

Code HSG
Company name Hoa Sen Group
Date 01/06/2017
Subject Resolution of Annual General Meeting 2017

Content:

Hoa Sen Group announced the resolution dated January 06, 2017 of Annual General Meeting of Shareholders for 2016-2016:

Article 1: AGM approved the operational report of the Board of Directors for the FY 2015 – 2016 and operational orientation for the FY 2016 – 2017; report on business result for the FY 2015 – 2016 and business plan for the FY 2016 – 2017:

1. Approve the operational report of the Board of Directors for the FY 2015 – 2016 and operational orientation for the FY 2016 – 2017;
2. Approve the report on consolidated business result for the FY 2015 – 2016:

No.	Item	Unit	Plan of the FY 2015 – 2016	Result of the FY 2015 – 2016	Difference
1	Total sales volume	Ton	1,166,000	1,317,101	113%
1.1	- <i>Finished products</i>	<i>Ton</i>	<i>1,100,000</i>	<i>1,242,579</i>	<i>113%</i>
1.2	- <i>By-products</i>	<i>Ton</i>	<i>66,000</i>	<i>74,522</i>	<i>113%</i>
2	Net revenue	Billion VND	14,280	17,894	125%
3	Consolidated profit after tax	Billion VND	660	1,504	228%

3. Approve the report on consolidated business plan for the FY 2016 – 2017:

No.		Unit	Result of the FY 2015 – 2016	Plan of the FY 2016 – 2017	Difference	
					Amount	%
1	Total sales volume	Ton	1,317,101	1,575,000	257,899	120%
1.1	- <i>Finished</i>	<i>Ton</i>	<i>1,242,579</i>	<i>1,242,579</i>	<i>243,421</i>	<i>120%</i>
1.2	- <i>By-products</i>	<i>Ton</i>	<i>74,522</i>	<i>89,000</i>	<i>14,478</i>	<i>119%</i>
2	Net revenue	Billion VND	17,894	23,000	5,106	129%
3	Consolidated profit after tax	Billion VND	1,504	1,650	146	110%

Article 2: AGM approved the separate financial statements of parent company and the consolidated financial statements for 2015-2016 audited by Ernst & Young VietNam Co., Ltd.

Article 3: AGM approved the reports on dividend payment and capital increase of Hoa Sen Group.

1. Report on dividend payment for 2014-2015:

No.	Item	Payment ratio	Payment method	Payment date
1	First dividend for 2014-2015	25% (VND2.500 for a share)	Cash	April 28, 2016
2	Second dividend for 2014-2015	50%	Stock	July 01, 2016

2. Dividend plan for FY 2015-2016

- Maximum dividend rate: 85%, of which:

- Cash dividend: maximum of 10%/par value
- Issue share to the existing shareholders: maximum of 75%

3. Fund distribution for FY 2015-2016:

No.	Name of fund	Distribution ratio on Profit after tax	Distribution amount (dong)
1	Bonus fund	3%	45,125,803,293
2	Welfare fund	2%	15,041,934,431
3	Charity fund	3%	45,125,803,293
	Total		105,293,541,017

4. Fund distribution for FY 2016-2017:

No.	Name of fund	Distribution ratio on Profit after tax
1	Bonus fund	3%
2	Welfare fund	1%
3	Charity fund	3%

Article 4: AGM approved compensations for the Board of Directors, the Board of Supervisors in FY 2015-2016 and plan for 2016-2017:

Compensations for FY 2015-2016:

No.	Position	Amount (dong/person/month)
1	Chairman of the BOD	30,000,000
2	Deputy Chairman of the BOD	25,000,000
3	Member of the Board of Directors	20,000,000
4	Head of the Board of Supervisors	20,000,000
5	Member of the Board of Supervisors	15,000,000

- Compensations and expense of the Board of Directors, the Board of Supervisors in FY 2016-2017: 1.5% of the audited consolidated profit after tax.

Article 5: AGM approved the report on projects of Hoa Sen Group in FY 2015-2016.

Article 6: AGM approved the report on operations of the Board of Supervisors in FY 2015-2016. The AGM authorized the Board of Directors to select one of four auditing companies for FY

2016-2017: Deloitte Viet Nam, Ernst & Young Viet Nam, KPMG Viet Nam, PricewaterhouseCoopers Viet Nam.

Article 7: AGM approved the policy on issuing shares via ESOP.

- Expected issue volume: 3,460,171 shares
- Issue ratio: 1.76% of total outstanding shares
- Issue price: VND10,000/share
- Issue date: FY 2016-2017

Article 8: AGM approved the policy on restructuring Hoa Sen Group.

Article 9: The resolution was adopted on January 06, 2017.