

No.05/2019/TT- HĐQT

Ho Chi Minh City, 08 April 2018

## THE 2018 ANNUAL GENERAL MEETING PROPOSAL

*Subject: FY2018 profit distribution plan*

*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 24 November 2010 and some documents guiding the implementation of Securities Law;*
- *The twelfth amendment of HSC Charter according to the AGM Resolution No.01/2018/NQ-ĐHĐCĐ dated 26 April 2018;*

Based on FY2018 Income Statement of the Board of Management; Report of the Supervisory Board on the Company's activities 2018; FY2018 Financial Statements audited by the independent audit firm to be approved by the Board of Directors (*the "BOD"*) and the regulations on appropriation rate to funds as set forth in HSC Charter, the BOD would like to submit FY2018 profit distribution plan to the Annual General Meeting (*"the AGM"*) for your respective consideration and approval.

The profit after tax for the fiscal year 2018 is VND **675,480,154,372**, the BOD would like to propose the profit distribution plan as follows:

*Unit: VND*

No	ITEMS	FY2018 PERFORMANCE		FY2017 PERFORMANCE	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	PROFIT BEFORE TAX		842,185,654,984		692,600,803,982
II	PROFIT AFTER TAX	100%	675,480,154,372	100%	554,059,163,742
III	PROPOSED PROFIT AFTER TAX DISTRIBUTION	54.42%	367,620,630,034	65.21%	361,300,449,226
1	Appropriation to Equity Funds	5.00%	33,774,007,719	14.60%	80,893,588,970
	Supplementary capital reserve (*)		-	2.30%	12,743,836,298
	Compulsory reserve fund (*)		-	2.30%	12,743,836,298
	Welfare and reward fund	5.00%	33,774,007,719	10.00%	55,405,916,374



No	ITEMS	FY2018 PERFORMANCE		FY2017 PERFORMANCE	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
2	Cash dividend payment	47.92%	323,714,420,000	49.11%	272,095,972,800
	Interim dividend (6% of per value)	11.51%	77,732,500,800	14.03%	77,742,220,800
	Proposed final dividend (19% of per value) (**)	36.42%	245,981,919,200	35.08%	194,353,752,000
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1.50%	10,132,202,316	1.50%	8,310,887,456
IV	RETAINED PROFIT (IV)=(II)-(III)	45.58%	307,859,524,338	34.79%	192,758,714,516
V	RETAINED PROFITS OF AT THE BEGINNING OF THE YEAR		574,242,321,450		381,483,606,934
VI	INCREASE CHARTER CAPITAL USING OWNERS' EQUITY		(533,338,591,501)		
VII	TOTAL RETAINED EARNINGS AT THE END OF THE YEAR (VII)=(IV)+(V)-(VI)		348,763,254,287		574,242,321,450

(\*) According to Circular 146/2014/TT-BTC issued on 06 October 2014, the Company is required to make annual appropriation to the Supplementary capital reserve and Compulsory reserve fund at 5% of the profit after tax of the Company for each reserve in each of its profitable year until the accumulated balance of each reserve reaches 10% of the Company's Charter capital. HSC finished to make appropriation to the Supplementary capital reserve and Compulsory reserve fund in fiscal year 2017. Therefore, HSC is not required to make appropriation to these funds in fiscal 2018.

(\*\*) Temporary figures depending to the AGM's decision on the FY2018 final dividend rate.

(\*\*\*) Based on Resolution No.02/2018/NQ-ĐHĐCĐ dated 22 October 2018 and Licence No.08/GCN-UBCK dated 24 January 2019, HSC issued 86,368,239 shares (Total value of issuance at par value: VND 863.682.390.000) to existing shareholders to increase charter capital using owners' equity. Capital sources are extracted from the share premium and the undistributed earnings as at 31 December 2017. The details are as follows:

- The share premium: VND 330,343,798,499
- The undistributed earnings: VND 533,338,591,501

The BOD would like to submit to the AGM for your respective approval.

For and on behalf of the Board of Directors  
CHAIRMAN



DO HUNG VIET

To:

- As mentioned above;
- BOD Office for record,