



No.: 01/2016/NQ-ĐHĐCĐ

Ho Chi Minh City, 21 April 2016

## RESOLUTION

### OF THE 2015 ANNUAL GENERAL MEETING (AGM)

### HO CHI MINH CITY SECURITIES CORPORATION (HSC)

Pursuant to:

- The Law on Enterprises No.68/2014/QH13 issued by the National Assembly of the Socialist Republic of Vietnam on 26 November 2014 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 29 June 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 26 April 2013;
- Minute No. 01/2016/BB-ĐHĐCĐ dated 21 April 2016 of the 2015 AGM of Ho Chi Minh City Securities Corporation.

## RESOLVED

### Article 1.

The 2015 AGM approved the report on activities in 2015 of the Board of Directors (BOD) of Ho Chi Minh City Securities Corporation.

- Votes in favor accounted for 99.73%

### Article 2.

The 2015 AGM approved the Income Statement for 2015 of HSC, in which some main indicators as below:

Unit: VND mil

ITEM	FY2015	FY2014	% change	Plan 2015	% actual/plan 2015
<b>INCOME STATEMENT (VND mil)</b>					
Revenue	591,139	831,135	-29%	779,171	76%
Brokerage	262,076	299,432	-12%	416,027	63%
Margin and advances income	222,636	248,786	-11%	212,500	105%

ITEM	FY2015	FY2014	% change	Plan 2015	% actual/ plan 2015
Proprietary investment	34,666	194,425	-82%	65,742	53%
Interest income	54,719	67,241	-19%	52,395	104%
Corporate finance	11,155	12,362	-10%	25,707	43%
Other revenues	5,887	8,889	-34%	6,800	87%
<b>Operating expenses</b>	<b>319,667</b>	<b>349,692</b>	<b>-9%</b>	<b>363,520</b>	<b>88%</b>
Other profit	28	4	582%	-	
<b>Profit before tax</b>	<b>271,500</b>	<b>481,447</b>	<b>-44%</b>	<b>415,651</b>	<b>65%</b>
<b>Profit after tax</b>	<b>213,310</b>	<b>376,152</b>	<b>-43%</b>	<b>324,208</b>	<b>66%</b>
<b>BALANCE SHEET AT THE YEAR END (VND mil)</b>					
Total asset	3,596,583	4,069,804	-12%	3604,708	100%
Owners' equity	2,279,549	2,358,231	-3%	2,407,569	95%
<b>FINANCIAL INDICATORS</b>					
Return on average assets (ROAA)	5.6%	10.5%	-	8.7%	-
Return on average equity (ROAE)	9.2%	16.3%	-	13.7%	-
<b>EQUITY'S VALUE</b>					
Number of outstanding shares	127,185,417	127,229,583		127,229,583	
Earnings per share EPS – VND	1,677	2,794	-40%	2,548	66%
Book value per share – VND	17,923	18,535	-3%	18,923	95%
Dividend	1,430 (*)	2,100	40%	N/A	N/A
Market price at balance sheet date – VND	30,800	31,200	-1%	N/A	N/A
P/E (time)	18,4	11,2	64%	N/A	N/A

➤ Votes in favor accounted for 99.72%

### Article 3.

The 2015 AGM approved the business plan for 2016 of HSC with the following assumptions:

- The average trading value of the whole market will be VND3,000 bil/day, an increase of 17% as compared with 2015;
- HSC's brokerage market share in 2016 will be 11.8%. The brokerage market share of individual clients will be 8.0% and of institutional clients will be 3.8%;
- Average margin debt balance will be VND2,200 bil and average interest rate for margin lending will be 13% per annum (VND1,630 bil and 13.5% in 2015);

- Average interest rate will be 4.9% per annum,

The target of HSC market share is about 11.8%.

Brokerage market share	Plan 2016	FY2015	% change/ FY2015	Q1/2016
<b>Client Division</b>				
Individual Clients/Market	8.0%	6.9%	1.1%	6,6%
Institutional Clients/Market	3.8%	3.4%	0.4%	5,0%
Principal Investment/Market	N/A	0.1%	N/A	0,1%
<b>HSC total market share</b>	<b>11.8%</b>	<b>10.4%</b>	<b>1.4%</b>	<b>11,7%</b>
<b>Client Type</b>				
HSC Individual Clients/ Individual Clients of market	10.8%	8.9%	1.9%	9,3%
HSC Foreign Institutional Clients/ Foreign Clients of market	28.0%	27.9	0.1%	33,0%

