

Code **VPH**
Company name Van Phat Hung Corporation
Date 03/24/2017
Subject Resolution of AGM 2017

Content:

Van Phat Hung Corporation announced the resolution of the 2017 Annual General Meeting of Shareholders (AGM), which was organized on March 24, 2017:

Article 1: The AGM approved business performance in 2016 and business plan for 2017:

1.1 Business performance in 2016:

- Net revenue: 429,248,777,496 dongs
- Profit after tax: 80,845,712,879 dongs
- Net profit after tax: 6,275,740,412 dongs
- EPS: 1,725 dongs

1.2 Business and financial plan for 2017:

- Revenue: 873,100,000,000 dongs
- Profit after tax: 170,075,294,400 dongs

Article 2: The AGM approved report of the BOD.

Article 3: The AGM approved the 2016 audited financial statements.

Article 4: The AGM approved report of the Board of Supervisors.

Article 5: The AGM approved the 2016, 2017 profit distribution plan:

5.1 Report on the 2016 profit distribution:

No.	Content	Amount
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		(dong)
A	Profit after tax in 2016	80,845,712,879
B	Accumulated profit of previous year	17,544,238,544
C	Remaining undistributed profit (C = A + B)	98,389,951,423
D	Bonus and welfare fund 2% (D = A x 2%)	1,616,914,258
E	Expect to pay 15%/par value in stock for 2016, based on the new charter capital (635,797,000,000 dongs = Current charter capital + the first phase of issuance (equivalent to 105,996,160,000 dongs))	95,369,550,000
F	Remaining undistributed profit in the end of 2016 and transferred to FY 2017 (F=C-D-E)	1,403,487,165

5.2 The 2017 profit distribution:

No.	Content	Amount (dong)
A	Estimated profit after tax in 2017	170,075,294,400
B	Accumulated profit of previous year	1,403,487,165
C	Remaining undistributed profit (C = A + B)	171,478,781,565
D	Bonus and welfare fund 2% (D = A x 2%)	3,401,505,888
E	Expect to pay 20%/ par value in stock and cash for 2017, based on the new charter capital (756,598,430,000dongs) after two phases of stock issuance.	151,319,686,000
F	Remaining undistributed profit in the end of 2017 and transferred to FY 2018	16,757,589,677

Article 6: The AGM approved the plan for stock issuance to increase the charter capital.

6.1 Phase 1: Plan for issuing shares to the existing shareholders:

- Charter capital: 529,830,840,000 dongs
- Number of outstanding shares: 52,983,084 shares
- Charter capital after issuance: 635,797,000,000 dongs
- Issue ratio: 5:1 (Those who own 01 share will receive 01 right, and with every 05 rights will be entitled to buy 01 new share.)
- Number of shares to be issued: 10,596,616 shares
- Issue price: 10,000 dongs/share
- Total issue value: 105,966,160,000 dongs
- Restriction period: none
- Plan to deal with fractional and unsold shares: The number of shares distributed to each existing shareholder will be rounded down. The fractional share and the shares refused to buy will be offered to other investors by the Board of Directors, at the price not less than the one offered to the existing shareholders.

6.2 Phase 2: Plan for issuing shares to pay dividend and increase the charter capital:

- Estimated charter capital after the first phase of issuance: 635,797,000,000 dongs
- Number of estimated outstanding shares after the first phase of issuance: 63,579,700 shares
- Number of shares to be issued: 12,080,143 shares
- Total issue value: 120,801,430,000 dongs
- Charter capital after issuance: 756,598,430,000 dongs
- Exercise ratio: 100:19 (Those who own 01 share will receive 01 right, and with every 100 rights will receive 19 new shares)
- Plan to deal with fractional shares: The number of shares distributed to each existing shareholder will be rounded down. The fractional shares (if any) will be cancelled.

Article 7: The AGM approved the purchase of shares of C.T.C Trading Service Tourist Joint Stock Company and establish a new joint stock company:

- 7.1 The Board of Directors proposed to buy 100% stake at C.T.C Trading Service Tourist Joint Stock Company with the charter capital of 24.25 billion dongs. The transfer value will be 114.5 billion dongs.

7.2 The Board of Directors proposed to establish a new legal entity, of which Van Phat Hung Corporation will invest from 70% to 80% charter capital:

- Type of company: joint stock company
- Charter capital: 200 billion dongs
- Time of establishment: in 2017
- Time of operation: 50 years
- Function: real estate, construction, etc.

Article 8: The AGM approved remuneration to the Board of Directors and the Board of Supervisors in 2016 and 2017.

Article 9: The AGM authorized the BOD to choose auditing companies for fiscal year 2017

Article 10: The AGM authorized the BOD to transfer a part of La Casa Project at the value of 912 billion dongs.

Article 11: The AGM approved to amend the Articles of Association.

Article 12: The AGM approved to increase the number of member of Board of Directors in Term 2016 - 2021 from 05 members to 07 members, effective from the 2018 Annual General Meeting of Shareholders.