



Hochiminh City Securities Corporation (HSC)

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Ho Chi Minh City, April 17th, 2014

[DRAFT]

RESOLUTION

OF THE 2013 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. 01/2014/BB-ĐHĐCĐ dated Apr 17th, 2014 of the 2013 AGM of Ho Chi Minh City Securities Corporation.

RESOLVED

Article 1.

The 2013 AGM approved the report on activities in 2013 of the Board of Directors (BOD) of Ho Chi Minh City Securities Corporation.

➤ Votes in favor accounted for...

Article 2.

The 2013 AGM approved the Income Statement for 2013 of HSC, in which some main indicators as below:

Unit: VND mil

ITEM	2013	2012	Fluctuation (%)	2013 Plan	Completion of 2013 Plan (%)
INCOME STATEMENT (VND mil)					
Revenue	634.760	562.372	13%	567.282	112%

ITEM	2013	2012	Fluctuation (%)	2013 Plan	Completion of 2013 Plan (%)
Individual Clients Division	263.383	272.076	-3%	276.920	95%
Institutional Clients Division	121.847	61.984	97%	67.513	180%
Corporate Finance Division	22.556	9.577	136%	38.000	59%
Principal Investment Division	84.944	22.275	281%	47.094	180%
Treasury Division	142.120	196.857	-28%	137.755	103%
Operating expenses	260.049	255.685	2%	250.939	104%
Profit from business activities	374.711	306.686	22%	316.343	118%
Other profit	718	158	355%	-	-
Profit before tax	375.428	306.844	22%	316.343	119%
Profit after tax	282.174	246.381	15%	237.257	119%
BALANCE SHEET (VND mil)					
Total asset	3.127.781	3.198.935	-2%	3.352.111	93%
Owners' equity	2.247.348	2.162.514	4%	2.281.143	99%
FINANCIAL INDICATORS					
Total operating expenses/ Total service fees	117,1%	157,4%	-	129,1%	-
Return on average assets (ROAA)	8,9%	8,5%	-	7,7%	-
Return on average equity (ROAE)	12,8%	11,8%	-	10,7%	-
INDICATORS FOR ONE SHARE					
No. of outstanding shares	127.249.720	100.565.957	27%	100.565.957	127%
Earnings per share EPS – VND	2.241	1.979	13%	2.359	95%
Book value per share – VND	17.661	21.503	-18%	22.683	78%
Dividend – VND	1.700 (*)	2.000	-15%	N/A	N/A
Market price at year-end – VND	24.500	21.600	13%	N/A	N/A
P/E (time)	10,9	10,9	0%	N/A	N/A
P/B (time)	1,4	1,0	38%	N/A	N/A
Market capital (VND mil)	3.117.618	2.172.225	44%	N/A	N/A
Total Shareholders's return	51%	69%			

(*) Temporary figures depend on the approval of the 2013 AGM

➤ Votes in favor accounted for...

Article 3.

The 2013 AGM approved the business plan for 2014 of HSC with the following expectations:

- The average trading value of the whole market will be VND2,500 bil/day, an increase of 79% as compared with 2013;
- The brokerage market share of individual clients will be 7.5% and of institutional clients will be 4.1%, a decrease of 5% as compared with HSC's brokerage market share in 2013;
- Average interest rate for 1 month bank deposits will be 5.5% per annum, 7,5% down on the previous year;
- Average interest rate for margin lending will be 13% per annum (last year: 16.9%) and average margin debt balance will be VND1,500 bil, 63% up on 2013 (VND922 bil);
- Corporate income tax rate will change from 25% to 22% from 2014 according to the change in tax policy.

The financial indicators in the business plan for 2014 of the Company as follow:

Unit: VND mil

ITEM	Plan 2014	2013	Fluctuation (%)/Actual 2013
TOTAL REVENUE	744.761	634.760	17%
Individual Clients Division	387.951	263.383	47%
Institutional Clients Division	129.795	121.847	7%
Corporate Finance Division	33.000	22.556	46%
Principal Investment Division	132.475	84.944	56%
Treasury Division	61.540	142.120	-57%
TOTAL OPERATING EXPENSE	306.951	260.049	18%
Profit from business activities	437.810	374.711	17%
Other profit	-	718	-100%
PROFIT BEFORE TAX	437.810	375.428	17%
PROFIT AFTER TAX	341.492	282.174	21%
Return on average equity (ROAE)	15,4%	12,8%	

➤ Votes in favor accounted for...