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

*Unit: VND mil*

ITEM	Plan 2016	FY2015	%change/ actual 2015
<b>REVENUE</b>	<b>734,593</b>	<b>591,139</b>	<b>24%</b>
Brokerage	347,573	262,076	33%
Margin and advances income	286,000	222,636	28%
Proprietary investment	25,293	34,666	-27%
Interest income	34,947	54,719	-36%
Corporate finance	35,580	11,515	209%
Other revenues	5,200	5,527	-6%
<b>TOTAL OPERATING EXPENSE</b>	<b>358,636</b>	<b>319,667</b>	<b>12%</b>
<b>PROFIT BEFORE TAX</b>	<b>376,357</b>	<b>271,500</b>	<b>39%</b>
<b>Corporation income tax</b>	<b>75,271</b>	<b>58,190</b>	<b>29%</b>
<b>PROFIT AFTER TAX</b>	<b>301,086</b>	<b>213,310</b>	<b>41%</b>
Return on average equity (ROAE)	<b>12.6%</b>	<b>9.2%</b>	

- Votes in favor accounted for 99.72%

**Article 4.**

The 2015 AGM approved the report on the Company's operations in 2015 of the Board of Supervision.

- Votes in favor accounted for 99.73%

**Article 5.**

The 2015 AGM approved the Financial Statements for the year 2015 including:

- Report of the Board of Managers;
- Independent Auditors' Report;
- Balance sheet as at 31 December 2015;
- Income Statement for the year ended 31 December 2015;
- 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 2015 of HSC as below:

*Unit: Vietnam dong*

No.	Items	Performance of Y2015	Performance of Y2014
1	Total assets	3,596,583,428,164	4,069,804,065,228
2	Net revenue	591,138,977,810	831,135,291,006
3	Profit before tax	271,500,191,481	481,447,406,089
4	Profit after tax	213,310,100,261	376,152,047,249

- Votes in favor accounted for 99.73%

**Article 6.**

The 2015 AGM approved the final cash dividend of 2015 as below:

- Dividend pay-out rate: 9.3% of par value (*equivalent to VND 930 per share*)
- Payment method: In cash
- Implementation time:
  - Expected record date: 06 May 2016
  - Expected payment date: 27 May 2016
- 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 68.03%

**Article 7.**

The 2015 AGM approved the dividend plan for 2016 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 2016 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 2016 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 99.69%

**Article 8.**

The 2015 AGM approved the 2015 profit distribution plan of HSC. The details as follow:

*Unit: VND*

No	ITEMS	PERFORMANCE Y2015		PERFORMANCE Y2014	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	<b>PROFIT BEFORE TAX</b>		<b>271,500,191,481</b>		<b>481,447,406,089</b>
II	<b>PROFIT AFTER TAX</b>	<b>100%</b>	<b>213,310,100,261</b>	<b>100%</b>	<b>376,152,047,249</b>
III	<b>PROPOSED PROFIT AFTER TAX DISTRIBUTION</b>	<b>99.99%</b>	<b>213,298,078,178</b>	<b>87.51%</b>	<b>329,185,589,696</b>
1	Appropriation to Equity Funds	13.50%	28,796,863,535	15.50%	58,303,567,324
	<i>Supplementary capital reserve</i>	<i>5.00%</i>	<i>10,665,505,013</i>	<i>5.00%</i>	<i>18,807,602,362</i>
	<i>Compulsory reserve fund</i>	<i>5.00%</i>	<i>10,665,505,013</i>	<i>5.00%</i>	<i>18,807,602,362</i>
	<i>Welfare and reward fund</i>	<i>3.50%</i>	<i>7,465,853,509</i>	<i>5.50%</i>	<i>20,688,362,599</i>
2	Cash dividend payment	85.29%	181,941,493,440	71.01%	267,120,501,900
	<i>Interim dividend (5% of per value)</i>	<i>29.81%</i>	<i>63,592,708,500</i>	<i>16.91%</i>	<i>63,614,791,500</i>
	<i>Proposed final dividend (9,3% of per value)</i>	<i>55.48%</i>	<i>118,348,784,940</i>	<i>54.10%</i>	<i>203,505,710,400</i>
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1.20%	2,559,721,203	1.00%	3,761,520,472
IV	<b>RETAINED PROFIT (IV)=(II)-(III)</b>	<b>0.01%</b>	<b>12,022,083</b>	<b>12.49%</b>	<b>46,966,457,553</b>
V	<b>RETAINED PROFITS OF AT THE BEGINNING OF THE YEAR</b>		<b>361,488,336,029</b>		<b>314,521,878,476</b>

