share is about 11.1%.

Brokerage market share	Plan 2015	FY2014	% change/ FY2014	Q1/2015
Clients				
Individual Clients	8%	7.4%	0.6%	6.5%
Institutional Clients	3.1%	3.0%	0.1%	3.4%
Principal Investment	-	0.2%	-0.2%	0.1%
HSC	11.1%	10.6%	0.5%	10.0%
Trading of the foreign clients				
HSC market share	30.0%	28.5%	1.5%	27.0%

The financial indicators in the business plan for 2015 of the Company as follow:

Unit: VND mil

ITEM	Plan 2015	2014	%change/ actual 2014	Q1.2015	% Plan 2015
REVENUE	779,171	831,135	-6%	129,082	17%
Brokerage	416,027	299,432	39%	51,840	12%
Margin and advances income	212,500	248,786	-15%	53,733	25%
Proprietary investment	65,742	194,425	-66%	5,401	8%
Interest income	52,395	67,241	-22%	15,509	30%
Corporate finance	25,707	12,362	108%	1,723	7%
Other revenues	6,800	8,889	-23%	876	13%
TOTAL OPERATING EXPENSE	363,519	349,692	4%	68,059	19%
PROFIT BEFORE TAX	415,651	481,447	-14%	61,023	15%

ITEM	Plan 2015	2014	%change/ actual 2014	Q1.2015	% Plan 2015
Corporation income tax	91,443	105,295	-13%	13,366	15%
PROFIT AFTER TAX	324,208	376,152	-14%	47,656	15%
Return on average equity (ROAE)	13.7%	16.3%		8.1%	

- Votes in favor accounted for 100%

Article 4.

The 2014 AGM approved the report on the Company's operations in 2014 of the Board of Supervision.

- Votes in favor accounted for 100%

Article 5.

The 2014 AGM approved the Financial Statements for the year 2014 including:

- Report of the Board of Managers;
- Independent Auditors' Report;
- Balance sheet as at December 31st, 2014;
- Income Statement for the year ended Dec 31st, 2014;
- Cash flow statement;
- Statement of changes in equity;
- Notes to the financial statements,

In which:

Some key items in the Financial Statements for the fiscal year 2014 of HSC as below:

Unit: Vietnam dong

No.	Items	Performance of Y2014	Performance of Y2013
1	Total assets	3,859,367,024,129	3,127,781,068,922
2	Net revenue	831,135,291,006	634,759,577,700
3	Profit before tax	481,447,406,089	375,428,362,311
4	Profit after tax	376,152,047,249	282,174,310,748

- Votes in favor accounted for 100%

Article 6.

The 2014 AGM approved the final cash dividend of 2014 as below:

- Dividend pay-out rate: 16% of par value (*equivalent to VND 1.600 per share*)
- Payment method: In cash

- Implementation time:
 - Expected record date: May 8th, 2015
 - Expected payment date: May 27th, 2015
 - Personal income tax (PIT): The AGM authorizes the BOD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.
- Votes in favor accounted for 100%

Article 7.

The 2014 AGM approved the dividend plan for 2015 of HSC as below:

- Dividend pay-out rate: Based on the Company's actual business result at the dividend payment time, the AGM authorizes the BOD to decide the 2015 dividend rate of 12% of the par value (*equivalent to VND1.200 per share*)
- Payment method: In cash
- Implementation time: The AGM authorizes the BOD to choose the suitable date to pay the 2015 dividend.
- Personal income tax (PIT): The AGM authorizes the BOD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.

- Votes in favor accounted for 100%

Article 8.

The 2014 AGM approved the 2014 profit distribution plan of HSC. The details as follow:

Unit: VND

No	ITEMS	PERFORMANCE Y2014		PERFORMANCE Y2013	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	PROFIT BEFORE TAX		481,447,406,089		375,428,362,311
II	PROFIT AFTER TAX	100%	376,152,047,249	100%	282,174,310,748
III	PROPOSED PROFIT AFTER TAX DISTRIBUTION	87.5%	329,304,279,596	90,5%	255,298,702,788
1	Appropriation to Equity Funds	15.5%	58,303,567,324	17,5%	49,380,604,381
	<i>Supplementary capital reserve</i>	5.0%	18,807,602,362	5%	14,108,715,538
	<i>Compulsory reserve fund</i>	5.0%	18,807,602,362	5%	14,108,715,538
	<i>Welfare and reward fund</i>	5.5%	20,688,362,599	7,5%	21,163,173,306
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No	ITEMS	PERFORMANCE Y2014		PERFORMANCE Y2013	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
	Cash dividend payment	71.0%	267,239,191,800	72%	203,096,355,300
	<i>Interim dividend (5% of per value)</i>	16.9%	63,628,379,000	17,9%	50,420,806,500
	<i>Proposed final dividend (16% of per value)</i>	54.1%	203,610,812,800	54,1%	152,675,548,800
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1.0%	3,761,520,472	1%	2,821,743,107
IV	RETAINED PROFIT (IV)=(II)-(III)	12.5%	46,847,767,653	9,5%	26,875,607,959
V	RETAINED PROFITS OF AT THE BEGINNING OF THE YEAR		314.521.878.475		312.436.387.883
VI	TOTAL RETAINED EARNINGS AT THE END OF THE YEAR (VI)=(IV)+(V)		361.369.646.128		314.521.878.475

➤ Votes in favor accounted for 100%

Article 9.

The Meeting approved the authorization to the BOD to appoint one of the Big 4 independent audit firms, approved by the State Securities Commission of Vietnam (SSC) of auditing issuing organization, listed and securities trading companies, to audit the Financial Statements for the year 2015 and review the quarterly Financial Statements of HSC in accordance with the law regulations.

List of 4 audit firms:

1. Ernst & Young Vietnam Co., Ltd.
2. KPMG Vietnam Co., Ltd.
3. Price Waterhouse Coopers Vietnam Co., Ltd
4. Deloitte Vietnam Co., Ltd

➤ Votes in favor accounted for 100%

Article 10.

The 2014 AGM approved the dismissal of the member of the Directors' Board and the list of candidate(s) to nominate to the Directors' Board for the term III (2011 – 2015)

- The dismissal of the member of the Directors' Board of Mr Hoang Dinh Thang is effective at the closing of the FY2014 AGM on 16th April, 2015.
- The list of candidate(s) to nominate to the Directors' Board for the term III (2011 – 2015)

Full name: Le Thang Can

Date of birth: February 10th 1976

Nationality: Vietnam

ID number: 025776876 issued date April 18th 2013 at HCM City

Permanent address: 60/21/6 4 Street, KP5, Truong Tho, Thu Duc District, HCM City

➤ Votes in favor accounted for 100%

The 2014 AGM approved Mr./Ms.(ID number, issued date, issued place) is elected as the member of the Directors' Board for the term III (2011 – 2015) (*Attached the election minutes*)

Article 11.

This Resolution takes effect from the signing date, all shareholders of Ho Chi Minh City Securities Corporation, members of the BOD, members of the BOS and all the Company employees have responsible for the implementation of such Resolution.

**For and On behalf of the Board of Directors
CHAIRMAN**

(signed and seal)

DO HUNG VIET

To:

- HSC Shareholders;
- SSC;
- HOSE;
- BOD, BOS and BOM;
- BOD Office for record,