

Code **HPG**
Company name Hoa Phat Group Joint Stock Company
Date 02/17/2017
Subject Board Resolution No.03, 04 & 07

Content:

Hoa Phat Group Joint Stock Company announced Board Resolution No.03, 04 & 07 dated February 17, 2017 as follows:

Board Resolution No.03:

The Board of Directors approved the following issues:

1. Business plan and dividend for 2017:

1.1. Business plan for 2017:

- Revenue of the Group: 38,000 billion dongs
- Profit after tax of the Group: 5,000 billion

1.2. Dividend for 2017:

- Charter capital at 12/31/2017: 15,170 billion dongs
- Profit after tax of HPG: 4,997 billion dongs
- ESP: 3,294 dongs/share
- Dividend for 2017 (expected): 30%

2. Profit distribution plan:

2.1. Fund distribution in 2016:

- Financial reserve fund: 265 billion dongs
- Bonus and welfare fund: 330 billion dongs
- Remuneration of the Board of Directors: 66 billion dongs
- Bonus fund for the Management Board: 170 billion dongs

2.2. Fund distribution for 2017:

- Investment development fund: decided by the Board Chairman.
- Bonus and welfare fund: maximum 5% of the profit after tax
- Remuneration of the Board of Directors: maximum 1% of the profit after tax
- Bonus fund for the Management Board: maximum 5% of the profit exceeded plan.

2.3. Dividend for 2016:

- Payment rate: 50%, in stock

- Payment date: in Quarter 1 – 2/2017
- 2.4. Plan for issuing shares to the existing shareholders:
- Exercise ratio: 10:2 (Those who own 10 shares will be entitled to buy 02 new shares.)
 - Number of shares expected to issue: 250,000,000 shares
 - Total value of shares expected to issue: 2,500 billion dongs
 - Issue time: from Quarter 2/2017
 - Selling price: the Board of Directors was authorized to decide and the price will not lower than the par value.
 - Purpose of the public offering: The proceeds will be invested in Hoa Phat Dung Quat Steel Complex and be used to raise the Group's working capital.

Board Resolution No.04

The Board of Directors approved to restructure Hoa Phat Steel JSC and Hoa Phat Energy JSC:

1. Increase the capital at Hoa Phat Steel JSC:
 - Number of additional capital: 1,000 billion dongs
 - Current charter capital: 2,500 billion dongs (the ownership ratio of Hoa Phat Group JSC before increase: 99.9976%)
 - Charter capital after increase: 3,500 billion dongs (the ownership ratio of Hoa Phat Group JSC after increase: 99.9983%)
 - Appoint Mr. Tran Tuan Duong – Deputy Chairman, to managing the stake at Hoa Phat Steel JSC.
2. Transfer the stake of Hoa Phat Group JSC at Hoa Phat Energy JSC:
 - Information on the transferred stock:
 - + Number of shares to be transferred: 99,890,000 shares (99.89% charter capital of Hoa Phat Energy JSC.
 - + Stock type: common stock
 - + Par value: 10,000 dongs/share
 - + Issuer: Hoa Phat Energy JSC
 - Transferee: Hoa Phat Steel JSC
 - Transfer price: 998,900,000,000 dongs

Board Resolution No.07

The Board of Directors approved to implement Hoa Phat Dung Quat Steel Complex in Dung Quat Economic Zone – Quang Ngai Province and will submit it to the 2017 Annual General Meeting.

- Total investment: 52,000 billion dongs
- Project progress: from February 2017 to the end of 2019.