No	ITEMS	PERFORMANCE Y2015		PERFORMANCE Y2014	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
VI	TOTAL RETAINED EARNINGS AT THE END OF THE YEAR (VI)=(IV)+(V)		361,500,358,111		361,488,336,029

➤ Votes in favor accounted for 99.74%

#### Article 9.

The 2015 AGM 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 2016 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 99.73%

#### Article 10.

The 2015 AGM approved:

1. HSC to become a derivative trading organization and derivative service provider in the derivatives market, details as follows:
  - (i) The trading member
  - (ii) Business registration for derivative consultancy, derivative brokerage and derivative dealing
  - (iii) Business registration for supply of derivative transaction clearing and settlement service
  - (iv) The market – making member
2. The 2015 AGM approved the authorization to the BOD to complete the lawful applications sending to the competent agencies, as follows:
  - (i) The Application for Certificate of eligibility for derivative trading
  - (ii) The Application for Certificate of eligibility for supply of derivative clearing and settlement service
  - (iii) The market – making contract
3. The 2015 AGM approved the authorization to the BOD to amend and supplement the HSC Charter with regulations on derivative trading after Certificate of eligibility for derivative trading and Certificate of eligibility for supply of derivative clearing and settlement service to be granted by the

State Securities Committee of Vietnam as well as the Market – making Contract to be signed between HSC and the Stock Exchange.

- Votes in favor accounted for 99.75%

#### **Article 11.**

The 2015 AGM approved the Employee Stock Ownership Plan for the year 2016 (ESOP 2016). The details as below:

1. Name of securities : Share of HoChiminh City Securities Corporation (HCM)
2. Stock type: Ordinary share
3. Par value: VND10,000 /Share
4. Total number of issued shares: 127,256,758 shares
5. Number of outstanding shares: 127,185,395 shares
6. Number of treasury shares: 71,363 shares (*at 31 March 2016*)
7. Estimated number of issued shares: 2,500,000 shares
8. Issue price: VND18,000 /Share
9. Total value of issuance at par: VND 25,000,000,000
10. Total value of issuance: VND45,000,000,000
11. Issue ratio: 1,96%
12. Sources of capital to issue: The Company 's Welfare and Reward Fund at 30 June 2016 and the employees' paymnet  
In which:
  - Total value of the Welfare and Reward Fund: VND14,000,000,000
  - Total value of the employees' payment: VND31,000,000,000
13. Applicable employees: Company's management employees
14. Limited ownership ratio of the foreign employees: 49%
15. Transfer restriciton: Shares issued to the Company employees shall be restricted in accordance with the Rules - Policies on Employee Share Ownership Plan 2016 adopted by the Board of Directors of Ho Chi Minh City Securities Corporation.
16. Transfer ratio and time frame:
  - At the end of the first year (12 months after the completed issuance of ESOP 2016 ) , the employees shall only be allowed to transfer up to 40% of the total Issued and Transferred Shares.
  - At the end of the second year (24 months after the completed issuance of ESOP 2016 ) , the employees shall only be allowed to transfer up to 30% of the total Issued and Transferred Shares.
  - At the end of the third year (36 months after the completed issuance of ESOP 2016 ) , the employees shall be allowed to transfer up to 30% all of the remaining Issued and Transferred Shares.

17. Treatment of refused shares: In case the employees refuse to exercise the rights to buy their allocated shares, the Board of Directors shall allocate total number of refused shares to another employees depending on his/her years' seniority.
18. Revocation of issued and transferred shares
  - If an employee resigns, the Company will buy his remaining transfer restricted shares at the price which equals his contributed amount plus non-term interest for the period from issue date to the re-purchase date. These shares will be available for transfer once Vietnam Securities Depository (VSD) – Ho Chi Minh City Branch approves the ownership transfer.
  - The treatment of other cases will be applied in accordance with with the Rules - Policies on Employee Share Ownership.
19. Estimated time of issuance: Authorize the Board of Directors to decide on flexible time.
20. Authorization: Authorize the Board of Directors:
  - Deciding the list of the employees who are bought shares and the allocation of share for each employees;
  - Conducting necessary procedures to complete the issuance of ESOP 2016 in accordance with regulations of the Company Charter and the documents guiding the implementation of Law;
  - Registering additionally and listing of newly issued shares of ESOP 2016 at Vietnam Securities Depository ("VSD") and Hochiminh Stock Exchange ("HOSE") after completing the issuance;
  - Assigning the Board of Directors and the Board of Management to amend the Company Charter accordingly in charter- capital - related articles upon the result of the issuance; executing the registration of increased charter capital to amend Business Registration Certification of HSC at State Securities Commission ("SSC") after completing the issuance

