

PROPOSAL
ANNUAL GENERAL MEETING OF SHAREHOLDERS FY2021
HO CHI MINH CITY SECURITIES CORPORATION

Subject: Dividend rate of 2nd dividend payment in 2021

Based on:

- *In accordance with Law on Enterprises No.59/2020/QH14 issued by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020 and the documents guiding the implementation of Law on Enterprise;*
- *In accordance with Law on Securities No.54/2019/QH14 issued by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019 and some documents guiding the implementation of Securities Law;*
- *HSC's Corporate Charter according to AGM Resolution No.02/2021/NQ-ĐHĐCĐ dated 22 April 2021,*

The Annual General Meeting of Shareholders (“AGM”) of Ho Chi Minh City Securities Corporation (“the company”) for the FY2020 approved the plan to distribute FY2021 dividends, which are based on the net profit of HSC in 2021 after appropriating funds and budgets for activities in accordance with HSC’s Charter and applicable laws.

Pursuant to the AGM Resolution No. 02/2021/NQ-ĐHĐCĐ dated April 22, 2021 of the AGM, the Board of Directors (“BoD”) distributed the first interim FY2021 cash dividend and now would like to propose the AGM to approve the distribution of the second interim FY2021 cash dividend and 2021 stock dividend as below.

A. Distribution of the first interim FY2021 dividend

The BoD distributed the first interim FY2021 dividend as follows:

1. Ratio: 5% (equivalent to VND500 per share)
2. Payment method: Cash
3. Record date: December 07, 2021
4. Payment date: January 06, 2022

B. Distribution of second interim FY2021 dividend

The BoD would like the AGM to approve the second FY2021 dividends as follows:

I. The second FY2021 cash dividend

1. Name of share: Share of Ho Chi Minh City Securities Corporation (HSC)
2. Type of shares: Ordinary shares
3. Par value: VND10,000 per share
4. Charter capital: VND4,580,523,670,000
5. Ratio: 2.5% (equivalent to VND250 per share)
6. Payment method: Cash
7. Implementation time:
 - Record date: August 25, 2022



- Expected payment date: September 15, 2022
8. Personal income tax (PIT): The AGM authorizes the BoD to deduct the PIT of shareholders corresponding to the dividend income and, on behalf of the shareholders, to pay the deducted PIT to the tax authorities in accordance with applicable laws.

II. FY2021 stock dividend

The plan to issue shares to pay dividend (the “Plan”)

1. Name of share: Share of Ho Chi Minh City Securities Corporation (HSC)
2. Type of shares: Ordinary shares
3. Par value: VND10,000 per share
4. Total number of shares in issue: 458,052,367 (Four hundred and fifty eight million, fifty two thousand, three hundred and sixty seven) shares
5. Total number of outstanding shares: 457,211,949 (Four hundred and fifty seven million, two hundred and eleven thousand, nine hundred and forty-nine) shares
6. Total number of treasury shares: 840,418 (Eight hundred and forty thousand, four hundred and eighteen) shares
7. Total number of shares to be issued: 68,581,792 (Sixty eight million, five hundred and eighty-one thousand, seven hundred and ninety-two) shares
8. Total par value of shares to be issued: VND685,817,920,000 (Six hundred and eighty-five billion, eight hundred and seventeen million, nine hundred and twenty thousand Vietnamese Dong)
9. Issuance ratio: 15% on charter capital as at the date of the Plan (Example: a shareholder who owns 1,000 shares are entitled to receive 150 newly issued shares)
(Issuance ratio: newly issued shares/ total number of outstanding shares as at the record date)
10. Purpose of the issuance: To pay the second interim FY2021 dividend
11. Source of capital: Retained earnings as at December 31, 2021 as stated in the FY2021 audited financial statements of HSC
12. Participants in the issuance: Existing shareholders on the list of shareholders at the record date provided by Vietnam Securities Depository Center for the purpose of paying FY2021 stock dividend
13. Method of implementation: Shareholders who are entitled to receive FY2021 stock dividend will exercise the right to receive newly issued shares and are not allowed to transfer the right.
14. Processing with arising odd shares (if any): The number of shares to be issued to existing shareholders for the purpose of paying FY2021 stock dividend will be rounded down to unit digit. The decimal fraction (if any) will be canceled.

Example: As at the record date, Nguyen Van A owns 1,001 HCM shares and therefore will be entitled to receive $1,001 \times 0.15 = 150.15$ shares. The decimal fraction (0.5) is rounded down to zero and thus is canceled. Therefore, the shareholder will receive 150 shares.
15. Expected time of share issuance: In 2022 after HSC receives the approval of the State Securities Commission (“SSC”). The AGM authorizes the BoD to select the time of share issuance in accordance with approval of the AGM and applicable laws.
16. A positive variance between retained earnings that are expected to be used for FY2021 stock dividend (based on par value of VND10,000 per share) and the total par value of shares actually issued to existing shareholders (based on par value of VND10,000 per share) will be retained at retained earnings of HSC.

17. Authorization for the BoD:

1. Decide the record date to finalize the list of shareholders and carry out procedures for obtaining necessary approval from the State agencies to implement the Plan;
2. Decide on the capital source and the specific time to issue shares to pay FY2021 stock dividend according to the method approved by the AGM and in accordance with applicable laws;
3. Develop a detailed plan to submit and supplement (if requested) required dossiers and procedures to relevant State agencies in compliance with applicable laws;
4. Carry out procedures to amend the content of Charter capital in the Certificate of Business Registration and the company's Charter upon completion of the Plan;
5. Carry out procedures to register the newly issued shares at the Vietnam Securities Depository Center and register for listing of the shares at the Ho Chi Minh City Stock Exchange upon completion of the Plan; and
6. Carry out all other related works and procedures to implement the Plan in accordance with applicable laws or requests of relevant State agencies.

The Board of Directors would like to submit to the AGM for your respective approval.

**FOR AND BEHALF OF
THE BOARD OF DIRECTORS
CHAIRMAN**



A handwritten signature in blue ink, appearing to read "Johan Nyvene".

JOHAN NYVENE

To:

- As above-mentioned
- BOD Office for archiving