Article 4.

The 2013 AGM approved the report on the Company's operations in 2013 of the Board of Supervision.

➤ Votes in favor accounted for

Article 5.

The 2013 AGM approved the Financial Statements for the year 2013 including:

- Independent Auditors' report;
- Balance Sheet as at Dec 31st, 2013;
- Income Statement for 2013;
- Cash Flow Statement;
- Notes for Financial Statements,

In which:

Some basic items in the 2013 Financial Statements of HSC as below:

Unit: VND

No.	ITEM	Actual 2013	Actual 2012
1	Total revenue	3.127.781.068.922	3.198.935.315.414
2	Net revenue	634.759.577.700	562.371.939.466
3	Profit before tax	375.428.362.311	306.844.193.438
4	Profit after tax	282.174.310.748	246.380.523.819

➤ Votes in favor accounted for

Article 6.

The 2013 AGM approved the final cash dividend of 2013 as below:

- Dividend Rate: 12% (*equivalent to VND1.200/ share*)
- Payment method: In cash
- Implementation time:
 - The expected record date: May 08th, 2014
 - The expected Payment date: May 28th, 2014
- Personal income tax (PIT): The AGM authorized 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

Article 7.

The 2013 AGM approved the dividend plan for 2014 of HSC as below:

- Dividend rate: Based on the Company's actual business result at the dividend payment time, the AGM authorized the BOD to decide the 2014 dividend rate of 12% of the par value (equivalent to VND1.200 per share).
- Payment method: In cash
- Implementation time: The AGM authorized the BOD to choose the suitable date to pay the 2014 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

Article 8.

The 2013 AGM approved the 2013 profit distribution plan of HSC. The details as follow:

Unit: VND

No	ITEMS	PERFORMANCE Y2013		PERFORMANCE Y2012	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	PROFIT BEFORE TAX Y2013		375.428.362.311		306.844.193.438
II	PROFIT AFTER TAX Y2013	100%	282.174.310.748	100%	246.380.523.819
III	PROPOSED PROFIT AFTER TAX DISTRIBUTION	90,48%	255.322.717.989	97,61%	240.480.134.311
1	Appropriation to Equity Funds	17,5%	49.380.504.382	15%	36.957.078.573
	<i>Supplementary capital reserve</i>	5%	14.108.715.538	5%	12.319.026.191
	<i>Compulsory reserve fund</i>	5%	14.108.715.538	5%	12.319.026.191
	<i>Welfare and reward fund</i>	7,5%	21.163.073.306	5%	12.319.026.191
2	Cash dividend payment	71,98%	203.120.470.500	81,61%	201.059.250.500
	<i>Interim dividend (5% of par value)</i>	17,87%	50.420.806.500	20,41%	50.291.151.500
	<i>Proposed final dividend (12.% of par value) (*)</i>	54,12%	152.699.664.000	61,19%	150.768.099.000
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1%	2.821.743.107	1%	2.463.805.238
IV	RETAINED PROFIT Y2013 (IV)=(II)-(III)	9,52%	26.851.592.760	2,39%	5.900.389.508
V	RETAINED PROFITS OF THE PREVIOUS YEARS BROUGHT FORWARD		312.436.387.883		306.535.998.375
VI	TOTAL RETAINED EARNINGS CARRIED				

No	ITEMS	PERFORMANCE Y2013		PERFORMANCE Y2012	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
	FORWARD (VI)=(IV)+(V)		339.287.980.643		312.436.387.883

(* Temporary figures depend on the AGM's decision on the 2013 final dividend rate)

➤ Votes in favor accounted for ...

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 2014 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 ...

Article 10.

The 2013 AGM approved to authorize the BOD to decide the time and to increase foreign investors' ownership ratio to the new maximum in accordance with the applicable law regulations when the related authorities promulgate the Decision on the holding rate of foreign investors on the Vietnamese Securities Market (*replacing the Decision No. 55/2009/QĐ-TTg dated Apr 15th, 2009 on the holding rate of foreign investors on the Vietnamese Securities Market*)

➤ Votes in favor accounted for ...

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**

DO HUNG VIET