➤ Votes in favor accounted for 98.23%

#### **Article 12.**

The 2015 AGM approved the resignation of the BOD members and the BOS members for the term III (2011 – 2015). This resignation takes effect from the closing of the FY2015 AGM on 21 April 2016, as follows:

- The BOD members:
  1. Mr. Do Hung Viet
  2. Mr. Le Anh Minh
  3. Mr. Nguyen Thanh Liem
  4. Mr. Le Thang Can
  5. Mr. Pham Nghiem Xuan Bac
  6. Mr. Johan Nyvene
  7. Mr. Trinh Hoai Giang



- The BOS members:
  1. Mr. Vo Van Chau
  2. Mr. Doan Van Hinh
  3. Ms. Dang Nguyet Minh

➤ Votes in favor accounted for 98.39%

The 2015 AGM approved the list of candidate(s) nominated for the BOD members and the BOS members for the term IV (2016 – 2020) ,as follows:

- The list of candidate(s) nominated to the BOD members:
  1. Full name: Le Hoang Anh  
Year of birth: 1968  
Nationality: Vietnamese  
ID number: 022001681  
Permanent address: Thanh An Hamlet, Trung An Commune, Cu Chi Dist., HCMC
  2. Full name: Pham Nghiem Xuan Bac  
Year of birth: 1961  
Nationality: Vietnamese  
ID number: 010160129  
Permanent address: No. 33, Alley 6/14, Doi Nhan Str., Ba Dinh Dist., Hanoi
  3. Full name: Le Thang Can  
Year of birth: 1976  
Nationality: Vietnamese  
ID number: 025776876  
Permanent address: No.60/21/6 4 Street, KP5, Truong Tho, Thu Duc District, HCMC
  4. Full name: Johan Nyvene  
Year of birth: 1965  
Nationality: American  
Passport number: 461756487  
Permanent address: No.43, No.2 Str., Nam Phu, Tran Trong Cung, Tan Thuan Dong Ward, Dist. 7, HCMC
  5. Full name: Nguyen Thanh Liem  
Year of birth: 1958  
Nationality: Vietnamese  
ID number: 020829128  
Permanent address: No.684/34 Tran Hung Dao Str., Ward 2, Dist.5, HCMC

6. Full name: Le Anh Minh

Year of birth: 1969

Nationality: Vietnamese

ID number: 022382871

Permanent address: No.101/18 Nguyen Chi Thanh Str., Ward 9, Dist.5, HCMC

7. Full name: Do Hung Viet

Year of birth: 1954

Nationality: Vietnamese

ID number: 024097658

Permanent address: No.239 Nguyen Thi Minh Khai Str., Nguyen Cu Trinh Ward, Dist.1, HCMC

- The list of candidate(s) nominated to the BOS members:

1. Full name: Vo Van Chau

Year of birth: 1953

Nationality: Vietnamese

ID number: 020588185

Permanent address: No.18/4 Thich Quang Duc Str., Ward 5, Phu Nhuan Dist., HCMC

2. Full name: Doan Van Hinh

Year of birth: 1953

Nationality: Vietnamese

ID number: 020561861

Permanent address: No.136bis/8 Ly Chinh Thang Str., Ward 7, Dist. 3, HCMC

3. Full name: Dang Nguyet Minh

Year of birth: 1987

Nationality: Vietnamese

ID number: 012500137

Permanent address: Room 509, Lot B, An Khang Building, An Phu Ward, Dist. 2, HCMC

➤ Votes in favor accounted for 98.39%

The 2015 AGM approved the list of the BOD members and the BOS members for the term IV (2016 – 2020). The details as below:

- The BOD members:

1. Mr. Do Hung Viet

2. Mr. Le Anh Minh

3. Mr. Nguyen Thanh Liem

4. Mr. Le Thang Can

5. Mr. Pham Nghiem Xuan Bac
6. Mr. Johan Nyvene
7. Mr. Trinh Hoai Giang

- The BOS members:
  1. Mr. Vo Van Chau
  2. Mr. Doan Van Hinh
  3. Ms. Dang Nguyet Minh

*(Attached the election minutes)*

**Article 13.**

This Resolution takes effect from the signing date, all shareholders of Ho Chi Minh City Securities Corporation, the BOD members, the BOS members 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,